

To: Commonwealth Department of Treasury

Re: Using technology to hold meetings and sign and send documents

8 September 2021

Introduction

AMEC appreciates the opportunity to provide a submission to the Commonwealth Treasury's draft *Treasury Laws Amendment (Measures for Consultation) Bill 2021: Use of technology for meetings and related amendments* (the Bill). The amendments will afford industry with greater flexibility and a reduction in costs. We are very supportive of the proposed amendments to allow the use of technology for the holding of meetings and the signing and sending of documents.

About AMEC

The Association of Mining and Exploration Companies (AMEC) is a national industry body representing over 400 mining and mineral exploration companies across Australia.

Collectively, AMEC's member companies account for over \$100 billion of the mineral exploration and mining sector's capital value.

The mining and exploration industry make a critical contribution to the Australian economy, employing over 255,000 people, and in 2018/19 collectively paid over \$39 billion in royalties and taxation. In 2019/20 resources companies invested \$35 billion in new capital and generated more than \$176 billion in mineral exports. \$2.8 billion was spent on minerals exploration in 2019/20, representing an 18% increase from the previous year.

Western Australia's mineral and petroleum resource development strategy draft

General Feedback

AMEC supports the intent behind the Bill. The 2019-20 and 2020-21 financial years have demonstrated the importance of flexibility and technology in conducting efficient business during difficult and unprecedented times. Conducting annual general meetings (AGMs) online has been essential to business productivity during the COVID-19 pandemic and the ability to tailor AGMs in the future would see a significant reduction in company costs and an increase in participation.

Section 294R How meetings of members may be held

AMEC supports the ability of companies to choose how they hold meetings whether they be physical, online or a combination of the two. The freedom to choose will allow companies to more easily accommodate the availability of members which in turn will increase participation.

Further to the above, many companies have members which reside in different states to where the meetings are often held and have consequently been unable to attend AGMs in the past. The ability to host the meetings online via technology will remove this barrier.

Costs

The option to send and sign document via technology creates potential for significant savings in costs. In the past, companies have spent thousands of dollars in printing and postal services to provide AGM attendees with printed copies of all the relevant documents. Sending and signing documents via secure online means allows for this cost to be minimised.

Conversely, holding meetings online also has the potential to increase costs. Many companies already have rooms available to utilise without having to pay a room hire fee. Meanwhile, holding a meeting online would require the set-up of new, highly secure technology and carries the risk of technology failing and having to hold a second subsequent meeting. This would consequently result in an increase in costs which may not be justifiable for many smaller companies.

AMEC does believe this will only be a short-term problem as after the technology is first adopted the cost for subsequent years will decrease. Furthermore, once the online process becomes normalised it is expected that the cost of implementation will also go down as the technology is improved and more providers become available.

AMEC supports that the Bill will not restrict companies to one scenario of either wholly online or wholly physical meetings and that a meeting can be carried out in the manner that is most cost-effective to the company.

Hybrid Approach

AMEC supports the ability of companies to undertake a hybrid approach where they can incorporate aspects of both online and physical meetings. This allows companies to tailor meetings to suit their individual needs and provide the most efficient and financially practical meetings for its members.

As an example, one of AMEC's member companies held a physical AGM during the 2020/21 but emailed the notice of meeting (NOM), distributing letters only to those members who did not have access to email. These letters contained only the URL for the NOM as opposed to the full NOM as required in the past. This allowed the company to save over \$10,000 in printing and posting costs while holding a physical meeting without the risk of technology failure or breaches.

Final comments

AMEC acknowledges and supports the draft of the Bill and welcomes the flexibility that it will bring to companies. For further comment on this submission, please contact us on the details below.

For further information contact:

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