



**National Tertiary
Education Union**
Let's aim higher

THE CORPORATISATION OF UNIVERSITY GOVERNANCE IN AUSTRALIA

NATIONAL TERTIARY EDUCATION UNION - APRIL 2024

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EXECUTIVE SUMMARY

New evidence collected by the NTEU shows that the boards that oversee the operations of Australia's public universities have become stacked with unelected members brought in from big business.

In April 2024, of 545 positions on university governing bodies 366 have been appointed, and of these 143 are corporate executives or consultants from for profit organisations. In contrast only 137 have been elected from the staff, students and graduates of the institutions they serve.

One university has three former executives from heavy industry and two from financial services on its governing body, more than the number of current staff members.

Corporatised university governance currently coincides with record levels of insecure employment and wage theft in the sector, and persistently out of touch levels of remuneration for senior managers.

The Accord Interim and Final Reports acknowledged the relationship between these issues and poor governance. The Accord has called for reforms to university governance, to finally make universities exemplary employers, and to bring more sector experience onto governing bodies.

The simplest option for achieving this would be for the federal government and the states and territories to agree to a set of national minimum standards for the number of elected staff and student positions on each Council or Senate. There should also be consideration of public and higher education sector experience in board appointments, rather than the current preference for consultants and corporate.

UNIVERSITY GOVERNANCE IN AUSTRALIA

Each university in Australia is established under a state-based Act.¹ These acts set out the governance structure of each university, including the selection and appointment methods used to fill positions on governing bodies.

Presently, there are 545 council positions across the 37 public universities in Australia. Of these 366 are appointed, 137 of are elected, and 40 are ex-officio (not including Chancellors and Vice-Chancellors).² Non-elected positions are generally paid an allowance or stipend.

COMPOSITION OF AUSTRALIAN UNIVERSITY COUNCIL POSITIONS

Appointed	366	68%
Elected	137	25%
Ex officio	40	7%
Total Positions	545	100%

As shown in the table on next page, the proportion of elected and appointed positions varies significantly by university. Elected positions are usually specified for current staff and students, and occasionally graduates.

Practices for filling appointed positions also vary by state. In some cases members are appointed by state ministers where state acts specify this. However, the vast majority of appointed positions are "co-opted" by Councils. Under this system existing council members select and appoint new members. These members, in turn, then participate in appointing future members.

¹ ANU is under a Federal Act

² Ex-officio position holders are entitled to their positions based on them holding some other office. For example the respective chair of Academic board, or the Archbishop of Sydney (in the case of ACU)

AUSTRALIAN COUNCIL POSITIONS BY UNIVERSITY 2024

Institution	Total Positions	Elected	Ex officio	Appointed	Corporate Total
University of Adelaide	13	38%	8%	54%	23%
Curtin University	16	38%	6%	56%	25%
University of Sydney	14	36%	7%	57%	36%
Queensland University of Technology	14	36%	7%	57%	21%
Murdoch University	17	35%	6%	59%	24%
University of New South Wales	15	33%	7%	60%	33%
Australian National University	16	31%	13%	56%	13%
University of Technology Sydney	16	31%	6%	63%	25%
Southern Cross University	14	29%	7%	64%	29%
Flinders University	14	29%	7%	64%	21%
James Cook University	14	29%	7%	64%	21%
Charles Darwin University	14	29%	7%	64%	14%
University of Canberra	14	29%	0%	71%	14%
Griffith University	18	28%	0%	72%	22%
University of Newcastle	11	27%	9%	64%	27%
Edith Cowan University	15	27%	7%	67%	27%
University of South Australia	15	27%	7%	67%	13%
University of New England	12	25%	8%	67%	50%
University of Wollongong	16	25%	6%	69%	50%
University of Queensland	20	25%	5%	70%	30%
CQUniversity	12	25%	0%	75%	17%
Australian Catholic University	17	24%	18%	59%	18%
University of Western Australia	17	24%	6%	71%	12%
Macquarie University	13	23%	23%	54%	46%
University of Southern Queensland	13	23%	8%	69%	38%
Western Sydney University	18	22%	6%	72%	33%
University of the Sunshine Coast	18	22%	6%	72%	17%
Charles Sturt University	14	21%	7%	71%	29%
University of Melbourne	12	17%	8%	75%	42%
RMIT	12	17%	8%	75%	25%
Swinburne University of Technology	13	15%	8%	77%	23%
Monash University	14	14%	7%	79%	21%
University of Tasmania	14	14%	7%	79%	21%
La Trobe University	15	13%	7%	80%	40%
Federation University	15	13%	7%	80%	33%
Deakin University	15	13%	7%	80%	27%
Victoria University	15	13%	7%	80%	20%
Average	14.6	25%	7%	68%	27%
Totals	545	137	40	366	143

THE CORPORATISATION OF UNIVERSITY COUNCILS

The circular system of patronage described above has led to a staggering number of public university council positions being occupied by the private for-profit sector.

