

## CONFLICT OF INTEREST POLICY (ADVISORY COMMITTEES)

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### Purpose

The purpose of this policy is to ensure that any actual, potential or perceived conflicts of interest are managed in a way that supports the integrity of decision-making of the Manufacturing Jobs and Skills Council (JSC) and its Advisory Committees.

### Scope

This policy applies to all Advisory Committee members, including members of the Strategic Industry Taskforce (Taskforce), Standing Committees, Technical Committees, and other committees including any time-limited / topic specific working groups.

Procedures for disclosing and managing conflicts of interest for Board Directors are outlined in the *Conflict of Interest Policy (Board)*, and for employees of the Manufacturing Industry Skills Alliance (Manufacturing Alliance) in the *Conflict of Interest (Employees) Policy*.

This policy operates in conjunction with, and has been developed in the context of, the *JSC Code of Conduct*, which is referenced throughout the policy and the *Department of Employment and Workplace Relations (DEWR) Training Package Organising Framework*.

### Definitions

<b>Conflict of Interest</b>	A situation where a person's interests or loyalties are, might be, or may be perceived to be in conflict with their responsibility to act in the best interests of the organisation.
<b>Material Conflict of Interest</b>	An interest or association will be considered to give rise to a 'material' conflict if it has a reasonable possibility of influencing, or as reasonably being seen to influence, the decision or actions of the relevant individual. In order for the interest to be considered material it must be of some substance or significance, and not merely a slight or low value interest. (DEWR 2023: clause 5.4)
<b>Member</b>	For the purposes of this policy, refers to an Advisory Committee member

### Policy statement

The Manufacturing Alliance commits to using its best endeavours to ensure compliance with managing and mitigating conflicts of interest of Advisory Committee members, in accordance with this policy and associated processes with alignment to the JSC Code of Conduct.

All Advisory Committee members are required to disclose any material personal interest or association that could give rise to an actual, potential, or perceived conflict with their obligations to act in the best interest of the Manufacturing Alliance.

Conflict of interest will be dealt with appropriately and transparently to ensure outcomes and decisions made by the Advisory Committees meet the needs of the industry or sector as a whole.

### Responsibilities

Responsibility for ensuring this policy is implemented rests with the CEO, assisted by the Executive Manager, Stakeholder Engagement and / or the Executive Manager, Manufacturing Workforce Intelligence.

The Manufacturing Alliance Board is responsible for exercising oversight of and ensuring no actual, potential or perceived conflicts of interest, or other unethical conduct, adversely impact the deliberations or recommendations of any of their Advisory Committees.

It is the responsibility of all Advisory Committee members to understand their duties to disclose real or perceived conflicts of interest. The requirement to declare any conflicts of interest under the JSC Code of Conduct is a continuing obligation and any previous conflict of interest declarations made by an individual or organisation should be updated if any further conflict of interest arises after the date of any initial declaration.

The Executive Manager, Stakeholder Engagement has overarching responsibility to ensure that the Committee secretariat keeps the Register of Interests or Associations up-to-date and will provide the Register to DEWR on a biannual basis.

## Types of conflicts of interest

The JSC Code of Conduct details examples of when a conflict of interest might arise, including but not limited to instances involving where an individual holds a position in another organisation which could benefit from, or have an interest in, any matter relating to Advisory Committees. See Clause 5.6. of the JSC Code of Conduct for further detail.

A conflict of interest exists whether it is:

- **real** – it currently exists;
- **potential** – it may arise, given the circumstances; or
- **perceived** – members of the public could reasonably form the view that a conflict exists, or could arise, that may improperly influence the Committee member's performance of his/her duty to the Committee, now or in the future.

Conflicts of interest include Related Party Transactions as defined in the Corporations Act 2001.

## Procedures for identifying and disclosing conflicts of interest

### Register of Interests or Associations

The Manufacturing Alliance will maintain a Register of Interests or Associations which will document, for any person subject to this policy:

- the name of the relevant individual or organisation
- details of their role in relation to the Manufacturing Alliance
- a record and description of any declared interests or associations, including details of how this interest or association relates to any actual or potential activities of the Jobs and Skills Council
- the date of disclosure
- an assessment of the integrity risks posed by the declared interest or association, and
- any steps taken to mitigate, manage or remove the conflict (if any), including identifying any follow up actions required (DEWR 2023: Clause 5.13).

