



# Proposed constitutional changes

## **Paper for the consideration of the ASPG Executive and the 2018 Annual General Meeting**

Report of Working Group established at the 2017 AGM

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- Ben Foxe, NSW
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- David Skinner, ACT (chair)

## 1. BACKGROUND

1.1. Over at least the last five years, there has been considerable discussion within the Australasian Study of Parliament Group (the Group) Executive and the Group's annual general meetings about the funding arrangements required to:

1. put the Group on a sustainable financial footing; and
2. facilitate autonomy and flexibility for individual chapters.

1.2. A particular focus of discussions revolved around the extent to which individual chapters should be required to remit membership fees—individual and corporate—to the Group.

1.3. At the 2016 Executive meeting in Adelaide, a working group chaired by the Deputy President, Lesley Ferguson, was established to resolve a number of differences of opinion as to what fee remission arrangements should apply.<sup>1</sup> The working group recommended in its report (the Ferguson report) a devolved approach to financial management, including that:

1. chapters be given the power to set and retain membership fees; and
2. an annual chapter fee be established—determined on a proportionate basis<sup>2</sup>—payable by chapters to meet the Group's costs.

1.4. The working group observed in its report that:

*8.2 With the move towards producing the APR as an online journal, the annual operating costs of the Group will be substantially less than ever before. It is expected that the annual costs will reduce from approx. \$28,000 pa to approx. \$7,000 pa.*

*8.3 With the lower annual cost structure, cost-recovery of its expenses by the parent body is a position that chapters find acceptable as it would achieve the ongoing financial viability of the Group over the long-term and enable chapters to benefit from their efforts in promoting the objectives of the Group in their region and to invest in local activities.*

*8.4 The working party supports "cost-recovery" as an organising principle and supports the following method for determining how much each chapter should contribute towards the annual operating costs of the Group:*

*An annual fee is levied to each chapter on a proportionate basis vis-à-vis the number of seats within the parliaments that fall within the chapter's jurisdiction.*

1.5. The Ferguson report was considered and supported by the Executive at the Hobart conference in

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<sup>1</sup> This was preceded by an earlier review of the operations of the ASPG, which reported to the Executive and the AGM at the Wellington conference in 2015, which had also examined these and other matters.

<sup>2</sup> Based on the combined number of seats in parliaments resident within the jurisdiction/s covered by each chapter.

2017 and the AGM subsequently agreed in-principle to a number of recommendations<sup>3</sup> contained in the report, including in relation to proposed amendments to the Group's constitution. The AGM also agreed in-principle to include in the constitution a definition of the term Australasian to encompass Australia, New Zealand and South Pacific Nations.

- 1.6. The AGM resolved that a working party, consisting of me (chair), Ben Foxe (NSW), Isla Macphail (WA), and 'a representative from New Zealand' (ASPG Deputy President, Lesley Ferguson), be established to draft amendments for consideration and passage at the 2018 AGM in Brisbane.<sup>4</sup>
- 1.7. This paper proposes a way forward in relation to the agreed recommendations and a draft revision to the constitution is attached showing the proposed changes. It should be noted that the approach adopted by the working group has, for the most part, been informed by the already comprehensive explication of these matters in the Ferguson report and related discussions at the 2017 AGM<sup>5</sup>.
- 1.8. A summary of the proposed changes is at section 7 below.

## **2. AMENDMENTS TO BE MADE AS PROPOSED AT 2017 AGM**

- 2.1. The working group considered that the below recommendations from the Ferguson Report, agreed to at the 2017 AGM, were straightforward and uncontroversial, and that the language proposed in the 2017 minutes (item 8) is a suitable means by which to achieve them.
- 2.2. Accordingly, the proposed language has been largely adopted by the working group in the draft revision of the constitution in relation to:
  - establishment of a 'core executive' (Recommendation 2—2017 AGM minutes);
  - establishment of the 'primary role of chapters' (Recommendation 3—2017 AGM minutes);
  - establishment of reporting requirements to the Group by chapters (recommendation 4—2017 AGM minutes); and
  - clarification that a corporate membership will be entitled to a single vote at any meeting of the ASPG (Recommendation 5—2017 AGM minutes)

### **Working Group Recommendation 1**

- 2.3. **The Working Group recommends that recommendations 2-5 of the Ferguson report be adopted in the form that was agreed at the 2017 AGM.**

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<sup>3</sup> The AGM also resolved that section 25 of the Group's constitution be amended in order that a 'chapter fee only be remitted to the Group Treasurer' (i.e. that the Group itself would not be the sole beneficiary of the fees collected by chapters and would instead have remitted to it a 'chapter fee' by chapters to meet the Group's annual expenses).

<sup>4</sup> Because the proposed amendments had not been provided to all chapters in accordance with section 28 of the Constitution, it was proposed to seek to pass amendments at the 2018 AGM to achieve the purposes that had been agreed in-principle in 2017.

<sup>5</sup> See agreed recommendations and proposed amendments at item 8 of the minutes of that meeting (attached).

