

AMALGAMATION OF THE AUSTRALIAN RETAILERS ASSOCIATION AND THE NATIONAL RETAIL ASSOCIATION LIMITED, UNION OF EMPLOYERS

OUTLINE OF SCHEME OF AMALGAMATION

1. INTRODUCTION

- 1.1 The governing bodies of Australian Retailers Association (“**ARA**”) and National Retail Association (“**NRA**”) have agreed that it is in the best interests of both associations and their members that they merge to become one association representing and advocating for their members in the retail industry, throughout Australia.
- 1.2 As both ARA and NRA are organisations of employers registered under the *Fair Work (Registered Organisations) Act 2009* (Cth), the legal process they must follow to achieve their merger is to “amalgamate” into one organisation in accordance with the requirements of that Act (“**the RO Act**”).
- 1.3 Of the various legal steps involved in that process, the three central ones are as follows.
 - a) The governing bodies agree on a “Scheme of Amalgamation”;
 - b) The Fair Work Commission (“**FWC**”) approves a request by the two organisations for their proposed amalgamation to be referred to the members of the organisations for their approval in a secret ballot.
 - c) The approval of the amalgamation by the members in that ballot.
- 1.4 The first two of these steps having taken place, it now falls to the members to vote on the proposed amalgamation in a secret ballot.
- 1.5 The purpose of this document is to provide members with an outline of the Scheme of Amalgamation that the two associations’ governing bodies have agreed upon.

2. SPECIAL NOTES RE ACCESSING MORE DETAIL

- 2.1 This document is an Outline only of the Scheme of Amalgamation, as the RO Act limits the number of words that this Outline may contain. However, members may access a full copy of the Scheme of Amalgamation, including the proposed Rules, on the websites of either ARA or NRA.
- 2.2 To assist members further, an electronic version of this Outline can be found on the websites of both ARA and NRA, with hyperlinks to relevant documents that provide more detail about the proposed amalgamation.

3. FUNDAMENTAL FEATURES OF THE AMALGAMATION

- 3.1 The two parties to this amalgamation are ARA and NRA.
- 3.2 ARA will be the “host organisation”. When the amalgamation takes place NRA will be deregistered and ARA (renamed as the Australian Retail Council) will continue on the FWC’s register of organisations with expanded members, and amended rules, reflecting the agreed terms of the amalgamation between the parties. This approach is taken for convenience only.
- 3.3 The agreed terms for the amalgamation are set forth in a document entitled “Scheme of Amalgamation”, the full text of which can be accessed via the ARA and NRA website.
- 3.4 Those agreed terms involve:

- a) all of the members of ARA and NRA on the Amalgamation Day becoming members of the amalgamated organisation (unless a particular member specifically declines membership); and
- b) all of the assets and liabilities of ARA and NRA becoming the assets and liabilities of the amalgamated organisation, either on the Amalgamation Day or soon thereafter.

3.5 From the Amalgamation Day and until later decided in consultation with the members, the name of the amalgamated organisation will be “Australian Retail Council”.

4. WHY AMALGAMATE?

4.1 The governing bodies of ARA and NRA believe that the amalgamation of the two organisations will best serve the current and future interests of their respective members and potential members. These are their reasons.

- a) There is already a significant overlap of membership coverage as between both organisations. It is also the case that both organisations share a strong interest in the General Retail Industry Award and issues arising under that award.
- b) The amalgamation will establish one powerful and unified national voice for thousands of retailers throughout Australia;
- c) It will eliminate any potential division between the two organisations in the retail industry;
- d) It will bring together senior and experienced personnel from each organisation to jointly serve the one cause in the interests of the combined membership;
- e) It will combine the resources and capacity of both organisations to drive membership growth and organisational influence;
- f) It will provide administrative efficiencies for the benefit of the combined membership.

5. DEFINITIONS

5.1 In this Outline, certain important words and acronyms are used for simplicity, as follows.

- a) “Amalgamation Day”, means the day upon which the amalgamation takes legal effect. It is a date fixed by the FWC after the member ballot (if members vote YES in this ballot).
- b) “FWC” means the Fair Work Commission, Australia’s national industrial relations tribunal, which supervises the amalgamation process.

6. MEMBERSHIP ARRANGEMENTS

6.1 When the amalgamation comes into effect, the membership coverage of both ARA and NRA will combine, so that thereafter any retail industry enterprise that was eligible for membership of either of those organisations will be eligible for membership of the amalgamated organisation. New members can be enrolled from the Amalgamation Day onwards.

6.2 In the case of pre-existing members of either organisation, those enterprises that were members of either ARA or NRA on the Amalgamation Day will automatically become members of the amalgamated organisation on that day.

7. TRANSITIONAL ARRANGEMENTS

- 7.1 Rule 37 prescribed the transitional arrangements that are required from the Amalgamation Day onwards. The entire text of Rule 37 can be viewed on the ARA or NRA website.
- 7.2 There are two core aspects to these arrangements that are of special relevance of members who are retail industry enterprises.
- 7.3 First, the preservation of the rights of foundational members. From the Amalgamation Day any such member that is an ARA or NRA member automatically becomes a member of the Australian Retail Council, and is financial in the Australian Retail Council for so long as that member would have been financial in ARA or NRA after the Amalgamation Day, as the case may be. Such a member retains its existing appointed representative until it decides to change that person.
- 7.4 Second, the establishment of an interim 8 member Interim Board from the Amalgamation Day, replacing all of the previous officers of NRA and ARA, for one year. There will thus be no hiatus after the Amalgamation Day while elections are conducted for that Board. Instead, there will be a fully empowered, well credentialed Board in place from Amalgamation Day to actively implement and promote the objects, role and operations of the Australian Retail Council.
- 7.5 This interim Board will consist of senior and experienced retail industry professionals, drawn from the senior ranks of ARA and NRA. The interim Office Holders will be:

Name	Office held
Nicole Sheffield	Chair and Board Member
Antony Moore	Vice Chair and Board Member
Dorothy (Alice) Barbery	Board Member
Sharon Beaumont	Board Member
Shane Bracken	Board Member
Krista Diez-Simson	Board Member
Drew Meads	Board Member
Anthony Wilson	Board Member

8. GOVERNANCE ARRANGEMENTS

- 8.1 Subject to the transitional arrangements, the Board of the Australian Retail Council will consist of representatives elected by and from the membership by secret postal ballot.
- 8.2 The first election for the Board of the Australian Retail Council will be completed within one year after the Amalgamation Day and subsequent elections will occur every three years.
- 8.3 The Board will have full powers under the Rules to advance the interests of Australian Retail Council members.
- 8.4 The Board of the Australian Retail Council will exercise significant independence in representing the interests of all Australian Retail Council members and in determining national policy for the amalgamated organisation concerning the retail sector.
- 8.5 The Board of the Australian Retail Council will remain fully accountable to members in line with the obligations set out in the RO Act, including through the provision of detailed annual financial statements that are independently audited, submitted to the FWC, and made available to all members.