Of the 366 positions that are appointed, 143 are currently filled with persons from for-profit private industries, including consulting, mining, and finance (see table below). Major corporations and consultancies represented on university councils include KPMG, PWC, BCG, JP Morgan, Macquarie Bank, Foxtel, Nine, Coal Network, Woodside Petroleum, and Rio Tinto.

While the influence of private, for profit membership on governing boards is notable, the proliferation of consultants into these positions is even more concerning. In recent years universities have come under increasing pressure for their excessive use of consultants.³ In 2023 it was reported that the top ten ranked universities spent at least \$249m on consultants alone.⁴ Extrapolated out this could mean the sector is pending close to \$1 billion per year on consultants.

As it presently stands only Universities in Victoria and Queensland are required to report on their spending on consultants, and this reporting is still minimal.

THE IMPACT OF POOR UNIVERSITY GOVERNANCE ON HIGHER EDUCATION

Poor university governance is being felt throughout the higher education system.

The Accord's Interim and Final reports identify poor governance at Australian Universities as being the root cause of several systemic issues in the sector, including prolific insecure employment and wage theft. To this list many members of the public would add excessive pay for the top jobs in public universities.

The Accord Final Report noted that non-academic executive roles in higher education have tripled in number since 1991.

EXCESSIVE VC SALARIES

Every Vice Chancellor in Australia earns more than the Prime Minister, and it is the University Councils above that set Vice Chancellor and other executive salaries for our public institutions.

Australians will be shocked to discover that the average Vice Chancellor earns almost two times more than our Prime Minister, and much more than comparable university leaders in other English-speaking countries.

The latest data shows the average Vice Chancellor salary was \$1.06m in 2022, with University of Melbourne Vice Chancellor Duncan Maskell awarded \$1.51m by his council.⁵

In contrast Victoria's state premier Jacinta Allan has combined salary and allowances of \$480,000.⁶ The Prime Minister earns \$587,000, less than half of the top paid Vice Chancellors.⁷

There seems to be little to no relationship between university size, international ranking, financial performance and the respective Vice Chancellor salaries. Furthermore, University Councils have failed to explain or justify these salaries to the public, and as a result have undermined the credibility of our institutions.

Current university governance systems encourage to a cosy relationship between Vice Chancellors, the Councils they help appoint, and the remuneration levels selected by these councils. Public universities are publicly funded and should work for the public good. Corporate cultures and excessive executive largess go against these principles and undermine support for our universities.

TOP 5 VICE CHANCELLOR SALARIES 2022

University	Vice Chancellor	2022 Salary
Melbourne	Duncan Maskell	1,510,000
UniSA	David Lloyd	1,410,000
Monash	Margaret Gardner	1,350,000
Flinders	Colin Stirling	1,350,000
UQ	Debbie Terry	1,190,000

³ [The Big Four consultants have captured universities | The Saturday Paper](#)

⁴ [PwC scandal: Australian universities spending millions on PwC, Deloitte consultancies \(smh.com.au\)](#)

⁵ <https://www.afr.com/work-and-careers/education/are-australian-university-bosses-worth-the-big-bucks-20240122-p5ez5x>

⁶ <https://www.vic.gov.au/consultation-paper-members-parliament-victoria-salaries-and-allowances-determination-2023/4-current>

⁷ <https://www.sbs.com.au/news/article/how-anthony-albaneses-new-salary-compares-to-that-of-these-world-leaders/v771v4iwj>

