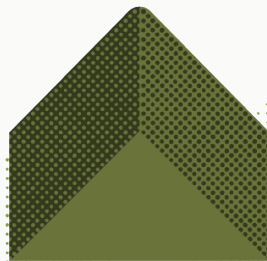


Australian Men's Shed Association

Constitutional Review Committee Report on Proposed Constitutional Changes

October 2025



**AUSTRALIAN
MEN'S SHED
ASSOCIATION**

Shoulder to Shoulder

Purpose of the AMSA Board Constitutional Review Subcommittee

The Australian Men's Shed Association (AMSA) Board Constitutional Review Subcommittee (the Committee) was formalised and appointed to review the current AMSA Constitution and make recommendations to the AMSA Board following many years of debate and reviews, in particular to review and make recommendations regarding constitutional changes proposed by a collective of Men's Sheds of WA (MSWA), Queensland Men's Shed Association (QMSA), Tasmanian Men's Shed Association (TMSA) and Victorian Men's Shed Association (VMSA).

The Committee was given the following scope within the adopted Terms of Reference:

- *Directors appointed to the Subcommittee are to practice their obligations under the Corporations Act 2001 (Cth)¹ in managing conflicts of interest in relation to other positions that they may hold with State Associations in making recommendations.*
- *The Subcommittee is appointed to review the current AMSA constitution and make recommendations to the AMSA Board.*
- *The review will include member consultation, together with independent and legal assessment to ensure that proposed changes conform with the recommendations of the 2020 Governance Review, are in the best interests of Men's Sheds and consistent with comparable industry best practice.*
- *The priority of the review is to position AMSA to be governed efficiently, effectively and at a level suitable to the needs of the organisation such that it will continue to deliver excellent outcomes for all Sheds in Australia².*

¹ Corporations Act 2001 (Cth). (2023, March 1). <https://www.legislation.gov.au/Details/C2019C00216>

² Terms of Reference for AMSA Subcommittee- Constitution review

AMSA's Constitutional History

In January 2007 AMSA was incorporated under the *Associations Incorporation Act 2009* (NSW) and registered as a Deductible Gift Recipient (DGR) Charity. At that time AMSA was under the auspice of Catholic Care Newcastle and consisted of less than 50 member Men's Sheds. Legal advice received in 2009 led to AMSA transferring to a Company Limited by Guarantee (CLG) structure in June 2010, upon the initiation of the first Federal Government Funding Agreement.

Historically, most national associations in Australia were structured as federations. This was due to the fact that most organisations grew from local communities and then to self-governing state-based organisations. These state organisations then made a decision to federate as a national body. This mirrors the process that formed the Federation of Australian States in 1901.

In the case of AMSA, the national body was formed prior to the existence of any state body (2007) and therefore was not a traditionally formed federation but rather a unitary model. Records show that AMSA assisted in the establishment of each State Association with the intent that these organisations were to provide additional support to the national body. Between 2007 – 2010 the AMSA Board consisted of volunteers from around Australia.

In 2014, the consultation process began in developing an improved governance structure, this was conducted by the Australian Associations Forum with participation from all State Associations. This review identified a critical flaw in AMSA's governance; that the members were also the directors being appointed by the State Association and the Board not being accountable to anyone but themselves.

This resulted in the preparation of a new constitution and by-laws that were prepared by Gadens Law Melbourne. The constitution was based upon a modern federated model that allowed for State Associations to appoint one member to what was to be known as the "National Men's Shed Committee". This committee would have been able to discuss issues without the conflict of interest that can potentially affect federated entities.

This model was before the members at the 2016 Annual General Meeting (AGM) and was voted down by the Western Australian Men's Shed Association (WAMSA) and Victorian Men's Shed Association (VMSA). Failing to pass, another constitution was prepared by Gadens Law that gave the member Men's Sheds the capacity to vote, eliminating the identified risk of to whom the Board was accountable. Following on from the rejection of the proposed constitutions by State Associations in 2016, the 2017 proposal gave individual Men's Sheds recognition as voting members, allowing for one AMSA Director to be elected by the members of the State/Region in which they are located.

Prior to voting on the proposed constitution in 2017 the AMSA followed a process of engagement with all stakeholders.

