



BOARD CHARTER

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1. INTRODUCTION AND PURPOSE

1.1 Tourism Australia is established by the *Tourism Australia Act 2004* ("**Tourism Australia Act**"). As a corporate Commonwealth entity, Tourism Australia is also subject to the *Public Governance, Performance and Accountability Act 2013* which establishes a framework for the management of performance, financial accountability and the use of public resources across all Commonwealth bodies.

1.2 This document sets out:

- The role and responsibilities of the Board of Tourism Australia (Board); and
- Procedures aimed at ensuring the effective operation of the Board.

2. THE BOARD

2.1 Functions (Tourism Australia Act section 10)

2.1.1 In support of Tourism Australia's Vision Statement which is for Australia to be the most desirable and memorable destination on earth, the Board, under the Tourism Australia Act has the following obligations:

- to ensure the proper and efficient performance of Tourism Australia's functions; and
- to determine Tourism Australia's policy in relation to any matter.

2.2 Powers (Tourism Australia Act section 11)

2.2.1 The Board has power to do all things necessary or convenient to be done for or in connection with the performance of its functions, provided it is compliant with the Tourism Australia Act.

2.3 Ministerial Direction (Tourism Australia Act section 40)

2.3.1 The Minister is responsible for administering the Tourism Australia Act. The Minister may give a written direction to the Board in relation to the performance of the functions, and the exercise of the powers, of Tourism Australia. The Board must comply with such a ministerial direction.

2.4 Membership (Tourism Australia Act sections 12, 13)

2.4.1 The Board consists of the following members:

- The Chair;
- The Deputy Chair;
- The Managing Director; and,
- Six other members.

2.4.2 The Minister is responsible for appointing persons to the Board (except the Managing Director).

3. BOARD RESPONSIBILITIES

3.1 Board Responsibilities (Tourism Australia Act section 38; *Public Governance, Performance and Accountability Act 2013* ("**Public Governance, Performance and Accountability Act**") (sections 35-40, 41-43, 44-46)

3.1.1 The Board is responsible to the Minister for the overall performance of Tourism Australia. The Board's responsibilities include:

- Setting Tourism Australia's strategic direction, including setting its vision, approving strategies and targets and establishing policies;
- Accountability for monitoring Tourism Australia's business;
- Communicating with the Minister;
- Complying with general government policy as directed by the Minister and according to Tourism Australia's obligations as a corporate Commonwealth entity under the *Public Governance, Performance and Accountability Act*;

- Establishing, determining, upholding and promoting the Tourism Australia values and the Tourism Australia Code of Conduct;
- Ensuring that the performance of Tourism Australia's functions and the exercise of Tourism Australia's powers are consistent with, and designed to give effect to, the current Corporate Plan and the current Annual Operational Plan;
- Appointing and monitoring the performance of the Managing Director;
- Reviewing the performance of Executive Management;
- Ensuring good corporate governance, including effective risk management, legal compliance, strategic direction and appropriate organisational structure of Tourism Australia;
- Ensuring that a Corporate Plan and Annual Operational Plan for Tourism Australia are prepared and provided to the Minister;
- Ensuring that budget estimates are prepared;
- Ensuring that records are kept which measure and assess Tourism Australia's performance;
- Ensuring that an annual performance statement is prepared;
- Ensuring that proper accounts and records are maintained to explain Tourism Australia's transactions and financial position;
- Ensuring that annual financial statements for Tourism Australia are prepared and that the statements are audited;
- Ensuring that Tourism Australia has an Audit & Finance Committee; and
- Providing the Minister with a copy of the annual report.

3.1.2 In addition to these responsibilities, the Board must remain independent from Executive Management, and manage the interests of all stakeholders in the wider public interest.

3.2 Board Duties (*Public Governance, Performance and Accountability Act* sections 15-19, 25-29)

3.2.1 The Board must comply with the duties as set out in sections 15-19 and 25-29 of the *Public Governance, Performance and Accountability Act* including a duty to:

- Govern Tourism Australia so as to oversee the proper use and management of public resources, promote the achievement of Tourism Australia's purposes and ensure the financial sustainability of Tourism Australia;
- Establish and maintain systems relating to risk management and controls;
- Encourage cooperation with others to achieve common objectives;
- Consider the risks and effects of imposing requirements on others in relation to the use or management of public resources;
- Keep the responsible Minister and Finance Minister informed;
- Exercise care and diligence;
- Act in good faith and for a proper purpose; and
- Disclose conflicts of interests and conflicts of duty.

