

*Education (Polytechnics) Amendment Bill — Second Reading - 10 December 2009*

Hon Sir ROGER DOUGLAS (ACT): I will be brief. The Education (Polytechnics) Amendment Bill is all about governance of local polytech institutions. We started with the knowledge that the sector was not functioning particularly well, and there was a desire to look at why that was occurring. The truth is that any board of 14 to 20 members will not function particularly well, and we found that basically that was why the sector was in such a mess. The question became how many people should be on a board of this nature. I think the Minister for Tertiary Education was quite right in deciding that eight members was the maximum number if the board were to function in an appropriate way.

It then became a question of who should be on that board of eight. The first issue was that the Minister, given that the Government is providing the bulk of the money, would make the decision in terms of four members, including the appointment of the chairperson and the deputy chairperson. I must say that, in terms of governance of these organisations, in my view the most important decision that will be made is the decision of the Minister as to who will be the chair and the deputy chair of each organisation. If we get right the chair and the deputy chair, then appropriate governance will follow. So we have four members appointed by the Minister.

The next question was who should occupy the other four positions. It was suggested that the chief executive officer should be on the board. I was indifferent about that, personally. I did not think it was necessary for the chief executive officer to be on the board, because if the chief executive officer cannot influence the board, then the chief executive officer probably should not be in that position. It was also suggested that one of the representatives should be a student and one should be a staff member. I actually think that is bad governance. It is not appropriate, frankly, for students or for staff to be on a board of eight members, or even a board of 20 members. I do not think that is appropriate governance. In any case, any board worth its salt will consult the academic board and the students association. I personally do not believe that staff or students should be represented on the board.

We were faced with a situation where possibly only one community member would be on the board. I think that was insufficient. We now have a position where up to four community members could be appointed. It is a question of whether we prefer four people from the community as opposed to a student, the chief executive officer, and a staff member.

It seems to me that what we have now is an appropriate balance. Four members are appointed by the Minister, and, as I said, the most important job the Minister has is to get the right chairperson and, hopefully, a competent deputy chair, possibly with skills that the chairperson does not necessarily have, so that they are complementary. If we have that, we are on our way. We also have four members drawn from the community at large. As I said, it is not particularly effective to have a staff member or student on the board, nor is it necessary to have the chief executive officer on it, because the chief executive officer will be at the board meetings anyway. Frankly, if he or she cannot influence the board, he or she is not going to make it. To me, we got the right balance.

What I am hearing from the Labour Party is that those members believe that a board of 14-20 people is appropriate. That is simply—

Hon Trevor Mallard: No, no!

Hon Sir ROGER DOUGLAS: Yes, that member's colleagues have been saying that they are quite happy with 14 or more members, but that is totally inappropriate.

Hon Trevor Mallard: No!

Hon Sir ROGER DOUGLAS: I tell that member to listen to what his colleagues are saying. That is why Trevor Mallard got this sector into a mess when he was the Minister; he put too many people on the boards and he put people on them who were inappropriate. They were committed to representing a narrow, particular view rather than looking at the interests of the polytechs overall.