

TRANSCRIPT

LEGISLATIVE ASSEMBLY ECONOMY AND INFRASTRUCTURE COMMITTEE

Inquiry into Enhancing Victorian University Governance

Melbourne – Friday 15 May 2026

MEMBERS

Alison Marchant – Chair

Kim O’Keeffe – Deputy Chair

Roma Britnell

Anthony Cianflone

John Mullahy

Nicole Werner

Dylan Wight

WITNESSES

Professor Glyn Davis, Interim Vice-Chancellor, and

Dr Nancy Huggett, University Secretary, University of Melbourne.

The CHAIR: Welcome to the public hearings for the Legislative Assembly Economy and Infrastructure Committee's Inquiry into Enhancing Victorian University Governance. All mobile telephones should now be turned to silent.

All evidence given today is being recorded by Hansard and broadcast live on the Parliament's website. While all evidence taken by the committee is protected by parliamentary privilege, comments repeated outside of this hearing, including on social media, may not be protected by the privilege.

Witnesses will be provided with a proof version of the transcript to check. Verified transcripts and other documents provided to the committee during the hearing will be published on the committee's website.

Thank you so much for joining us today. We really appreciate it and appreciate you answering our questions. In the interests of time we are going to jump straight into questions, but maybe you could first introduce yourself and the role that you have.

Nancy HUGGETT: Hello. My name is Nancy Huggett, and I am the University Secretary at the University of Melbourne.

Glyn DAVIS: I am Glyn Davis. I am the Interim Vice-Chancellor of the University of Melbourne. I have been in the role for only 3½ months, so some of the historic questions I may struggle with.

The CHAIR: Thank you. Thank you very much. Kim.

Kim O'KEEFFE: Thank you so much. Thank you so much for being here. Thank you for your submission. It is really, really great. I think I would just like to start by asking: what legislative changes would the University of Melbourne like to see? It is a pretty broad question – maybe some of your priorities?

Glyn DAVIS: I do not think we are looking, necessarily, for any legislative changes. We certainly will work with whatever the Parliament of course delivers. But the question for us is the quality of the governance and the evidence about how that governance is operating. We have been over the last 30 years through a roller-coaster of basically large councils and then governments legislating for small councils and then complaining that councils are too small and legislating to grow them out again. That has been the pattern. I have been around in the sector long enough to remember councils with more than 30 people on them that were more like debating societies than governance. You, as do we, confront the traditional question of what is the right scale and what is the right size, for which there are no right answers – it is just what is the best we can get to in the circumstances.

Kim O'KEEFFE: Okay. I might just go over that question a bit more.

The CHAIR: That is fine.

Kim O'KEEFFE: In your submission you stated the University of Melbourne supported the principles from the Expert Council on University Governance. How was the University of Melbourne planning to implement the principles, and are there specific actions it is considering taking?

Glyn DAVIS: Nancy.

Nancy HUGGETT: Thank you. I can talk to that one. Like many other of our colleagues that have spoken so far, we did an in-depth gap analysis when the principles were published at the end of last year. We are broadly compliant, but we identified areas where we could enhance our governance. We actually had on hand a discussion with our graduate student association who had asked the council for an additional student member on the council, so that predated the report. That meant that at the end of last year council was able to approve the addition of a second student member, and that student member was elected two weeks ago and had his first council meeting last week. So that was a key enhancement.

Other things we have been doing that the principles have given us good guidance about is we have enhanced our council charter – we have included more information about delegated authority and matters that are reserved to council. We have enhanced our council skills matrix to make sure that there are objective criteria that show how those particular skills and experience are evaluated, and the skills matrix is now available publicly on the University of Melbourne website. Other things we have done is, through our governance and

nominations committee, council has looked at succession planning for our council members. So those kinds of suggestions from the expert council have been really useful and have been put into our practices already. And we have voluntarily reported in our annual report this year attendance at council committee meetings as well as council meetings, which was another part of the principles. So we are working through and making those enhancements, and I hope you can see the differences already.

Kim O'KEEFFE: Thank you.

The CHAIR: Anthony.

Anthony CIANFLONE: Thank you, Chair, and thank you again for appearing and for Melbourne University's submission. I just acknowledge that you are positioned physically, your main campus, at the doorstep of Melbourne's north; many of my local young people will be catching the number 19 tram and using the Upfield line at the new station there to come to uni. But my question is around transparency and openness, and taking your point as well around the university's view that there may not be a need for legislative change, but much of the evidence we have heard is very much to the contrary, particularly yesterday's. I acknowledge in your submission, particularly when it comes to young people, that the university, to its credit, holds an annual Melbourne Student Forum that hosts 100 young people from across the campuses to talk about the issues that matter to them. So my question is really on that: how do those views and those priorities, for example, get elevated right through the chain of command through to the university council, and how are those recommendations or priorities acquitted? And as a follow-up to that, how are the minutes and meeting decisions around the Melbourne Student Forum, but generally council decisions, made transparent post-meetings and post-decisions and communicated to the broader university community?

