

Inquiry into enhancing Victorian university governance

Response to questions on notice



This submission provides responses to the questions on notice and clarifications to evidence given at the inquiry into enhancing Victoria university governance hearing of 15 May 2026.

Question: In 2024 the University of Melbourne engaged 92 consultants for contracts over 10,000 with a total expenditure of \$25.6 million dollars. What is the decision-making process for the University of Melbourne to hire consultancy firms? KPMG received \$8.8 million from a contract for business advisory services. It was a short-term contract. What does KPMG do in this capacity, and what was the outcome of that contract? I also note that 34 per cent of the contracts were stated as being business advisory services, short term. Why is the percentage so high, and what does 'short term' mean? If they are short term, why is the university continuing to engage with consultancy firms? Now, that's quite a detailed question – I am happy for you to take that on notice.

What is the decision-making process for the University of Melbourne to hire consultancy firms?

The University engages consultants where specialist expertise is not available internally, or where additional capacity is required to support priority work. This includes areas such as legal services, compliance and risk, information technology, and major projects, including engineering and infrastructure.

The University is focused on building internal capability and expertise, while minimising the use of consultants where possible. Where a need is identified, the relevant area must demonstrate that external support is justified, that the work cannot be effectively delivered using internal resources alone, and that the engagement represents value for money. The University's procurement then manages the sourcing process to ensure consultant selection is undertaken transparently and in accordance with the University's [procurement](#) and [contracts](#) policies, and probity framework.

KPMG received \$8.8 million from a contract for business advisory services. It was a short-term contract. What does KPMG do in this capacity, and what was the outcome of that contract?

KPMG was engaged as the accredited implementation partner for the University's new Workday enterprise resource planning system. This work formed part of the University's broader remediation response following the Enforceable Undertaking with the Fair Work Ombudsman in relation to historic underpayments. The engagement supported the design and implementation of the new ERP platform, including HR, finance, payroll, rostering and time and attendance capability, replacing legacy systems that were no longer fit for purpose.

The new Workday-based solution went live in May 2025. Of the \$8.8 million paid to KPMG in 2024, \$8.4 million related to this ERP implementation. The engagement provided specialist implementation capability that was not available internally at the scale required and was procured through the University's procurement processes.

I also note that 34 per cent of the contracts were stated as being business advisory services, short term. Why is the percentage so high, and what does 'short term' mean? If they are short term, why is the university continuing to engage with consultancy firms?

The University reviews consultancy engagements against the requirements of the Victorian Financial Reporting Direction (FRD22) Standard Disclosures in the Report of Operations. The University has conducted a comprehensive review of how it applies the definition of a consultancy to ensure alignment with FRD 22. This was applied to the 2025 Consultancy Disclosure.

Under FRD 22, there is no prescribed statutory definition for individual consultancy service categories. To support consistent reporting, the University applies internal guidance to classify engagements by service type.

For the purpose of that classification, Business Advisory Services (short term) refers to fixed-duration, non-ongoing engagements established to address a specific issue, review or project. These engagements are typically time-limited and scoped to deliver a defined outcome, rather than to provide an ongoing operational function.

The proportion reported in this category reflects the nature of the engagements captured in the 2024 disclosure, many of which related to discrete advisory or review-based projects. Examples in the previous 2024 Consultancy Disclosure included a review of animal care facilities by Nous Group.

Question: There has also been a decline – I cannot give you the exact number, sorry – in the employability of Melbourne University students on a domestic scale, and not a rapid decline. I am just wondering, given there is that sort of survey result and there is the employability stuff as well, if Melbourne University and the council is doing anything differently.

The University of Melbourne has experienced a decline in short-term, full-time employment outcomes; however, this reflects broader labour market conditions and the characteristics of our student cohort rather than a decline in underlying employability.

Graduate outcomes are measured through two national surveys: the [QILT Graduate Outcomes Survey \(GOS\)](#), conducted four to six months after completion, and the [QILT Graduate Outcomes Survey – Longitudinal \(GOS L\)](#), conducted three years after completion. The short-term decline observed in 2024 aligns with a national easing of labour market conditions following the peak employment period in 2022–23. Victorian institutions were particularly affected by labour market conditions and experienced some of the highest declines in undergraduate full-time employment. Importantly, labour force participation at Melbourne remains high, indicating graduates are continuing to engage in work or further study rather than withdrawing from the labour market.

