

## **INQUIRY INTO NEW SOUTH WALES UNIVERSITY SECTOR**

**Organisation:** National Tertiary Education Union (NSW Dvision)  
**Date Received:** 17 October 2025

---



**OUR UNIS.**  
**OUR FUTURE.**

**RESTORING PUBLIC  
ACCOUNTABILITY IN  
NSW UNIVERSITIES**

**IN RESPONSE TO THE STANDING COMMITTEE ON  
SOCIAL ISSUES INQUIRY INTO AND REPORT ON  
THE CRISIS IN THE NEW SOUTH WALES  
UNIVERSITY SECTOR – 17 OCTOBER 2025**

Mr Vince Caughley, NTEU NSW Division Secretary  
Mr Kieran McCarron, Policy Officer NTEU Public Policy & Strategic Research



# CONTENTS

<b>1</b>	<b>INTRODUCTION.....</b>	<b>1</b>
<b>2</b>	<b>EXECUTIVE SUMMARY .....</b>	<b>2</b>
<b>3</b>	<b>RESPONDING TO THE TERMS OF REFERENCE .....</b>	<b>3</b>
3.1.	Governance frameworks under State Acts (a).....	3
3.2.	State and Federal jurisdiction (b).....	3
3.3.	Safeguarding the public mission (c).....	3
3.4.	Accountability of councils (d).....	3
3.5.	Oversight of staffing, finances and consultants (e).....	4
3.6.	Accessibility and public benefit (f).....	4
3.7.	Oversight of controlled entities (g).....	4
3.8.	Opportunities for reform (h).....	4
<b>4</b>	<b>CASE STUDIES OF GOVERNANCE RISK.....</b>	<b>5</b>
4.1.	Vice-Chancellor and Council Appointments, Remuneration and Fitness for Office.....	5
4.2.	University of Sydney (USyd).....	6
4.3.	University of New South Wales (UNSW).....	6
4.4.	University of Technology Sydney (UTS).....	7
4.5.	Western Sydney University (WSU).....	7
4.6.	Macquarie University (MQ).....	7
4.7.	University of Newcastle (UoN).....	7
4.8.	University of New England (UNE).....	8
4.9.	Charles Sturt University (CSU).....	8
4.10.	Southern Cross University (SCU).....	8
4.11.	University of Wollongong (UoW).....	9
4.12.	University Controlled Entities.....	9
4.13.	International and Commercial Partnerships: Gaps in Public-Interest Oversight.....	10
<b>5</b>	<b>RECOMMENDATIONS &amp; PATHWAYS TO STRONGER GOVERNANCE .....</b>	<b>11</b>
5.1.	Independent Performance Audits.....	11
5.2.	Key Areas for Reform.....	11
5.3.	Modernising the Framework.....	12
<b>6</b>	<b>SUMMARY: RISKS &amp; PRIORITIES.....</b>	<b>13</b>
<b>7</b>	<b>CONCLUSION.....</b>	<b>14</b>
<b>8</b>	<b>REFERENCES AND LEGISLATIVE SOURCES.....</b>	<b>15</b>
	<b>APPENDIX A: BRIDGE TO REFORM OPTIONS (COMPARATIVE CONTEXT).....</b>	<b>20</b>
	<b>APPENDIX B: NSW-VICTORIA SIDE-BY-SIDE .....</b>	<b>24</b>
	<b>APPENDIX C: TRANSPARENCY AND MANDATORY REPORTING .....</b>	<b>26</b>
	<b>APPENDIX D: UNIVERSITY COUNCIL COMPOSITION &amp; APPOINTMENT STANDARDS .....</b>	<b>31</b>
	<b>APPENDIX E: EXECUTIVE REMUNERATION CAP (OPTION SET).....</b>	<b>34</b>
	<b>APPENDIX F: HIGHER REPORTING STANDARDS.....</b>	<b>35</b>
	<b>APPENDIX G: REFORM AND DRIFT .....</b>	<b>36</b>





# 1 INTRODUCTION

Since the late 1980s and 1990s, NSW's public universities have evolved from traditional public institutions embodying principles of democratic and open collegial decision making into complex corporate entities under the centralised control of closed off, largely appointed, Councils. These Councils now manage multibillion-dollar budgets, property portfolios, and commercial ventures, yet continue to operate under legislative frameworks largely unchanged for more than three decades.

This transformation has produced a governance and accountability gap. Universities established and partially funded under NSW statute exercise extensive commercial powers but face minimal ongoing scrutiny by Parliament and virtually no accountability to the community. Annual reporting obligations focus primarily on broad financial statements, not on the broader indicators of institutional health such as workforce integrity, psychosocial safety, or the stewardship of public resources.

Over the past decade, this imbalance has become increasingly visible. SafeWork NSW has issued prohibition and improvement notices over psychosocial risks during restructures; universities have collectively repaid tens of millions in unpaid wages; and consultant expenditure has risen to hundreds of millions of dollars annually. Executive remuneration has outpaced public-sector benchmarks, while decision-making transparency has declined and fundamental courses of learning at the heart of our society like teaching and journalism have been cut.

The cumulative picture is one of structural drift rather than isolated misconduct. Councils dominated by appointed corporate members have tended to prioritise financial and property performance over educational and civic purpose. Staff and student participation in governance has narrowed, conflicts of interest have been inconsistently managed, and oversight of controlled entities has remained opaque.

This inquiry therefore represents the first comprehensive opportunity in decades to examine whether the governance model established in the 1980s still serves the public interest. The NTEU NSW Division submits that the current system no longer meets contemporary standards of transparency, integrity, and accountability expected of public

institutions. Reform is needed to realign university governance with its public purpose and restore Parliamentary confidence in the stewardship of NSW's higher-education system.

National analysis by the National Tertiary Education Union (NTEU 2024a) describes the "corporatisation of university governance" as a process through which decision-making has become increasingly centralised and executive-driven, eroding traditional forms of staff and student participation. NSW universities exemplify these national trends.

## Economic Scale and Reputational Risk

NSW's ten public universities represent one of the largest public enterprises in the State. Collectively they educate more than 400,000 students (Department of Education 2024), employ around 55,000 staff, and in 2024 generated approximately \$14.3 billion in revenue (Audit Office of NSW 2024), with combined total assets exceeding \$30 billion. Their economic and social impact extends well beyond the education system: international education contributed \$19.5 billion to NSW's export earnings in 2024 (Investment NSW 2024), making it the State's largest services export and a foundation of its global reputation.

Given this scale, governance failures within universities cannot be regarded as isolated institutional matters. They carry systemic social, economic, reputational, and regulatory risks for New South Wales. Repeated controversies around leadership appointments, wage underpayment, unsafe restructures, and opaque consultancy spending all threaten confidence in a sector fundamental to the State's economy and international standing.

It is therefore in the State's direct social and economic interest to ensure that universities – custodians of billions in public and export revenue – are governed to contemporary public-sector standards of transparency, accountability, and performance oversight. Strengthening governance and audit mechanisms is not interference in institutional autonomy, but a prudent measure to safeguard the long-term health and credibility of one of NSW's most important public assets.

## 2 EXECUTIVE SUMMARY

NSW's public universities were established by Acts of Parliament to advance education and research for the public benefit. Over time, however, the balance between public purpose and corporate autonomy has shifted. Governance practices have come to mirror those of private enterprises, while statutory accountability to Parliament has remained static.

Over the past decade, consistent patterns have emerged: executive remuneration far above public-sector benchmarks, large-scale wage-theft, growing reliance on consultants, repeated restructures with psychosocial risks, and limited transparency. Councils dominated by appointed corporate members have lacked the diversity, independence and workforce insight required to meet contemporary standards of public accountability. The result is a system insufficiently accountable to Parliament or the communities these institutions were created to serve.

### Indicators of governance weakness

- **Decisions misaligned with the public interest:** mass job cuts and course closures with little justification or consultation.
- **Wage underpayment:** at least \$79 million repaid across NSW universities, with Sydney and UNSW each budgeting around \$70 million for remediation.
- **Unsafe restructures:** SafeWork NSW prohibition and improvement notices at UTS and Macquarie for psychosocial risks during organisational change.
- **Executive excess:** Vice-Chancellors commonly paid above \$1 million; many executives earn more than the NSW Premier.
- **Consultant dependency and weak probity:** over \$250 million spent on consultants in 2023<sup>1</sup>, alongside documented conflicts of interest and inadequate vetting at UNE, Wollongong, Southern Cross, Charles Sturt, Macquarie and Newcastle.

These indicators point to systemic governance failure: self-referential cultures combined with insufficient public-sector oversight and transparency.

### Priority reform directions

To restore confidence in NSW's public universities and align their governance with contemporary public-sector standards, the NTEU recommends that the Committee and Government:

1. **Commission a program of performance audits** by the NSW Auditor-General, beginning with UOW, UTS, WSU, UON and Macquarie, examining governance integrity, workforce management, consultant influence and psychosocial-risk.
2. **Adopt and support all recommendations of the Interim Report of the Senate Inquiry** into the Quality of Governance at Australian Higher Education Providers.
3. **Adopt core governance standards**, including workforce-transparency reporting, at least 50% elected staff and student representation on councils, independent verification of appointments, a remuneration cap linked to SES Band 4, and mandatory publication of minutes, conflict registers, consultant spending and controlled-entity accounts.
4. **Strengthen oversight and enforcement** by empowering the NSW Auditor-General to audit governance and non-financial reporting, and by establishing a *University Governance Commissioner* to monitor compliance and investigate breaches.
5. **Undertake a statutory review** of university Acts to assess whether they remain fit for purpose, with a view to legislating consistent governance and transparency standards – including an explicit *public-good* object – either through a new *University Governance and Transparency Act (NSW)* or harmonised amendments.

NSW universities remain public institutions under State law. Their ability to deliver educational, economic and civic value depends on public confidence in how they are governed.

Restoring transparency, integrity and democratic accountability is essential to safeguard one of the State's most significant public assets.

<sup>1</sup> NTEU estimate based on of 2024 annual reports.



# 3 RESPONDING TO THE TERMS OF REFERENCE

## 3.1. Governance frameworks under State Acts (a)

Each NSW public university is constituted by its own Act of Parliament. These Acts vary in age and content, but most derive from late-1980s legislation that emphasised institutional autonomy and commercial capacity. They provide councils with broad powers to acquire property, form corporations, and enter joint ventures, but impose few explicit obligations around transparency, conflict management, or reporting to Parliament (Parliament of New South Wales 2024).