Glyn DAVIS: Thank you. I will just say a couple of words about broader student representation and then go to the specifics. There are at faculty, school and other levels informal and formal structures to involve students in discussions. There are student organisations which are drawn into our governance structures. There are student representatives who regularly speak to our academic board, which is our principal governing board for academic matters, as well as student reps on council. And you have heard that from everyone else who has spoken previously and everyone else who will speak. There are lots of multiple channels for discussion, there is not a single one. I have not experienced a student forum, which is a relatively recent innovation, so I am going to ask Nancy if she would like to speak to that.

Nancy HUGGETT: Yes, it would be my pleasure. Actually the student forum meets twice each semester, so there is more regular engagement with that forum. A couple of examples of where that feedback has translated through to decision-making and feedback that has come to council has been in relation to the forum's view on the university's anti-racism plan. Feedback from the forum was part of the wider feedback that then came through the management committees and to council. Last year we published our first anti-racism annual report, and that includes initiatives that we are undertaking but also transparently reports on the complaints that we have received, what the trends are and what we are doing about that. So that is one example. Another example is the student forum provided really useful feedback about the refresh of our strategic plan at the end of last year that Professor Emma Johnston ran. That feedback also came through the development of a refreshed plan which came to council at the end of last year and was approved there. And the forum is just one mechanism. We also take student feedback from our student associations. We have public feedback on all of our policies so students and staff can comment, and that feedback is gone through and we have better products as a result. You asked, Anthony, about transparency of council minutes as well.

Anthony CIANFLONE: Yes.

Nancy HUGGETT: We have a council news summary that has been published for the last couple of years. What I have been doing with my colleagues in the Association of Australian University Secretaries group is working on a more fulsome template. The University published our March summary, and you will see it is a lot longer and has more information that is tied to the expert council principles about various strategic and operational outcomes and material that council approved and also took note of. So, yes.

The CHAIR: Thank you. Roma.

Roma BRITNELL: In 2024 the University of Melbourne engaged 92 consultants for contracts over \$10,000, with a total expenditure of \$25.6 million. 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? That is quite a detailed question – I am happy for you to take that on notice.

Glyn DAVIS: Which we will do. There is also a tricky accounting question about what is a consultancy, and that changed between 2024 and 2026. If you look at our 2025 annual report tabled this week in the Victorian Parliament, which applies the new standards, you will see the consultancy spend that year was \$6,331,000, which is a spectacularly different result from the one you read, and that is partly to do with how these things are classified. But as you have heard in previous sessions, we hire consultants where we do not have the internal expertise and it is not worth acquiring the internal expertise. Among our most expensive consultancies last year was an engineering firm to help us think about the foundations we needed to put in for a building that we needed to construct. There is no prospect of us not having that expertise, and it is listed appropriately as a consultancy. We have to –

Roma BRITNELL: I am happy for you to take it on notice, because one of the parts of that – what was the outcome of the contract – is actually what you are outlining now. So that is probably best done within the context of answering the question. I might take the opportunity to just ask you a further question. The committee received several submissions citing a declining academic quality at the University of Melbourne due to poor governance. I imagine that academic quality outcomes would result in less educational outcomes. Can you please help me by explaining how workloads are monitored and what sort of governance goes across those decisions? Sorry, I will go back. Yesterday we heard how over the last 40 years there has been a change from academics running universities to a lot more corporate overlays that are more business focused. We have seen in the regions Melbourne Uni pull out of campuses like in my electorate, Glenormiston, and pull away from agricultural education because it is not economically viable. What actually is the mission of the university and how do you put the governance across making sure you have got the objectives of your mission being addressed and looked at?

Glyn DAVIS: Thank you for that. There is an awful lot in that to try and unpick it. You included an argument that academic leadership of universities has been handed over to executives or to corporations. Speaking as a lifelong academic who is running a university, I do not see that. I have heard it argued lots of times. I would remind you the University of Melbourne has gone broke several times, requiring government assistance, so there is some downside in not having people who have financial expertise heavily involved in accounting. Some of our governance structures reflect the fact that we have run into crises in the past where we have not had the expertise in our governance and we have run into severe problems. So the current structure you see is, in a sense, a response to the historical record.

In terms of declining academic standards, it is inevitably an opinion, because it is not clear what you are measuring. The golden great period of education was always 40 years ago, whenever your starting point is. I have heard the argument all my career that 40 years ago it was really great and now it is not. An interesting test of that is: what does student satisfaction show? Student satisfaction rates, which we have measured for a long time, have a historic level of between 78 and 80 per cent of students who are satisfied with the quality of the education they have received. The current figure at the University of Melbourne is just over 78 per cent, which does suggest a fair degree of continuity. It fluctuates; it went down in 2024 for very specific reasons, which I am happy to talk about, but essentially it has remained remarkably constant over a generation. So again, we have to be a little careful about 'It was better when I was young' stuff.

