

WORLD  
OPINIONA mad man can do  
some stupid things

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**S**TATE Treasurer Michael Costa is entitled to challenge his critics but using his medical condition as a weapon in his battle to privatise NSW's power generators is not on.

Costa, who never made a secret of his struggle with depression, declared that, while he may be mad his enemies are stupid — and there's no cure for that.

There's no doubting that the Treasurer has made a contribution to public life in NSW.

He is one of the few in State Cabinet to have ever exhibited any independence of thought, but some of his decisions have been little short of lunatic, and now that he's raised the issue of his mental health, it is fair to ask whether his condition has been responsible for some of his more egregious decisions.

Take his spur-of-the-moment decision to fire former TransGrid chairman Philip Higginson in November 2006.

Higginson had served the company extremely well for 12½ years. He enjoyed a rolled-gold reputation in the business community (and still does) for good governance which he had built over 40 years in senior management positions in manufacturing and mining.

He had paid his dues as a good citizen, using his talents effectively working for such public institutions as the Botanic Gardens, the Conservatorium of Music, the Salvation Army and the University of NSW. Indeed there is no one in the current Government with a record to match his service to the public and private sector.

Unlike so many heads of quasi-government institutions, he was no toady. He fought an attempt by the Treasury, among the most politicised of government departments, along with health, education and transport, when it attempted to hide a \$1 billion debt incurred by another state utility in TransGrid's books.

He was shafted, however, when he refused to buckle to Costa and appoint a nominee favourable to the NSW ALP and the trade union movement to the board of the Energy Industries Superannuation Scheme (EISS).



In hindsight, his dismissal seems even crazier now than it did two years ago, because Costa was pushing the interests of his current opponent on electricity privatisation, Bernie O'Riordan, the state ALP and ETU boss.

He even had O'Riordan sit in on a meeting which he had summoned Higginson to, at which he attempted to browbeat the corporate figure into going along with his grand plan.

Only someone totally unfamiliar with basic governance practices or out of his mind would have breached corpor-

ate best practice in such a blatant fashion.

Costa gave Higginson 24 hours to reconsider his refusal to capitulate — but within 10 hours he had NSW Treasury secretary John Pierce call Higginson and tell him he was finished.

Costa gave no reason for the extraordinary arbitrary dismissal other than to state that he was entitled as the Government's shareholder minister to dismiss directors of state-owned corporations.

That is so, but as numerous

authorities have ruled, such action is contrary to all principles of good governance and common law.

Management, not politicians, must have the authority to make operational decisions, including organisational structure. Sacking a chairman for refusing to appoint the nominee favoured by the minister and the minister's (then) friend, union mate and party political boss, would seem to be the act of a crazy person.

If he is intellectually honest, he should admit that there are times when he should be telling those around him that he's feeling marginal and that his decision-making capacity may be impaired.

His bizarre performance at the state ALP conference earlier this year exhibited all the hallmarks of an intensive mood swing episode.

High energy, uncontrollable outbursts, taunting behaviour, the sort of behaviour police deal with on a regular basis.

He has performed a public service in discussing his illness openly — helping other sufferers admit they might need treatment is a worthwhile gesture — but it should not serve as a shield to protect him or other sufferers from having their professional performance scrutinised.

As an elected officer, Costa enjoys a great degree of public trust. As a person whose performance may suffer because of his mental illness, he is asking for an even greater degree of trust.

He cannot claim to be another victim, though the cult of victimhood runs strongly within the ALP.

He is intelligent and articulate and brave (though his brazen approach at the conference would seem to be in accord with his illness).

While it is politically incorrect to criticise those who may suffer mental illnesses, decisions those people make should be scrutinised as thoroughly as the decisions made by stupid people, particularly when those decisions affect millions of taxpayers.

Treasurer Costa may know that he is mad, but does he really know when he is mad and when he is wrong?

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