

## Background notes regarding proposed changes

<b>Subject</b>	Proposed constitution amendment section 2.4 : The Members who are entitled to vote, to enjoy full privileges and to hold office.
<b>Date</b>	2 July 2024
<b>For Approval</b>	AGM 2024
<b>Recommendation</b>	To amend the RYCT Constitution section 2.4 to increase the membership classes who can vote, enjoy full privileges, and hold office within the RYCT to increase the contribution from a wider range of members.

### Background to the change

There is an ongoing need to update the constitution of the RYCT to maintain its currency and to ensure it meets contemporary standards while protecting and pursuing the objects of the club.

The role of the board of directors is to make decisions that are in the best interest of the organisation and which are in line with the purpose or 'Objects' of the company. This will generally align with what is in the best interests of the members of the organisation as a whole.

It is accepted that better decisions are made where there is a diversity of thought, including diversity of perspective and approach to decision-making. Diversity of perspective and approach are enhanced through all forms of diversity, including gender, culture, education, age etc. Diversity of skills and experience are also important to drive the strategic objectives of the organisation.

It is also accepted that in order to reflect the diversity of views from a membership base, that the membership of the board should be reflective of that membership mix.

RYCT has many membership classes and the composition of our membership has changed significantly over the past 20 years. However, due to the requirements of section 2.4 of the Constitution, only 47% - less than half - of our members who are over 18 are eligible to vote and hold positions on the Board.

This has constrained members' ability to contribute to the club and limited the potential diversity of views on the Board.

## Background notes regarding proposed changes

The intention of this amendment is to facilitate a broader cross section of our members to vote and to be eligible to hold positions within the club.

### Current membership diversity on the Board

The structural requirements of the current RYCT constitution restrict the ability of the organisation to improve diversity on the board by restricting membership of the Board to certain categories as specified in section 2.4.

The following categories are excluded from being eligible to be elected or appointed as a Director or Flag Officer:

Associate	Associated	Crew
Social	Junior	Honorary
Visiting	Expatriate	

Section 2.4 restricts representation across membership categories and, as a consequence, restricts the opportunity for improved gender representation as well as other aspects of diversity, such as age, skills and experience.

Currently :

- only 43% of total members are in eligible categories.
- Only 60 of 438 female members (**14% of female members**) are in eligible categories.
- Only 60 members of 1754 total members (**3% of total members**) are females in eligible categories.

The current constitution no longer meets the needs of our changing membership demographics nor recommended contemporary governance.

## Background notes regarding proposed changes

It should be noted that it is not legally possible for persons under the age of 18 (**Junior** members) to be appointed as a director of a company.

Further, **Honorary** or **Visiting** members would almost certainly not meet the 'Voting member for not less than two consecutive years' provision in section 6.2.

Similarly, **Expatriate** members would not meet the 'Ordinarily resides in Tasmania' requirement in section 6.2.

To avoid any doubt, these categories have been specifically excluded in the proposed amendment.

### **Protection of the Objects of the Company**

One of the concerns regarding this amendment may be the potential for the Objects of the club to not be met. It is critical that the RYCT remains consistent with the Objects of the Company as specified in the constitution. That is, the RYCT remains an organisation that promotes and encourages yachting and yachting events in Tasmania.

The current requirement specified in section 6.1 is that 'All Flag Officers and Four (4) Directors must be Active Sailing Members.' Including the Immediate Past Commodore, this means that, currently, 8 of the 12 possible directors MUST be Active Sailing Members.

There is **no change** to this requirement in this proposal.

## Background notes regarding proposed changes

### SUMMARY OF PROPOSED CHANGES

In the current constitution, the following provisions are made in section 2.4:

#### **2.4 The Members who are entitled to vote, to enjoy full privileges and to hold office**

*All Members are entitled to use the Club House.*

*Only Senior Members, Life Members, Fifty Year Members, Perennial Members, Veteran Members, Country Members and Intermediate Members are entitled to the following additional privileges, namely:*

