

Submission to the Tertiary Education Legislation Amendment (There For Education, Not Profit) Bill 2025

I am grateful for the opportunity to make this submission. This is the first of many steps for the current Senate Standing Committees on Education and Employment. I sincerely thank and commend this Committee, and I extend my deep gratitude to Senator Lambie for her leadership in advancing the *Tertiary Education Legislation Amendment (There For Education, Not Profit) Bill 2025*. This Bill amends the Australian National University Act 1991 and the Tertiary Education Quality and Standards Agency Act 2011 to set a statutory limit on the remuneration of vice-chancellors of Australian universities.

he proposed \$430,000 salary cap for Vice-Chancellors is far more than generous — it is excessive. This figure is at least double the salary of a full university professor, the highest academic rank, which is genuinely earned through years of scholarship and contribution — not a title casually bestowed with some hollow honorary doctorate. The contrast is indefensible. It is almost certain that university managers will oppose it, as they and their associates have consistently done in the recent past, often seeking to cover up egregious and corrupt practices in many of their Senate inquiry submissions and Public Hearings. This experience was an absolute eye-opener, laying bare the appalling lawlessness in which this country's education sector operates. Even more disturbing is the brazen audacity of the university management — shamelessly lying and fabricating the truth before a Parliamentary Inquiry, turning it into nothing less than a mockery. In their own town hall meetings, they openly boast that the Inquiry holds no power to alter their management practices, treating it with open contempt. The pride with which they flaunt how each of their managers is shielded from accountability is sickening. It is nothing short of alarming and profoundly shocking that the public is being so deliberately deceived — their lies packaged and weaponised to mislead not only the nation, but also the international community — where most of our students come from. These managers have become so entrenched in their positions that they behave as though they are above accountability and law—acting like gods in their own domain. They do not hesitate to deceive and mislead Federal Inquiries and Senators with glossy, carefully well-crafted packaged submissions designed to mask the truth and deflect criticism. The Committee must now recognise how millions of students and thousands of educators have become the direct victims of their lies, fabrications, and self-serving narratives. What the Bill must explicitly state, however, is that it is not just the Vice-Chancellor's base salary that matters. Senior executives — including Deputy Vice-Chancellors, Provosts, Deans, and Associate Deans — frequently receive lavish remuneration packages padded with fringe benefits, non-cash perks, allowances, and long-term incentives. These are effectively hush-hush backdoor deals, hidden from proper scrutiny. The hiring committees and remuneration boards are stacked with the executives' own allies, with conflicts of interest conveniently ignored or never declared. At the University of Sydney, 'internal conflict of management' doesn't not exist as there is no rule or code of conduct to guide this— transparency is virtually non-existent, and accountability is deliberately avoided. Unless the Bill requires full disclosure of all remuneration elements, it will remain incomplete and easy to circumvent.

To be effective, the Bill should require universities to disclose the complete remuneration packages of their executive staff, not just salaries, over at least the past ten years. Universities already hold these records and should be compelled by parliamentary order to release them for audit purposes. Access to this data must also be granted to academics who specialise in this area so they can assist Parliament in revising the Bill in a meaningful and evidence-based way. Any failure or refusal to disclose such information should be treated as a deliberate obstruction of accountability and a breach of public trust and financial crime.

The University Chancellors Council (UCC) is largely comprised of former Chancellors and Vice-Chancellors—the very people who benefited from inflated executive pay. Unsurprisingly, they will defend their successors and preserve a broken system that has long used public funds for personal enrichment. A quick look at the UCC Executive Committee, available at <https://ucc.edu.au/about/>, illustrates this entrenched culture of mateship.

The University Accord process was another wasted opportunity—an expensive, taxpayer-funded report that failed to address systemic waste and governance failures in meaningful way. It ignored corruption risks, provided no real solutions, and should not be relied upon as a serious contribution to this debate. The information used in the University Accord report was sourced almost entirely from university management, not from students or academics. This makes the report biased and fundamentally unreliable. It should be dismissed outright and discarded before it inflicts further damage on Australian society.

Similarly, the Expert Council on University Governance has been poorly constituted. The government's appointees lack meaningful expertise in academic governance, while genuine academic specialists in the field have been excluded. Even engagement with the Council has been hollow; communication channels such as their published email (ExpertCouncilUniGov@education.gov.au) go unanswered despite many reminders. This is not serious governance reform—it is window dressing.

University managers frequently invoke the language of “complexity” to justify inflated salaries. Yet much of this complexity is self-created, designed to bolster their own importance and maintain the illusion of indispensability. These actions waste public resources, undermine teaching and research, and damage university reputations. Scholarships and research funding are routinely cut while executive salaries and perks continue to expand through informal “buddy networks” and opaque deals.

The Bill must go beyond capping the Vice-Chancellor's salary. It must also impose caps on the wider executive echelon who benefit from preferential treatment and excessive salaries behind closed doors. The claim that such inflated packages are necessary to attract “industry leaders” is deeply flawed. Too often, these so-called leaders lack the skills or experience to effectively manage a university. The result is catastrophic mismanagement that takes academics and students decades to repair.

There is a profound agency cost between university managers and their stakeholders. Current executives operate without accountability, enriching themselves while staff endure wage theft and casualisation, and students face rising costs with declining support. For this reason, the Bill must establish an independent tribunal to set executive remuneration. University councils, dominated by insiders and former executives, cannot be trusted to regulate themselves.

University managers have broken their social licence. They excel at lip service, glossy reports, and motherhood statements, but these mask systemic failures and self-interest. Failed academics often become managers to protect and promote one another, securing promotions and pay increases without delivering genuine public value. Their “discretionary” spending on perks and privileges must be capped and subject to audit. The misuse of taxpayer funds to promote personal prestige cannot continue.

