

TERMS OF REFERENCE

Purpose

The purpose of these Terms of Reference is to define the scope, authority and responsibilities of the Skills and Workforce Ministerial Council (SWMC).

In exercising its functions, SWMC operates in the spirit of and within the model of shared stewardship and promotes the core principles of good public sector and public entity governance.

SWMC is responsible for acting in accordance with these Terms of Reference.

Role

SWMC provides a forum for national cooperation and stewardship of the vocational education and training (VET) system and on the intersection of skills and training policy with workforce issues.

SWMC collaboratively progresses items of national importance within the portfolio to achieve agreed objectives, outcomes and priorities, including those set out in the National Skills Agreement.

SWMC provides stewardship for the VET system through strategic policy, priority setting, planning, performance and evaluation and aligning key cross-sectoral issues.

Priorities

SWMC's priorities are focussed on supporting skills reform including:

- embedding a model of stewardship to deliver national priorities
- placing TAFE at the heart of the VET sector
- providing strategic oversight for the National TAFE Network
- delivery of key initiatives and reforms
- · oversight of the national training system and
- First Nations engagement and Closing the Gap.

SWMC will continue to perform regulatory policy and standard-setting functions, with a focus on issues related to shared governance, legislative and regulatory requirements where

a cross-jurisdictional mechanism must approve and create or update requirements for policies, standards or cooperation for effective implementation and service delivery.

SWMC should proactively engage with other relevant ministers within their jurisdiction to progress priorities that cross portfolios.

Membership

SWMC consists of portfolio ministers with responsibility for skills and training in their jurisdiction, including the Commonwealth minister. Jurisdictions are responsible for determining the relevant ministerial representative.

Members can have a maximum of one official, and where appropriate, one advisor support them at a meeting. Where there is a demonstrated need for additional support (such as additional ministers from a jurisdiction or expert advisers), members may seek the Chair's agreement in writing.

New Zealand and the Australian Local Government Association (ALGA) should continue their involvement in SWMC, where they add value to all parties and the item under discussion. The Chair may invite representatives from New Zealand and local governments to meetings as required.

SWMC is supported by the Skills Senior Officials' Network (SSON), consisting of representatives from the Commonwealth and each state and territory.

SWMC may task SSON with work or establish expert groups for a specific purpose and timeframe, to advise as required, including presenting at meetings.

The First Secretaries Group may make recommendations to National Cabinet on the federal relations architecture based on Ministerial Council annual reports and changes to priorities.

Role of the Chair

The member from the Commonwealth is the Chair and ensures SWMC operates effectively and collaboratively to deliver outcomes requiring joint action by Commonwealth, state, and territory governments.

The Chair's responsibilities are to:

- act as a public spokesperson for SWMC
- have a thorough understanding of the work plan and maintain a focus on achieving outcomes
- finalise meeting agendas and ensure agenda items are discussed within the allocated time
- encourage full participation of all members including agenda setting
- promote a cooperative and collaborative relationship where all jurisdictions are equal partners in decision making, ensuring contentious issues are debated in a professional manner and mediate when conflict arises and

facilitate decision-making by consensus where possible.

Cross Portfolio Collaboration

The Chair may share work plans with other Ministerial Councils to provide opportunity for potential collaboration on shared priorities and to avoid overlap or duplication of priorities.

Members are responsible for proactively engaging with other relevant ministers in their jurisdiction to progress cross-portfolio priorities.

Work Plan

To ensure SWMC remains focused on key priorities, it will review its strategic priorities annually and develop a Work Plan.

The Work Plan will include up to five priorities per year, which deal with matters that are of significance or require national agreement, including priorities tasked by National Cabinet or set out in the National Skills Agreement. The Work Plan will include timelines for completion of priority items.

Reporting

SWMC resolves issues in its portfolio and will regularly report to National Cabinet on its progress to deliver tasked priorities, in addition to reporting annually on delivery of its workplan.

The Chair of SWMC is required to submit a summary report to National Cabinet through the First Secretaries Group in the first quarter of each calendar year, outlining its achievements during the previous year and up to five priorities for the upcoming year.

Decision Making

SWMC operates through a cooperative and collaborative relationship as shared stewards of the VET system, where all jurisdictions are equal partners in strategic discussions and decision-making.

