



Ms Lynn Lovelock
Clerk of Legislative Council &
Clerk of the Parliaments
Parliament House
Macquarie Street
SYDNEY NSW 2000

DGS09/1838

- 1 DEC 2009

Dear Ms Lovelock

I refer to the Report of the Legislative Council's Inquiry into the Governance of NSW Universities tabled on 1 June 2009.

I am pleased to provide feedback on the Government's response to the Report and on related developments regarding governance issues in NSW universities.

The Government has written to all university Chancellors acknowledging the Legislative Council Report and noting the general view of the NSW Vice Chancellors Committee put to the Legislative Council Inquiry - that a "one size fits all" approach to governance does not fit with the broader Commonwealth policy objective of greater diversification of the higher education sector.

In this context the Government has indicated it is open to considering proposals that university governing bodies believe would lead to improved capacity for effective governance. The Government would be willing to consider amendments to university acts accordingly, where these are supported by the governing body and the broader university community.

At the same time, the Government is keen to ensure that overall consistency in governance and legislative requirements is retained across all NSW universities. For this reason, a set of draft governance principles has been developed and forwarded to all university governing bodies as a backdrop to any changes that might be considered. A copy of the guidelines is attached for the information of the Committee.

The Government is currently awaiting full feedback from all university governing bodies. We would expect responses from universities to include some of the key matters mentioned in the recommendations of the Legislative Council's Report, including flexibility in relation to the number and the method of appointment to the

governing body of alumni representatives (Recommendations 2 and 3), a mechanism for the governing body to remove the Chancellor or Deputy Chancellor if required (Recommendation 8), and provision for universities to remunerate certain categories of governing body members (Recommendation 5). These matters may be addressed through a combination of amendments to the university Acts and/or By-law amendments as appropriate.

I anticipate a further period of consultation over February and March 2010 with each university governing body on proposed legislative changes. This consultation would also provide an opportunity for discussion with universities on processes for ensuring the quality of their governance arrangements, including matters such as those highlighted in other recommendations in the report of the Legislative Council Inquiry: induction and professional development programs, performance evaluation, and risk management practices.

The aim at this stage would be to introduce amended legislation into Parliament as soon as practicable, although the timing would depend on the scope and extent of the changes that the Government agrees to progress after considering university proposals.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'V. Firth', with a stylized flourish at the end.

Verity Firth MP
Minister for Education and Training