Short-term outcomes are also influenced by the University's distinctive student profile and curriculum model. The University of Melbourne has a significantly younger undergraduate cohort than the sector average, and younger graduates are more sensitive to early career labour market fluctuations. The University's undergraduate outcomes are also influenced by the Melbourne Curriculum where professional employment disciplines such as law, medicine, nursing, engineering and teacher education are completed at the graduate level. A high proportion of graduates undertake further study immediately after their undergraduate degree, meaning they are not seeking full-time employment at the point the short term GOS survey is conducted.

This is reflected in the medium-term data, which provides a more accurate view of employability outcomes. For the same cohort of domestic undergraduates, full-time employment increases substantially over time, rising from 73.9% shortly after completion to 88.2% three years later. Postgraduate outcomes remain consistently strong, with 95.9% of domestic coursework graduates in full-time employment in the medium term. At the same time, 32.9% of undergraduates are in full-time study three years after completing their degree, reflecting they are still studying through the Melbourne Curriculum pathway into professional postgraduate qualifications.

Employer feedback further reinforces the strength of University of Melbourne graduate outcomes. National data shows high levels of employer satisfaction, with 84.2% of supervisors satisfied with their graduate employees, strong ratings for technical (94.0%) and foundation skills (93.3%), and 94.9% of employers reporting that graduates are well prepared for their work. This demonstrates that graduates are meeting employer expectations and are well equipped with the skills required for employment.

The University is actively strengthening employability outcomes, with a particular focus on supporting domestic students' transition into the workforce.

Employability is embedded in the curriculum itself, which combines deep disciplinary expertise with transferable skills such as critical thinking, communication and problem solving. This is supported by expanded experiential learning opportunities, including internships, industry-based projects, work integrated learning and capstone subjects that connect study to real world practice.

The University is also scaling targeted career readiness support. Through the Career Mapping framework, all students are assessed at key points in their degree and directed to tailored supports aligned to their readiness for employment. More than 40,000 students engage annually with careers and employability services, including one-to-one advising, employer engagement, mentoring and job ready skills development.

In addition, the University is strengthening pathways into employment through partnerships with industry and expanded opportunities for practical experience. This includes on-campus employment through the [Students@Work](#) program, as well as recognition of co-curricular achievement through the Melbourne Plus program, which provides formal credentials that help students articulate their capabilities to employers.

In 2025, the University commenced an institution-wide employability uplift initiative to ensure all students—particularly domestic undergraduates—have access to three core elements: experiential learning, strong connections with industry and alumni, and integrated academic and careers support.

While short-term outcomes reflect cyclical labour market conditions and the distinctive nature of the Melbourne student cohort, medium-term outcomes and employer feedback demonstrate strong and sustained employability. The University continues to take a targeted and evidence-based approach to strengthening graduate outcomes, with a clear focus on supporting domestic students into successful employment.

Clarification: Workforce Data (in response to questions from Mr. Dylan Wight)

In 2025, casual FTE represented 8.4% of the total workforce, a reduction from 9.2% in 2024. This figure is calculated by measuring continuing and fixed-term workforce figures as at 31 December 2025, while casual FTE was calculated based on a 12-month average of actual hours worked. This calculation differs slightly to the workforce data reported in the University's Annual Report, which requires a specific reporting methodology to support consistency and external benchmarking.

To ensure that the institution's organisational design aligns with and supports the University's academic mission, a comprehensive program of work was launched to increase secure employment. This commitment was reflected in the 2024 Enterprise Agreement, which incorporated undertakings to grow employment in continuing roles or on fixed-term contracts of 18 months or more (core workforce) above a baseline of at least 75% of our workforce, on a full-time equivalent (FTE) basis; and increase the proportion of continuing staff in that group.

In 2025, as recorded in our Annual Report, our core workforce (continuing roles and fixed-term roles of 18 months or more) has increased to 83 per cent (FTE), exceeding the 75 per cent (FTE) target set in the 2024 Enterprise Agreement, and up from 66 per cent (FTE) in 2019.