

Appeal for talent from the public sector

The chairman of the Australian Accounting Standards Board has launched an appeal to the public sector community in this country to identify talented individuals to serve of international standard setting forums.

AASB chairman Keith Alfredson has urged public sector authorities to find their best and encourage them to be involved in standard setting at an international level with the public sector committee of the International Federation of Accountants (IFAC).

Alfredson told a recent Senate estimates committee hearing that Australia did not develop a presence in the setting of accounting standards for the for-profit sector overnight and that various parties such as Warren McGregor, the liaison member for Australia on the International Accounting Standards Board, have achieved prominence because of their individual efforts.

The AASB chairman said he believed the public sector committee of the IFAC would become a public sector equivalent of the IASB in the future and this country needed to identify people prepared to devote some time to those committees.

“I plead with you tonight that I believe Australia needs public sector involvement in public sector activities—I mean the public sector committee activities. We need, for example, an elite from the public sector who could be a member of the Australian Accounting Standards Board,” said Alfredson.

“We have some members on our board. I do not want to be insulting to them—they are very good members—but if we want to make a worldwide difference to public sector accounting, I believe the public sector has to come up with the goods and put an elite on the AASB who is willing to contribute to the work of the public sector committee.”

The present AASB line-up has three members that have experience in the public sector: Brett Kaufmann from the Commonwealth Department of Finance and Administration, Victorian Auditor-General Wayne Cameron and Hobart-based economic consultant Glen Appleyard.

Alfredson’s call for greater Australian public sector input into the work of the Public Sector Committee of IFAC comes at a time when the Financial Reporting Council is busy seeking one additional board member to make up the 10-member standard setter.

The AASB chairman also told the Senate estimates committee the FRC is set to interview a short list of corporate accountants to fill a post vacated by Greg Ward, the chief financial officer of Macquarie Bank.

“It is for the FRC to elaborate, but we recently advertised for members and some very good members have come on to the board as a result of that process. One is from the public sector, one used to work in the public sector but now is a contractor and there is one from one of the accounting firms,” Alfredson explained.

“The nominations committee decided the quality of the responses to the advertisement for another public sector member because one of our members, Greg Ward, who is a CFO from Macquarie Bank, is not continuing. He is retiring from the board, and we wanted a strong replacement for him.”

Alfredson said the FRC should not accept the people who had indicated they were willing to serve on the board through the advertisements placed in newspapers.

The council approached business lobby groups to find individuals to become members of the Australian standard setter.

“That process has, I understand, been successful in eliciting some names. Again, it is for the FRC. I am a member of the nominations committee, and the nominations committee will soon be interviewing those people. I think that process has been working.”

The difficulty in finding suitable talent from the business community is not the only problem the FRC faces with the corporate sector. FRC chairman Jeff Lucy told the same Senate estimates committee hearing the council was having problems meeting funding targets it set because not all of the top 100 companies approached to voluntarily donate funds to the standard setting process have made contributions to date.

“You will recall that the funding is coming from the federal government and the states, the three accounting bodies and the business community. At this stage, the business community have pledged approximately \$300,000,” said Lucy.

“We are continuing to follow that up both through written and verbal communications to endeavour to reach our \$750,000 target, but at this stage we have a shortfall.”

This article was supplied by Tom Ravlic. Tom is a financial journalist who has spent the past seven years covering the accounting profession, accounting and audit standard setting and corporate governance. His work has appeared in various publications including *Business Review Weekly*, *Personal Investment* (now *Personal Investor*), *The Age*, *CFO Magazine*, the *Australian CPA*, the *Company Director Journal* and the newsletters of the internationally renowned Lafferty Group. In addition to his freelance commitment to a wide range of publications, Tom has recently accepted an appointment to be editor of *Chartac Accountancy News*, published by Melbourne-based publisher Crown Content.