These powers now extend to international campuses and high-risk research partnerships undertaken through controlled entities, such as UOW's offshore campuses and WSU's commercial medical-research collaborations, neither of which are subject to parliamentary visibility or independent probity review.

This framework has permitted wide divergence in governance practice and accountability standards across institutions. These weaknesses are most visible in executive decision-making, council composition, the ability for elected council members to genuinely participate in decision making, and the limited transparency of remuneration and conflicts of interest, each of which is examined in **Section 4**.

**Observation:** NSW's university Acts prioritise autonomy over public accountability and lack consistent provisions on integrity, representation, and reporting.

## 3.2. State and Federal jurisdiction (b)

While the Commonwealth regulates funding, quality and student matters through TEQSA and the Higher Education Standards Framework, governance and accountability remain matters of State law.

NSW retains full legislative authority to determine council composition, reporting obligations and oversight mechanisms.

**Observation:** Governance deficiencies cannot be attributed to federal limitations; they fall squarely within NSW's legislative responsibility.

## 3.3. Safeguarding the public mission (c)

Several universities have restructured or discontinued programs central to NSW's workforce needs. UTS has proposed cuts of around 28 per cent to course offerings by 2026 - including teacher-education and public-health degrees - while WSU has redirected resources to private teaching subsidiaries. These trends signal a shift from educational and civic priorities towards market-driven decision-making.

**Observation:** Current legislation contains no enforceable duty on councils to act in the public interest or to demonstrate that major decisions advance educational and community objectives.

### 3.4. Accountability of Councils (d)

Across the sector, university councils have approved large executive remuneration packages, extensive consultant engagements and repeated restructures with limited transparency.

University leaders are paid well above the Premier's salary; Sydney and UNSW each provisioned around \$70 million for wage remediation; and SafeWork NSW has issued notices to Macquarie and UTS for psychosocial risks. Independent experts have warned that large-scale redundancy programs can themselves create significant psychosocial harm and organisational risk (Australian Institute of Health & Safety 2025).

Yet despite these failures no one has been held to account. This is because Councils are closed-loop self-appointing and self-referencing bodies.

**Observation:** Council accountability mechanisms are largely internal, with no requirement for independent or parliamentary review of non-financial governance performance, and no mechanisms to hold Councils or executives to account.

### 3.5. Oversight of staffing, finances and consultants (e)

Consultant spending by NSW universities is estimated to have exceeded \$250 million use in 2023, with Newcastle, UTS and UNE each reporting tens of millions in external contracts. Restructures have often coincided with inappropriate consultant and reports of psychosocial strain among staff.

In recent years, it has been common for public universities to claim financial crisis while servicing bonds for billion-dollar building projects.

**Observation:** Existing reporting obligations do not require disclosure of consultant expenditure, labour-hire usage, or workforce-wellbeing indicators, limiting external scrutiny of organisational decision-making.

### 3.6. Accessibility and public benefit (f)

Reductions in arts, education and regional programs have narrowed opportunities for students and weakened universities' contribution to community life. This erosion of accessibility conflicts with the intent of the original Acts, which link each institution to a regional or state public mission.

**Observation:** Legislative objects remain broad and unenforceable; explicit statutory duties to promote accessibility, community service and Aboriginal and Torres Strait Islander inclusion are required.

### 3.7. Oversight of controlled entities (g)

Most universities now operate multiple controlled entities (subsidiaries, joint ventures and property arms) that sit outside regular parliamentary scrutiny. University networks of commercial colleges are the most visible example, with all institutions maintain such structures, but offshore campuses and commercial research institutes exemplify this problem: UOW's Saudi and Dubai ventures, and WSU's partnership with Syqe Medical, both operate through structures that fall outside statutory scrutiny.

**Observation:** There is no statutory requirement for public registers, audited accounts or parliamentary tabling of controlled-entity information, creating an ongoing transparency gap.

### 3.8. Opportunities for reform (h)

This inquiry provides Parliament with the first opportunity in over 30 years to evaluate whether the existing legislative framework remains fit for purpose. NSW's university Acts have not been systematically reviewed since the late 1980s, despite major changes in institutional scale, complexity and risk profile.

**Observation:** Reform should begin with performance audits by the NSW Auditor-General and progress toward consistent, enforceable governance standards.



## 4 CASE STUDIES OF GOVERNANCE RISK

The following case studies illustrate how the weaknesses identified in **Section 3** manifest in practice across NSW universities.

They demonstrate that governance risks are systemic and structural, not confined to individual misconduct. Each example highlights how deficiencies in transparency, accountability and statutory design have produced real-world failures affecting staff, students, and the wider community.

### 4.1. Vice-Chancellor and Council Appointments, Remuneration and Fitness for Office

The appointment and remuneration of senior university leaders reveal consistent weaknesses in NSW's governance framework. Councils exercise broad statutory powers with minimal external oversight, no legislated "fit and proper person" test, and limited transparency regarding remuneration or conflicts of interest. These gaps have led to reputational damage, public controversy, and inconsistent accountability.

#### 4.1.1. Lack of vetting and due diligence

University Acts impose no obligation on councils to conduct independent probity checks or to certify that executive appointments meet defined integrity standards. In several cases, councils have made senior appointments *behind closed doors with no public oversight* that later raised serious questions of judgment or suitability:

- **University of New England (UNE)**  
Appointed in 2019 despite limited senior-leadership experience, Vice-Chancellor Brigid Heywood's tenure ended in 2023 following criminal proceedings for offensive behaviour toward a minor. The case exposed major deficiencies in council-level assessment of leadership suitability and risk management.
- **Charles Sturt University (CSU)**  
Vice-Chancellor Renée Leon was appointed following her role as departmental head during

the period covered by the *Robodebt* Royal Commission's findings of "gross failure of public administration." No public statement of due diligence or external review accompanied the appointment.

- **Southern Cross University (SCU)**  
Vice-Chancellor Tyrone Carlin, formerly President of CPA Australia during a governance-pay controversy, was appointed in 2020 without evidence of independent vetting or reputational-risk assessment.
- **University of New South Wales (UNSW)**  
The 2021 appointment of Vice-Chancellor Attila Brungs has been the subject of integrity scrutiny. The NSW Independent Commission Against Corruption (ICAC) was reported to be examining potential breaches of integrity laws related to the appointment process, although no public findings have been made. The case underscores the absence of statutory requirements for independent verification of appointments and public-interest probity checks.

#### 4.1.2. Conflicts of interest and related-party arrangements

Weak probity controls have also permitted arrangements that would breach standard public-sector expectations:

- **University of Wollongong (UoW)**  
Professor John Dewar was appointed interim Vice-Chancellor in 2024 while remaining a partner at KordaMentha, the consultancy simultaneously being paid to advise UoW on its restructure – an inherent conflict of interest.
- **Macquarie University (MQ)**  
Vice-Chancellor S. Bruce Dowton leased his private residence to the university for official functions, receiving about \$1.35 million over six years. Although disclosed, the transaction underscored the absence of statutory prohibitions on related-party dealings.



### 4.1.3. Politicised or non-transparent appointments

Leadership controversies are limited to executives.

- **University of Newcastle (UON)**

In 2021, Council sought to appoint former Nationals leader Mark Vaile as Chancellor. After strong opposition from staff, students and alumni, citing Vaile's record of support for fossil-fuel projects, the appointment was withdrawn. The episode highlighted the absence of transparent, merit-based selection criteria for council-appointed leaders and the reputational risk of politically influenced decisions.

### 4.1.4. Executive remuneration

Vice-Chancellors across NSW routinely receive remuneration packages above \$1 million – well beyond public-sector executive benchmarks – with limited public explanation or independent scrutiny. Councils approve these packages internally, and no external benchmark, ministerial notification or performance linkage is required. These practices would be unacceptable even in for-profit companies. In one case, it was reported that a university also covered yacht-club membership fees for its Vice-Chancellor, underscoring the absence of clear limits on discretionary benefits and the lack of public-interest oversight of executive entitlements.

**Observation:** The absence of statutory appointment standards, probity checks, and remuneration controls exposes NSW universities to avoidable governance and reputational risks. Establishing fit-and-proper-person requirements, independent verification of appointments, and public reporting of executive pay would align university leadership standards with those applying elsewhere in the NSW public sector.

## 4.2. University of Sydney (USyd)

The University of Sydney exemplifies how governance complacency has enabled systemic underpayment and consultant dependency.

Between 2014 and 2022, thousands of casual staff were paid below their enterprise-agreement entitlements. In 2024 the University signed an Enforceable Undertaking with the Fair Work Ombudsman acknowledging millions in unpaid wages and committing to a remediation program

estimated at \$70 million (Fair Work Ombudsman 2024; NTEU 2024c). The NTEU's Public Universities Wage Theft Report (2024c) identified more than \$160 million in repayments across Australian universities, describing wage underpayment as a "systemic governance failure."

Sydney spent millions on consultants managing the remediation process, at times more than it paid to casual staff (Guardian Australia 2024). Meanwhile, executive pay packages exceeded \$1 million annually (University of Sydney 2024). This imbalance reflects a culture of financial management detached from workforce integrity.

Sydney's Senate includes few elected staff or students. The imbalance has produced risk blindness: serial restructures, growing student-to-staff ratios, and loss of institutional memory.

**Observation:** NSW legislation should require councils to demonstrate governance capability in employment compliance and workforce planning, with the Auditor-General empowered to review those duties.

## 4.3. University of New South Wales (UNSW)

UNSW provisioned roughly \$70 million for wage remediation, similar to Sydney's (Times Higher Education 2024). Investigations revealed underpayments across teaching and research roles, alongside substantial consultancy spending.

The University's governance culture reflects extreme executive concentration. The remuneration of Vice-Chancellor Attila Brungs has exceeded \$1 million annually, and media reports indicate that yacht-club membership fees were covered as part of his employment package, prompting staff and student protests (CityHub 2024). In 2023, the NSW Independent Commission Against Corruption reportedly examined potential breaches of integrity laws concerning his 2021 appointment, although no public findings have been made.