The form of the Register will be consistent with the requirements of the JSC Code of Conduct.

Depending on the context, the responsibility for ensuring that interests are disclosed lies with the Chair of each Committee. The Chair is responsible for ensuring the Register is kept current and available for examination, with the support of the Committee secretariat.

The Manufacturing Alliance will provide to DEWR current versions of the Jobs and Skills Council's conflict of interest register on a biannual basis, on dates as notified by DEWR, and as soon as reasonably practicable following a request by DEWR (DEWR 2023: Clause 5.14).

## Procedures for mitigating, managing or removing conflicts

If any interest or association identified by an Advisory Committee member is *potentially material* to the matters being considered by the Committee, a majority of non-conflicted members should determine whether it constitutes a *material conflict*. The reasons for decision should be recorded in the minutes (DEWR 2023: Clause 5.9).

If the interest is assessed as giving rise to a *material* conflict, the conflicted director or Advisory Committee member (as the case may be) must not be present while any matter which relates to their conflict of interest is being considered at the meeting; nor vote on the matter.

However, the majority of non-conflicted Advisory Committee members may also determine by resolution that a conflicted Advisory Committee member may provide their views on the matter to the Advisory Committee in writing. The provision of any such written views must be recorded in the minutes (DEWR 2023: Clause 5.10).

## Options for managing a conflict of interest

Where an actual, potential or perceived conflict of interest is identified, the Manufacturing Alliance must take appropriate steps to mitigate or manage the conflict, so that this does not undermine the actual or perceived integrity of its decisions or actions, where it is reasonable and appropriate to do so; or where the conflict cannot be managed through other controls, remove the conflict of interest (DEWR 2023: Clause 5.8).

Subject to the requirements above for managing *material* conflicts of interest, if an Advisory Committee member is faced with an actual or potential conflict of interest in relation to a particular matter being considered by the Committee, the necessary action will be determined by the Chair and may include a combination of the following:

- **Inform** - The conflicted member fully and frankly informs the Advisory Committee about the circumstances giving rise to the conflict.
- **Remove** – the member with the conflict leaves the room and does not participate at all in the ‘conflicted’ matter.
- **Record** – details of the conflict of interest are recorded in the minutes. Monitoring occurs to check whether this remains the appropriate option.
- **Restrict** – the member’s involvement in discussion and/or the provision of advice. Monitoring occurs to check whether this remains the appropriate option.
- **Recruit** – an impartial third party is engaged to provide advice.
- **Relinquish or resign** – the member relinquishes their private interest or steps down from their role with the other organisation on a temporary or permanent basis. Alternatively, the member resigns from the Committee itself.

## Record keeping

The Committee secretariat should record in the minutes any declaration, standing notice or changes to that notice provided to the committee.

## Notifying DEWR

Manufacturing Alliance will provide to DEWR notice of a declared conflict of interest immediately (at the latest within seven days), where it presents a serious risk to the integrity of the decisions or actions of a Jobs and Skills Council or the integrity of the Jobs and Skills Councils Program, and detail the steps taken to mitigate, manage or remove this conflict (DEWR 2023: Clause 5.14).

## Transparency, openness and accountability

The Manufacturing Alliance is required to publish on its website registers maintained in accordance with the Code of Conduct, including the Register of Interests or Associations, and Register of Gifts, Benefits and Hospitality.

## Relevant policies and templates

- [Department of Employment and Workplace Relations Jobs and Skills Councils Code of Conduct](#)
- [Conflict of interest Policy \(Board\)](#)
- [Department of Education and Workplace Relations Training Package Organising Framework](#)
- *MISA Conflict of interest Policy (Employees)*
- *MISA Conflict of Interest Register template*
- *MISA Gifts, Benefits and Hospitality Register template*
- *MISA Technical Committees' Terms of Reference*