You mentioned rightly that universities also change where they run programs. It is true that there has been a change in Glenormiston, but the University of Melbourne has run agricultural and veterinary science programs for generations; it continues to run them. There has been no diminution of the effort. There have been changes in location, and that reflects in some parts things you need, like laboratories and so on and where they are, and in some parts just the challenges of aggregating courses so that you have the facilities and accommodation and other things where you need them. The university's commitment to regional Victoria has remained strong. We have medical and other outposts all across the state. We do a lot of training outside Melbourne, but it makes sense, particularly if you are training in the sciences, to have people where there is the equipment and the aggregation of workforce to do it.

There is a lot in your question. We could go piece by piece. I guess there is just a general wariness about accepting general claims of decline in standards without some evidence to back that up.

Dylan WIGHT: Can I ask a follow-up to that question?

The CHAIR: Yes. Then you can do your question.

Dylan WIGHT: Cool. Yes. I had a question that was a little bit the same, but I will just try to build on what Roma said. Melbourne University, one of the best research universities anywhere in the world – and this may be the 2024 year, I do not have the specific year – was last in Australia in the QILT survey for overall satisfaction from undergraduate students.

Glyn DAVIS: That is right.

Dylan WIGHT: I think you referenced a specific reason. What is that?

Glyn DAVIS: We had an encampment on our south lawn in the middle of the university. Although it deeply divided opinion about whether that was a good or a bad thing, without doubt it made a major contribution to how students found the experience of being on campus. It is the only variable that when we try to make sense of why our numbers went down, in part because students finally got to come back onto campus after COVID and then found it was not a welcoming place with an encampment in the middle of it. Now, that is not to comment on the merits or otherwise of the encampment, it is just to say it clearly had an effect on student satisfaction in one year. We have been tracking it very closely, because we were deeply disturbed by those findings, and we have seen year-on-year significant improvements since that period.

Dylan WIGHT: Has anything been done differently since then? You say obviously in that survey you improved last year.

Glyn DAVIS: Well, as Nancy indicated, a lot of it is about consultation with students and about the student forums. Those were responses to exactly that situation and trying to understand why there was unhappiness amongst the student body and what we could change to address that. We also made major changes to the facilities we offered students. We built a whole new student precinct for catering and for student theatre and student spaces. We went through a difficult period where we were closing stuff down before we could reopen the new stuff, and that probably contributed as well. I do not think it was the major factor.

Dylan WIGHT: 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.

Glyn DAVIS: I am not aware of any data that supports that, but I am happy to take it on notice and have a look.

Dylan WIGHT: Sure. I think the last component of that as well is the really common theme throughout the sector of a high percentage of staff being casual or on fixed-term insecure employment. I think Melbourne University is roughly 37 per cent. Are there, in your view, significant drawbacks to that structure of employment engagement? Are there drawbacks in respect to student outcomes? Can that fundamentally affect student outcomes, having an insecure workforce like Melbourne University does, and like most universities do.

Glyn DAVIS: So like other people who have appeared before you this morning, I am puzzled by the NTEU data. I do not know the basis on which they have recorded it. We record our casual workforce as 8.4 per cent, which is a lot lower than the number the NTEU reports it.

Dylan WIGHT: Just to be clear –

Glyn DAVIS: Yes, it is fixed term, I know.

Dylan WIGHT: Right. So it includes both?

Glyn DAVIS: Yes.

[The witness provided clarification on this matter in the questions on notice.]

Dylan WIGHT: So it is an insecure workforce, not just a casualised workforce. Because if I am working from fixed term to fixed term, I have got no employment security, so it is just an insecure workforce. Yes?

Glyn DAVIS: So the way universities are structured, we do two really significant things. We teach the next generation of students and we do much of the nation's research. And much of our fixed-term employment is in research, and that reflects the structure of how research is funded in this country. You get three-year grants. If you are lucky, you get a five-year grant. You then employ people against the grant. There is no choice for the universities. The universities are not discriminating against people, it is just that is how they are funded. What do you do when the grant comes to an end? You try very hard to roll people onto another grant in an allied area, and a lot of effort goes into doing that. A lot of our research leaders are very good at making sure there are continuing opportunities across grants, and they apply well in advance to have follow-up grants. But in the end a significant proportion of our fixed-term appointments are people doing research projects in which the funding is constrained.