Together, these matters illustrate a governance culture detached from public expectations. NSW's enabling Acts contain no mechanism for independent verification of appointments, limits on executive benefits, or public-interest review of council conduct.

**Observation:** Statutory remuneration caps and mandatory publication of executive-pay decisions are essential to restore confidence and accountability.

#### 4.4. University of Technology Sydney (UTS)

UTS demonstrates the cost of managerialism replacing stewardship. Following major voluntary redundancies in 2021, staff numbers climbed again, only for a second wave of 400 job cuts to be announced in 2025. SafeWork NSW issued both an improvement notice and a prohibition notice citing *serious and imminent risk* of psychological harm to staff (SafeWork NSW 2025; HRM Online 2025).

**Observation:** Legislative reform should impose statutory duties on councils to undertake independent WHS risk reviews for any restructure affecting more than 50 roles.

These events occurred in the wake of a years-long \$1.5 billion capital-works program culminating in the \$360 million UTS Central building (Build Australia 2019; University of Technology Sydney 2019, 2024), financed partly through a \$300 million bond maturing in 2027 (UTS Annual Report 2024). Staff and students have questioned why teaching and public-health programs were cut, reducing course offerings by roughly 28 per cent, while debt-funded construction continued.

**Observation:** Statutory reform should compel councils to consider social-impact assessments before approving course closures.

UTS's council failed to demonstrate prudent financial governance or attention to psychosocial-risk obligations under the WHS Regulation 2017 (NSW).

#### 4.5. Western Sydney University (WSU)

Western Sydney University exemplifies how opaque governance structures and consultant dependence can erode trust in public institutions. The University has created a network of private education ventures – including WSU Online and The College – which operate with limited transparency and outside routine parliamentary scrutiny.

During 2024–25, WSU undertook major restructures justified on financial-sustainability grounds while simultaneously engaging high-priced consultants to advise on organisational change and “strategic alignment.” An ABC News investigation found that the University paid some consultants up to \$6,000 per day, with total expenditure reaching millions of dollars, even as staff faced redundancies and escalating workloads (ABC News 2025). Staff report exhaustion, burnout and a lack of transparency in decision-making.

WSU's diversion of public resources to private subsidiaries and high-cost consultants conflicts with its legislative purpose to serve Greater Western Sydney.

**Observation:** NSW should legislate that all controlled entities and consultancy contracts above a defined threshold be publicly listed, audited by the Auditor-General, and tabled in Parliament.

#### 4.6. Macquarie University (MQ)

Macquarie University has a long record of governance controversy.

In 2019, the Sydney Morning Herald revealed that Vice-Chancellor S. Bruce Dowton had leased his personal Mosman residence to the University for events, receiving about \$1.35 million over six years (Sydney Morning Herald 2019). Although approved by Council, the arrangement constituted a related-party transaction that undermined public trust.

In 2025, SafeWork NSW issued an improvement notice over psychosocial-risk failings linked to redundancies. Simultaneously, Macquarie's consultant expenditure exceeded \$30 million, including advice on organisational design while staff were being dismissed.

Macquarie's council composition, overwhelmingly appointed, mostly corporate backgrounds – shows classic council capture.

**Observation:** Statutory reform must prohibit councils from approving contracts where senior executives have a personal financial interest and must impose 50 per cent elected representation to restore community voice and public accountability to decision making.



## 4.7. University of Newcastle (UoN)

The University of Newcastle illustrates how governance can become politicised. In 2021, the council moved to appoint former Nationals leader Mark Vaile as Chancellor. After strong opposition from staff, students, and alumni, citing Vaile's record of supporting fossil-fuel projects, the appointment was withdrawn. The incident exposed a lack of transparent, merit-based selection criteria for council-appointed leaders.

In 2023, the University's Vice-Chancellor, Alex Zelinsky, pursued a non-union enterprise agreement, which was rejected in one of the most decisive "no" votes in Australian industrial relations history<sup>2</sup>. This attempt to bypass collective bargaining obligations further strained trust between management and staff, and resulted in public reputational damage for the institution.

Council silence throughout both episodes reflected weak internal checks and a disregard for industrial-relations risk.

**Observation:** NSW legislation should require councils to certify that senior appointments and bargaining strategies comply with the institution's public-interest and employment-equity obligations.

## 4.8. University of New England (UNE)

UNE's governance failures span a decade.

In 2016, staff-elected councillor, and then NTEU Branch President, Professor Margaret Sims faced restrictions after raising concerns about management. The University claimed her union role created a "material conflict of interest," limiting her access to papers. Sims challenged this interpretation, arguing it undermined staff representation; the dispute was withdrawn but revealed how conflict-of-interest rules can be weaponised to silence internal accountability (Federal Court filings 2016).

Subsequently, Vice-Chancellor Brigid Heywood's appointment (2019–23) ended in criminal

proceedings for offensive behaviour toward a minor (ABC 2025). The council's inadequate vetting process, and its failure to act swiftly, caused significant reputational damage.

**Observation:** UNE demonstrates why staff and student representation must be strengthened and why councils must be subject to statutory standards of conduct comparable to NSW public-sector boards.

## 4.9. Charles Sturt University (CSU)

In 2021, Professor Renée Leon was appointed Vice-Chancellor. As former head of the Department of Human Services, she oversaw the period when the unlawful *Robodebt* program was developed (Royal Commission into the Robodebt Scheme 2023). The Commission described this as a "gross failure of public administration."

Despite this, CSU's council made no public statement of due diligence or consultation before appointment.

In 2025, the University pursued extensive restructures affecting hundreds of regional jobs. The overlap between Leon's previous administrative failures and CSU's current governance culture suggests inadequate attention to accountability when selecting leadership.

**Observation:** Legislation should require councils to disclose the vetting processes for executive appointments and to publish written justifications against codified public-interest criteria.

## 4.10. Southern Cross University (SCU)

Vice-Chancellor Tyrone Carlin, appointed in 2020, had earlier served as President of CPA Australia during its governance scandal involving inflated executive remuneration and suppression of member dissent (AFR 2017). That background should have prompted caution.

<sup>2</sup> Nearly 3,000 staff voted "no" with the proposed Agreement being rejected by 89% of Academic and 75% of Professional staff.

Under Carlin's leadership, SCU eliminated creative-arts disciplines vital to the Northern Rivers' cultural economy. In 2022, SCU bypassed collective bargaining obligations and pursued an enterprise agreement that stripped workplace conditions, without union endorsement.

Following a protracted dispute initiated by the NTEU, the agreement was later overturned by the Full Bench of the Fair Work Commission (Fair Work Commission 2023) because 'misrepresentations' (direct quote) by management had secured staff support (Times Higher Education 2023).

This adversarial approach to governance, combined with program rationalisations in creative arts and humanities, reflects a pattern of executive decision-making with limited transparency or collegial consultation.

**Observation:** Statutory reform should require councils to assess the governance record of executive candidates and to certify that institutional decisions on staffing and courses align with the public interest.

## 4.11. University of Wollongong (UoW)

In 2024, UoW appointed Professor John Dewar as interim Vice-Chancellor (Times Higher Education 2024) while he remained a partner at KordaMentha, the consultancy simultaneously advising the university on its restructure. Although both Dewar and UoW denied any conflict of interest, Freedom-of-Information documents show the Chancellor, Christine McLoughlin, approved Dewar's continued involvement with KordaMentha one day a fortnight. The arrangement raised serious questions about how effectively governance conflicts are managed within the current statutory framework.

Later that year, the university announced plans to close 25 disciplines (Martin 2025), including philosophy and sociology, as part of its "Strategic Transformation Program." These proposals proceeded with limited community consultation and deep concern among staff about the pace and scope of change. The overlap between Dewar's consultancy affiliation and the restructure process illustrates how NSW's enabling Acts lack clear conflict-management standards.

**Observation:** Legislative reform should prohibit concurrent commercial engagements by senior executives when those roles intersect with governance or contracting decisions.

In 2025, UoW appointed Professor Max Lu as its next Vice-Chancellor. Lu previously served nine years as Vice-Chancellor at the University of Surrey (UK), where staff and student no-confidence motions were passed in 2019 and 2024 relating to executive leadership decisions (Times Higher Education 2025). Although these motions did not allege misconduct by Lu personally, their occurrence highlights the importance of robust appointment-vetting and reputational-risk assessment processes.

**Observation:** That such appointments can proceed without external scrutiny under current NSW legislation underscores the case for statutory fit-and-proper-person requirements and independent verification of senior appointments.

## 4.12. University Controlled Entities

A special note applies to the opaque network of controlled entities operating across NSW universities. Collectively, the State's ten public universities operate 78 controlled entities (53 based in Australia and 25 overseas) engaged in commercial education, property, consulting, and investment activities (Audit Office of NSW 2023). These subsidiaries and joint ventures manage substantial public resources yet sit largely outside parliamentary visibility or Auditor-General scrutiny.

While Western Sydney University's subsidiaries such as *The College* and *WSU Online* are among the more visible, comparable structures exist across the sector: UNSW and the University of Sydney each report more than a dozen controlled entities, while the University of Newcastle and UOW operate commercial research and education companies through similar vehicles.

This proliferation of off-balance-sheet structures has blurred the line between public and private activity. Without consistent disclosure of ownership, financial relationships, and executive remuneration, neither Parliament nor the community can easily assess how public resources are used or the extent of associated risks.

**Observation:** NSW should require all universities to table an annual Controlled-Entity Register, disclosing ownership, turnover, debt, and governance arrangements, with the NSW Auditor-General empowered to audit their accounts and related-party transactions.

Public money demands public accountability. The opacity of controlled entities is the single greatest loophole in NSW university governance.

#### 4.13. International and Commercial Partnerships: Gaps in Public-Interest Oversight

Universities' growing involvement in offshore campuses and commercial research partnerships illustrates the limits of current transparency and accountability provisions under NSW legislation.

These ventures often operate through controlled entities or "arm's-length" subsidiaries that fall outside the reach of Parliament or the Auditor-General. In some cases, they involve high-risk or ethically sensitive arrangements undertaken without any statutory requirement to demonstrate public benefit, ensure probity, or disclose financial and governance details (University of Wollongong 2025; NSW Parliament 2025a).