3.3 Responsibilities of the Managing Director and Executive Management

3.3.1 The Managing Director is responsible to the Board for the day-to-day management of operations of Tourism Australia and for the implementation of strategies and policies, and attaining targets, approved by the Board. The Managing Director is also responsible for measuring performance, maintaining an effective risk management process, and implementing the organisational structure of Tourism Australia.

3.3.2 Executive Management are responsible for assisting the Managing Director, in implementing the strategy determined by the Board and measuring performance against the strategy.

3.4 Notification to Relevant Ministers (*Public Governance, Performance and Accountability Act 2013* section 19)

3.4.1 The Board must:

- Notify the Minister in relation to those matters set out in section 19 of the Public Governance, Performance and Accountability Act;
- Give to both the Minister and the Minister who is responsible for administering the Public Governance, Performance and Accountability Act (Finance Minister) such reports, documents and information in relation to the operations of Tourism Australia as the Minister or the Finance Minister requires.

3.5 Ministerial Approval and Reporting Requirements (*Tourism Australia Act* section 59)

3.5.1 The Tourism Australia Act states that the Board must not, without the written approval of the Minister, enter into:

- A contract under which Tourism Australia is to pay or receive an amount exceeding A\$3,000,000; or
- A lease of property for a period of 10 years or more.

4. DELEGATIONS

4.1 Delegations by the Board

4.1.1 The Board may, by resolution of a majority of its members delegate all or any of its functions or powers to:

- A member of the Board; or
- A member of the staff of Tourism Australia who has the expertise appropriate to the function or power delegated.

4.1.2 The delegation may be varied or revoked by resolution of the Board.

4.2 Delegations by the Managing Director

4.2.1 The Managing Director may, in writing, delegate all or any of his or her functions or powers to a member of the staff of Tourism Australia who has the expertise appropriate to the function or power delegated.

4.3 Delegations Generally

4.3.1 A copy of each delegation must be provided to:

- The person holding the delegated power; and
- The Board Secretary who must retain a copy of each delegation.

4.3.2 The Board, including the Managing Director, will record and register its delegations via the Tourism Australia *Delegations Instrument and Instructions document*. The Board, including the Managing Director should review and, if required, update or revoke such delegations regularly. Refer to the *Delegations Instrument and Instructions* document for an up-to-date listing of such delegations.

5. BOARD MEMBERS' RESPONSIBILITIES

5.1 Board members' Code of Conduct

5.1.1 The Board subscribes to the code of conduct as recommended by the Australian Institute of Company Directors (as amended from time to time) which includes the following standards of conduct:

- A Board member must act honestly, in good faith and in the best interests of Tourism Australia;
- A Board member has a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office. A Board member must use the powers of office for a proper purpose.
- A Board member must not create a conflict of interest or conflict of duty by allowing personal interests, or the interests of any associated person, to conflict with the interests of Tourism Australia. A Board

member must advise the Board when there is a conflict of interest or conflict of duty with a matter being discussed by the Board and the Board shall decide whether the Board member is to contribute to the discussion or whether he or she should be absent from the meeting for the duration of the discussion.

- A Board member has an obligation to be independent in judgement and action and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board.
- Confidential information received by a Board member in the course of the exercise of his or her duties remains the property of the entity from which it was obtained and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by that entity, or the person from whom the information is provided, or is required by law.
- A Board member should not engage in conduct likely to bring discredit upon Tourism Australia.
- A Board member has an obligation, at all times, to comply with the spirit, as well as the letter, of the law and with the principles of this Board Charter.
- A Board member must act in accordance with the obligations relating to directors of the *Corporations Act 2001*.

5.1.2 The Board subscribes to conflict of interest and duty principles set out in the Australian Public Service Commission's *Values and Code of Conduct in practice: A guide to official conduct for APS employees and agency heads*, which highlight that:

- An office-holder should perform the duties of their office impartially, uninfluenced by fear or favour.
- An office-holder should be frank and honest in all official dealings.
- An office-holder should avoid situations in which their private interests, whether pecuniary or otherwise, conflicts or might reasonably be perceived to conflict with their public duty.
- When an office-holder possesses, directly or indirectly, an interest which conflicts or might be perceived to conflict with their public duty, or to improperly influence their conduct in the discharge of their responsibilities in respect of some matter with which they are concerned, they should disclose that interest according to the prescribed procedures described in paragraph 5.3 of this charter.
- When an office-holder possesses an interest which conflicts or might reasonably be perceived to conflict with the duties of their office.
- An office-holder should not use information obtained in the course of official duties to gain directly or indirectly a pecuniary advantage for himself/herself or for any other person.
- An office-holder should not:
 - solicit or accept from any person any remuneration or benefit in consideration for the discharge of the duties of their office which is over and above their official remuneration unless otherwise approved under an official policy governing acceptance of gifts or benefits;
 - solicit or accept any benefit, advantage or promise of future advantage, whether for themselves, their immediate family or any business concern or trust with which they are associated from persons who are in, or seek to be in, any contractual or special relationship with government;
 - except as may be permitted under the rules applicable to their office, accept any gift, hospitality or concessional travel offered in connection with the discharge of the duties of their office.
- An office-holder should be scrupulous in their use of public property and services, and should not permit their misuse by other persons.

