



**The Queensland Branch of Australian Medical Association Limited
ACN 009 660 280**

**Explanatory Statement – Special Resolution for
the Change of Name of the Company and Amendment of the Constitution
Extraordinary General Meeting to be held on Friday 27 August 2021 at 5.30pm**

Introduction

The accompanying Notice of Meeting provides notice to members of an Extraordinary General Meeting of The Queensland Branch of Australian Medical Association Limited (**'Company'**) to consider and, if thought fit, pass a Special Resolution to change the name of the Company to Australian Medical Association Queensland Limited and to adopt the new Constitution. A copy of the proposed new Constitution is **attached** as "Annexure A". You can also [view the new version of the Constitution on our website](#).

This Explanatory Statement contains a short summary of the proposed changes to the Constitution and a recommendation of the AMA Queensland Board (**'Board'**).

Background

The Board of Directors is seeking to modernise the Constitution of AMA Queensland so it is fit-for-purpose as the foundational document of the state's peak representative body supporting Queensland doctors and medical students.

The AMA Queensland Constitution has not been amended since 2016. There have been many changes to governance practice since 2016, some of them driven by two Royal Commissions. The changes align the relevant clauses with modern contracts and other legislative progress. The proposed amendments ameliorate some outstanding risks such as electoral turnover.

The amendments also remove some residual ambiguities that have come to light in the last five years. They affirm practical and useful amendments to organisational arrangements that have been sought by the Board and its Committees.

In the development of the new draft, the Board has been advised by the Board's Governance Committee and its legal advisors, Mills Oakley, and the final draft has taken more than a year of refinement to finalise.

The Board recommends that the current constitution be amended, and that the amended constitution be approved and adopted by the members.

Effect of Proposed Amendment

The table below summarises the changes between the proposed new, amended constitution and the current (2016) constitution of The Queensland Branch of Australian Medical Association

Limited. This table does not include every single minor change, and instead summarises the key changes.

Rule Number	Rule Heading	Change	Reason for Change
		Name change to “Australian Medical Association Queensland Limited”	To reflect that the Queensland Association is an independent body and is not a branch of the national association.
1.2	Definitions		Various definitions have been amended to reflect amendments to the use of that word.
7.4	Categories of Members	(c) The Honorary Members have the right to vote at general meetings. Throughout the constitution all references to voting have been amended to refer to both Ordinary Members and Honorary Members	The Honorary Members are appointed because of their “honourable and/or substantial service to the medical profession”. It is reasonable that upon being granted this honour, the member continues to have the right to vote and to be appointed as a Director.
		(d) The name of the Associate Member is changed to Distinguished Supporter Member.	The name better reflects this category of Member – one who is not a medical practitioner and has provided “honourable and/or substantial service to the medical profession”. It is also clarified that this is an individual.
7.9	Cessation of Membership	(iv) is deleted.	Rule 7.4(d) is amended to the effect that all Members must be individuals and there is no class of Membership open to companies. The right to cease Membership on liquidation of a company is no longer needed.
11.4	Quorum at general meetings	Quorum is 9 Ordinary Members and/or Honorary Members	Consistent with the change to rule 7.4(d), the quorum is 9 Members with voting rights – being both Ordinary Members and Honorary Members.
12	Proxies and representatives	The references to “Members” are changed to “Ordinary Members and/or Honorary Members”.	Only Ordinary Members and Honorary Members have the right to vote so it is appropriate that only Ordinary Members and Honorary Members have a right to appoint a proxy to attend and vote at a meeting.
12.4	Verification of proxies	Reference to delivery of documents by fax is deleted.	Fax is no longer a commonly used technology, so references have been deleted.

13.1	Number of Directors	The Chair of the Board is currently directly elected by the Ordinary Members.	The Chair is appointed by the Board under rule 14.8.
		The Ordinary Members could elect up to 5 directors in addition to the Chair, President and Vice President. If the Ordinary Members elected all these directors, no Skills Based Directors could be appointed.	The current breakdown between Member Elected Directors and Skill Based Directors reflected the transitional arrangements when the concept was introduced. The amended clause provides that 2 Skill Based Directors can be appointed.
13.3	Casual Vacancy		Minor drafting changes to clarify that the Directors appointed to fill a casual vacancy do not have this time counted, and to delete the separate reference to filling a casual vacancy of the Chair as the Chair is not separately elected by the Members.
13.4	Directors elected by Members	Deleted the direct appointment of the Chair.	The Chair is appointed by the Board under rule 14.8.
13.6	Term of the Directors	Deleted the term of the Chair.	The Chair is appointed by the Board under rule 14.8.
13.6(d)			Amended the drafting to clarify that a Skills Based Director is appointed for a term of 2 years from the date of appointment by the Board and the term is not linked to the date of an AGM.
13.6(e)		Added a new sub-rule that the periods for the maximum term of a director relate from the date of appointment and not from the date of the change to the constitution.	The proposed amendments to this rule clarify the current position and do not substantially change the arrangements for any current directors.
13.8	Retirement	The rule provides for the directors to retire at the end of the relevant AGM.	The proposed amendments to this rule clarify the current position and do not substantially change the arrangements for any current directors.
13.9	Cessation of Director's appointment		The new sub-rules separate the grounds for removing a Skills Based Director and a Member Elected Director.
14.6	Appointment of chair	The Chair of the Board will be appointed by the other Directors from the Member Elected Directors instead of being directly elected to the	It is more common for the Directors to choose the Chair based on the skills of the Member Elected Directors.

		chair by the Ordinary Members.	
14.15	Minutes	A requirement was added that the Chair signs the minutes within a reasonable time.	This reflects the requirements under the Corporations Act.
15.2	Appointment of Emeritus Vice President	The position of Emeritus Vice President is deleted.	The position is not required as it is superseded by the position of Honorary Member.
17	Secretary	New rule about the appointment of the Company Secretary	This rule reflects the requirements under the Corporations Act and are added into the Constitution so that the Constitution contains all the relevant information about the governance of the Company.
20	Notices	The references to fax have been deleted.	Fax is no longer a commonly used technology, so references have been deleted.
21	Amendment to Constitution	Amended to refer to approval of the Ordinary Members and Honorary Members.	This is to clarify that only the Ordinary Members and Honorary Members have voting rights.

Transitional arrangements

The following transitional arrangements are proposed:

- The Chair will serve out their term until the 2022 AGM when the Chair's position will be up for election by the Board.
- All other transitional arrangements not specifically referred to will be applied and effective at the close of the Special General Meeting to be held on 27 August 2021.

Recommendation of the Board of Directors

The Directors propose a new Constitution which is appropriately modernised and clearer in its drafting, but which does not alter the basic structure of the Association, the relationship between the Board and the Council and the rights of its membership.

The Directors believe that the proposed new Constitution will provide clarity to the governance processes and principles laying the foundation for the Association to lead the medical profession to meet its longer term strategic objectives.

The Directors recommend that members vote in favour of the Special Resolution.

Copies of Documents

A copy of the following documents is enclosed:

- **Annexure A** - the new draft Constitution, as amended, is attached to the Notice of Meeting. You can also [view the full details of the proposed amendments here](#).

- The current Constitution dated 12 November 2016 can be [viewed here](#).