

EXPLANATORY STATEMENT

Special Resolution to amend the Constitution of the Australian Medical Association Limited (ABN 37 008 426 793)

TO CONSIDER, AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTIONS AS A SPECIAL RESOLUTION TO CHANGE THE CONSTITUTION OF THE AMA:

Resolution 1: Handover period for President and Vice President

Replace existing clause 17.3(b) with the following wording

The President and Vice President elected at a National Conference will take office two months after the end of the National Conference.

Resolution 2: Changes to timeframes for appointments of additional doctors to Federal Council

Amend clause 28.8(a) to replace “At National Conference” with:

At its first meeting after the National Conference held in each even-numbered year

Amend clause 28.8(c) to replace “the following National Conference” with:

the National Conference two years after that

Resolution 3: Update definition of Official Journal

Add at the end of the definition of “Official Journal” the words:

or such other publications that the Association uses to communicate with Members

Resolution 4: Improve skills and diversity of the Board

4.1 Amend clause 17.1(a)(ii) to replace “eleven Directors” with “thirteen Directors”.

4.2 Add a new clause 17.1(b)(v):

two individuals appointed by the Board who meet both the following criteria:

(A) *they are not employees of the Association; and*

(B) *they are not eligible for membership of the Association (other than as an Honorary Member).*

4.3. Add new clauses 17.1(c) and 17.1(d):

(c) *When making appointments under clause 17.1(b)(v), the Board must have regard to:*

(i) *any gaps in the skills of the Board; and*

(ii) *AMA gender equity targets.*

(d) *When making nominations under clauses 17.4 and 17.6, the nominating body must have regard to AMA gender equity targets.*

4.4 Amend clause 17.7(a) to add “Subject to clause 17.7(d),”

4.5 Add a new clause 17.7(d):

Independent directors will appointed for an initial period of 12 months and may be re-appointed for five further periods of up to 12 months each.

Explanatory statement

Resolution 1: Handover Period for President and Vice President

Clause 17.3(b) of the Constitution currently provides that:

The President and Vice President elected at a National Conference will take office immediately after the end of the National Conference, unless the resolution by which the President or Vice President are elected specifies a different time.

The AMA Board, the Federal Council and current and previous Presidents and Vice Presidents have all recommended that there be a handover period between the existing President and Vice President and the incoming President and Vice President. For the 2024 election this was achieved by the Federal Council passing a motion that:

That the new President and new Vice President take office on 1 October 2024, with the existing President and Vice President continuing in their current positions until 30 September 2024.

Federal Council does not have the power to make this change permanent. If the same resolution is not passed in 2026 the President and Vice President elect will have a shorter term. Federal Council recommended that the Constitution be changed to ensure all future Presidents and Vice Presidents have the same term length and a handover period.

Resolution 2: Changes to timeframes for appointments of additional doctors to Federal Council

Clause 28.8 of the Constitution provides that:

- (a) *At National Conference, the Federal Council will appoint (by ordinary resolution) as members of Federal Council:*
 - (1) *an additional General Practitioner;*
 - (2) *an additional Doctor in Training; and*
 - (3) *an additional Rural Doctor, each of whom must be an Ordinary Member.*
- (b) *In making appointments under this clause 28.8 the Federal Council must:*
 - (1) *have regard to the recommendations of the relevant Council;*
 - (2) *have regard to AMA gender equity targets; and*
 - (3) *ensure that Federal Council includes at least two members from each State or Territory AMA.*
- (c) *Each representative will take up appointment to Federal Council at the conclusion of the National Conference in that year and remain on Federal Council until the conclusion of the following National Conference unless otherwise ceasing to be a representative in accordance with the by laws.*

Federal Council resolved at National Conference to defer the three additional appointments until its first meeting after National Conference so that it could wait for the outcomes of the appointment of the Chair of Federal Council and the elections conducted by Council of General Practice and Council of Doctors in Training. It is likely that future Federal Councils will also need this information.

Federal Council resolved at its meeting on 21 September 2024:

That the board put forward a special resolution to amend clause 28.8 of the constitution so that the 3 additional members are appointed at the first FC meeting after every 2nd national conference.

This resolution is consistent with the Federal Council's previous resolution that appointments be made at the first meeting after National Conference (rather than at National Conference).

It also proposes that the three additional appointees be appointed at every second National Conference (rather than every National Conference). Currently appointments under clause 28.8 are only for around one year with a maximum term of around three years. Most other Federal Councillors are appointed for two years and have a maximum term of six years.

The proposed wording of Resolution 2 is consistent with the intention of Federal Council's resolution.

If Resolution 2 is passed, the current term of the incumbents will be extended until after the 2026 National Conference.

Resolution 3: Update definition of Official Journal

The existing definition of Official Journal was drafted when the Medical Journal of Australia was the only mechanism used to communicate with members. There are now multiple channels to communicate with members. The Association has also supplemented the MJA with other popular communications (such as Insight+).

Resolution 4: Improve skills and diversity of the Board

The Board currently has a maximum of 11 directors. They are:

- the President and Vice President;
- one director nominated by each State and Territory;
- a doctor nominated by the Doctors in Training Practice Group.

This structure does not provide any mechanism for ensuring that the Board, as a whole, has the skills required for a national member organisation. To meet current challenges, the Board needs directors with skills in finance, investment, audit, risk, communications, member engagement and digital transformation.

Resolution 4 allows the Board to appoint two individuals to the Board who are not doctors (clause 17.1). These directors will be appointed for 12 months and can serve a maximum of six consecutive terms (new clause 17.7(d)). Their remuneration will be determined by the Remuneration Committee (existing clause 20).

New clause 17.1(c) provides that, when appointing independent directors, the Board must have regard to:

- any gaps in the skills of the Board; and
- AMA gender equity targets.

New clause 17.1(d) provides that when making nominations under clauses 17.4 and 17.6 the nominating body must have regard to AMA gender equity target. Clause 17.4 relates to

regular appointments by State and Territory AMAs. These appointments are for two years and usually occur in May. Clause 17.6 relates to casual vacancies.

The AMA gender equity targets are set out in the by-laws. They require at least 40% men and at least 40% women. As at April 2025, only two Board members are women.

The Federal Council is already required to have regard to the AMA gender equity targets when making appointments under clause 28.8 (see Resolution 2 above).