##### 4.13.1. University of Wollongong (UOW)

Through its international subsidiary *UOW Global Enterprises*, the University operates the long-standing *University of Wollongong in Dubai* and is now progressing plans to open a new campus in *Riyadh, Saudi Arabia* under a Saudi investment licence (University of Wollongong 2025). The project, expected to begin teaching in 2025–27, represents the first foreign university authorised under *Saudi Vision 2030*.

While marketed as part of UOW's "global presence," this expansion raises significant governance concerns: operations in jurisdictions with limited transparency or academic-freedom protections expose the University, and by extension the State, to reputational, ethical and financial risks that remain outside statutory scrutiny. There is currently no requirement for Parliamentary review of such ventures, nor for public disclosure of investment terms, ownership, or risk assessments.

##### 4.13.2. Western Sydney University (WSU)

In 2025, WSU's *NICM Health Research Institute* entered a clinical-trial collaboration with *Syqe Medical Ltd*, an Israeli pharmaceutical company publicly aligned with Israel's Ministry of Defence. Student and staff protests followed, and questions were raised during NSW Budget Estimates regarding whether the partnership complied with the University's ethical and governance obligations (Western Sydney University 2025; NSW Parliament 2025a).

Although the Vice-Chancellor stated that contractual arrangements sat "at arm's length," this episode highlights how current Acts contain no enforceable *public-interest* or *ethical-research* test for commercial collaborations. Partnerships that may confer commercial benefit on private or defence-linked entities can proceed without independent oversight, staff consultation, or disclosure.

**Observation:** These examples underscore the need for explicit statutory duties requiring universities to demonstrate that offshore ventures and commercial partnerships serve the public interest, meet defined ethical standards, and are subject to full financial and governance transparency. All controlled and affiliated entities – domestic or international – should be consolidated for audit and parliamentary reporting.



# 5 RECOMMENDATIONS & PATHWAYS TO STRONGER GOVERNANCE

The evidence presented in this submission demonstrates that NSW's existing legislative framework no longer provides an adequate basis for transparent, accountable and democratically governed universities.

Parliament therefore faces a clear policy choice: whether to maintain a system designed for the 1980s or to modernise university governance so that it meets contemporary public-sector standards of integrity, participation and oversight.

Nationally, the NTEU's *Ending Bad Governance for Good* (2024b) highlights similar trends across the sector – a drift toward external appointee dominance, opaque decision-making and diminished collegial participation. NSW universities reflect this national pattern but also reveal how these weaknesses are compounded by outdated legislation.

Reform in NSW therefore presents an opportunity to lead the national response: restoring transparency and accountability to institutions that are both public in character and vital to the State's economic and social future.

## 5.1. Independent Performance Audits

A first and immediate step should be the commissioning of a program of performance audits conducted by the NSW Auditor-General.

Under the *Government Sector Audit Act 1983*, performance audits assess whether public sector activities are carried out effectively, efficiently,

economically and in compliance with relevant laws<sup>3</sup>.

They cannot question the policy objectives of government but can examine how effectively those objectives are being implemented and whether public resources are being used in accordance with legislative and governance obligations.

In the university context, such audits would provide independent assurance to Parliament and the public about whether NSW universities are operating in a manner consistent with their statutory purpose and the public interest. They can also include a follow-the-dollar component, allowing scrutiny of controlled entities and subsidiaries that receive public resources.

These reviews should begin with institutions where governance and workforce-management risks have been most visible – the University of Wollongong, University of Technology Sydney, Western Sydney University, University of Newcastle and Macquarie University – and then proceed on a rolling basis across the sector.

Performance audits of this kind would give Parliament a factual baseline for future legislative reform and establish a regular mechanism for ongoing public-interest accountability in NSW's higher-education system.

## 5.2. Key Areas for Reform

Drawing on the case studies and analysis in this submission, three core reform areas warrant detailed examination by the Inquiry and the NSW Government. Each corresponds to the reform directions outlined in the Executive Summary and is intended to restore transparency, integrity, and accountability across NSW's public universities.

<sup>3</sup> NSW Audit Office, *Appendix Four – Performance Auditing*, in Report to Parliament: Results of Audits 2023, pp. 45–46.



### 5.2.1. Adopt Federal Governance Standards

NSW should adopt in full the recommendations of the *Interim Report of the Senate Inquiry into the Quality of Governance at Australian Higher Education Providers*.

These recommendations provide a nationally consistent framework for transparency, integrity and accountability in university governance including clearer council duties, stronger conflict-of-interest standards, and enhanced representation of staff and students.

Adopting these reforms at the State level would align NSW's framework with emerging national standards and ensure coherence between federal and state oversight mechanisms.

It would also demonstrate a commitment to rebuilding public trust in higher education governance through principles of transparency, independence, and democratic participation.

### 5.2.2. Core Governance Standards

To modernise governance practice and restore confidence in university decision-making, the following minimum standards should be adopted in statute and regulation.

- 1. Democratic Governance**  
Ensure councils include at least 50% elected staff and student representation to embed internal expertise and accountability in decision-making. Elected members should have equal voting and speaking rights, a right to consult with their constituencies, and protection from retaliation or exclusion.
- 2. Integrity in Appointments**  
Introduce statutory *fit-and-proper-person* and public-interest criteria for Vice-Chancellors and council appointees, verified by an independent body such as the NSW Public Service Commission.
- 3. Transparency and Reporting**  
Mandate annual dual workforce reporting (FTE and headcount), disclosure of insecure-employment ratios, consultant and labour-hire expenditure, and publication of controlled-entity accounts and Council minutes.
- 4. Executive Remuneration Discipline**  
Link Vice-Chancellor and senior-executive remuneration to the SES Band 4 benchmark, with any exception publicly justified and reported.

- 5. Workforce and WHS Accountability**  
Require reporting of psychosocial-risk and workload indicators consistent with SafeWork NSW obligations, recognising staff wellbeing as a core governance responsibility (Department of Education 2024).

### 5.2.3. Oversight and Enforcement

To give effect to these standards, NSW should strengthen independent oversight through:

- **Expanded Auditor-General** authority to audit governance, workforce integrity and non-financial performance, including controlled entities and consultant expenditure; and
- **Establishment of a University Governance Commissioner**, empowered to monitor compliance, follow up audit recommendations and refer serious matters to the Independent Commission Against Corruption, the Ombudsman, or other relevant bodies.

This dual-track oversight model of independent audit plus continuous monitoring would provide Parliament with an enduring mechanism to ensure that university autonomy operates within a transparent, accountable public-interest framework.

## 5.3. Modernising the Framework

Reform will ultimately require either a new *University Governance and Transparency Act (NSW)* applying uniformly across the sector or harmonised amendments to the ten existing university enabling Acts.

A statutory review should assess whether current Acts remain fit for purpose and codify an explicit *public-good* object affirming universities' role in serving the wider community through teaching, research, and civic engagement. Complementary amendments to the *Annual Reports (Statutory Bodies) Act 1984 (NSW)* and the *Public Finance and Audit Act 1983 (NSW)* should embed non-financial governance audits and workforce-transparency reporting within the State's public-sector accountability system (NSW Audit Office 2023).

Detailed comparative models, reporting templates, and implementation options are provided in **Appendices A–G**.

Together, these reforms would re-establish NSW's universities as transparent, democratically governed public institutions serving the people of New South Wales.

## 6 SUMMARY: RISKS & PRIORITIES

The following table summarises the principal governance risks identified across NSW universities. It illustrates how recurring weaknesses, particularly in appointments, accountability, transparency and workforce management, can be addressed through the six key reform areas outlined in **Section 5**.

**TABLE 6-1: NSW GOVERNANCE RISKS AND REFORM PRIORITIES**

University	Key Governance Risks Identified	Corresponding Reform Priorities
University of Sydney	Large-scale wage theft; high consultant expenditure; council oversight failure; executive pay above public benchmarks.	Workforce transparency and WHS accountability; executive remuneration discipline; Auditor-General performance audits.
University of UNSW	Large-scale wage theft; concentration of executive authority; ICAC scrutiny of VC appointment.	Integrity in appointments; remuneration discipline; strengthened oversight.
University of Technology Sydney	Unsafe restructures and psychosocial risks; \$1.5b capital program and \$300 m bond amid staff cuts.	Workforce and WHS accountability; transparency in financial and capital decision-making; independent performance audit.
Western Sydney University	Opaque controlled entities and private ventures; repeated restructures with consultant dependence; staff burnout.	Transparency and reporting of controlled entities; remuneration discipline; enhanced Auditor-General powers.
Macquarie University	Related-party transactions by Vice-Chancellor; SafeWork NSW improvement notice; \$30 m consultant spend.	Integrity in appointments; conflict-of-interest prohibitions; WHS accountability; oversight and enforcement.
University of Newcastle	Politicised Chancellor appointment; attempt to bypass collective bargaining; weak council transparency.	Integrity in appointments (fit-and-proper-person test); democratic governance; Auditor-General review.
University of New England	Poor vetting of Vice-Chancellor; misuse of conflict rules against staff-elected councillor.	Integrity in appointments; protection of elected representatives; democratic governance.
Charles Sturt University	Appointment linked to prior administrative failure ( <i>Robodebt</i> ); large-scale restructures; limited due-diligence disclosure.	Fit-and-proper-person criteria; WHS and workforce accountability; council vetting standards.
Southern Cross University	VC governance scandal; attempted non-union EA ballot overturned by FWC; adversarial approach to staff	Integrity in appointments; public-interest and governance-record vetting; statutory public-purpose duty.
University of Wollongong	Interim VC simultaneously partner at advising consultancy; closure of disciplines; of new VC appointed despite UK no-confidence history.	Conflict-of-interest prohibition; appointment vetting; oversight & enforcement.

Governance risks across NSW universities stem from outdated legislation, not from isolated failings. Universities differ in size and mission, but the underlying pattern – opaque decision-making, limited democratic representation, and weak external oversight – is common to all. Addressing these systemic gaps requires Parliament to update the statutory framework itself.



## 7 CONCLUSION

**The evidence across NSW's ten public universities points to a single conclusion: the governance system established more than thirty years ago is no longer fit for purpose.**

Institutions created and funded by Australian Parliaments now operate with extensive commercial powers but limited democratic oversight, weak probity standards, minimal transparency around how public resources are managed and with no accountability to the community that they serve.

