



The Maritime Union Of Australia

National Office

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Committee Secretary
Senate Education, Employment and Workplace Relations Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Committee Secretary

Re: Inquiry into Industry Skills Councils

Please find at **Attachment A** the MUA submission to the Inquiry.

The union also wishes to advise the Committee that it endorses the submission of the Transport and Logistics Industry Skills Council.

We look forward to being involved in public hearings if they are scheduled and to seeing the final report of the Inquiry

Yours sincerely

Paddy Crumlin
National Secretary

MUA response to the terms of reference to the Senate Inquiry into Industry Skills Councils

The role and effectiveness of Industry Skills Councils (ISCs) in the operation of the national training system particularly as it relates to states and territories and rural and regional Australia

The MUA is strongly supportive of the role and effectiveness of the Industry Skills Councils generally and of the Transport and Logistics Industry Skills Council (T&LISC) in particular.

Since the Labor Government reinvigorated the Skills Councils and established strong and effective funding, governance and performance requirements for the Skills Councils, we have found that the T&LISC has been very responsive and effective in working with the industry stakeholders to help deliver the training and workforce needs of the industry.

The T&LISC is now operating in a focused and consultative way to ensure that its primary functions around workforce planning, review and maintenance of training packages, development of learning and assessment resources, research and skills analyses are effectively delivered in supporting the workforce development requirements of the maritime industry.

The T&LISC has, with the support of the maritime sector stakeholders, ensured that its focus and delivery is inclusive of the requirements and needs of regional interests. Maritime operations occur in all regions of Australia, including remote regions. The T&LISC has, through use of stakeholders advisory groups and workforce reference groups ensured that all sectors and regions in which maritime operations occur are represented and/or their interests, are represented in its work.

The MUA nevertheless believes that the T&LISC should be given greater opportunity to coordinate the development and delivery of specific training program monies, directly allocated by the Commonwealth, as was the case in relation to the Enterprise Based Productivity Places Program. The direct funding method has significant advantages in a national industry like maritime, which has only minimal organisational, regulatory and corporate connection to the States/NT.

Accountability mechanisms in relation to Commonwealth funding for the general operation and specific projects and programs of each ISC

The union is strongly supportive of the way the T&LISC has involved the stakeholders in managing its funding relationship with the Commonwealth, through a process of

Director engagement in the development of business and strategic planning, and in transparent reporting to the stakeholders.

These processes ensure that the MUA has confidence in the prioritisation of the work of the T&LISC and in allocation of resources to those areas of most benefit to stakeholders.

Corporate governance arrangements of ISCs

It is the union's assessment that the T&LISC has worked hard to enhance its corporate governance arrangements, through development of a culture of Director responsibility and professionalism, supported by Director training, and good corporate governance process. The inclusion of all sectoral interests on the Board and in the supporting structures of the T&LISC ensures that it remains relevant and responsive to industry and workforce needs, across all maritime sectors.

The union fully concurs with the T&LISCs submission on this term of reference. The matters outlined in its submission reflect our own experience of what has occurred, which has led to significantly higher industry and stakeholder confidence in the role, function and capacity of the T&LISC to deliver effective results for the industry.

Commonwealth Government processes to prioritise funding allocations across all ISCs

The MUA would like to see more resources allocated to workforce planning and in particular to demand projections for qualified skilled labour, and training supply data. We believe that while the Environmental Scan is useful, it nevertheless lacks the level of detail that is essential for both aggregated resource allocation by the Commonwealth and for industry/sectoral workforce planning.

This is not a reflection on the staff or management of the T&LISC, but rather a reflection on the fact that this function is not yet sufficiently highly rated in the Commonwealths funding allocation. We hope this will change in future. The recent report of the National Resource Sector Employment Task Force demonstrates the fundamental importance of workforce planning to resource allocation for training, which in turn underpins economic and social development.

ISC network arrangements and co-operative mechanisms implemented between relevant boards

While the MUA believes that ISC network arrangements are working satisfactorily, there is nevertheless significant scope for improved networking. This is particularly important in our view for Training Package development and for research and development initiatives.

The MUA would like to see significantly more inter-operability between training packages to avoid duplication and to maximise flexibility in packaging of Units of Competency into Qualifications and Skills Sets. We think this is essential for career development and for enhancement of workforce mobility.

The accrual of accumulated surpluses from public funding over the life of each ISC's operation and its use and purpose

The MUA is fully supportive of mechanisms which allow (and in fact encourage) the T&LISC to accrue and roll over surpluses for allocation to high priority functions, consistent with its contractual obligations with the Commonwealth, that are agreed by the Board. As far as the MUA is aware, the T&LISC has only generated surpluses through astute planning and financial management of its non core funding functions. This to us is sound business practice, is of practical importance to the industry and enhances the role of the Skills Council in delivering services to industry.

The effectiveness of each ISC in implementing specific training initiatives, for example the Skills for Sustainability initiative under the National Green Skills Agreement

The union is not in a position to comment on this matter.

Any related matters

The union wishes to see the Industry Skills Councils strengthened to enable them to continue to play the vital coordinating role in linking industry and enterprises into the national training system in an integrated way.