A total of eight (8) documents were posted on the AMSA website (www.mensshed.org) all of which were prepared by Gadens Law in conjunction with the AMSA Executive and included a complete governance package. All documents were compliant with the Australian Securities and Investment Commission (ASIC) and the Australian Charities and Not-for-Profits Commission (ACNC) standards.

In September 2017, at the request of the Department of Health & Ageing (DoHA), and in line with recommended best practice, the consultation process began with AMSA emailing a total of 1,057 recipients,

including all member sheds and state associations, with a notice of the proposed AMSA Constitution and associated governance documents with the request of comment and feedback.

699 recipients opened the original email (66.38%), the email was subsequently opened a total of 6,562 times indicating that it was forwarded on to third parties (Men's Shed members). However only 91 recipients followed the link and opened the posted documents. The email remains unopened by 354 of the recipients. A total of 69 responses were received: 58 were supportive of the changes, six (6) were unsupportive, and four (4) were of mixed opinion, had further questions or misunderstood the documents. One (1) was invalid by not naming any shed they belonged to or position.

An extensive summary of this process was prepared and published with several alterations being made to accommodate the input from member Men's Sheds and State Associations.

The current proposed Constitutional changes relating to State Association Board representation were similarly proposed as part of the 2017 Consultation process.

The 2017 constitution gave AMSA members a direct vote in the election of six (6) Directors, as well as eligibility to vote on the agenda item at a General Meeting. The new constitution was passed by the membership that was current at the time of the 2017 AGM.

Since the issue with State Associations commenced, some State Associations have resigned from the AMSA and later rejoined. This did not affect the membership of sheds to AMSA, as the Sheds are the members the resignation of a State Association does not convey to the resignation of the members within that state. Therefore, AMSA retained itself as a unified Men's Shed organisation as defined with DoHA.

2020 Governance Review of AMSA National Advisory with Mercurius Consulting

In September 2020, as requested by the Former Minister for Health, Hon Greg Hunt MP, the Federal Department of Health commissioned National Advisory Pty Ltd with Mercurius Consulting to undertake a review of the governance arrangements of AMSA.

The purpose of the review was to provide advice and recommendations on possible enhancements to AMSA's governance arrangements of the time. Emphasis was on the key responsibilities of AMSA and the organisation's links with individual sheds and state-based men's shed organisations. The overall aim of the review was to encourage a unified and well-functioning national men's shed community.

The review focused on:

- *The governance of AMSA, including its links to and relationships with state-based men's shed organisations and individual sheds*
- *The performance of AMSA's key tasks and responsibilities, with a focus on those expected of AMSA in its agreement with the Australian Government, including:*

Working to present a unified movement and promote the benefits of shed participation to all Australians.

Partnering with men's health organisations at the national level and within jurisdictions, to increase awareness of men's health issues and support health prevention activities among men's sheds; and

Targeting awareness and support efforts to shed participants in priority at-risk groups (e.g., Aboriginal and Torres Strait Islander men, migrants and men from non-English speaking backgrounds, unemployed men)

- *The respective roles and responsibilities of AMSA and state-based men's shed organisations across Australia; and*
- *The administering by AMSA of the National Shed Development Program (NSDP).³*

The review was conducted in a way that gave stakeholders the opportunity to provide input, make submissions and have follow-up discussions.

The review found that AMSA's governance framework was “largely in line with better practice that is fit-for-purpose”⁴ and had also met, and in many instances exceeded, the performance requirements of operational outcomes under the Funding Agreement with the Commonwealth.

The review also reported that AMSA had maintained its role of providing direct support to Men's Sheds and was respected as the peak body for Men's Sheds by members and Government.

Although AMSA's relationship with state-based associations and service provided to the organisations is not a deliverable under the current or previous government agreements, these relationships were also analysed

³ AMSA Governance Review - final report - 26 Aug 2021

⁴ AMSA Governance Review - final report - 26 Aug 2021

within the review. However, the reviewers had no directive or scope of work to analyze the validity of these state-based associations and their proposed position of Board representation.

In addition, the review did not consider comparing AMSA's current structure to best practice standards for Non-Government Organisations, nor did it outline a clear way forward for AMSA in dealing with what could be described as its own identity issues.

Although the review was to focus on AMSA's Governance, only five (5) of the 22 recommendations related to the governance of AMSA.

AMSA's official response to the review with sections 1 to 5 addressing the recommendations of governance and 18 to 21 on AMSA's ongoing relationships to State Associations. The remainder of the review findings have no bearing on the subcommittee's recommendations.

