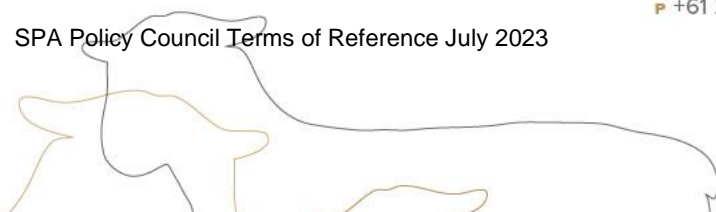


Policy Council Terms of Reference

Sheep Producers Australia Limited

Contents

1. Purpose.....	2
2. Objectives	2
3. Roles and Responsibilities.....	2
4. Membership.....	2
5. Taskforces	3
6. Working Groups	3
7. Appointment to the Council.....	3
8. Term of Appointment	4
9. Removal, resignation and casual vacancies.....	4
10. Responsibilities of Policy Council members	5
11. Chair	5
12. Secretariat and Resourcing	6
13. Remuneration and Sitting Fees	7
14. Selection Committee	7
15. Meetings.....	7
16. Reporting	8
17. Code of Conduct	8
18. Confidentiality.....	8
19. Authority.....	9
20. Review of Committee Performance.....	9
21. Definitions.....	10
Appendix 1 - Policy Council Skills Matrix	11
Appendix 2- Skills of the Chair	12
Appendix 3 – Proposed SPA Policy Council Structure.....	13



1. Purpose

- 1.1 The Sheep Producers Australia Policy Council (“Council”) enables producer representation, consultation, and input into the development of proactive industry policy to benefit the Australian sheep industry, leading it to a sustainable and profitable future.
- 1.2 The Council also plays an important role in advising the SPA Board on matters relating to the strategic objectives of SPA and SPA Members, being Members as defined in the SPA Constitution.

2. Objectives

- 2.1 The objectives of the Council are to:
 - (a) Identify and consider sheep industry policy matters
 - (b) Develop national policy positions for the sheep industry
 - (c) Recommend policy positions to the SPA Board
 - (d) Advise and monitor policy implementation and advocacy activities
 - (e) Only act within the scope of the role delegated to it by the SPA Board
 - (f) Report to the SPA Board on priorities and activities
 - (g) Not act in any manner inconsistent with these terms of reference.

3. Roles and Responsibilities

- 3.1 Without limiting the scope of the role of the Council, the Council’s specific responsibilities are to:
 - (a) Provide a forum for SPA Members to address the key issues and challenges of national significance in relation to the sheep industry.
 - (b) Identify, discuss and recommend courses of action in relation to industry priorities.
 - (c) Provide recommendations and advice to the SPA Board on:
 - i. input into levy expenditure by Service Providers.
 - ii. strategic policy issues to represent industry to Stakeholders.
 - iii. collaboration with Stakeholders on red meat supply chain and cross-commodity issues as they relate to the sheep industry.
 - iv. establishment of issues-based, fit-for-purpose Taskforces and Working Groups to inform Council discussions and decision making.
 - v. Engagement of independent expert advice as necessary to make any inquiry, resolution or interpretation pursuant to these terms of reference.

4. Membership

- 4.1 The Council membership is comprised of:
 - (a) One representative from each SPA State Farming Organisation Member (“SFO Member”) (total of 7)
 - (b) Up to five ‘independent’ representatives (“Independent Member”)
 - (c) One staff representative from each SPA State Farming Organisation Member, as an Observer (total of 7) (“Observer Member”)
 - (d) One independent Chair (“Chair”).

- 4.2 Revisions to the Council membership will be determined by the SPA Board in consultation with SPA Members.
- 4.3 Observer Members representing each State Farming Organisation are able and expected to actively contribute to correspondence and discussions held at Policy Council. Observer Members are non-voting members of the Policy Council.

5. Taskforces

- 5.1 The Council may recommend the establishment and disbandment of Taskforces to the SPA Board.
- 5.2 Taskforces will be established and disbanded on an as-needed bases, such as when a planned project has reached completion.
- 5.3 Taskforces will carry out detailed evidence gathering, advice and analysis on specific policy matters requiring consideration by the Council.
- 5.4 Taskforces will be governed in the following way:
 - (a) The Council will develop terms of reference for the Taskforce and recommend them to the SPA Board for endorsement.
 - (b) Actions of Taskforces shall be reported to the Council at its next meeting or as requested by the Council.
 - (c) A Taskforce may consist of Council Members, other representatives from SPA Members, and/or other independent persons with specific expertise.

