

# Queensland Training Assets Management Authority Regulation 2014

## Explanatory Notes for SL 2014 No 141

made under the

*Queensland Training Assets Management Authority Act 2014*

## General Outline

### Short Title

*Queensland Training Assets Management Authority Regulation 2014*

### Authorising law

Sections 46, 50 and 78 of the *Queensland Training Assets Management Authority Act 2014*

Sections 33, 42 and 53 of the *Statutory Bodies Financial Arrangements Act 1982*

### Policy objectives and the reasons for them

The *Queensland Training Assets Management Authority Act 2014* (the QTAMA Act) was passed by the Queensland Parliament on 8 May 2014 and received assent on 21 May 2014.

The object of the QTAMA Act is to establish an independent statutory body, the Queensland Training Assets Management Authority (QTAMA), to provide for the efficient and effective management of State-owned training assets, primarily for the provision of vocational education and training, in accordance with sound commercial principles.

The regulation will provide for the transfer from the Department of Education, Training and Employment to QTAMA on 1 July 2014 of assets, liabilities and other related matters.

The transfer of State vocational education and training (VET) assets to QTAMA is part of a suite of the VET reforms that implement recommendations made by the Queensland Skills and Training Taskforce and the Independent Commission of Audit. Section 50 of the QTAMA Act enables a transfer regulation to be made under the QTAMA Act to effect these transfers.

Section 46 of the QTAMA Act requires QTAMA to give the Minister notice of all proposed significant actions, as prescribed by regulation. After receiving such a notice, the Minister must consult with the Treasurer and the Minister administering the *Further Education and Training Act 2014* about the proposed significant action. QTAMA must not take the significant action until agreed to by the Minister.

The regulation will prescribe a proposed significant action as the sale or purchase of any real property irrespective of the value.

The regulation will also amend the *Statutory Bodies Financial Arrangements Regulation 2007* (SBFA Regulation) to provide QTAMA with borrowing, investment and derivative transaction powers under the *Statutory Bodies Financial Arrangements Act 1982* (SBFA Act).

### **Achievement of policy objectives**

The policy objective is achieved by the regulation prescribing a proposed significant action threshold, transferring assets and liabilities (including buildings and land, instruments, legal proceedings and records) and amending the SBFA Regulation to provide QTAMA with borrowing, investment and derivative transaction powers under the SBFA Act.

### **Consistency with policy objectives of authorising law**

The regulation is consistent with the policy objectives of the authorising law.

### **Inconsistency with policy objectives of other legislation**

The regulation is not inconsistent with any policy objectives of any other legislation.

### **Alternative ways of achieving policy objectives**

The policy objectives can only be achieved by making the regulation.

### **Benefits and costs of implementation**

QTAMA's management of State VET assets is expected to increase the utilisation and financial return of those assets. VET providers, in addition to TAFE Queensland, will be able to use the assets to provide training. This will result in more training alternatives for students and employers and a stronger and more sustainable way of delivering training infrastructure.

The formation and operation of QTAMA involves financial costs that would not otherwise have been incurred, however this needs to be balanced against the potential financial gains.

Prescribing a proposed significant action in the regulation will assist in aligning QTAMA's asset management activities with the State's VET policy.

The amendments to the SBFA Regulation will facilitate QTAMA to carry out financial transactions.

### **Consistency with fundamental legislative principles**

The regulation is consistent with fundamental legislative principles.

### **Consultation**

Consultation was conducted with relevant stakeholders prior to the passage of the QTAMA Act.