### 3. MEANING OF THE TERM AUSTRALASIAN

- 3.1. The 2017 AGM agreed in-principle to insert a new clause 1A, which reads “For the purposes of this Constitution, “Australasian is defined to encompass all Australian states and territories, New Zealand and South Pacific Nations”.<sup>6</sup>

#### Working group recommendation 2

- 3.2. The working group recommends that a more apt formulation of the intended provision is as follows:

*“Australasian is defined to encompass Australia, including its states and territories, New Zealand, and South Pacific Nations”.*

- 3.3. This avoids an ambiguity present in the original proposal whereby it is possible to infer that the term ‘Australasian’ is to be taken to include, so far as Australia is concerned, only the Australian states and territories, but not the Commonwealth.

### 4. RECOMMENDED IMPLEMENTATION OF RESOLUTION RELATING TO ESTABLISHMENT OF A CHAPTER FEE

- 4.1. In response to recommendation 6 of the Ferguson report, the AGM agreed ‘in-principle’ to insert a new clause at section 25A<sup>7</sup> to read:

*Chapters can set their membership fees above those set by the Group, with the proviso that such fees are devoted to advancing the objectives of the Group and growing the membership base of their respective chapter.*

- 4.2. However, the words ‘above those set by the Group’ are redundant given that, under the revised chapter fees remission arrangements, the Group will no longer be responsible for establishing membership fees—this will be left to chapters to determine as they see fit. This purpose should also be reflected in the new clause (viz. the words “Chapters will be responsible for the collection of fees” in existing section 25 should be moved to the new section 25A) and the words “and shall remit them to the Treasurer on or by 31 March each year” should be removed (see the working group’s recommendation 7 below).
- 4.3. Similarly, under the proposal, there is no basis for the AGM to determine fees payable by members in accordance with the first sentence of section 25 and removing this reference is recommended.
- 4.4. These changes will have the effect of enabling chapters to set their memberships fees at a rate that each chapter believes is commensurate with the value provided to members by the chapter and sufficient to meet their obligation to pay the annual chapter fee.

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<sup>6</sup> See recommendation 1, item 8 of 2017 AGM minutes

<sup>7</sup> The minutes indicate that this clause be inserted as section 25B but this has been taken by the working group as being a reference to a new section 25A.

### Working group recommendation 3

- 4.5. The working group recommends that a new clause 25A be included, which reads 'Chapters are responsible for the collection of membership fees and can set fees as they see fit, subject to the proviso that fees are devoted to advancing the objectives of the Group and growing the membership base of chapters.'

### Working group recommendation 4

- 4.6. The working group recommends that the first sentence of section 25 (i.e. 'Fees payable by members shall be determined by the annual general meeting') be removed.

#### MEMBERS OF CHAPTERS WILL BECOME MEMBERS OF THE GROUP

- 4.7. The corollary to the devolution of fee setting is that where a person or organisation pays the fee set by the applicable chapter, that person or organisation would become a member of the Group (i.e. membership is conferred by the Group on the basis of a person's or organisation's financial membership with a chapter, rather with the Group). To underscore this point additional text at the end of section 3 is recommended.

### Working group recommendation 5

- 4.8. The working group recommends adding the following new sentence at the end of section 3 of the constitution: 'A member of any chapter, having paid the necessary fee as per section 25A, is taken to be a member of the Group'.

#### TIMING OF CHAPTER FEE REMISSION

- 4.9. The AGM resolved that 'section 25 of the constitution be amended to note that the Chapter fee only be remitted to the Group Treasurer'.
- 4.10. As a practical matter, in order for the revised chapter fee remission arrangement to provide the Group with sufficient operating funds to meet its annual expenses throughout a financial year, the Group Treasurer will need to receive them from chapters in the first part of a financial year and on a prospective basis (i.e. the fees paid by chapters are to meet the costs to the Group throughout the year, not to meet the costs that have been encountered previously).
- 4.11. However, in order that chapters have some window of opportunity in which to collect fees from members, a portion of which will be remitted as a chapter fee to the Group, it is proposed that chapter fees are payable by 31 August each year.
- 4.12. In recognition of the changed remission arrangements, the working group proposes that the following words are removed from section 25: "Chapters will be responsible for the collection of fees and shall remit them to the Treasurer on or by 31 March each year."
- 4.13. Recommendation 7 of the Ferguson Report, supported in-principle at the 2017 AGM, reads:

“If agreed, insert new clause 25C into Constitution, which reads: “The Treasurer can retain the funds remitted by the Chapters necessary to cover all expenses relating to the Australasian operations of the Group.”

- 4.14. The working group proposes instead of inserting a new clause 25C, it would be appropriate to instead to amend clause 25B with text that provides for: a) the Group Treasurer to determine annual chapter fees on the basis of operating costs; b) chapter fees being payable by chapters to the Treasurer no later than 31 August each year; and c) chapter fees will be retained by the Group Treasurer to cover all expenses relating to the Australasian operations of the Group.

### Working group recommendation 6

- 4.15. The working group recommends that the following words are removed from section 25: “Chapters will be responsible for the collection of fees and shall remit them to the Treasurer on or by 31 March each year.”