6. Working Groups

- 6.1 The Council may establish and disband Working Groups.
- 6.2 Working Groups will be established and disbanded on an as-needed basis, such as when a policy position has been finalised.
- 6.3 Working Groups may discuss issues being considered by the Council that could not reach consensus, to enable a unified position to be agreed by the Council.
- 6.4 Working Groups will be governed in the following way:
 - (a) The Council may develop terms of reference for the Working Group, as necessary.
 - (b) Actions of Working Groups shall be reported to the Council at its next meeting or as requested by the Council.
 - (c) Working Groups will comprise Council Members only.

7. Appointment to the Council

- 7.1 The SPA Board will agree on selection criteria as informed by the Policy Council Skills Matrix (**Appendix 1**) in consultation with SPA Members.
- 7.2 SPA will invite SPA Members to nominate a representative for SFO Member positions on the Council, in response to selection criteria.
- 7.3 SFO Members may nominate more than one (1) candidate in application to their position on the Policy Council, however only one (1) candidate per SFO Member will be appointed.
- 7.4 SPA will invite individuals to apply for Independent Member positions on the Council in response to selection criteria.

- 7.5 The SPA Board will engage a Board Selection Committee (“Selection Committee”) to assess and select nominees and applicants in accordance with selection criteria, and make recommendations for endorsement to the SPA Board.
- 7.6 Applications will be called for no later than two months prior to the end of each Council Member term.
- 7.7 Policy Council members seeking re-nomination to the Policy Council will be required to submit an application, in response to selection criteria.
- 7.8 Council members will remain members of the Council throughout the recruitment process, and until the SPA Board confirms the new membership. This is to ensure that there is always a full Council membership.
- 7.9 Observer Members will be appointed to the Council following correspondence from their nominating SPA member.

8. Term of Appointment

- 8.1 The term of appointment for Council Members is two years, with a maximum term of three consecutive appointments.
- 8.2 Observer Members are not subject to term limits.

9. Removal, resignation and casual vacancies

- 9.1 The SPA Board may, in its absolute discretion, determine from time to time to remove a Council Member.
- 9.2 A Council Member may resign by giving written notice to the Chair.
- 9.3 A Council Member’s resignation takes effect from the time specified in the notice.
- 9.4 A vacancy that arises through a Council Member’s resignation or removal may be filled at any time, following agreement of the SPA Board, taking into account:
 - (a) the Policy Council Skills Matrix (**Appendix 1**).
 - (b) If the vacancy is created by a SFO Member, the rights of that member to nominate an alternative from their organisation to fill the vacancy.
 - (c) If the vacancy is created by an Independent Member, recent expressions of interest to the Council.
 - (d) The time remaining in the vacating Council Member’s term.
- 9.5 If the SPA Board decides to fill a vacancy, whether by an SFO Member, or an Independent Member, the candidate must provide responses against the selection criteria.
- 9.6 The SPA Board may choose to refer to the Selection Committee for the selection of casual vacancies, or may select from recent applications to the Council, as appropriate.
- 9.7 Observer Members that resign are requested to advise the Chair of their resignation date and replacement.
- 9.8 Observer Members will require only the nomination of their SFO Member to be appointed to the Council. Nothing in this clause 9.8 removes any rights of the SPA Board in Clause 9.1.

10. Responsibilities of Policy Council members

10.1 Council Members will commit to:

- (a) Being fully prepared for each meeting, having read the documentation in advance.
- (b) Making every reasonable effort to attend each meeting.
- (c) Submitting formal apologies to the Chair if unable to attend.
- (d) Consulting with Stakeholders in advance of each meeting
- (e) Reporting relevant meeting outputs back to Stakeholders
- (f) Understanding and abiding by any policies, procedures or directions as set by the SPA Board, including, without limitation, the SPA Code of Conduct and Council Terms of Appointment.

10.2 Council Members can expect:

- (a) To be provided with well-researched, complete, accurate and meaningful information in a timely manner.
- (b) To be given reasonable time to consult with their organisations, and with Stakeholders (where appropriate) to make key decisions, including seeking guidance on voting (should it be required).
- (c) Open and honest discussions.
- (d) Other Council Members to work towards achieving consensus on decisions.
- (e) Opportunities for professional development and networking.