Recently, the University of Sydney’s management flatly refused to provide even minimal internal funding support for the Fair Work Commission’s grant call aimed at improving university governance. This refusal alone should raise serious red flags and be the subject of investigation. Their justification? They claim the University ‘doesn’t have funding’ to support my project if the grant application is successful — an utterly laughable excuse from an institution boasting a billion-dollar income, and which only weeks ago found the money to increase the Vice-Chancellor’s already bloated million-dollar salary. Despite being clearly informed of the significance of this work, research managers decided that providing a few thousand dollars in support would somehow ‘break’ the University’s finances. The hypocrisy and negligence in this decision are staggering.

The next generation of academics and students—those who actually deliver teaching, research, and innovation—must have a greater voice in shaping the future of our universities. The Bill should include new clauses that ensure executive remuneration is tied to transparent performance measures, including staff wellbeing, student satisfaction, and research, teaching and learning quality.

Research such as Akhtar et al. (2025) highlights in detail how remuneration packages must be scrutinised, what elements require monitoring, and what levels of pay are appropriate. Publicly available information already shows alarming excess, including Deans and Deputy Deans earning close to or above \$1 million annually at the University of Sydney. This reality must not be ignored. The Vice-Chancellor’s pay is only the tip of the iceberg. Their middle managers earn more than our Prime Ministers.

Meanwhile, academics are overworked, underpaid, and exploited—often performing unpaid overtime (e.g., 116-18 hours of work) just to keep their jobs. Students are denied funding for essential teaching and learning support, while executives continue to spend lavishly on themselves. This contradiction—public claims of financial strain alongside private extravagance—undermines public trust in the sector.

To restore integrity, universities must be required to:

1. Cap all executive remuneration packages, not just VC salaries.
2. Mandate full disclosure of salary, bonuses, perks, and discretionary expenditure.
3. Establish independent oversight free from insider influence.
4. Link executive pay to transparent, measurable performance benchmarks.

The Australian people deserve universities that prioritise teaching, learning, and research—not institutions run as personal fiefdoms for executives. This Bill, strengthened with these provisions, offers the chance to restore accountability and redirect public funds back to where they belong.

I will be pleased to provide further insights based on my data-driven research if the Committee requires. I conclude with some suggestions of legislative clauses for the Bill to be revised:

Missing Items for Inclusion in the Tertiary Education Legislation Amendment Bill 2025

Below is a list of critical items that are missing from the current Bill and should be considered for possible inclusion with respect to the remuneration of university executives:

1. Full Remuneration Disclosure (Transparency)

- Mandatory publication of the ‘entire’ remuneration package for Vice-Chancellors and all senior executives (DVCs, Provosts, Deans, Associate Deans).
- Must include: base salary, bonuses/performance incentives, superannuation, accrued leave payouts, non-cash perks (housing, vehicles, travel, entertainment), fringe benefits tax liabilities, and external paid roles (directorships, consultancies, advisory work).

2. Scope Expansion

- Extend the remuneration cap to cover ‘all senior executives’, not just Vice-Chancellors.
- Includes Deputy Vice-Chancellors, Provosts, Deans, Deputy/Associate Deans, and equivalent positions.

3. Retrospective Transparency & Audit

Require universities to disclose ‘10 years of historical executive remuneration data’ for audit purposes.

4. Independent Oversight

- Establish an “independent tribunal or regulator” that is refreshed every year to oversee and approve executive remuneration.
- Reconstitute university Remuneration Committees to include staff and student representatives.
- Get survey responses from the staff and students about the manager's performance before making any increase of their remuneration.

5. Performance-Linked Remuneration

Tie executive pay to transparent, non-financial performance metrics: student satisfaction and equity, staff wellbeing, teaching and research quality, and long-term financial sustainability.

6. Indexing of the Cap

- The proposed \$430,000 cap should be indexed.
- Suggested benchmarks: a fixed multiple of a Level E Professor's salary (2x maximum), and public service payment shouldn't be a benchmark reference. At a high level, one can compare the role of a Prime Minister or a Premier—positions that are far more complex and carry vastly greater responsibilities—yet they receive significantly less pay than university executives. By contrast, these managers are nothing more than gold diggers, and this practice must be stopped.

7. Restrictions on External Earnings

- Limit or prohibit executives from holding paid external positions while in office.
- Require disclosure and reporting of any permitted external earnings.

8. Control of Discretionary Expenditure

- Impose caps and reporting obligations on discretionary spending (travel, residences, entertainment).
- Require annual public disclosure of all executive discretionary expenditure.

9. Penalties for Non-Compliance

- Sanctions for failure to disclose, misreport, or circumvent the legislation.
- Could include withholding public funding, personal fines, or ineligibility for reappointment.

10. Protection of Academic & Student Voices

- Future inquiries and reviews on governance of remuneration revision or increase must mandatorily include evidence from staff and students, not only management.

11. Proposed New Clause for the Bill

Any future government reviews, inquiries, or reports on higher education governance must require direct evidence from staff, students, and independent academic experts—not solely from university management. This safeguard will prevent biased reports based on self-serving data and ensure that the voices of those who deliver and experience education are heard.

The State-level Act governing universities is utterly useless and dangerously hollow — a toothless framework in desperate need of significant and comprehensive revision.

Yours sincerely,

Dr M. SHUMI AKHTAR | Associate Professor
Discipline of Finance | The University of Sydney Business School
THE UNIVERSITY OF SYDNEY