

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2003-2004 BUDGET ESTIMATES SUPPLEMENTARY HEARING

Outcome: 2
Output Group: 2.1

DEST Question No. E375_04

Senator Marshall asked on 5 November 2003

Question:

Can ANTA outline why the views of major employer groups and unions are being ignored in the process of deciding board structures for the new Industry Skills Councils?

Answer:

ANTA has provided the following response:

ANTA takes the views of all industry stakeholders seriously. It has extensive and regular consultations with major employer groups and unions on many issues, including major discussions on national industry advisory arrangements and the formation of new Industry Skills Councils.

Over the years both employers and unions have been critical of the performance of Industry Training Advisory Bodies (ITABs), and urged ANTA to review arrangements. Once ANTA decided to embark on the new approach of creating Industry Skills Councils, there was quite widespread support for the general principle and approach. However, when it came to the specifics of what happened in particular industries and to particular ITABs there were much more mixed views. In fact there has been a remarkable level of agreement on the formation of the Industry Skills Councils, with only a few Councils proving quite contentious.

The major differences of opinion have been over the number and structure of the Industry Skills Councils, with the composition of Boards and who nominates the members being fairly contentious.

ANTA is concerned that the significant public funds spent on industry advisory arrangements and on projects conducted through those advisory arrangements represent value for money and deliver the outcomes sought by government and industry. Feedback from industry, ANTA's own experience as manager of the funds and contracts, plus the evaluation work, all convinced ANTA that there needed to be a new approach. The new approach has been designed to achieve the best possible outcomes for the funds available, from Industry Skills Councils that are financially competent and viable. This meant a strict limit on the number of bodies funded – a reduction from 29 to 10. Another key part of the approach is ANTA placing a strong emphasis on the new Councils having corporate governance arrangements that are good practice.

This has meant that ANTA is aiming for members of Boards to have collectively the necessary skills to govern the organisation. To reinforce good governance ANTA has sought to de-emphasise both the traditional representation approach to Board membership and structured voting blocks in favour of the skills and experience Directors bring to the Board and an emphasis on Directors acting in the interests of the company.