
REPORT TO WTIA MEMBERS

Effectiveness of New Constitution and Governance Structure

22 November 2011

Introduction

In 2010, the WTIA Council (Board), with the overwhelming support of WTIA Members, amended the WTIA Constitution and governance structure with the aim of improving outcomes for the Institute and its Members.

The WTIA Council also developed and adopted a Governance Charter that documents the Council's internal control framework to articulate who is responsible for what, who they are accountable to, the processes everyone is to follow and the authorities and constraints each person is to work within.

Now that the Institute has been operating under the new structure for 18 months, I would like to report on how the changes are being reflected in better governance of the WTIA.

Key Results of Changes

1. The WTIA Council was reduced to 10 members; a more practical and workable number providing more effective decision making and increased participation and contribution from each of the Councillors (Directors).
2. The new Constitution now allows any Member to stand as a candidate in Council elections (having removed the practice of "representative" appointees as it was previously) thereby enabling all WTIA Members to participate in electing their representatives.
3. To assist WTIA Members assess the merit of candidates for the position of WTIA Councillor, candidates are asked to fill out a "WTIA Preferred Councillor Competencies and Declaration" and a "WTIA Officer Fit and Proper Person Definition and Declaration" that will be hosted on the WTIA website.

This has the added benefit of guiding potential candidates as to the skills, competencies, integrity, ethics, conduct etc. expected of the role of a WTIA Councillor that will encourage a strong skills-based Council to guide the organisation into the future.

4. The new Constitution eliminates the Executive Committee from the Constitution and now clearly places all responsibility and accountability for governance decision making in one body - the WTIA Council.
5. The new Constitution eliminates the position of Treasurer from the Constitution (not a requirement under the Corporations Act 2001). This function has now been replaced with a Council appointed "Audit, Risk and Compliance Committee" in line with contemporary governance practice to assist in the oversight of such governance matters.

WTIA – Celebrating 22 years of service to Australian industry in 2011

"WTIA National Skills Campaign"
Targeting Skills Needs in all Regions to Keep Jobs in Australia



The WTIA has joined forces with industry and Governments and created a multi million dollar Technology Support Centres Network. This Network assists industry to identify and exploit world's best technology and manufacturing methods to establish a vibrant Australian industry beyond 2020. Together we are implementing a step-by-step process that will lead to ongoing viability and greater profitability for all concerned:

- (1) Determine your technological and manufacturing needs;
- (2) Identify world's best practice;
- (3) Draw upon the Network to implement world's best practice at your site.



MEMBER INTERNATIONAL INSTITUTE OF WELDING

6. The 'Councillor Code of Conduct' policy in the WTIA Governance Charter now clearly guides WTIA directors in the identification, disclosure and declaration of any actual or potential conflict of interest they may have with respect to material personal interests in relation to matters being discussed by the WTIA Board (as per the Corporations Act 2001 s.191(1), S.191(3), s.195(2)).
7. Governance policies and processes have been put in place to ensure that all directors understand how best to exercise their powers and discharge their duties:
 - a. with a degree of care and diligence required (as per the Corporations Act 2001 s.180) to avoid potential problems in matters such as:
 - directors interfering in staff matters;
 - directors undertaking 'white anting', 'surprise attacks' and covert politicking tactics;
 - directors not attending Council meetings on a regular basis - this had been a common occurrence under the previous structure with the new structure intended to improve collegiate behaviour and risk management practices.
 - b. in good faith in the best interest of the Institute for a proper purpose (as per Corporations Act 2001 s.181) to avoid potential problems in matters such as:
 - directors abusing Council confidentiality (especially regarding their fiduciary duty not to misuse information as per the Corporations Act 2001 s.183);
 - directors acting in their own or others interests and not "*in the best interests of the corporation as a whole*";
 - directors supporting resolutions of the Council and afterwards 'covertly' opposing the resolutions outside the Council;
 - directors misusing their position (as per the Corporations Act 2001 s.182) to gain access to and use confidential WTIA private records.

Results for 2011

We are pleased to inform you that your Institute has had yet another successful year, with a record turnover. We will shortly be sending out the end of year report on the Institute's activities for 2011.

Based on your tremendous support, as Members, for the changes that we have implemented, as mentioned above, WTIA has a higher level of transparency, is more vibrant and responsive to Member and stakeholder needs and your Council is committed to the Member's needs and the success of Australian industry.

Finally, the WTIA Council would like to acknowledge Mr Geoff Carter of Strategic Governance Group Pty Ltd, for his guidance and expertise in supporting WTIA and its Members to develop its new Constitution and Governance Framework.

Yours sincerely,

Arun Syam
WTIA President 2010-2013