The 2020 Governance Review made no recommendation to State Associations having the ability to appoint representative directors to the AMSA Board.

As per the recommendations of the 2020 Governance Review, Memoranda of Understanding were entered into with State Men's Shed Associations.

The subsequent MoU's with the State Men's Shed Associations of Victoria, Queensland, Tasmania, and Western Australia all request a change to AMSA's governance structure to reflect a model that provides State Associations with a direct pathway to appoint State representatives to the AMSA Board, over the existing structure that allows for the members to directly nominate and elect directors of the Association. As per the June 2025 Consultation process with Member State Associations detailed above, it is understood that the above-mentioned State Associations view this structure would qualify AMSA as a "unified organisation" as per the recommendation of the review.

Member State Association Consultation Process

The Committee formally invited all AMSA State Association Members to provide written submissions/responses to support their requests for proposed changes^{5,6,7,8} and were given four (4) weeks to prepare a detailed response. The Committee also requested evidence be provided with each proposed change to support the finding such change would deliver a more unified Men's Shed movement.

All State Association Members were given the opportunity to further elaborate and detail how their proposed changes would support a unified Men's Shed movement. The changes proposed by AMSA State Association Members were as follows:

- a. A person nominated by each State Association that is a member; being a current member of the governing body of the State Association, preferably the Chair/President; or
- b. A person elected by the men's shed members in a particular State if there is no State Association in that state.
- c. A change in the terms of office of Directors whereby State Association Directors (and the member elected Director from States that do not have a State Association) will serve a three-year term with the ability to be re-nominated and re-elected for a further period of three years and a maximum of six continuous years. The present Constitution provides for terms of two years, with a maximum 3 terms (6 years). This proposed change brings the terms of "Stakeholder" Directors in line with the terms of "Appointed" Directors.
- d. A further change establishes that there can be up to one Director from each State and up to five Directors appointed by the Board having regard for the skills and experience required by the Board.
- e. An additional change is that the Australian Capital Territory and the Northern Territory will be eligible to nominate a Director should they establish a State Association.
- f. A minor change is to limit the ongoing involvement of the Past Chair to six months after the end of his/her term rather than an ongoing right as an observer to Board meeting.
- g. Stakeholder Directors appointed through their State Association do not hold office as an AMSA Director if they are replaced by a new State Association Officer during their term.

Three responses were received:

1. A collective response from Queensland Men's Shed Association (QMSA), Victorian Men's Shed Association (VMSA), Tasmanian Men's Shed Association (TMSA) and Men's Shed of WA (MSWA)⁹.
2. The TMSA President made an additional secondary response¹⁰.
3. AMSA NSW lodged a separate response¹¹.

None of the responses provided evidence to support a finding such change would deliver a more unified Men's Shed movement.

⁵ NSWMSA Letter - AMSA Proposed Constitution Changes

⁶ QMSA Letter - AMSA Proposed Constitution Changes

⁷ TMSA Letter - AMSA Proposed Constitution Changes

⁸ VMSA Letter - AMSA Proposed Constitution Changes

⁹ DRAFT RESPONSE TO AMSA CONSTITUTIONAL REVIEW COMMITTEE 16 June 23

¹⁰ TMSA Letter for Constitution Review Committee

¹¹ NSW response

Additional Considerations

The proposed constitutional amendments were tabled by three AMSA Directors who have a position within their State Associations that carries a conflict of interest. Recommendation 21 (b) (v) of the 2020 Governance Review states that *national directors make decisions based on the overall interests of member sheds nationally, not just those from their respective state or territory*¹². It is also a legal requirement of the *Corporations Act 2010* (Cth) that directors must make their decisions based on the interests of the company that they are directors. Additionally, the recent governance review or any previous reviews made no recommendations for any change

The subcommittee notes that under the governing legislation (*Corporations Act 2001* (Cth), *Australian Charities and Not-for-profits Commission Act 2012* (Cth)) the AMSA Board is obligated to consult with all members before any changes are formally proposed, as was undertaken for previous constitutional changes in 2017¹³.

In addition, AMSA is required to review our current Funding Agreement with the Federal Government to ensure compliance with any contracted KPIs and Outcomes.