- (a) to propose candidates for election to membership of the Club;*
- (b) to vote at General Meetings;*
- (c) to requisition Extraordinary General Meetings;*
- (d) to be elected or appointed to office as a Director or Flag Officer and to vote on a ballot for the election of new Directors and Flag Officers;*
- (e) to apply for, hold or sublease a permanent marina berth licence, except that new Country Members admitted after the date of adoption of this Constitution may not apply for, hold or sub lease a permanent marina berth licence.*

*Those Country Members prior to date of adoption of this Constitution who lease or sub lease a permanent marina berth licence will continue to enjoy that right.*

*Any changes to the rights of other members to hold a permanent marina berth licence will come into effect 1 May 2016.*

## Background notes regarding proposed changes

The following summary table shows the proposed changes in red to the 'eligible categories' to vote and be entitled to membership privileges as specified in section 2.4.

It should be noted that, as per section 2.6 (e) of the Constitution, each Member who is part of a 'Family Membership' will have the same membership entitlements as if they were an individual Member of the relevant class of membership and consequently there is no need for family membership to appear in this table.

Membership	Current 'eligible categories'	Proposed 'eligible categories'	NO CHANGE to Marina licence rights
Senior	Yes	Yes	Yes
Life	Yes	Yes	Yes
Fifty Year	Yes	Yes	Yes
Perennial	Yes	Yes	Yes
Veteran	Yes	Yes	Yes
Country	Yes	Yes	Yes (to 23.07.2015)
Intermediate	Yes	Yes	Yes
Junior	No	No	No
Associate	No	Yes	No
Associated	No	Yes	No
Crew	No	Yes	No
Social	No	Yes	No
Honorary	No	No	No
Visiting	No	No	No
Expatriate	No	No	No

This amendment will improve the opportunity for diversity of thought and member representation around the board table; as well as providing a broader representation of members a voice and a vote on matters affecting their Club at General Meetings.

There is **no change** proposed to the categories of membership entitled to apply for, hold or sublease a marina berth licence.

## Background notes regarding proposed changes

If the proposed amendment is approved :

- 71% of total members will be in eligible categories. (currently 43%)
- 73% of female members will be in eligible categories. (currently 14%)
- 18% of total members will be females in eligible categories. (currently 3%)

### **PROPOSED AMENDMENT TO SECTION 2.4 THE MEMBERS WHO ARE ENTITLED TO VOTE, TO ENJOY FULL PRIVILEGES AND TO HOLD OFFICE.**

In order to implement the changes identified in the table above, it is proposed that the wording of section 2.4 of the Constitution be amended as below by making positive statements about members' rights (with the few necessary specific exclusions) in place of statements excluding a majority of members.

The current wording style has been retained for the subsection relating to marina berth licence rights so it is explicitly clear there has been no change to this provision.

The section has been tidied by the removal of text no longer required relating to the amendment made in 2015 and the grandfathering of Country Members marina rights.

The revised section 2.4 after this amendment will read:

#### **2.4 The Members who are entitled to vote, to enjoy full privileges and to hold office.**

##### **2.4.1 All members are entitled to use the Club House.**

##### **2.4.2 All members, except for Junior Members, Honorary Members, Visiting Members and Expatriate Members,**

~~Only Senior Members, Life Members, Fifty Year Members, Perennial Members, Veteran Members, Country Members and Intermediate Members~~ **are entitled to the following additional privileges, namely :**

**(a) To propose candidates for election to membership of the Club.**

**(b) To vote at General Meetings.**



## Background notes regarding proposed changes

**(c) To requisition Extraordinary General Meetings.**

**(d) To be elected or appointed to office as a Director or Flag Officer and to vote on a ballot for the election of new Directors and Flag Officers.**

**2.4.3 Only Senior Members, Life Members, Fifty Year Members, Perennial Members, Veteran Members, Country Members (as at 23 July 2015) and Intermediate Members are entitled to** the following additional privileges, namely:

~~(e) To~~ **apply for, hold or sublease a permanent marina berth licence.** Except that new Country Members admitted after the date of adoption of the Constitution may not apply for, hold, or sublease a permanent marina berth licence.

~~Those Country Members prior to date of adoption of this Constitution who lease, or sublease a permanent marina berth licence will continue to enjoy that right.~~

~~Any changes to the rights of other members to hold a permanent marina berth licence will come into effect 1 May 2016.~~