These weaknesses are not isolated to particular leaders or campuses. They reflect structural deficiencies in the legislative framework itself – an imbalance between autonomy and accountability that has allowed wage theft, unsafe restructures, excessive executive remuneration, and opaque subsidiary arrangements to proliferate.

The Inquiry provides Parliament with a timely opportunity to restore confidence in the governance of the State's universities. Through independent performance audits, stronger integrity and appointment standards, workforce-transparency obligations, and enhanced oversight by the Auditor-General and a University Governance Commissioner, NSW can rebuild a system that aligns with contemporary public-sector expectations.

Reform will not diminish university autonomy; it will ensure that autonomy is exercised responsibly and in the public interest.

Universities are not private corporations with shareholders, they are public institutions held in trust for the people of New South Wales.

Modernising their governance is essential to protect that trust and to secure the long-term integrity, sustainability, and community purpose of higher education in this State.

*"Universities are not corporations with shareholders. They are public trusts with citizens."*

# 8 REFERENCES AND LEGISLATIVE SOURCES

## 8.1. References

ABC News (2023) *University of New England vice-chancellor Brigid Heywood resigns following assault charge*. 13 September 2023. Australian Broadcasting Corporation. Available at: <https://www.abc.net.au/news/2023-09-13/une-vice-chancellor-brigid-heywood-resigns/102857682> (Accessed 14 October 2025).

ABC News (2025) *Western Sydney University consultants paid thousands a day amid cuts and staff anger*, 13 October 2025. Available at: <https://www.abc.net.au/news/2025-10-13/western-sydney-university-consultants-paid-thousands-a-day/105873714> (Accessed 15 October 2025).

Audit Office of New South Wales (2023). *Universities 2023: Report to Parliament*. Sydney: Audit Office of NSW. Available at: <https://www.audit.nsw.gov.au/our-work/reports/universities-2023> (Accessed 15 October 2025).

Audit Office of New South Wales (2024) *Universities 2024: Report to Parliament*. Sydney: Audit Office of New South Wales. Available at: <https://www.audit.nsw.gov.au/our-work/reports/universities-2024> (Accessed 14 October 2025).

Australian Financial Review (2017) *CPA Australia turmoil: governance scandal explained*. 20 April 2017. Available at: <https://www.afr.com/work-and-careers/leadership/cpa-australia-turmoil-governance-scandal-explained-20170420-gvptk5> (Accessed 14 October 2025).

Australian Institute of Health & Safety (2025) *When redundancy programs become a psychological harm risk*. September 2025. Available at: <https://www.aihs.org.au/news-and-publications/news/when-redundancy-programs-become-psychological-harm-risk> (Accessed 14 October 2025).

Build Australia (2019) *UTS Central opens its doors: the billion-dollar campus plan*. 2019. Available at: <https://www.buildaustralia.com.au/projects/uts-central-opens-its-doors-the-billion-dollar-campus-plan/> (Accessed 14 October 2025).

CityHub (2024) *UNSW in turmoil over poor bookkeeping as students protest*. 23 September 2024. Available at: <https://cityhub.com.au/unsw-in-turmoil-over-poor-bookkeeping-as-students-protest/> (Accessed 14 October 2025).

Department of Education (2024) *Higher Education Statistics – 2023 Student Data: Key Findings*. Canberra: Australian Government. Available at: <https://www.education.gov.au/higher-education-statistics/student-data/> (Accessed 14 October 2025).

Fair Work Commission (2023) *Southern Cross University [2023] FWC 2077* (23 June 2023). Melbourne: Fair Work Commission. Available at: <https://www.fwc.gov.au/documents/decisionssigned/pdf/2023fwc2077.pdf> (Accessed 14 October 2025).

Fair Work Ombudsman (2024) *University of Sydney – Enforceable Undertaking*. December 2024. Available at: <https://www.fairwork.gov.au/newsroom/media-releases/2024-media-releases/december-2024/university-of-sydney-eu-media-release> (Accessed 14 October 2025).

Guardian Australia (2024) *University of Sydney spent more on consultants than repaying casuals*. October 2024. Available at: <https://www.theguardian.com/australia-news/2024/oct/17/university-of-sydney-spent-more-on-consultants-than-repaying-casuals> (Accessed 14 October 2025).

HRM Online (2025) *SafeWork orders temporary pause on redundancies due to psychological risk*. September 2025. Available at: <https://www.hrmonline.com.au/leadership/safework-orders-temporary-pause-on-redundancies/> (Accessed 14 October 2025).

Investment NSW (2024) *International Education in NSW*. Sydney: NSW Government. Available at: <https://www.nsw.gov.au/departments-and-agencies/investment-nsw/focus-sectors/international-education> (Accessed 14 October 2025).

Martin, B. (2025) *Documents on University of Wollongong course cuts*. University of Wollongong. Available at: <https://www.bmartin.cc/pubs/25UOWcuts/Langford2025.pdf> (Accessed 14 October 2025).

NICM Health Research Institute (2025) *NICM Health Research Institute partners with Syge Medical on clinical trial*. Western Sydney University. Available at: <https://www.nicm.edu.au/news/2025/syge-medical-clinical-trial> (Accessed 14 October 2025).

NSW Parliament (2025a) *Budget Estimates 2025 – Examination of the Department of Education (Western Sydney University)*. Legislative Council Portfolio Committee 3 – Education, 13 September 2025. Sydney: Parliament of New South Wales. Available at: <https://www.parliament.nsw.gov.au/committees/inquiries/Pages/inquiry-details.aspx?pk=3090> (Accessed 14 October 2025).

NTEU (2024a) *The Corporatisation of University Governance*. Melbourne: National Tertiary Education Union. Available at: <https://nteu.org.au/library/view/id/1683> (Accessed 14 October 2025).

NTEU (2024b) *Ending Bad Governance for Good*. Melbourne: National Tertiary Education Union. Available at: <https://nteu.org.au/library/view/id/1684> (Accessed 14 October 2025).

NTEU (2024c) *Public Universities Wage Theft Report*. Melbourne: National Tertiary Education Union. Available at: <https://nteu.org.au/library/view/id/1679> (Accessed 14 October 2025).

Parliament of New South Wales (2024) *Universities 2023: Final Report*. Sydney: Legislative Council. Available at: <https://www.parliament.nsw.gov.au/tp/files/188746/Universities%202023%20final%20report.pdf> (Accessed 14 October 2025).

Royal Commission into the Robodebt Scheme (2023) *Report of the Royal Commission into the Robodebt Scheme*. Canberra: Australian Government. Available at: <https://www.robodebt.royalcommission.gov.au/publications/final-report> (Accessed 14 October 2025).

Safe Work Australia (2022) *Model Code of Practice: Managing Psychosocial Hazards at Work*. Canberra: Safe Work Australia. Available at: <https://www.safeworkaustralia.gov.au/doc/model-code-practice-managing-psychosocial-hazards-work> (Accessed 14 October 2025).

SafeWork NSW (2025) *Prohibition Notice: UTS Restructure*. September 2025. Sydney: SafeWork NSW. Available at: <https://www.safework.nsw.gov.au/> (Accessed 14 October 2025).

Senate Education and Employment References Committee (2025) *Management and Integrity of Public Universities in Australia: Interim Report*. Canberra: Commonwealth of Australia. Available at: [https://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Education\\_and\\_Employment/UniversityGovernance48/Interim\\_report](https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Education_and_Employment/UniversityGovernance48/Interim_report) (Accessed 15 October 2025).

Sydney Morning Herald (2019) *Vice-Chancellor's lucrative dealings with university*. 13 June 2019. Available at: <https://www.smh.com.au/education/vice-chancellor-s-lucrative-dealings-with-university-20190612-p51wxm.html> (Accessed 14 October 2025).



Times Higher Education (2023) *FWC vetoes Southern Cross University staff deal*. Available at: <https://www.timeshighereducation.com/news/australian-university-staff-deal-quashed> (Accessed 14 October 2025).

Times Higher Education (2024) *Stand-in VC denies "moonlighting" at restructure consultancy*. 15 November 2024. Available at: <https://www.timeshighereducation.com/news/stand-v-c-denies-moonlighting-restructure-consultancy> (Accessed 14 October 2025).

Times Higher Education (2025) *Stand-in UoW vice-chancellor denies moonlighting on restructure consultancy*. February 2025. Available at: <https://www.timeshighereducation.com/news/stand-uow-v-c-denies-moonlighting-restructure-consultancy> (Accessed 14 October 2025).

University of Sydney (2024) *Annual Report 2024*. Sydney: University of Sydney. Available at: <https://www.sydney.edu.au/content/dam/corporate/documents/about-us/values-and-visions/annual-report/university-of-sydney-2024-annual-report.pdf> (Accessed 14 October 2025).

University of Technology Sydney (2019) *Annual Report 2019 – Volume 1*. Sydney: University of Technology Sydney. Available at: <https://www.parliament.nsw.gov.au/tp/files/178273/UTS%20Annual%20Report%202019%20Volume%201.pdf> (Accessed 14 October 2025).

University of Technology Sydney (2024) *Annual Report 2024 – Volume 2*. Sydney: University of Technology Sydney. Available at: <https://www.parliament.nsw.gov.au/tp/files/191055/UTS%20annual%20report%20vol.2.pdf> (Accessed 14 October 2025).

University of Wollongong (2025) *International Branch Campuses – Dubai and Saudi Arabia*. University of Wollongong. Available at: <https://www.uowdubai.ac.ae/> and <https://www.uowsaudiarabia.com/> (Accessed 14 October 2025).

Western Sydney University (2024). *Controlled and Associated Entities Governance Framework (v4)*. Available at: <https://policies.westernsydney.edu.au/document/view.current.php?id=342&version=4> (Accessed 15 October 2025).

Western Sydney University (2024a) *Annual Report 2024*. Sydney: Western Sydney University. Available at: <https://www.parliament.nsw.gov.au/tp/files/191056/Western%20Sydney%20University%20Annual%20Report%202024.pdf> (Accessed 14 October 2025).

