

# Governance

## Composition of the Payments System Board

The Payments System Board comprises the Governor, who is Chairman, one representative of the Reserve Bank appointed by the Governor, one representative of the Australian Prudential Regulation Authority (APRA) appointed by APRA, and up to five other members appointed by the Treasurer for terms up to five years. Details of the current members are set out on pages 5–6. Five members form a quorum at a meeting of the Board.

## Meetings of the Payments System Board

The *Reserve Bank Act 1959* does not stipulate the frequency of Board meetings. Since its inception, the Board's practice has been to meet at least four times a year, and more often as needed; there were four meetings in 2011/12.

## Conduct of Payments System Board Members

On appointment to the Board, each member is required under the Reserve Bank Act to sign a declaration to maintain confidentiality in relation to the affairs of the Board and the Reserve Bank. Further, members must by law meet the general obligations of directors of statutory authorities, as set out in the *Commonwealth Authorities and Companies Act 1997* (CAC Act). The CAC Act sets standards of conduct for directors and officers of Commonwealth authorities, with many of these requirements being modelled on comparable areas of the *Corporations Act 2001*. Accordingly, members of the Payments System Board must:

- discharge their duties with care and diligence
- act in good faith, and in the best interests of the Reserve Bank
- not use their position to benefit themselves or any other person, or to cause detriment to the Reserve Bank or any person
- not use any information obtained by virtue of their position to benefit themselves or any other person, or to cause detriment to the Reserve Bank or any person
- declare any material personal interest where a conflict arises with the interests of the Reserve Bank.

**Table 1: Number of Meetings Attended by Each Member in 2011/12<sup>(a)</sup>**

Glenn Stevens	4	(4)
Malcolm Edey	4	(4)
John Laker	4	(4)
Joseph Gersh	4	(4)
Robert McLean	4	(4)
Catherine Walter	3	(4)
Brian Wilson	4	(4)

(a) Figures in brackets show the number of meetings each member was eligible to attend

Over and above these legislated requirements, members recognise their responsibility for maintaining a reputation for integrity and propriety on the part of the Board and the Reserve Bank in all respects. Members have adopted a Code of Conduct that provides a number of general principles as a guide for their conduct in fulfilling their duties and responsibilities as members of the Board; a copy of the Code is on the Bank's website.

## **Remuneration**

Fees of the non-executive members of the Payments System Board are determined by the Remuneration Tribunal.

## **Indemnities**

Members of the Payments System Board have been indemnified in accordance with section 27M of the CAC Act against liabilities incurred by reason of their appointment to the Board or by virtue of holding and discharging such office.