10.3 Council Members who fail to attend two or more consecutive meetings without reasonable justification may, at the discretion of the Chair, be recommended to the Board for removal, in accordance with 9.1.

11. Chair

11.1 Responsibilities of the Chair

- (a) An understanding of the Council's scope, purpose, objectives and roles and responsibilities, ensuring that the Council remains focused on delivering against these.
- (b) Presiding over and providing general supervision of the Council's activities and meetings, including the nature and length of discussion, recognition of speakers, motions and voting.
- (c) In collaboration with the Secretariat, scheduling meetings, setting agendas, and ensuring minutes accurately reflect meeting proceedings.
- (d) Facilitating discussions and mediating conflicting views between Council Members
- (e) Summarising the consensus view for noting and action when a consensus has, or has not been reached.
- (f) Ensuring that once a consensus on a matter has been reached, the matter is not re-opened for further discussion, unless the Council calls for a review of the consensus decision.
- (g) Providing all Council Members with the opportunity to be involved in the decision making process.
- (h) Facilitating a vote of Council Members on any issue.
- (i) Casting votes on behalf of absent Council Members, as directed.
- (j) Providing input and advice into the activities of the Secretariat.

11.2 Appointment of the Chair

- (a) The Chair position is independent and shall not be an member, officer or employee of an SPA Member (currently or within the past five years).
- (b) The SPA Board will agree on the selection criteria of the Chair in consultation with SPA Members.
- (c) SPA will invite individuals to apply for the position of Chair in response to selection criteria.
- (d) A Selection Committee will review applicants in accordance with selection criteria and recommend a preferred candidate to the SPA Board for endorsement.

11.3 Term of Appointment for the Chair

- (a) The term of appointment for the Chair is two years, with a maximum of two consecutive appointments.
- (b) In the 90 days prior to the end of a Chair's term, the Board must consider whether the Chair's term should be extended and provide reasons to the Council.

11.4 Performance and remuneration of the Chair

- (a) The performance of the Chair will be reviewed by the SPA Board annually and the outcomes will be provided to the Council.
- (b) The Chair shall be remunerated at a rate agreed to by the SPA Board, which will be reviewed annually.

11.5 Removal and resignation of the Chair

- (a) The SPA Board may terminate the term of the Chair at any time with the endorsement of all Council Members.
- (b) The Chair may elect to resign during their term after providing 90-days' notice.
- (c) In the event of the Chair resigning from their position, or being terminated, the SPA Board must select a new Chair at the next Board meeting.
- (d) In the intervening period, an interim Chair shall be nominated from the Council Members by a majority vote of the Council.
- (e) Should a vote be required while an interim Chair is in place, the interim Chair has a right to cast a vote both in their position as a Council Member, and in the event of a tied vote, as the Chair.

12. Secretariat and Resourcing

12.1 SPA will act as Secretariat to the Council and associated Taskforces and Working Groups.

12.2 The Role of the Secretariat will be to:

- (a) Prepare meeting agendas, papers, reports, meeting minutes all other relevant information in consultation with the Chair.
- (b) Provide well-researched, complete, accurate and meaningful information in a timely manner to Council Members.
- (c) Allow Council Members reasonable time to consult with their organisation and appropriate Stakeholders in order to make key decisions.

12.3 SPA will ensure adequate resourcing of the Council including:

- (a) Provision of timely Secretariat services.

- (b) Arrangement of flights and accommodation for SFO Members, Independent Members and the Chair to attend meetings.
- (c) Reimbursement for travel related expenses for SFO Members, Independent Members and the Chair to attend meetings.
- (d) Sitting fees for SFO Members, Independent Members and the Chair.
- (e) Facilities to conduct professional meetings (including teleconference/virtual facilities).
- (f) Reimbursements or sitting fees are not payable to Observer Members.

13. Remuneration and Sitting Fees

13.1 SFO Members, Independent Members and the Chair will be reimbursed reasonable travel, accommodation and meal expenses and a sitting fee for the time they are engaged in the affairs or business of the Council, in accordance with the SPA Domestic Travel Policy.

13.2 Claims for expenses are to be provided to SPA within 14 days of each Council meeting.

13.3 The SPA Board will approve the sitting fee rate annually.

14. Selection Committee

14.1 The Selection Committee will be the Board Selection Committee for the purposes of the Council selection process, unless otherwise advised by the Board.