CORPORATE AND FOR-PROFIT SHARES OF UNIVERSITY COUNCIL POSITIONS 2024

Institution	Total Positions	Corporate share of Total members	Corporate share of Appointed members	Mining	Consulting	Finance
University of New England	12	50%	75%	0%	8%	17%
University of Wollongong	16	50%	73%	0%	19%	19%
Macquarie University	13	46%	86%	0%	8%	31%
University of Melbourne	12	42%	56%	0%	8%	25%
La Trobe University	15	40%	50%	0%	7%	27%
University of Southern Queensland	13	38%	56%	8%	8%	0%
University of Sydney	14	36%	63%	0%	0%	14%
University of Western Australia	17	35%	17%	0%	18%	12%
University of New South Wales	15	33%	56%	0%	0%	20%
Western Sydney University	18	33%	46%	0%	17%	11%
Federation University	15	33%	42%	0%	13%	0%
University of Queensland	20	30%	43%	5%	10%	10%
Southern Cross University	14	29%	44%	0%	0%	14%
Charles Sturt University	14	29%	40%	0%	0%	14%
University of Newcastle	11	27%	43%	0%	0%	18%
Edith Cowan University	15	27%	40%	7%	20%	0%
Deakin University	15	27%	33%	0%	7%	13%
Curtin University	16	25%	44%	19%	0%	6%
University of Technology Sydney	16	25%	40%	0%	6%	6%
RMIT	12	25%	33%	0%	0%	0%
Murdoch University	17	24%	40%	6%	0%	12%
University of Adelaide	13	23%	43%	0%	0%	8%
Swinburne	13	23%	30%	0%	0%	0%
Griffith University	18	22%	33%	6%	0%	0%
QUT	14	21%	38%	0%	7%	0%
Flinders University	14	21%	33%	0%	0%	14%
James Cook University	14	21%	33%	0%	14%	0%
Monash University	14	21%	27%	7%	0%	7%
University of Tasmania	14	21%	27%	0%	7%	0%
Victoria University	15	20%	25%	0%	7%	7%
Australian Catholic University	17	18%	30%	0%	12%	6%
University of the Sunshine Coast	18	17%	23%	0%	0%	11%
CQUniversity	12	17%	22%	0%	17%	0%
Charles Darwin University	14	14%	22%	0%	7%	0%
University of Canberra	14	14%	20%	0%	0%	7%
University of South Australia	15	13%	20%	0%	13%	7%
Australian National University	16	13%	22%	0%	0%	13%
Average	14.6	27%	39%	2%	6%	9%
Totals	545	143		10	32	49

INSECURE EMPLOYMENT IS OUT OF CONTROL IN OUR UNIVERSITIES

Higher education is one of the most precarious industries for workers in Australia. According to the latest data released by the Department for Education the vast majority of workers in the sector are insecurely employed.

NTEU modelling suggests that around 50 percent of all persons working in the sector have been employed using casual contracts, often to perform ongoing work for very long periods.⁸

In addition to this, in 2022, 29 per cent of worker “full time equivalents” in the sector were employed on fixed term contracts. This number increases to 37 per cent when only looking at non-casual workers.⁹

This is an extremely high level of fixed term employment and compares to only 3.4 percent in the broader economy in August 2022.¹⁰ This is also much higher than the 8 percent share that fixed term employment made up of the broader ABS defined “Education and Training” category. Higher education disproportionately contributes to the high level of fixed term employment in the category, with the ABS recording 89,000 out of 1.07m Education and Training employees as fixed term. If we are to roughly mix data sources, it becomes apparent that over half of fixed term workers in Education and training come from the small higher education sub-sector, which only makes up around 10-20 percent of the overall category.

This extreme usage of insecure employment has persisted for many years in the sector despite repeated calls to university leaders to change their practices.

SYSTEMIC WAGE THEFT IS THE NORM

The vast majority of public universities in Australia have been caught out underpaying staff in recent years. This is a clear demonstration of poor sector governance. These practices have affected all types of workers but have particularly affected the lowest paid casual workers.

The National Tertiary Education Union’s latest *Wage Theft Report* released in November 2023 revealed the shameful depth of this scourge. The headline figures at the time were shocking. The report revealed a staggering \$159 million in underpayments across Australia’s higher education sector. More than 97,000 university staff were underpaid.

What is more shocking is that since that time these figures have grown. New instances of wage theft have recently been revealed at University of Tasmania (\$15m), Charles Darwin University (\$3m) and Australian Catholic University (\$3.6m). Charles Sturt University and James Cook University have announced significant underpayments to current and previous staff but refused to publicly disclose amounts.