SWMC makes decisions by consensus wherever possible. Where a consensus is not achievable, the decision may be put to a formal vote if a quorum has been reached. The Chair will be considered a member of the meeting for voting purposes. Certain decisions under the National Skills Agreement, including in relation to the amendment of national priorities and the National Skills Plan, are to be made by consensus. If consensus cannot be reached, a majority of parties, including the Commonwealth, may agree to make an amendment. For decisions related to the National TAFE Network, a majority of participating jurisdictions will be required.

Consensus by officials is not required before papers proceed to Ministers but in the interest of full transparency, papers may indicate which jurisdictions do not support progression to Ministers.

Unless specified by legislation, and where appropriate, decisions should be principles-based and allow individual jurisdictions flexibility to determine the best way to achieve agreed outcomes. Implementation of decisions is ultimately up to ministers in each jurisdiction.

Escalation

If SWMC determines the need to escalate issues (outside National Cabinet tasking) for National Cabinet's attention, the Chair will write to the Prime Minister requesting National Cabinet consideration of the issue. Escalation should be made with agreement of a majority of members but may be initiated by the Chair in exceptional circumstances.

Meetings

Convening Meetings

SWMC meetings will be scheduled and convened by the Chair at least 3 times a year and rotated across jurisdictions.

SWMC meetings may be held virtually to allow for shorter, targeted discussions and more frequent meetings to progress strategic items as required.

Quorum Requirements

A minimum of 5 members (or their nominated proxy) are required for a meeting to be recognised as an authorised meeting for a recommendation or action to be agreed. The Chair is considered a member of the meeting for quorum purposes.

<u>Proxy Requirements</u>

Members may nominate a proxy parliamentary colleague to attend on their behalf if they are unable to attend a meeting.

The Skills Secretariat should be informed of the proxy as soon as possible prior to the scheduled meeting.

It is the responsibility of the nominated proxy to notify the respective member of discussions and actions arising from a meeting.

Meeting Agendas and Papers

The Chair is responsible for finalising meeting agendas. Agenda items can be initiated by state and territory ministers in consultation with the Chair.

The agenda and meeting papers will be circulated 5 business days prior to a meeting, with flexibility for the inclusion of urgent or emerging issues as required, as agreed by the Chair.

Agenda items should be covered by a paper or presentation to facilitate discussion and drafted by the relevant jurisdiction leading the item. Papers must be provided to the Skills Secretariat at least 10 days before the meeting.

Out of session Papers

Items that do not require discussion for decision making or where the urgency of the item requires it to be finalised ahead of the next scheduled meeting or is for information or noting can be progressed out-of-session.

Routine, non-controversial or technical matters should be progressed out-of-session or may be delegated to SSON where appropriate.

Members will generally have 15 working days to respond to routine out-of-session items.

Administrative Arrangements

The Commonwealth will provide and resource the Secretariat function for SWMC.

The Secretariat is responsible for:

- · managing appropriate meeting arrangements and logistics
- assisting in developing the agenda in consultation with the Chair
- distributing the agenda and meeting papers 5 business days prior to the meeting or at discretion of the Chair
- providing quality assurance and general drafting advice for SWMC papers
- taking minutes, recording decisions and actions, circulating information to members and keeping appropriate records
- monitoring action items arising from SWMC business and assisting in their implementation, including liaising between SWMC and other agencies and
- drafting the annual report to National Cabinet on progress of action items and achievements for endorsement by SWMC.

Secretariat arrangements will be reviewed on a two-yearly basis.

Amendments

These Terms of Reference may be amended or varied after consultation with and endorsement from SWMC.

These Terms of Reference are effective from 13 June 2025.

Background

Following a review of Ministerial Councils in 2022, SWMC was established to operate under an enduring structure that promotes collaboration and results driven decision making.

Ministerial Councils support National Cabinet in progressing priority work that requires significant intergovernmental collaboration. SWMC reports directly to National Cabinet.

National Cabinet is the peak intergovernmental forum in Australia to manage matters of national significance that require coordinated action by all governments. National Cabinet consists of the Prime Minister (Chair), and state and territory premiers and chief ministers.

OFFICIAL: Sensitive

The establishment of a Ministerial Council with a reporting line to National Cabinet is a decision for National Cabinet (based on advice from First Secretaries Group). The cessation of a National Cabinet reporting line on a productivity priority does not necessitate disbanding SWMC.