15. Meetings

15.1 Governance

- (a) The Council is to meet at least four times per calendar year, with at least one meeting to be in person. Others may be carried out via teleconference or videoconference.
- (b) Agenda and accompanying papers will be distributed electronically approximately 10 working days prior to the next scheduled meeting.
- (c) Draft minutes will be circulated no later than 10 working days following a meeting.
- (d) SFO Members that cannot attend Council meetings are expected to have the views of their SFO represented by an Observer Member.
- (e) Alternate representatives (for both Individual Members and SFO Members) will be accepted only at the discretion of the Chair.
- (f) The Chair may invite guests or observers in consultation with the Council.
- (g) Unless otherwise determined, the quorum for a Council meeting will be half the number of persons appointed to the Council, plus one (1).
- (h) The Chair will call for conflicts of interest to be declared by Members at each meeting. Any declared conflicts of interest will be recorded in a conflict of interest register.

15.2 Decision making

- (a) Decision making shall be based on consensus, where possible from SFO Members and Independent Members. Consensus does not require unanimity, but requires

that all views and objections are considered, and a concerted effort is made toward their resolution.

- (b) Where an issue has been raised for consideration and consensus cannot be reached by the Council, then the issue may be referred to a Working Group.
- (c) Following the Working Group's consideration, where consensus remains unobtainable, a resolution shall be put to a vote by the Council.
- (d) Where voting is required, Council Members must be given advance notice.
- (e) Where voting is required, the item shall be passed by the Council by a 75% (e.g., 9 out of 12) vote of voting Council Members present at the meeting, or for those not present, votes that have been cast through the Chair in their absence.
- (f) The Chair may provide a casting vote in the event of a tied vote, but may not otherwise vote on a resolution.
- (g) Guests and Observer Members may not vote on resolutions.
- (h) If a vote is put to the Council, it is expected that Council Members with voting rights vote on the resolution regardless of their level of interest in the matter.

16. Reporting

16.1 The SPA General Manager of Policy will provide a report summarising the issues discussed and resolved and deliver a report to the SPA Board after each Council meeting.

16.2 The SPA General Manager of Policy will ensure relevant SPA Board decisions are communicated to the Council.

17. Code of Conduct

17.1 In performing the duties and responsibilities of the Council, Council Members will:

- (a) Act in the best interests of the sheep industry while also recognising the potential impacts on other livestock species.
- (b) Exercise a duty of care and diligence in fulfilling their functions.
- (c) Treat all attendees with professionalism, courtesy and respect.
- (d) Be open and honest during discussions.
- (e) Work constructively with all Council Members towards achieving consensus on decisions.
- (f) Not make improper use of information acquired as a Council Member.
- (g) Declare any actual or potential conflicts of interest as a standing disclosure at meetings and/or as soon as they become apparent

17.2 This Code of Conduct applies to those in attendance at Council meetings, whether Council Members or guests.

18. Confidentiality

18.1 Council Members will treat all information discussed, presented or distributed to Council Members in the context of Council business, as confidential information.

18.2 It is recognised that information that is confidential in the context of Council business may need to be shared by SFO Members within their SFO, in order to present the collective unified

position of that organisation. This is permissible, unless otherwise noted on the document or expressed by the Chair.

18.3 Council documents should not be distributed outside SPA Members without the express permission of the Chair.

18.4 Council Members shall not disclose opinions expressed in Council meetings in the public domain.

18.5 The requirement to maintain confidentiality applies to Council Members during the term of their appointment, and continues to apply if they resign or are removed as Council Members.

19. Authority

19.1 The Council will develop and agree policy through its deliberations, and through the work of Taskforces and Working Groups.

19.2 Policy that is agreed by the Council will be presented for endorsement by the SPA Board, at the recommendation of the Council. The Council has no authority to bind SPA to any policy position.

19.3 Council Members do not represent the views of SPA.

20. Review of Committee Performance

20.1 The SPA Board may review the effectiveness and composition of the Council as part of any review by the SPA Board of its own performance and contribution to SPA.

20.2 SPA may review these terms of reference from time to time in collaboration with Council Members and recommend these changes for endorsement by the SPA Board.