This brings the total amount uncovered to over \$170m and 101,000 workers affected across over 30 employers - with figures not revealed for two confirmed cases (CSU and JCU) and around six investigations still ongoing.

⁸ The Department estimates that 15 per cent of annualised “full time equivalents” were consumed by casual employment in 2022 – the number of people this represents is much higher because: 1) most of these workers are only in paid employment for teaching periods 2) the hours the vast majority of casually employed teaching staff are paid fixed amounts by the task contracted not by the actual hours worked.

⁹ Derived from <https://www.education.gov.au/higher-education-statistics/staff-data/selected-higher-education-statistics-2022-staff-data>

¹⁰ <https://www.abs.gov.au/statistics/labour/earnings-and-working-conditions/working-arrangements/latest-release#fixed-term-contracts>

RECOMMENDATIONS

In order to restore universities to public institutions working for the public good university governance must be democratised and university decision making processes made more transparent. Steps towards achieving this would include:

1. Setting a minimum number of elected staff and student positions on university councils that increases their overall share of council positions
2. Requiring the majority of non-university board members to have public sector experience
3. Ensuring University board membership reflects their communities, with appropriate attention to gender balance and representation of Aboriginal and Torres Strait Islander peoples
4. Linking executive remuneration to the relevant state premiers
5. Requiring reporting of executive remuneration (at all senior levels)
6. Developing transparent appointment processes for University Council members
7. Requiring improved reporting on universities' usage of all forms of insecure employment, including contract and gig employment



Join today at:
nteu.au/join

BE PART OF POSITIVE CHANGE: JOIN NTEU

NTEU is a union for people working in Australian tertiary education. Being part of NTEU is believing that together we have the power to make positive change and that, as a country, and as workers, we should aim higher.

**Aim higher for better work, for better universities
and for better lives.**

APPENDIX 1

Institution	Total Positions	Elected	Ex officio	Appointed	Corpo-rate total	Mining	Consulting	Finance
Australian Catholic University	17	4	3	10	3	0	2	1
Australian National University	16	5	2	9	2	0	0	2
Average	14.7	3.7	1.08	9.97	3.86	0.27	0.86	1.32
Charles Darwin University	14	4	1	9	2	0	1	0
Charles Sturt University	14	3	1	10	4	0	0	2
CQUniversity	12	3	0	9	2	0	2	0
Curtin University	16	6	1	9	4	3	0	1
Deakin University	15	2	1	12	4	0	1	2
Edith Cowan University	15	4	1	10	4	1	3	0
Federation University	15	2	1	12	5	0	2	0
Flinders University	14	4	1	9	3	0	0	2
Griffith University	18	5	1	12	4	1	0	0
James Cook University	14	4	1	9	3	0	2	0
La Trobe University	15	2	1	12	6	0	1	4
Macquarie University	13	3	3	7	6	0	1	4
Monash University	14	2	1	11	3	1	0	1
Murdoch University	17	6	1	10	4	1	0	2
Queensland University of Technology	14	5	1	8	3	0	1	0
RMIT	12	2	1	9	3	0	0	0
Southern Cross University	14	4	1	9	4	0	0	2
Swinburne University of Technology	13	2	1	10	3	0	0	0
University of Adelaide	13	5	1	7	3	0	0	1
University of Canberra	14	4	0	10	2	0	0	1
University of Melbourne	12	2	1	9	5	0	1	3
University of New England	12	3	1	8	6	0	1	2
University of New South Wales	15	5	1	9	5	0	0	3
University of Newcastle	11	3	1	7	3	0	0	2
University of Queensland	20	5	1	14	6	1	2	2
University of South Australia	15	4	1	10	2	0	2	1
University of Southern Queensland	13	3	1	9	5	1	1	0
University of Sydney	14	5	1	8	5	0	0	2
University of Tasmania	14	2	1	11	3	0	1	0
University of Technology Sydney	16	5	1	10	4	0	1	1
University of the Sunshine Coast	18	4	1	13	3	0	0	2
University of Western Australia	17	4	1	12	2	1	0	0
University of Wollongong	16	4	1	11	8	0	3	3
Victoria University	15	2	1	12	3	0	1	1
Western Sydney University	18	4	1	13	6	0	3	2
Totals	545	136	39	366	143	10	32	49