### Working group recommendation 7

- 4.16. The working group recommends that the following sentences are included at 25B: “The Group Treasurer will determine the annual Chapter fee to be levied to each chapter on the basis of the Group’s estimated operating costs for the year. The Chapter fee is payable by each chapter to the Treasurer no later than 31 August each year. Chapter fees will be retained by the Group Treasurer to cover all expenses relating to the Australasian operations of the Group”.

## 5. OPERATION OF THE CHAPTER FEE ARRANGEMENTS

- 5.1. Pursuant to the 2017 AGM agreement to ‘recommendation 9 (new model)’, it will be the practice that:

*1. ...[the] ASPG’s Treasurer will determine the annual fee to be levied to each chapter on a proportionate basis, vis-à-vis the number of seats within the parliaments that fall within the chapter’s jurisdiction.*

*2. ...this funding model be undertaken for a 3 year trial period to be reviewed in 2 years.*

- 5.2. This proportionate chapter fee model recognises that chapters with a larger number of seats and larger parliamentary support departments will potentially receive a greater degree of value from membership with the group and will also have a greater capacity to remit higher fees. Based on estimated annual Group costs of \$7,500, fees that would be remitted by each chapter are shown in the right-hand column.

Proportionate fee setting model based on No. of seats					
Jurisdiction	UH	LH	Total	%	Total fee payable by chapter
NSW	42	93	135	14.20	\$1,064.67
VIC	40	88	128	13.46	\$1,009.46
QLD		89	89	9.36	\$701.89

Proportionate fee setting model based on No. of seats						
Jurisdiction	UH	LH	Total	%	Total fee payable by chapter	
WA	36	59	95	9.99	\$749.21	
SA	22	47	69	7.26	\$544.16	
TAS	15	25	40	4.21	\$315.46	
NT		25	25	2.63	\$197.16	
NZ		119	119	12.51	\$938.49	
ACT/Commonwealth	76	175	251	26.39	\$1,979.50	
Total	231	720	951	100	\$7,500.00	

### Working group recommendation 8:

#### 5.3. The working group recommends that:

- a) the 2018 AGM formally adopt the practice for the next three years whereby Group Treasurer will determine the annual fee to be levied to each chapter (i.e. chapter fee) on a proportionate basis, vis-à-vis the number of seats within the parliaments that fall within the chapter's jurisdiction; and
- b) the funding model be reviewed by the Executive in 2 years and a report on that review provided to the subsequent AGM for consideration.

## 6. INTERIM ARRANGEMENTS

#### 6.1. Recommendation 10 agreed to at the 2017 AGM states that:

*Given that recommendation 9 does not require amendment of the Constitution, and members are well informed about the issue it seeks to address, it is recommended that this approach to determining the annual fee to be levied to each chapter comes into effect for the 2017-18 financial year.*

#### 6.2. On this basis it is open to the Group Treasurer to invoice chapters in accordance with the proposed model.

## 7. SUMMARY OF PROPOSED AMENDMENTS

#### 7.1. The following is a summary of the proposed changes in the order that they would appear in the constitution.

##### Amendment 1

*Insert new clause 1A, which reads: "For the purposes of this Constitution, "Australasian" is defined to encompass Australia, and its states and territories, New Zealand, and South Pacific Nations".*

## **Amendment 2**

*Insert at the end of section 3 the following words: "A member of any chapter, having paid the necessary fee as per section 25A, is taken to be a member of the Group."*

## **Amendment 3**

*Insert a new section 6A, which reads: "Each Chapter is to provide to the ASPG Secretary, one month before the annual general meeting, a report on their membership and activities for the year."*

## **Amendment 4**

*Insert a section 8A, which reads: "A corporate membership will be entitled to one vote only at any meeting of the ASPG."*

## **Amendment 5**

*Insert after the first sentence in section 10A the following words: "The ASPG's executive office-holders of President, Vice President, Secretary and Treasurer are the initial decision-making body for the Group and they refer their decisions to the chapters for ratification."*

## **Amendment 6**

*Insert after the first sentence of section 22 the following words: "The Chapters' main role is to promote the objectives of the Group through holding their own chapter-led events with a view to growing the membership base of their chapter."*

## **Amendment 7**

*Delete the following words from section 25: "Fees payable by members shall be determined by the annual general meeting."*

## **Amendment 8**

*Delete the following words from section 25: "Chapters will be responsible for the collection of fees and shall remit them to the Treasurer on or by 31 March each year."*

## **Amendment 9**

*Insert a new section 25A, which reads: "Chapters are responsible for the collection of membership fees and can set fees as they see fit, subject to the proviso that such fees are devoted to advancing the objectives of the Group and growing the membership base of chapters."*



## **Amendment 10**

*Insert a new clause 25B, which reads: “The Group Treasurer will determine the annual Chapter fee to be levied to each chapter on the basis of the Group’s estimated operating costs for the year. The Chapter fee is payable by each chapter to the Treasurer no later than 31 August each year. Chapter fees will be retained by the Group Treasurer to cover all expenses relating to the Australasian operations of the Group”.*

David Skinner  
Chair, Working Group

9 May 2018