Dylan WIGHT: Can I just ask one more follow-up, if that is all right. We have seen a pretty – unfortunately – consistent issue across the sector of underpayments, which have sort of come to light really over the last decade or less. I have not done the research, so I will just ask the question: was Melbourne University caught up in any of that? If so, to what degree?

Glyn DAVIS: Yes, it was. And Melbourne very much – as you heard about La Trobe, a very similar story – once it was uncovered moved quickly to acknowledge it, to apologise, to set in process a completely thorough and independent evaluation of what happened and why it happened, and then to begin repayments. It subsequently entered into a voluntary undertaking to make sure that everyone who had been underpaid was fully compensated, and it chose not to seek repayment from those who have been overpaid, because the fault was – again, as you heard in the last session – a very poor administration of our accounting systems, inadequate local monitoring of how the funds were flowing and complex industrial decisions about the multiple pay points for the same work depending on where it fitted in a sequence. That is no excuse. That was the fault of the institution's inadequate investment in the administrative systems. And so that has been systematically corrected. There has been full repayment, full acknowledgement and whole new systems at considerable expense, including having to use a lot of consultants to implement them to make sure that we do not repeat that.

Dylan WIGHT: How much was the underpayment?

Glyn DAVIS: \$88 million to date has been the repayments.

Dylan WIGHT: Thank you.

Nancy HUGGETT: Just to mention the focus on the governance of the underpayments and employment compliance in general, part of the enforceable undertaking that the University of Melbourne entered into was making our governance processes of employment compliance matters a lot stronger. We now have a specific committee of the university executive that focuses on employment compliance issues, and that reports up to our HR, remuneration and employment compliance committee and its minutes go straight through to council. That has been working really well, and it surfaces issues and queries as they come up so that you can get them early on. We have seen it is making a good result. As a result of that, the Senate inquiry recommendations from last year did include that universities should look at the governance arrangements for employment compliance that were put in under that enforceable undertaking. So we do take the governance in relation to that really seriously.

The CHAIR: Thank you. I just have the last question. We are running out of time, though, but I would like to just refer to the federal inquiry that was undertaken. In your submission you do endorse the expert council's governance principles, so that is great. But within the Senate inquiry it seemed to me that there was – and we have heard it – a lack of accountability-type mechanisms, I suppose, and that there is a competing demand where the university really wants to be autonomous and make those decisions, and you do have that structure to make those decisions, but yet being accountable to the public good and accountable to your communities. In the Senate inquiry a recommendation was raised that there should be some explicit public good mechanism or objectives that could be met and that the university could be compared with to make sure that you are meeting those objectives and the principles as well. I suppose the question is: we have got to make some

recommendations, and you have talked about how you are not sure legislation is the right process here for us to consider: should a recommendation that an oversight body or a mechanism where you can be reviewed against public good be enacted?

Glyn DAVIS: We are reviewed every seven years by TEQSA against our mission and against what we are doing across the board of everything we do, so the question would be: what is the value of repeating that process in a different forum?

The CHAIR: Yes. At a state level under the Act, though, should there be some type of reference to having – even if it is TEQSA that is doing that review – you reporting against a public good standard or objectives?

Glyn DAVIS: Sorry?

The CHAIR: You think you are already doing that?

Glyn DAVIS: I think we are doing that; that is part of the process. We have to go through registration in order to operate as a university. We have to demonstrate that, across the board, everything that we say we do we do. Is there any downside in requiring us to be explicit about our mission and the measures that we use on our mission? No. That would be perfectly reasonable. But again, to mandate further regulations you have got to ask: are you going to get any value from it?

The CHAIR: I suppose the question we have as a committee is that there seems to be a continuing raising of the lack of accountability, that there are not avenues where the decisions that are being made are in public view, for example. Decisions are being made commercial in confidence, so how is the public seeing the university is doing its job for its public good, I suppose.

Glyn DAVIS: Well, I guess the question is: how much more material would help the public good? I think everybody is open to the argument that there are other things we should share. I am just thinking about the sheer volume of what we currently publish about everything we do and wondering, in a sense, what is missing. You have just mentioned commercial in confidence. Yes, sometimes we sign confidential contracts; that is a necessary fact of signing them. They are typically around research, and they go to IP and that is why they are commercial in confidence, and that is what you expect. We publish the number of complaints we get, we publish the areas, we publish expressly on complaints about sexual harassment and so on – a whole range of measures where people have a right to know and we meet that. We publish summaries of our council meetings, summaries of our committee meetings, summaries of academic board.

[The witness clarified that the university publishes summaries of its council meetings, and papers of its academic board are available to all staff.]

The CHAIR: I hear what you are saying. It is a little bit contradictory to other things that we are hearing, I suppose, so how do we improve this system.

Well, thank you so much for your time. We really appreciate you answering our questions today.

Glyn DAVIS: Thank you.

Nancy HUGGETT: Thank you.

Witnesses withdrew.