5.2 Confidentiality

5.2.1 All deliberations, decisions and activities of the Board are confidential unless expressly stated by the Chair (or, in the absence of the Chair, any other person presiding over a meeting pursuant to paragraph 6.3 of this Charter) or his or her delegate.

5.3 Disclosure of Interests

5.3.1 At each Board meeting (including meetings convened by teleconference or other form of electronic communication), the Chair must seek declarations of interests from all Board members present.

5.3.2 Any disclosure must:

- Give details of:
 - The nature and extent of the interest or duty; and
 - The relation of the interest or duty to the affairs of Tourism Australia; and
- Be given at a Board meeting as soon as practicable after the Board member becomes aware of his or her interest in, or duty in respect of, the matter.

5.3.3 The details must be recorded in the minutes of the meeting.

5.3.4 A Board member who has an interest in, or duty in respect of, a matter may give the other Board members standing notice of the nature and the extent of the interest or duty by way of a standing notice of interest. This notice may be given at any time and whether or not the matter relates to the affairs of Tourism Australia. A standing notice of interest provided by a Board member under this paragraph 5.3.4 must:

- Give details of the nature and extent of the interest or duty; and
- Be given:
 - At a Board meeting (either verbally or in writing); or
 - To the other Board members individually in writing.

5.3.5 If the standing notice is given to the other Board members individually in writing, it must be tabled at the next Board meeting after it is given and the Board member must ensure that the nature and extent of the interest or duty disclosed in the standing notice of interest is recorded in the minutes of the Board meeting at which the standing notice is given or tabled.

5.3.6 A Board member is responsible for updating his or her standing notice of interest as soon as practicable if the nature or extent of the interest or duty declared materially changes beyond that disclosed in the standing notice of interest.

5.3.7 The Secretary must retain all details of interests and duties declared and all standing notices of interest.

5.4 Restrictions on Voting

5.4.1 The Chair will determine if a Board member who has a material interest in, or duty in respect of, a matter that is being considered at a Board meeting, will be restricted from voting on that matter, taking into account the considerations under 5.1.2

5.5 Access to Independent Advice

5.5.1 The Board may obtain independent professional advice to assist it in the proper exercise of its powers and responsibilities. A Board member may obtain independent professional advice to assist him or her in the proper exercise of powers and discharge of duties as a Board member provided that the Board member has obtained prior approval from the Chair, or if the Board member is the Chair, prior approval from the Chair of Audit and Finance Committee.

5.6 Cost of Independent Advice

5.6.1 The Chair may agree that the cost of a Board member's independent advice will be paid by Tourism Australia. If the Board member is the Chair, the Chair must seek agreement from the Chair of Audit and Finance Committee for such cost to be paid by Tourism Australia.

5.6.2 If a Board member obtains independent advice which has been paid for by Tourism Australia in accordance with this paragraph 5.6, he or she must provide to the Board as soon as practicable a copy of any written advice received, subject to confidentiality and legal professional privilege.

6. MEETINGS

6.1 Convening Meetings

6.1.1 The Board must meet as regularly as required to efficiently perform its role, but nevertheless must meet formally at least six times a year, at dates and locations as determined by the Chair. The Chair may convene a meeting, and must convene a meeting if requested in writing by three or more other members. The Minister may convene a meeting of the Board at any time.

6.2 Board Agenda and Papers

6.2.1 In consultation with the Chair and the Managing Director, the Secretary must prepare the agenda for a meeting. The agenda should set out the matters to be discussed at the meeting, and reference all relevant reports and submissions relating to each item in the agenda.

6.2.2 At least seven days before the date of the scheduled Board meeting, the Secretary must distribute an agenda and any related papers to each member of the Board (subject to any interests disclosed as required by paragraph 5.3 of this Charter).

6.3 Chairing Board Meetings (*Tourism Australia Act section 23*)

6.3.1 The Chair must preside at all meetings at which he or she is present. If the Chair is not present at a meeting, the Deputy Chair must preside over the meeting. If neither the Chairperson nor the Deputy Chair is present at a meeting, the Board members present must appoint one of their number (excluding the Managing Director) to preside over the meeting.

