

## THE STRUCTURE OF THE INSTITUTE AND ITS ADMINISTRATION

On the 16th October, 1975 The Institute of Arbitrators Australia was incorporated under the Companies Ordinance 1962/74 of the Australian Capital Territory as a company limited by guarantee. This incorporation followed lengthy discussions between those interested in the establishment of a professional body of arbitrators.

The significance of incorporation is important because such an act requires the registration of a Memorandum and Articles of Association which not only outlines the company's objects but also brings into form the Institute's Administrative structure. Significant aspects are as follows:

1. The Institute is a company with members and is a national body. It is not a federation with State rights.
2. The Institute's Board of Directors or Council derive their existence and powers and responsibilities from the company's constitutional documents and from the law of the country regulating corporations.
3. The Council is elected by the members. One vote one value is the basis of election.
4. Policy is determined by Council. Members as individuals may submit matters in writing to the Council for consideration as regards policy.
5. It is necessary in a professional body such as the Institute that uniform policies apply throughout Australia particularly in the areas of education, training, grading of arbitrators, finance, membership criteria and professional conduct to name but a few. Council in formulating and implementing policy considers any written recommendations from Chapter Committees.
6. The Articles of Association of the Institute gives power to its Council to establish committees and in particular the power to create Chapter Committees. In this connection any function or activity carried out by a Chapter Committee is done on behalf of the Council. The Institute has promulgated Chapter Rules to assist with the administration and these Rules provide for members of each Chapter to elect the members of their local Chapter Committee.
7. The day to day administration of the Institute is in the hands of the Chief Administrative Officer and Chapter Administrators. They derive their authority to act from Council. It is a tight administrative structure which is very efficient and cost effective.

The founding fathers of our Institute could have chosen a different path to that of incorporation as a company when establishing the Institute. The fact that they did not is fine testimony to their far sightedness and aspirations for the future development of the Institute.