¹² AMSA Governance Review - final report - 26 Aug 2021

¹³ Overview of submissions from Member consultation 2017

Recommendations

1. The Committee, absent supporting evidence from the parties which provided responses, is unable to be satisfied the proposed changes would deliver a more unified Men's Shed movement. Supporting evidence could have included documented examples or professional advice. Alternatively, the subcommittee recommends to the Board continued acceptance of the recommendation of the 2020 Governance Review: 21(b). *iv. a process of board representation that is skills-based and puts the interests of member sheds first and foremost.*
2. Prior to any constitutional changes AMSA must comply with the governing legislation and engage in an extensive membership consultation process that provides all stakeholders including members, partner organisations and government with an opportunity to provide input to the future of AMSA before proceeding to a vote of the members.
3. Before considering constitutional changes, it is recommended AMSA needs to further investigate industry best practice standards and evaluate the best modelling that is fit for purpose. Surveys conducted by the Australian Institute of Company Directors (AICD) and the Australian Charities and Non-for-Profit Commission (ACNC) note a unity structure is considered best practice, with most national organisations operating as unity bodies rather than federated. Nearly all of those who are still operating on a federated model have commenced the process of transition. Even in cases of a strong federate model there needs to be in place comprehensive By-Laws and regulations that govern the operations of State Branches and the national Association in order to reduce duplication and commercial competition.
4. The 2020 Governance Review recommended that AMSA works closely with State Associations to deliver outcomes that are aligned with the Federal Government's National Male Health Strategy 2020-2030¹⁴, and that Memoranda of Understanding (MoU) between AMSA and State Associations be re-established to deliver those outcomes.

These MoU's need to be renegotiated to ensure these objectives are the key focus, rather than being aligned to enabling the State Associations to nominate a Director of AMSA, as per the 2020 Governance Review s20. These recommendations (noted below) were accepted by the AMSA Board in March 2022 and are detailed within the Governance Review Action Plan¹⁵ accepted by the Department of Health & Aged Care in our official response.

20. AMSA and other men's shed organisations consider entering into collaborative agreements that document their respective roles and responsibilities and how they will work together to the benefit of sheds, including processes to resolve any disagreements or grievances.

a. The agreements would acknowledge AMSA's role as the national men's shed peak body, as recognised under its agreement with the Australian Government, its role managing the NSDP, and its longstanding work providing a range of establishment, governance, quality management and preventive health support for sheds nationally.

b. The agreements would recognise that state-based men's shed organisations are best able to seek funding from state and territory governments and that well organised

¹⁴ Australian Government Department of Health. (2019, March). National Men's Health Strategy 2020-2030. <https://www.health.gov.au/resources/publications/national-mens-health-strategy-2020-2030>

¹⁵ Governance Review Action Plan March 2022



and financially sustainable state-based men's shed organisations are often best placed to collaborate with state and community-based health groups and to organise local events and activities for sheds.

c. The agreements would seek to build upon existing AMSA and state-based support for sheds in a coordinated way that minimises overlap and duplication.

d. Recognising that it makes sense to have one national men's shed organisation (AMSA) and one state-based men's shed organisation in each state and territory (the most organised and financially sustainable entity in the state/territory with the support of the state/territory government), the agreements should seek to resolve the issue of competing organisations at the national and state and territory levels.

5. AMSA and State Associations need to clearly identify their roles in providing service to Men's Sheds. AMSA was established with the support of the Federal Government to provide a national service based on a centralised/unity business model. This model follows in the footsteps of the model adopted by many corporate organisations reducing the expense of duplication of administration. The current operational situation has the national body providing service to members, as well as a number of State Associations providing similar services on varying levels. This in turn creates a competitive environment rather than a collaborative one, with each State Association seeking government and corporate funding to invest in a duplication of administrative and support operations. For the ongoing viability of the Men's Shed movement, the AMSA Board needs develop a governance model that reflects a unity business model at an operational level. The proposed amendments to the constitution do not alleviate the conflict of interest between elected Directors who hold positions on State Associations and their duties to AMSA. Additionally, this structure at a strategic level has a direct influence on the operations of the Associations in a competitive and duplicative nature.

