

SECOND READING SPEECH
THE HON NICK MCKIM MP
UNIVERSITY OF TASMANIA AMENDMENT BILL
2012

Mr Speaker,

I move that the Bill now be read a second time.

Officially founded on 1 January 1890, our University was the fourth university to be established in nineteenth-century Australia. In 1992, the University of Tasmania was confirmed as a single entity, following its amalgamation with the Tasmanian State Institute of Technology. At that time the University Council was established under the Act to govern the institution.

As with other Australian universities, the University of Tasmania has been responding strategically to an altered environment, including strong growth in enrolments, changing funding arrangements, increasing competition, and new regulatory frameworks. These changes have been reflected in the University Council's desire to adopt contemporary management and governance practices.

Mr Speaker, the *University of Tasmania Amendment Act 2001* and *University of Tasmania Amendment Act 2004* have enabled the University Council to operate within a more contemporary management and governance framework.

And today, the tabling of this Bill, continues this evolution. The purpose of this legislation is to enable the University Council to be reduced from 18 members to a maximum of 14, to reduce terms of members appointed by the Minister and Council from 4 to 3 years and to formalise Council's power to remove the Chancellor and Deputy Chancellor.

These changes support the University Council to adopt recommendations from an external review of the processes and structure of the Council. The Chancellor of the University of Tasmania (UTAS), Mr Damian Bugg, requested amendment of the *University of Tasmania Act 1992*.

The changes proposed in this Bill are in accord with the *Voluntary Code of Best Practice for the Governance of Australian Universities* that I, together with my colleagues on the, then, Ministerial Council on Tertiary Education and Employment (MCTEE), endorsed in September 2011.

This Code is supported by the Australian Council of University Chancellors.

This Bill, taken together with the reforms introduced through the prior amending Acts, enables the University of Tasmania to become fully compliant with the Code.

The national Code, reflected in these proposed amendments, supports continuing transition from a traditional and large representative governance model toward a contemporary corporate governance model; particularly in relation to insistence on stricter governance and accountability of the academic quality and engagement and business competencies of Australian universities.

The *University of Tasmania Act 1992* requires the Council to provide the Minister with an annual report to be laid before both Houses of Parliament. The Voluntary Code of Best Practice for the Governance of Australian Universities requires the University to disclose in its annual report its compliance with the Code of Practice and provide any reasons for non-compliance.

The reasoning for the reduction in size and altered composition of the Council is that it should no longer be the traditional large body of persons appointed as representatives of particular interest groups.

Until 2001, the Council comprised 24 members, among them a representative from both Houses of this Parliament.

Mr Speaker, I have mentioned the changing directions in which this country's universities must operate with increasingly complex educational, organisational, business and management responsibilities, Council membership must provide the necessary skills sets for ensuring the proper governance of a large tertiary education business, within a highly competitive environment and a budget governed along business lines rewarding achievement with revenue.

In order to efficiently and effectively discharge its roles and obligations, it has been determined that Council should be comprised of a minimum 10 with a maximum of 14 members but preferably operating with 12 members. The proposed composition of Council is:

- The Chancellor, Vice Chancellor and Chair of Academic Senate (all ex officio)
- one elected member of the academic staff
- one elected member of general staff (to be termed 'professional staff)
- one appointed student

- two members appointed by the Minister
- and between two and six members appointed by Council

Mr Speaker, the changes proposed are those agreed between me, as the Minister responsible for the Act and the Chancellor of the University, Mr Damian Bugg on 8 November 2011. The current Act requires consideration to be given, when appointing members, to required skills, regional and gender balance. That provision will continue.

These proposed amendments arose from the external review of the University during the previous 12 months. They were developed through the strategic planning processes of the University Council and communicated internally through the University and more widely through public media release.

I would draw Members attention to the preservation of the Minister's prerogative to appoint two members of the Council. Not only does this provision reflect the establishment of the University of Tasmania under State legislation but the ongoing significance of the University for Tasmania's economic, social and community good.

Mr Speaker, the Government fully supports the introduction of this Bill.

I commend this Bill to the House.