6.4 Quorum (*Tourism Australia Act section 24*)

6.4.1 A quorum for a Board meeting is constituted by five Board members. If a Board member is required to remove him or herself from deliberations of the Board and any decision-making process because of a personal interest, and because of this, a quorum is no longer present, the remaining members constitute a quorum for the purpose of any deliberation or decision at that meeting for that matter only.

6.5 Voting (*Tourism Australia Act section 25*)

6.5.1 A question arising at a meeting is to be determined by a majority of the votes of the members present and voting. The person presiding at a meeting has:

- A deliberative vote; and
- If necessary, also a casting vote.

6.6 Resolutions (*Tourism Australia Act section 26*)

6.6.1 The Board may pass a resolution without a Board meeting being held if all the members entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document.

6.6.2 Separate copies of a document may be used for signing by the members if the wording of the resolution and statement is identical in each copy. The resolution is passed when the last of the members signs. The Secretary must keep a record of resolutions passed in accordance with this paragraph 6.6.

6.6.3 The Board agrees that a resolution signed by a Board member that is scanned and sent by email will be accepted by the Board as if it was the original version of that signed document.

6.7 Board Minutes (*Tourism Australia Act section 27*)

6.7.1 The Secretary must prepare minutes of meetings of the Board. The Secretary must keep minutes of each meeting.

7. REPORTING TO THE BOARD

7.1 Decision Matters

7.1.1 Matters requiring decisions of the Board should be submitted to the Board in writing through the Secretary, using the relevant Board template.

7.1.2 The executive leadership team member may be required to brief the Board on agenda items concerning their areas of responsibility.

7.2 Standing Items

7.2.1 Unless otherwise required by the Board, at each Board meeting:

- Executive Management must report to the Board about Tourism Australia's performance against the requirements of Tourism Australia's Corporate Plan, Annual Operational Plan and budget and provide to the Board appropriate information about Tourism Australia's performance to enable the Board to monitor Tourism Australia's activities;
- The Managing Director must report on any major matter affecting Tourism Australia, and must include a summary of the salient issues arising from the report;
- The Executive General Manager, Corporate Services must provide a Summary Financial Report to the Board at each meeting detailing the performance of Tourism Australia against its budget, as well as any abnormal items or matters which might warrant the Board's review; and
- Executive Management must provide the Board with regular reports on organisational performance.

8. COMMITTEES

8.1 The Board may, by resolution from time to time, establish committees to assist it in carrying out its responsibilities (Board committee). *The Public Governance, Performance and Accountability Act* requires the Board to establish and maintain an Audit and Finance Committee.

8.2 For each Board committee established by the Board, the Board must adopt a Board Committee Charter that clearly sets out its role and responsibilities, composition, structure and membership requirements, the procedures for inviting external committee members to attend meetings, and any other matters that the Board may consider appropriate.

8.3 All Board committees established by the Board will be required to record their activities and resolutions and must report back to the Board.

9. BOARD OBSERVER

9.1 The Board may, by resolution or at the time of a Board meeting, appoint an observer of the Board. The observer may:

- Be provided with Board papers at the same time as the Board, on the day of or prior to a Board meeting;
- Attend and observe Board meetings;
- Where considered appropriate by the Chair, participate in discussions of the Board at Board meetings including through responding to questions from Board members; and
- At the discretion of the Chair, be excluded from portions of Board meetings (such as where the Board is considering sensitive personnel matters or to preserve legal professional privilege).

9.2 The Chair must not permit any observer to:

- Seek amendments to any Board papers provided to the observer at or prior to Board meetings; or
- Vote at Board meetings.

10. BOARD REMUNERATION

10.1 The Board's remuneration arrangements are determined by the Australian Government's Remuneration Tribunal. Details of Board members' remuneration are published in Tourism Australia's Annual Reports.

11. BOARD PERFORMANCE REVIEW

11.1 The Chair will arrange for Board performance reviews annually. Performance will be assessed against this Charter and other relevant standards.

11.2 The Board is committed to continuing education and may engage subject matter experts from time to time to advise the Board on any matters it considers appropriate (such as emerging trends and better practice in fields relevant to the achievement of Tourism Australia's objectives).

12. PUBLICATION AND REVIEW OF CHARTER

12.1 This Charter will be available on Tourism Australia's website at tourism.australia.com. The Board must review this Charter annually to ensure it remains consistent with the Board's objectives and responsibilities.