Summary

The subject of constitutional change for the proposed restructuring of AMSA that allows for each State Association to directly appoint a Director to the Board of the AMSA has been a subject of debate for a significant length of time and has caused immense disruption to AMSA and has incurred significant expense. It is the view of this subcommittee that we have given appropriate opportunities for those proposing the changes to provide supporting evidence and perspective to this cause. No supportive evidence has been provided that clearly explains how these changes would result in further enhancing AMSA as a unified entity, a unified Men's Shed movement, or add value or benefit AMSA's members. The subcommittee now recommends no changes, with the proposed amendments not in keeping with the recommended governance structure of AMSA.

The subcommittee notes that the Department of Health & Aged Care were contacted for comment in April 2024 on the proposed changes and responded noting that the *“review [2020 Governance Review] found that AMSA's governance was ‘largely in line with better practice that is fit-for purpose’ and that recommendation 21 has been largely met with the MoUs signed with the state-based associations. As the review neither advised nor suggested constitutional changes”*.

The current AMSA constitution provides a structure of governance for the organisation that focuses on the members of the Association being “Men's Sheds” as the primary beneficiary of the Association. The proposed constitutional changes make a significant shift from this purpose to the allocation of membership and purpose to State Associations. The proposed changes are also a significant shift from the current member-based voting system as a privilege of membership to the AMSA.

A Board of governance that is structured on a state basis of “representation” for the appointment of Directors could place these Directors in a constant position of conflict of interest and in potential breach the legal requirement of the *Corporations Act 2001* (Cth) that directors must make their decisions based on the interests of the company that they are directors.

Any proposed changes to the governance of any organisation needs to consider the question of why changes are necessary, for what purpose the changes need to be made, and what are the benefits of these changes to the current members.

Although the results of the 2020 Governance Review found that AMSA's current constitution is largely aligned to best practice standards and fit for purpose, there are underlying issues in AMSA's structure and corporate identity that need to be addressed. As per definition, Associations are funded by the members for the services received, where AMSA's support operations are solely funded by the federal government, not from the membership.

The Federal Government sets the terms, conditions, and outcomes of the Funding Agreement and whom AMSA reports to in accordance with the Funding Agreements. However, AMSA members vote for Board members who cannot be representatives of the members and may or may not bring the skills necessary to manage the affairs of a large not-for-profit organisation. The members also vote on the annual financial audit report although it is not the members who fund these operations. Commissioned reviews have identified this problem, AMSA is unlike any other organisation in this structure, being a Company Limited Association and a

DGR Charity and like many Non-Government Organisations the primary income is sourced from government through a service agreement.

Within the scope of this undertaking the Committee, is unable to conclude the proposed changes put forward by State Associations would deliver a more unified Men's Shed movement. The Committee advises the Board to proceed in accordance with *Section 21(b)*. of the 2020 Governance Review to transition to a skills-based board.

Acknowledgments

Current Subcommittee Members: Andrew Croxford (Chair), Helen Barker, Stuart Eustice.

In preparing this advice the Committee acknowledges the work of previous subcommittee members: Paul Sladdin, Trevor Gorey, John Sharples, Trevor Dobbyn, Ian Tooke and Barry Laubsch.

The Committee also acknowledges the AMSA Company Secretary in providing additional support and historical documentation for our review.

The Committee acknowledges and has reviewed the work prepared by Biljana Apostolova (Gadens Law).

Referenced Documents

AMSA Governance Review - final report - 26 Aug 2021

NSWMSA Letter - AMSA Proposed Constitution Changes

QMSA Letter - AMSA Proposed Constitution Changes

TMSA Letter - AMSA Proposed Constitution Changes

VMSA Letter - AMSA Proposed Constitution Changes

Overview of Submissions from Member Consultation 2017

DRAFT RESPONSE TO AMSA CONSTITUTIONAL REVIEW COMMITTEE 16 June 23

TMSA Letter for Constitution Review Committee

Terms of Reference for AMSA Subcommittee - Constitution Review

NSW response

Governance Review Action Plan March 2022

National Men's Health Strategy 2020-2030

Legislation

Australian Charities and Not-for-profits Commission Act 2012 (Cth). (2025, February 21).

<https://www.legislation.gov.au/C2012A00168/>

Corporations Act 2001 (Cth). (2025, July 1). <https://www.legislation.gov.au/C2019C00216>

Government Evaluations

2014 Latrobe University

2016 Siggins Miller

2018 Siggins Miller

2018 Urbis (suppressed until 2022)

2020 National Advisory/ Mercurius Consulting