

Guidelines for Tasmanian Government Businesses

Director Induction, Education and Training

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Guidelines for Director Induction, Education and Training

Introduction

All newly appointed directors should undertake an appropriate induction program to ensure they are equipped for their role on the board of a Government business, and are aware of the governance environment within which they will be working.

In addition, all board members should participate in ongoing education and training so they can continuously develop their understanding of the environment in which they work.

The following is intended as a guide, not a direction, to assist the board of a Government business in developing an appropriate induction, education and training framework for directors. However, where the board is of the view that the guideline, or part within, is inappropriate to its particular circumstances, it should, similar to the ASX Corporate Governance Council's "if not, why not" approach, disclose any departure in the businesses' Annual Report.

Guidelines

Director Induction, Education and Training Guidelines

- (a) Each board of a Government business should ensure that induction and ongoing training and educational needs of directors, as relevant to that business, are actively pursued and reviewed.
- (b) A Director Induction Checklist (Attachment 1) has been provided to all Government businesses, detailing the minimum items to be provided to all new directors appointed to the board of a Government business.
- (c) All new directors should attend the one-day director induction seminars facilitated by the Department of Treasury and Finance to inform them of legislative requirements, Government policies, the expectations of the Shareholder Ministers (the Treasurer and Portfolio Minister), and the roles and functions of Treasury, the Department of Premier and Cabinet, and Portfolio Agencies.
- (d) The board should ensure that directors clearly understand corporate expectations.
- (e) The board should adopt a formal statement of matters reserved to it or a formal board charter that details the functions and responsibilities of the board.
- (f) The board should ensure that directors and key executives have access to continuing education to update and enhance their skills and knowledge. This should include education concerning key developments in the business, industry and environment in which it operates.

Disclosure Requirements

Disclosure in the corporate governance section of the annual report should include, but not be limited to, an overview of the board's programs for director induction and ongoing training and education.

Attachment 1

Director Induction Checklist

The following provides a list of the minimum items to be provided to each director appointed to the board of a Government business.

Governance

- Business specific code of conduct
- A corporate governance charter
- Board specific conflict of interest procedures and documentation (including registration of personal interests form)
- *Governance Framework Guide* and relevant *Guidelines for Tasmanian Government Businesses* (published by the Department of Treasury and Finance and available at www.treasury.tas.gov.au/governmentbusinesses)
- Copy of the *Duties and Responsibilities of Company Directors and Officers* (published by the Australian Institute of Company Directors and updated annually)
- Relevant Treasurer's Instructions
- Statement of Shareholders' Expectations (State-owned Company)
- Ministerial Charter (Government Business Enterprise)
- Relevant statements of Government policy

Organisation

- Industry overview, including brief history of the business, main products/services, customers and suppliers
- Organisation chart
- Corporate plan and/or business plan (most recent)
- Annual Report (last two years)
- Relevant legislation
- Copy of most recent Government Prices Oversight Commission/Office the Tasmanian Energy Regulator pricing report (where relevant)
- Organisational policies

Board Administration

- Brief biographical and contact details of all directors, company secretary and key executives
- Copies of Board Minutes from the past 6 months
- Meeting arrangements/procedures, including schedule of future board meetings (and committees if appropriate)
- Board/committee structures including terms of reference for any committees (including sub committees)
- Board procedures including, when papers are provided, location and length of meetings, and routine business transacted
- Relevant briefings from the Ministers/Chair/Chief Executive Officer
- Remuneration and allowances details
- Training requirements



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