**EXPLANATORY STATEMENT**

**Resolution 1: Amendments to facilitate the creation of branches**

| **Reference** | **Clause** | **Summary of change** | **Rationale** |
| --- | --- | --- | --- |
| 1(a) | 1.1 (Defined terms) | Delete definitions of “AMAACT”, “AMANSW”, “AMANT”, “AMAQ”, “AMASA”, “AMATAS”, “AMAVIC” and “AMAWA” | These definitions were drafted at a point in time. Since then, AMAQ has changed its name. There are also some differences between the definitions of AMASA and AMAACT and the actual legal names of those bodies.  More importantly, the existing definitions do not contemplate that the State and Territory AMA’s may make changes to their status. For example:   * AMA Tasmania is considering whether to wind up. * State and Territory AMAs that are incorporated associations may decide to become companies limited by guarantee. |
| 1(b) | 1.1 (Defined terms) | Replace existing definition of “State or Territory AMA” | All Ordinary Members of AMA Limited must be members of a State or Territory AMA (clause 6.1).  The existing definition of “State or Territory AMA” is “hard coded” to the eight specific entities named in the Constitution. It does not allow for any changes to these entities over time. In particular, it does not contemplate that a State or Territory AMA may choose to wind up.  The new definition allows a “State or Territory AMA” to be either a separate legal entity (“State or Territory Entity”) or a branch of AMA Limited (“State or Territory Branch”). |
| 1(c) | 1.1 (Defined terms) | Add new definitions of “State or Territory Branch” and “State or Territory Entity” | The new definitions of “State or Territory Entity” and “State or Territory Branch” emphasise that State or Territory AMAs represent Ordinary Members of AMA Limited who live or work in a particular State or Territory.  A “State or Territory Branch” is defined as an unincorporated body that is governed by by-laws made under the AMA Limited Constitution.  A “State or Territory Entity” is defined as a separate legal entity that is specified in by laws made under the AMA Limited Constitution. |
| 1(d) | 9 | Replace existing clause | Currently doctors are only eligible to be Ordinary Members of the Association if they are members of a State or Territory AMA named in the Constitution. These bodies are all separate legal entities from the Association.  New clause 9.1 emphasises that Ordinary Members will be Members of either a State or Territory Entity or a State or Territory Branch.  Clause 9.2(a) emphasises that generally Members of the Association will continue to be members of a State or Territory Entity. State or Territory Entities are separate legal entities from the Association.  However, clause 9.2(a) allows the Association to establish State or Territory Branches if required to ensure that Ordinary Membership of the Association is available to doctors in every State and Territory.  The impetus for clause 9.2(a) is the desire of AMA Tasmania to wind up and transfer its staff, assets and operations to the Association. If this change is approved by the members of AMA Tasmania, AMA Tasmania will cease to be a legal entity. This means that, if the Constitution of the Association is not amended, Tasmanian doctors will no longer be able to become members of the Association.  Clause 9.2(b) sets out the purposes of any branches created under clause 9.2(a). These purposes may be supplemented by additional functions or activities set out in the by-laws (clause 9.2(a)(iv)).  Clause 9.2(a) is also limited by clause 9.2(c).   * Clause 9.2(c)(i) requires that members live or work in the geographical area. For example, if AMA Tasmania chooses to wind up and AMA Limited establishes the “Tasmanian Branch of AMA Limited”, membership will be limited to doctors who live or work in Tasmania. * Clause 9.2(c)(ii) provides that members cannot be members of multiple State and Territory AMAs.   Clause 9.3 is based on clause 9.2 of the current Constitution. It emphasises that State and Territory AMAs that are separate legal entities are independent from, and not governed by, AMA Limited. |
| 1(e) | 17.4(a) | Replace existing wording | These changes are a consequence of change 1(a) |
| 1(f) | 17.8(a)(v) | Replace existing wording | These changes are a consequence of change 1(d) |