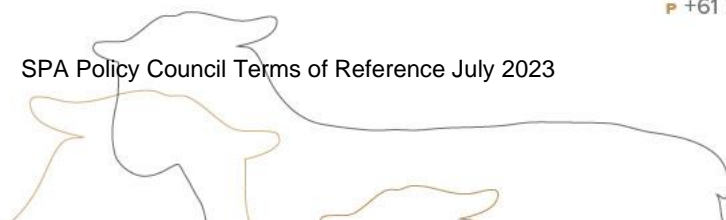
21. Definitions

In this Terms of Reference, unless the context requires otherwise:

- (a) **Chair** means the Chair of the Policy Council.
- (b) **Council Member** means a current member of the Policy Council.
- (c) **Independent Member** means a Council Member who is not nominated by an SPA Member, and does not bring the views of any SPA Member to the Policy Council for deliberation.
- (d) **Observer Member** means Council Members who are employee representative of their State Farming Organisation.
- (e) **Service Providers** means the collective organisations of Animal Health Australia (AHA), Meat and Livestock Australia (MLA) and the National Residue Survey (NRS).
- (f) **SPA Member** means Member according to the SPA Constitution.
- (g) **Stakeholder** means any relevant individual or organisation and includes Members of Parliament, Commonwealth and State Government employees, industry representative organisations, corporations (however described) and any other relevant person or organisation that has an interest or influence in the sheep industry.
- (h) **State Farming Organisation** means a State Farming Organisation that is a member of SPA.
- (i) **Taskforce** means a Board appointed body set up to manage a time-limited, discrete issue of policy that may require expert advice or research.
- (j) **Working Group** means a body set up at the direction of the Chair to discuss issues being considered by the Council where the Council cannot reach consensus.

Appendix 1 - Policy Council Skills Matrix

1. Relevant Industry experience	<p>Knowledge and awareness of:</p> <ul style="list-style-type: none"> 1.1 On farm sheep production 1.2 Supply chains, food safety and processing 1.3 Marketing 1.4 Agricultural commodity trade 1.5 Animal health and biosecurity 1.6 Agricultural research, extension and adoption 1.7 Red meat industry peak bodies and red meat industry strategic plans. 1.8 Environment and climate
2. Policy	<ul style="list-style-type: none"> 2.1 Knowledge of legislative and regulatory concepts. 2.2 Experience in government processes and public policy development.
3. Advocacy	<ul style="list-style-type: none"> 3.1 Ability to effectively communicate and debate issues collaboratively and respectfully. 3.2 Experience in an advocacy role or advocacy activities.
4. Industry leadership	<ul style="list-style-type: none"> 4.1 Demonstrated leadership experience in industry positions or equivalent. 4.2 Demonstrated ability to represent the national interests of the Australian sheep industry and support this approach when reporting to the nominating State Farming Organisation 4.3 Ability to mentor future sheep industry advocates.
5. Levy investment	<ul style="list-style-type: none"> 5.1 Understanding of the sheep transaction levies (purpose, collection, recipients, levy raising principles and guidelines). 5.2 An ability to articulate investment options and identify opportunities for future levy investment.



Appendix 2- Skills of the Chair

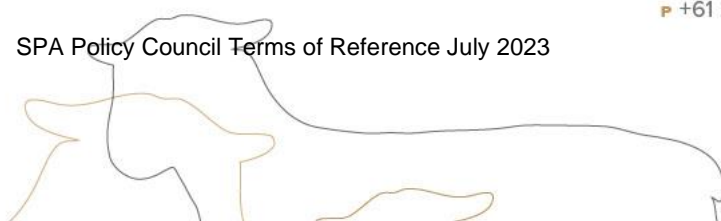
The following competencies required of a Chair will include:

Essential skills:

1. Relevant professional experience in chairing/facilitating meetings;
2. Excellent communication, negotiation and facilitation skills including the ability to engage Stakeholders and manage relationships;
3. Demonstrated ability/experience in developing solutions through innovative and creative thinking in a consensus environment.

Desirable skills:

4. Demonstrated understanding of livestock production, meat processing, meat marketing and consumer behaviour;
5. Demonstrated understanding of the meat and livestock supply chain and the challenges and risks associated with farm to consumer value creation;
6. Experience in government policy and regulation, market access considerations and integrity/quality assurance programs, standards or initiatives.



Appendix 3- Governance structure and reporting relationships