Western Sydney University (2025) *Statement: NICM Health Research's participation in global trial on Diabetic Peripheral Neuropathy*. News Centre. Available at: [https://www.westernsydney.edu.au/newscentre/news\\_centre/more\\_news\\_stories/statement\\_nicm\\_health\\_researchs\\_participation\\_in\\_global\\_trial\\_on\\_diabetic\\_peripheral\\_neuropathy](https://www.westernsydney.edu.au/newscentre/news_centre/more_news_stories/statement_nicm_health_researchs_participation_in_global_trial_on_diabetic_peripheral_neuropathy) (Accessed 14 October 2025).

### 8.1.1. Legislation and Regulatory Instruments

#### 8.1.2. New South Wales

Annual Reports (Statutory Bodies) Act 1984 (NSW)  
Government Sector Audit Act 1983 (NSW)  
Government Sector Employment Act 2013 (NSW)  
Public Finance and Audit Act 1983 (NSW)  
Work Health and Safety Act 2011 (NSW)  
Work Health and Safety Regulation 2017 (NSW)  
University of Sydney Act 1989 (NSW)  
University of New England Act 1993 (NSW)  
University of Technology Sydney Act 1989 (NSW)  
University of Wollongong Act 1989 (NSW)  
Macquarie University Act 1989 (NSW)  
Western Sydney University Act 1997 (NSW)  
University of Newcastle Act 1989 (NSW)  
Charles Sturt University Act 1989 (NSW)  
Southern Cross University Act 1993 (NSW)

#### 8.1.3. Victoria

University of Melbourne Act 2009 (Vic)  
RMIT University Act 2010 (Vic)



#### 8.1.4. Independent agencies / guidance

ICAC (2019) *Managing Conflicts of Interest in the Public Sector*. Sydney: Independent Commission Against Corruption.

Available at:

[https://www.icac.nsw.gov.au/ArticleDocuments/902/MCI\\_Public\\_Sector.pdf.aspx](https://www.icac.nsw.gov.au/ArticleDocuments/902/MCI_Public_Sector.pdf.aspx)

(Accessed 14 October 2025).

NSW Audit Office (2023) *Universities 2023: Report to Parliament*. Sydney: Audit Office of New South Wales.

Available at:

<https://www.audit.nsw.gov.au/our-work/reports/universities-2023>

(Accessed 14 October 2025).

# APPENDICES – LEGISLATIVE CONTEXT, WORKFORCE TRANSPARENCY, AND STATUTORY COMPARISONS

These appendices accompany the submission from the NTEU NSW Division to the NSW Legislative Council Standing Committee on Social Issues Inquiry into the NSW University Sector.

They provide extended comparative and technical detail on legislative context, governance indicators, and implementation pathways for reform.

## Appendix Index

- A. **Bridge to Reform Options (Comparative Context)** – pp. A1–A4  
Summarises key differences across NSW university Acts, highlights structural inconsistencies, and maps legislative gaps to reform options.
- B. **NSW–Victoria Side-by-Side (Selected Features)** – pp. B1–B4  
Compares statutory orientation and transparency provisions, showing how Victoria’s 2009–2010 reforms codified public-purpose and governance principles.
- C. **Transparency and Mandatory Reporting (Templates)** – pp. C1–C10  
Illustrates model provisions for workforce, consultant, AI, and WHS transparency consistent with Sections 4.2(3) and 4.2(5).
- D. **University Council Composition and Appointment Standards** – pp. D1–D4  
Sets out minimum internal representation (≥ 50% elected staff + students), gazetted public-interest criteria, and independent verification mechanisms, aligned with Sections 4.2(1) and 4.2(2).
- E. **Executive Remuneration Cap (Option Set)** – pp. E1–E2  
Proposes a statutory cap linked to SES Band 4, with disclosure and exceptional-case provisions, aligned with Section 4.2(4).
- F. **NSW Government Levers for Higher Reporting Standards** – pp. F1–F2  
Outlines legislative and administrative options for implementation, aligned with Section 4.3 (Modernising the Framework).
- G. **Comparative Timeline of Reform and Drift** – pp. G1–G2  
Traces the evolution of NSW university Acts (1953–2025) to show the widening gap between autonomy and accountability.

# APPENDIX A: BRIDGE TO REFORM OPTIONS (COMPARATIVE CONTEXT)

**Purpose:** To summarise, without prescription, what the cross-jurisdictional comparisons show and how they inform potential pathways examined in **Section 5** (Recommendations and Pathways to Stronger Governance).

NSW's ten public universities are governed by separate enabling Acts drafted across different decades, with incremental amendments since. In practice, these Acts emphasise councils' commercial powers (to acquire property, borrow, invest, and form controlled entities) while imposing limited, inconsistent obligations around public purpose, transparency, probity in appointments, and democratic participation.

Comparative analysis, particularly against Victoria's post-2009 framework, indicates that clearer statutory objects, minimum governance standards, and non-financial reporting duties correlate with stronger visibility of workforce and governance risks. On this evidence, the Inquiry may wish to examine options to modernise NSW's framework so that legislative obligations keep pace with institutional scale and risk, provided to inform the Committee's consideration.

The following comparative tables (**Tables 1–3**) and the **NSW–Victoria side-by-side** are provided to inform the Committee's consideration.

**Note on language.** Throughout this appendix we avoid causal claims and pejoratives. Where examples are cited, they are used to illustrate structural gaps, not to attribute intent.

**TABLE A.1 – CORE GOVERNANCE PROVISIONS IN NSW UNIVERSITY ACTS (AT A GLANCE)**

University	Act vintage	Typical Council size	Elected members (staff + students)	Ministerial / external appointees	Conflict-of-interest rule (statutory vs policy)	Public-purpose statement	Reporting & audit beyond financials
University of Sydney	1989-era	~22	~4–5	~4–6	Statutory duty to disclose; practical detail in policy	Implicit/limited	Annual report (financial) only; non-financial governance not mandated
University of NSW	1989-era	~22	~4	~5–7	Statutory + policy	Implicit/limited	As above
University of Technology Sydney	1989	~21	~4	~5–7	Mostly policy-level detail; Act is light	Sparse (Act emphasises "control/management" powers)	As above
Western Sydney University	1997	~18	~4	~6–8	Statutory + policy	Implicit/limited	Controlled-entity visibility weak in statute
Macquarie University	1989-era	~17	~3	~6–8	Statutory	Implicit/limited	As above
University of Newcastle	1989-era	~18	~4	~5–7	Statutory	Implicit/limited	As above
University of Wollongong	1989-era	~22	~4	~5–7	Statutory	Implicit/limited	As above
University of New England	1953 / 1993 rewrite	~22	~5	~5–7	Statutory	Implicit/limited	As above
Charles Sturt University	1989-era	~18	~3	~5–7	Statutory	Implicit/limited	As above
Southern Cross University	1993	~17	~3	~5–7	Statutory	Implicit/limited	As above

**How to read this table:** Councils are relatively large and appointment-heavy; elected staff/student representation varies and is typically a minority. Conflict-of-interest duties exist in Acts, but operational detail and enforcement sit mainly in policy. Public-purpose statements are generally broad/implicit. Non-financial governance reporting (e.g., wage integrity, psychosocial risk, consultant use, controlled-entity transparency) is not uniformly mandated in statute.

**TABLE A.2 - GOVERNANCE FAILURES VS LEGISLATIVE GAPS (NSW EXAMPLES MAPPED TO FIXABLE LAW)**

Case / University	Observed governance failure	What the Act enables or omits	The statutory gap (why it keeps happening)	Concrete legislative fix
UTS – unsafe, consultant-led restructuring, large course cuts	SafeWork prohibition/improvement notices; ~400 job losses; 28% course cull incl. teacher ed/public health	Act empowers broad “management/control” + commercial activity; no WHS change-governance duty	No statutory requirement to certify psychosocial risk or report change impacts	Mandate WHS change-certification; require public change business cases; table SafeWork notices; Auditor-General audit of non-financial disclosures
Macquarie – related-party VC residence rental	Council-approved, technically disclosed	Conflict dealt with largely by policy; Act lacks hard ban on self-dealing	Related-party prohibitions not explicit in statute	Prohibit self-dealing & related-party benefits in Act; require published exceptional approvals
Sydney & UNSW – wage theft and consultant overspend	~A\$70m provisions each; consultants > repayments at points	Acts don’t require wage-integrity reporting	Wage-integrity is invisible to Parliament	Mandate wage-integrity dashboards; annual council certification; AG audit rights
UOW – interim VC concurrently a partner at restructure adviser	Conflict “managed”, but integrity/public trust harmed	Act lacks bright-line rules on concurrency	No ban on concurrent commercial roles for VCs	Prohibit concurrent consultancies for executives; require independent probity sign-off
WSU – opaque controlled entities & executive bloat	Entities operate off-balance-sheet; at least 15 execs > Premier	Acts allow subsidiaries; no public register duty	Parliament can’t see where public money goes	Create controlled-entity register; AG access; exec remuneration cap linked to SES Band 4
UNE – weaponised conflicts against staff-elected councillor	Staff rep restricted for union role	Conflict concept undefined; no staff-rep protections	Democratic participation chilled by policy misuse	Protect staff/student reps in Act; clarify what is not a conflict (e.g., union office)
UON – Chancellor appointment controversy	Perceived political appointment withdrawn after strong staff and community opposition	Acts light on public-interest appointment criteria	Councils may make politically sensitive appointments without transparent process or independent verification.	Gazetted public-interest criteria; independent eligibility verification; publish appointment rationales



**TABLE A.3 – HOW THE NSW ACTS DRIFTED (HISTORICAL EVOLUTION)**

Period	Statutory milestones	What changed (and what didn't)
<b>1950s–1970s</b>	Early Acts (e.g., UNE 1953)	Classic public–trust framing; closer ministerial line-of-sight; modest commercial powers
<b>Late 1980s (Dawkins era)</b>	Major rewrites/new Acts (Sydney/UNSW/MQ/UOW/UTS/CSU/UON c.1989)	Large autonomy & corporatisation pivot; wide commercial powers; purpose statements thinned; minimal non-financial accountability
<b>Early–mid 1990s</b>	Newer Acts (SCU 1993; WSU 1997)	"University as enterprise" logic consolidates; appointment-heavy councils; controlled entities facilitated
<b>2000s–2020s</b>	Incremental tidying; no systemic reform	Financial reporting remains the focus; no statutory modernisation on workforce transparency, WHS psychosocial risk, wage integrity, or consultant disclosure

The framework reflects a period of expanded autonomy and commercial capacity without a commensurate update to non-financial accountability obligations. This helps explain the visibility of workforce and governance risks identified in **Section 3**.



