

Instructing senior staff

ORIC can't give directions to the senior staff of a corporation or tell them what to do. Under the CATSI Act, the directors are appointed by the members to manage the corporation's business (CATSI Act section 274-1). This includes employing senior staff (such as a CEO or manager) to help them with the practical day-to-day operations, like ensuring that all legislative requirements and funding agreements are met.

If the directors have a problem with the behaviour or performance of senior corporation staff, it's up to them to resolve it. Corporation senior staff report to the directors, so if the directors are unhappy or worried about what senior staff are doing—or not doing—they must tackle the issue themselves. The relationship between directors and staff is outside of ORIC's scope. While we can suggest possible strategies that directors might use, we can't directly intervene (unless criminal activity is suspected).

Corporations should not take action against any employee without first getting advice from either their legal advisers or, at the very least, from the Fair Work Commission. Failing to do so could expose your corporation to legal action if the directors don't comply with contracts or industrial relations laws.

There are a number of policy statements and fact sheets on the ORIC website that can further explain the Registrar's roles and powers. These can be accessed from www.oric.gov.au.

Members not happy with directors

Sometimes members may disagree with the way the directors are governing their corporation, including the staff they employ and how they manage them. These members should try, in the first instance, to work out the matter informally by talking to the directors and getting to the bottom of the problem. ORIC can't intervene where the issue is a difference of opinion about an operational or management matter—this is for the corporation to work out.

If after talking to the directors the members are still not satisfied they can request a members' meeting to change the directors, if there are enough members who support a change.

See the Registrar's fact sheet *Members' rights* and your corporation's rule book on 'members' request to call a general meeting' and the 'removal of directors'.

GOOD ADVICE



All corporations should have **policies and guidelines** to guide them on how to deal with disputes or complaints from members. If you don't have guidelines, take time to develop them. If all parties understand that there is a proper process to follow the outcome is more likely to be accepted.

Every corporation would benefit from:

- a communication strategy
- an internal dispute handling process
- a complaints policy.

Dissatisfied clients

If the corporation's clients have concerns about the quality and delivery of services, they should raise them with the corporation's staff or directors. Delivery of the corporation's services is not a matter for ORIC.



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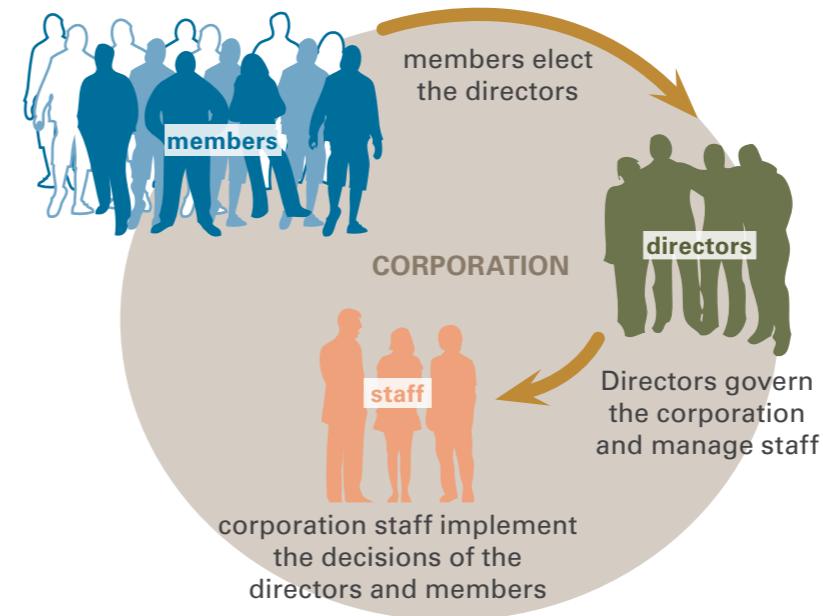
Australian Government
Office of the Registrar of Indigenous Corporations

ORIC Oracle

It's your corporation—get involved

August 2016

The main role of the Registrar of Indigenous Corporations is to administer the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act) which guides how corporations registered under the Act should run.



The Registrar's office (ORIC) doesn't run your corporation ...you do.

ORIC's job is to provide you with the tools and information to help you to run your corporation. This is not the same as running your corporation for you. It's your corporation. It's your job to run it.

Each member has a personal responsibility to be involved in the life of their corporation. Everyone should try to make positive contributions and be open to learning new skills. This is how you make your corporation strong.

The Registrar, Anthony Beven

As you practise new skills you of course get better at using them, and when you teach them to others you're empowering those around you. This builds capacity and leads to self-reliance, which is the way it should be.

Practical 'hands-on' learning is learning that lasts.

ORIC's role

ORIC is always ready to assist members and other clients to understand the requirements of the CATSI Act and the corporation's rule book. This is our role. We want to support YOU to run YOUR corporation to the highest standards possible.

BUT there are a few areas where we're just not allowed to help. The CATSI Act expressly prevents us—for instance:

Membership of a corporation

Issues about membership are often brought up with ORIC but the CATSI Act requirement is quite clear (CATSI Act Division 144). It says directors make the final decision on membership applications.

A problem arises when people apply for but are subsequently denied membership of a corporation and disagree with the decision. They believe ORIC should intervene and overturn the decision. However, this is not possible. ORIC can't prescribe membership of a corporation—that is, ORIC can't decide who should be members. That is up to the corporation. ORIC also can't assist individuals who have been rejected. The CATSI Act is very clear on this.

Where directors fail to deal with applications for membership within a reasonable time, ORIC will check to make sure a breach of directors' duties hasn't occurred (such as to act in the best interests of the corporation). In some cases where family associations need to be verified, the process can take some time—and this must be taken into consideration. Yet, where there are no reasons for lengthy waiting periods, ORIC may write to the corporation urging the directors to complete their application reviews without further delay.

It's time to lodge...



2015–16 reports due NOW!

All corporations must lodge reports with the Registrar every year, between 1 July and 31 December. The reports for each corporation will vary. Go to <https://online.oric.gov.au> to lodge online.

Corporations that don't lodge their 2015–16 reports by 31 December 2016 could face prosecution. The maximum penalty for each report not lodged is \$22,500 for corporations.

Have you called your AGM?



All corporations must hold an annual general meeting (AGM) before **30 November**.



Photo: Ingetje Tadros/Getty Images

‘ Give a person a fish and you feed them for one day;
teach a person to fish and you feed them for a lifetime. ’

ORIC SUPPORTS YOU WITH:

governance information and advice—either speak to us face-to-face or by phone. You can also email us or look at our website. We have all sorts of useful resources available, from fact sheets to form templates, policy statements and guides. Let us help you comply with the CATSI Act.



online lodgment—a simple and efficient way to lodge your forms and reports electronically.

corporate governance training—accredited and non-accredited corporate governance training tailored to the particular needs of your corporation (see our training calendar at www.oric.gov.au).



LawHelp—free access to some of Australia’s top law firms for not-for-profit corporations.



ORIC Recruitment Assistance (ORA)—let ORIC help you with recruitment so you can select the best candidates for your senior roles.



dispute management process—ORIC can help you to resolve internal corporation disagreements before they get out of hand and cause real harm.

Corporation jobs—advertise your vacancies on the ORIC website for free.



independent directory—an online matching service that can help you choose an independent director that’s right for your corporation (that is, has the right experience, knowledge and skills).