**Resolution 2: Updating the process for collecting subscriptions**

| **Reference** | **Clause** | **Summary of change** | **Rationale** |
| --- | --- | --- | --- |
| 2(a) | 6.2 | Replace existing clause | Existing clause 6.2 is drafted on the basis that all memberships of AMA Limited are paid annually at the commencement of each calendar year. Increasingly State and Territory AMAs are offering monthly payment options.  Existing clause 6.2 also assumes that State and Territory AMA’s collect Federal membership fees as agent for AMA Limited. If AMA Tasmania chooses to wind up, Ordinary Members will pay fees directly to AMA Limited. |
| 2(b) | 6.4(a)(viii) | Change cross-reference | This change is a consequence of the change to clause 6.2. |

**Resolution 3: Other reforms to clause 17 (Appointment and removal of Directors)**

| **Reference** | **Clause** | **Summary of change** | **Rationale** |
| --- | --- | --- | --- |
| 3(a)  3(b) | 17.1(b)(iii)  17.1(b)(iv) | Update existing wording | These changes clarify that appointments by State and Territory AMAs and the doctors-in-training practice group to the AMA Limited Board are in accordance with clause 17.4.  Currently these provisions state that an appointee must have appropriate skills and experience but do not state who makes this decision. The amendments clarify that this decision will be made by the Board. |
| 3(c) | 17.6(b)(iv) | Update existing wording | This clarifies that casual appointments by State and Territory AMAs to the AMA Limited Board must meet clause 17.1(b)(iii). |
| 3(d) | 17.8(a)(iv) | Delete | Directors of AMA Limited have a legal obligation to act in the best interests of AMA Limited. Clause 17.8(a)(vi) (which allows Directors to be removed from the AMA Limited Board for no reason) is not consistent with this. |

**Resolution 4: Streamlining the process for circular resolutions**

Currently the AMA Board can only pass resolutions out of session if 100% of directors entitled to vote agree to the resolution. New clause 26 provides a procedure for resolutions to be passed out of session if 60% of Directors agree and other procedural safeguards are met.

**Resolution 5: Reforms to the membership of Federal Council**

| **Reference** | **Clause** | **Summary of change** | **Rationale** |
| --- | --- | --- | --- |
| 5(a) | 28.2(a) | Add “the Chair of Federal Council (appointed in accordance with the by laws)” as a member of Federal Council. | This amendment increases the total number of persons on Federal Council by one. There are two reasons for this change.  First, it allows an additional person to be appointed to “replace” the person appointed as Chair. The purpose of this amendment is to allow the Chair of Federal Council to focus on chairing the meeting (rather than on representing their Specialty, Practice Group or State or Territory AMA).  The Chair would still be entitled to vote in accordance with the by laws.  Secondly, it allows the Federal Council to elect a person who would not otherwise be on Federal Council as the Chair. The by laws require that any such person be both:   * a former member of Federal Council; and * a current Member of the AMA.   This widens the pool of potential candidates. |
| 5(b) | 28.2(c) | Add “or to fill a casual vacancy”. | Clause 28.2(c) limits Federal Council terms to three consecutive terms in the same representative role.  Unlike clause 17.7(c) (which relates to Board members), there is currently no exception for casual vacancies.  This change corrects this anomaly. |
| 5(c) | 28.3(d) | Add an additional provision. | The purpose of this amendment is to allow the Chair of Federal Council to focus on chairing the meeting (rather than on representing their State or Territory AMA). |
| 5(d) | 28.4(b) | Delete and renumber remaining provisions | This clause excluded candidates that had previously served on Federal Council in any capacity. This clause removes this requirement. The three Ordinary Members will still be subject to the same term restrictions as other members of Federal Council (clause 28.2). |
| 5(e) | 28.4(c) | Replace “only three nominations” with “three or less nominations”. | This amendment corrects a typographical error. Clause 28.4 provides for three Ordinary Members to be appointed to Federal Council. Elections are not required if there are three or less nominations. |
| 5(f) | 28.5(e) | Add an additional provision. | The purpose of this amendment is to allow the Chair of Federal Council to focus on chairing the meeting (rather than on representing their Specialty or Practice Group). |
| 5(g)  5(h) | 28.8(a)  28.9(a) | Change the time frame for Federal Council to appoint the independent appointee and other additional representatives to “at National Conference” (rather than at least two weeks before National Conference). | This timing was not achievable in practice (as Federal Council does not meet during the period two weeks prior to National Conference).  The appointments would continue to take office at the conclusion of National Conference. |