# APPENDIX B:

## NSW–VICTORIA SIDE-BY-SIDE

### B.1. Context

Victorian universities have long operated with a legislated public mission. However, explicit legislative reforms enacted between 2009 and 2010 significantly strengthened and standardised that commitment across the State’s universities. These amendments did not introduce a new concept of the *public good*; rather, they modernised and clarified an existing principle, aligning it with contemporary standards of public-sector governance, integrity, and accountability.

The revised Acts now state, in clear and enforceable terms, that universities exist to serve the broader community through the pursuit and application of knowledge, and that Councils must act consistently with principles such as justice, equality, diversity, inclusion and academic freedom.

By contrast, the NSW university Acts, mostly written in 1989–1997, remain anchored in a late-1980s corporatisation model. They confer wide powers to *control and manage* institutional affairs and to form or participate in corporations but provide only limited or implied references to public purpose, governance principles, or non-financial transparency.

This comparative analysis therefore highlights a philosophical and structural divergence: Victoria’s framework explicitly codifies the public-interest duty that NSW still treats as implicit. The following table and commentary summarise the key differences.

**TABLE B.1 – SELECTED FEATURES OF NSW & VIC UNIVERSITY ACTS COMPARED**

Feature	Victorian University Acts (post-2009)	Representative NSW Act (e.g. UTS Act 1989)
<b>Objects / Public Purpose</b>	Explicit statement that universities exist “to serve the wider community through the pursuit, dissemination and application of knowledge.”	No express public-purpose object; purpose implied through broad powers.
<b>Governance Principles</b>	Council must act in accordance with principles of justice, equality, diversity, inclusion and academic freedom, and in the interests of current and future students and staff.	Council empowered “to control and manage the affairs of the University”; no reference to equity, inclusion, or academic freedom.
<b>Conflict of Interest Controls</b>	Statutory prohibition on self-dealing and clear disclosure and recusal requirements.	General duty to disclose interests; operational detail left to internal policy.
<b>Transparency and Reporting</b>	Mandatory publication of governance information, workforce data, and outcomes of independent reviews.	Financial reporting mandated; non-financial governance and workforce reporting left to policy.
<b>Ministerial / Parliamentary Oversight</b>	Regular independent reviews of governance; requirement to table reports in Parliament.	Minimal parliamentary visibility; oversight largely confined to financial audits.

## B.2. Interpretation

Victoria's framework re-centres universities within the public sector tradition. It codifies purpose, principles and transparency, ensuring that autonomy is balanced by statutory accountability. NSW's 1989-era Acts, by contrast, enshrine the powers of "management and control" while leaving integrity and public-interest obligations to internal policy.

This difference of legislative philosophy has practical consequences. Where purpose and obligations are explicit and enforceable (as in Victoria), councils must weigh educational and community benefit alongside commercial judgment. Where they are implied and discretionary (as in NSW), corporate priorities tend to dominate by default.

**TABLE B.2 - DETAILED LEGISLATIVE EXCERPTS & COMPARATIVE NOTES**

Jurisdiction & Act	Representative Clause	Observed Orientation
<b>UTS Act 1989 (NSW)</b>	<i>The University shall have the control and management of its affairs...</i>	Managerial autonomy focus
<b>Macquarie University Act 1989 (NSW)</b>	<i>The principal function of the University is the encouragement of the pursuit of learning.</i>	Educational purpose; limited civic framing
<b>University of Melbourne Act 2009 (Vic)</b>	<i>The object of the University is to serve the wider community...</i>	Explicit public-good orientation
<b>RMIT University Act 2010 (Vic)</b>	<i>The University must ensure teaching and research serve the public interest.</i>	Modernised civic accountability
<b>Western Sydney University Act 1997 (NSW)</b>	<i>The objects of the University are the promotion, within its region, of scholarship...</i>	Regional scope; transparency duties not specified

## B.3. Implication for the Inquiry

The Inquiry may wish to consider whether NSW should adopt a harmonised statutory framework modelled on Victoria's approach, one that embeds public purpose, governance principles and transparency requirements directly in law, rather than relying on voluntary policy.

Such reform would not diminish autonomy but would clarify that universities' independence exists *within* an accountable public-interest framework.

# APPENDIX C: TRANSPARENCY AND MANDATORY REPORTING

The following model provisions set out the recommended minimum reporting requirements for NSW public universities.

They are designed to standardise non-financial governance and workforce reporting across institutions, ensuring comparability, transparency and accountability to Parliament.

These measures should be adopted in full through legislation or regulation consistent with the reform areas identified in **Section 5.2** (items 3 and 5).

## C.1. Workforce transparency reforms

### C.1.1. Dual reporting of FTE and headcount

Amendments to require annual reports must present both FTE and headcount data, disaggregated by:

- Employment type: ongoing, fixed-term, casual
- Staff classification: academic (teaching & research, teaching-only, research-only) and professional (by HEW level)
- Demographic categories including gender, Aboriginality, employees with disability

## C.2. Mandatory disclosure of employment type justification

### C.2.1. Fixed-Term employment

Annual reports must list the number of fixed-term employees by reason, using standardised categories:

- Research grant-funded
- Project-specific
- Replacement for leave
- Initial or probationary appointment
- Other (with explanation)

### C.2.2. Casual employment

Reports must include:

- Headcount and total hours paid
- Average paid hours per casual

- Purpose of casualisation (with counts per category):
- Irregular demand
- Teaching-only load
- Professional/industry engagement
- Cost-saving
- Other (with explanation)

### C.3. Casual FTE conversion

Require universities to disclose total casual hours converted to FTE, using a standard formula aligned to sector norms or EA benchmarks.

- Reports must include:
  - Total casual FTE
  - Estimated full-time equivalent roles displaced

### C.4. Insecure employment indicators

Annual reports must include:

- 3-year trend data on insecure vs. continuing employment
- Ratio of continuing to insecure employment (fixed-term and casual)
- % of teaching delivered by insecure staff
- Details of any conversion schemes offered (e.g. casual to ongoing) and uptake

### C.5. Wellbeing and WHS indicators

Annual reports must include a standardised set of indicators relating to staff wellbeing and psychosocial safety at work. These indicators are to be defined and maintained by the NSW Department of Education (or prescribed authority) in consultation with SafeWork NSW and relevant regulatory bodies<sup>4</sup>.

As a minimum, they must include:

- **Psychosocial Safety Climate Index score:** A measure of perceived organisational commitment to psychological health and safety, derived from validated survey instruments.
- **Staff-reported burnout or emotional exhaustion:** The proportion of staff reporting high or very high levels of psychological distress, emotional fatigue, or burnout, based on consistent survey data.
- **Work intensification and digital overload indicators:** Metrics such as average weekly hours worked, prevalence of unpaid overtime, and staff-reported workload pressures, disaggregated by classification and employment type.
- **Change fatigue and role clarity measures:** Indicators assessing the frequency of organisational change, staff perceptions of stability, and clarity of job expectations.

---

<sup>4</sup> Since 2022, psychosocial hazards are explicitly regulated under the *NSW Work Health and Safety Regulation 2017*, following Safe Work Australia's national model. SafeWork NSW enforces these regulations and provides detailed guidance on managing risks like workload, burnout, role ambiguity, and organisational change.

- **WHS risk assessment summary:** A summary of formal WHS risk assessments undertaken in the reporting year, particularly those related to workload, restructure, change, or psychosocial factors, including any resulting actions or controls implemented.

Where relevant, data must be benchmarked against sector-wide or national norms and presented with year-on-year trend comparisons<sup>5</sup>.

Indicators must be consistent with obligations under the *Work Health and Safety Act 2011 (NSW)* and associated *Work Health and Safety Regulation 2017*. Reporting must support transparency regarding compliance with psychosocial hazard duties as enforced by SafeWork NSW.

## C.6. Labour-hire and contracting disclosure

Reports must itemise:

- Total expenditure on third-party labour-hire
- Number of roles filled by contractors or agency staff
- Functional area e.g., IT, teaching, admin
- Rationale for use of non-permanent labour

## C.7. Publication and format requirements

- All workforce data to be published in machine-readable formats (CSV, XLSX)
- A standalone *Workforce Transparency Statement* must accompany each annual report
- NSW Treasury to establish standardised reporting definitions and formats

## C.8. Governance and expenditure transparency

### C.8.1. Executive and Senior Staff remuneration reporting

Require disclosure of:

- Names and remuneration of all executives earning above \$300,000, including:
  - Base salary
  - Performance pay and bonuses
  - Superannuation
  - Non-cash benefits
  - Year-on-year comparison
  - Rationale for increases
- Benchmark against NSW SES Band 4 salaries

---

<sup>5</sup> These indicators draw on common tools used in higher education staff surveys (e.g., PSC-12, burnout scales, engagement indexes). Data can be collected from existing institutional staff surveys or any mandated sector-wide staff wellbeing survey coordinated by the NSW Government. The goal is to standardise reporting while allowing flexibility in implementation. Universities collect the data but report against a common framework.



### **C.8.2. Consultancy and restructure expenditure transparency**

Reports must disclose:

- Total consultancy spend, disaggregated by:
  - Firm name
  - Purpose
  - Value
  - Total labour-hire spend
- All expenditure linked to workforce restructuring:
  - Name of consultant
  - Business case or project
  - Redundancy or redeployment costs

### **C.8.3. Restructuring and redundancy disclosure**

Universities must report:

- Total number of roles made redundant
- Classification levels of roles affected
- Business case summary and whether made public
- Use of external advice or consultants (name and cost)
- Redundancy and severance payments, retraining and redeployment costs, and consultant fees must all be separately itemised.

## **C.9. AI-related workforce transformation and efficiencies**

Annual reports must include a dedicated section on the use of artificial intelligence (AI), automation, and related digital technologies. This section must detail the institution's strategic deployment of AI and its implications for workforce, operations, partnerships, and governance.

Universities must report on the following.

### **C.9.1. Functional impact and scope**

- Identification of roles, functions, or processes that were modified, displaced, or augmented by AI, automation, or machine-learning technologies during the reporting period.

### **C.9.2. Financial disclosure**

- Total expenditure on AI-related systems, software, consultancy, development, and training, disaggregated by:
- Initial capital expenditure vs ongoing costs
- Internal development vs external procurement

### **C.9.3. Partnerships and procurement**

- Details of third-party vendors, technology partners, or research collaborators involved in the delivery of AI projects, including:



- Name and country of origin
- Scope of contract or partnership
- Value of procurement or collaboration agreement

#### **C.9.4. Consultation and governance**

- Evidence of staff and student consultation or governance input prior to major AI-related implementations, including:
  - Date and nature of consultation
  - Groups or governance bodies consulted
  - Summary of feedback or concerns raised

#### **C.9.5. Workforce implications**

- Number and classification of staff impacted e.g. reassigned, retrained, made redundant
- Summary of redeployment, retraining or redundancy measures adopted
- Estimated and realised financial savings arising from automation

#### **C.9.6. Ethical and operational safeguards**

- Summary of any institutional policies, risk assessments, or safeguards applied to mitigate ethical, legal, or psychosocial risks associated with AI implementation e.g. bias, surveillance, decision-making opacity

#### **C.9.7. AI governance and strategic alignment**

- Confirmation that the university maintains an institution-wide AI strategy consistent with TEQSA's expectations under the Higher Education Standards Framework.
- Summary of the university's internal AI governance arrangements, including how risks are managed across academic and administrative domains.
- Public-facing summary of the AI strategy (or excerpted statement of intent) to be included as part of the annual report, unless legally exempted.
- If any part of the AI strategy is confidential or commercially sensitive, the university must specify which parts are withheld and provide a justification.

### **C.10. Public accountability measures**

- All annual reports and supporting documents must be tabled in Parliament and published online in an accessible, permanent archive
- Auditor-General given power to audit selected non-financial disclosures
- Annual public hearing of the relevant NSW parliamentary committee to review university reports

# APPENDIX D: UNIVERSITY COUNCIL<sup>6</sup> COMPOSITION & APPOINTMENT STANDARDS

Amendments to university enabling legislation should mandate the following.

## D.1. Minimum internal representation requirements

- Elected representation:
  - At least 50 per cent of the total Council membership must comprise staff and student representatives elected from within the university community.
  - Staff representation:
    - Within the elected group, there must be no fewer than three (3) academic and two (2) professional staff members elected by their respective staff constituencies.
    - Universities with larger Councils may proportionally increase staff representation to maintain or exceed the 50 per cent elected threshold.
- Student representation:
  - there must be no fewer than two (2) student members, including one undergraduate and one postgraduate student, elected by students.
  - Additional student positions may be added proportionally where necessary to achieve the 50 per cent threshold.
- Remaining membership:
  - The remaining positions may include externally appointed members (Ministerial or Council-appointed) and any ex officio roles such as the Vice-Chancellor and Chancellor, provided that the total elected proportion of staff + students remains at or above 50 per cent.
  - Staff and student representatives must comprise no less than 50 per cent of the total Council membership.

## D.2. Public interest criteria for appointed members

- All Ministerial and Council-appointed members must meet defined public interest criteria, including:
  - Demonstrated experience in one or more of: public administration, higher education, financial governance, law, social equity, or community service.

---

<sup>6</sup> For the purposes of these proposals, references to "University Council" include the governing body of a university, whether titled as a Council, Senate, or Board of Trustees, as defined in the institution's enabling legislation.

- A commitment to the public purpose of the institution and the integrity of its governance.
- Absence of material conflicts of interest (financial, commercial, or personal) that would compromise independence or impartiality.

### **D.3. Responsibility for developing criteria**

- The Minister for Skills, TAFE and Tertiary Education (or equivalent portfolio holder) is responsible for issuing the criteria via regulation under the new or amended legislation.
- Criteria must be developed in consultation with:
  - NSW Treasury
  - The NSW Public Service Commission (to align with public sector governance standards)
  - Stakeholder groups (including academic, professional staff, and student bodies)
  - Independent governance experts where appropriate

### **D.4. Publication and authority**

- Criteria must be gazetted and published on an official government website (e.g., the Department of Education or Tertiary Education portfolio site).
- They must be updated at least every 5 years, with public consultation where material changes are proposed.

### **D.5. Independent verification**

- The NSW Public Service Commission or another designated independent body (e.g. a Governance Standards Advisory Panel) should be empowered to:
  - Review and verify that appointees meet the published criteria.
  - Issue non-binding recommendations or determinations prior to appointment.
  - Institutions must include a declaration of compliance with this verification in their Council Membership and Governance Statement (proposed in 2.5(c)).

### **D.6. Transparency and reporting**

Annual reports must include a Council Membership and Governance Statement setting out:

- Method of appointment for each member
- Attendance and term data
- Qualifications and professional background
- Disclosure of any declared conflicts of interest

### **D.7. Oversight and enforcement**

- A triennial independent governance review must be undertaken and published.
- The Minister may disallow appointments that do not comply with public interest criteria.
- Regulations may be made prescribing procedures for appointment, eligibility verification, and review.

## D.8. Implementation Note

The measures outlined in this section may be enacted either by inserting consistent amendments into each university's enabling Act or via a standalone statute applying to all NSW public universities.

A standalone *University Governance and Transparency Act* could establish minimum governance standards, appointment criteria, and reporting obligations, supported by regulation. University enabling Acts would then require consequential amendment to ensure alignment.



# APPENDIX E:

## EXECUTIVE REMUNERATION

### CAP (OPTION SET)

**A statutory remuneration cap should apply to Vice-Chancellors and other senior executives across all NSW public universities.**

- The cap should be set at the maximum Total Remuneration Package (TRP) for a Band 4 executive under the *Government Sector Employment Act 2013*, as determined by the Statutory and Other Offices Remuneration Tribunal.
- The cap should apply irrespective of internal titles, position descriptions, or reporting structures.
- For the purposes of this cap, *senior executive* should include:
  - Deputy Vice-Chancellors
  - Pro Vice-Chancellors
  - Chief Operating Officer, Chief Financial Officer, or equivalent
  - Any staff member who reports directly to the Vice-Chancellor and whose total remuneration exceeds the maximum Band 2 public sector executive band
  - Other senior roles as may be prescribed in regulation
- Remuneration above this cap should only be permitted in exceptional cases with written approval from the Minister, having regard to strategic needs and external benchmarks. Such approvals should be publicly reported, including publication in the *NSW Government Gazette* within 14 days.
- All proposed executive remuneration packages should require independent assessment by the Statutory and Other Offices Remuneration Tribunal (or an equivalent prescribed body) before being determined by the university governing body.
- Final remuneration determinations should be published on the university's website within 28 days.
- Legislative provisions should override any inconsistent internal rules, by-laws, or Council resolutions, for example irrespective of internal titling or organisational structuring intended to circumvent the cap.
- The Minister should have the power to make regulations to define or update relevant terms, thresholds, and processes as required.
- Compliance must be declared in the university's annual report, with a year-on-year comparison and rationale for any changes.

With regard to Vice-Chancellors and other senior executives remuneration, two approaches could be examined:

1. a statutory cap linked to SES Band 4 with exceptional-case disclosure; or
2. a mandatory benchmarking and public-justification regime without a hard cap.

The text here reflects option 1 and aligns with **Section 5.2 (4)**.

# APPENDIX F: HIGHER REPORTING STANDARDS

There are numerous levers available to the NSW government that have the potential to assist in higher reporting standards for NSW's universities, corresponding to **Section 5.3** (Modernising the Framework), and may be used in combination.

**TABLE F.1 - NSW GOVERNMENT LEVERS**

Mechanism	Legislation required?	Enforceability	Examples / Notes
Amend Annual Reports (Statutory Bodies) Act 1984	Yes	High (statutory)	Expand scope to require non-financial data; machine-readable formats; empower Auditor-General to audit non-financial disclosures.
Amend University Enabling Acts	Yes (omnibus or individual)	High (statutory)	Insert workforce/governance disclosure clauses and council-appointment criteria.
Amend Public Finance and Audit Act 1983	Yes	High (statutory)	Extend Auditor-General powers to audit governance and workforce reporting.
Auditor-General Performance Audits	No (existing powers)	High (reports to Parliament)	Targeted audits into workforce composition, transparency, and consultancy use.
NSW Treasury Reporting Directions	No (under existing Act)	Medium-High	Binding reporting guidelines for statutory bodies; define indicators and formats.
Departmental Reporting Guidelines	No	Medium	Standard reporting framework; quicker to implement but weaker without sanctions.
Funding Agreement Conditions	No	High (if linked to grants)	Tie State funding to enhanced transparency obligations (e.g., collaboration funds, capital works).
Annual Public Hearings	No	Medium	Legislative Council reviews annual reports each year.
Parliamentary Standing Orders	No	Medium	Require tabling of expanded datasets with annual reports.
Independent Oversight Body	Yes (to establish)	High (statutory)	Create a University Governance Commissioner to monitor compliance and report annually.

# APPENDIX G: REFORM AND DRIFT

The following timeline summarises how university legislation in New South Wales has evolved over the past seventy years. It highlights the gradual shift from universities conceived as public trusts under direct parliamentary oversight to institutions governed under highly autonomous, corporatised Acts.

While Victorian reforms in 2009 re-centred universities within an explicit public-interest framework, New South Wales has not undertaken a comparable modernisation.

The 2025 Legislative Council Inquiry therefore represents the first comprehensive opportunity in decades to realign university governance with an unambiguously civic purpose and contemporary accountability standards.

**TABLE G.1 - COMPARATIVE TIMELINE**

Year/Period	Event	Observed impact
1953–1973	UNE Act 1953 and analogues	Universities framed as public trusts; closer parliamentary visibility.
1989	Major rewrites of NSW Acts	Corporatisation and autonomy pivot; non-financial accountability thinned.
1993–1997	Regional Acts (SCU, WSU)	Regionalisation; consolidated enterprise model.
2009 (Vic)	Victorian Acts modernised	Purpose and transparency codified.
2025	NSW Inquiry	First systemic review opportunity in decades.



# CONTACT INFORMATION

Should the Committee have any questions or require additional information in relation to the content of this submission, please contact:

Vince Caughley  
NSW Division Secretary  
National Tertiary Education Union