



New South Wales

Irrigation Corporations Amendment Bill 1999

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The object of this Bill is to amend the *Irrigation Corporations Act 1994* to enable certain irrigators who obtain water from Coleambally Irrigation Corporation (a class 1 irrigation corporation that is a State owned corporation) to be included as shareholders when that Corporation is converted to a class 2 irrigation corporation (that is, a company whose shares are held by private irrigators). The Governor may, by proclamation published in the Gazette under section 27 of that Act, designate a class 1 irrigation corporation as a class 2 irrigation corporation.

The irrigators to be included as shareholders are located outside the Coleambally irrigation area and therefore are not entitled under the current provisions of the Act to be included as shareholders when the Corporation is converted to a class 2 irrigation corporation.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on a day or days to be appointed by proclamation.

Clause 3 is a formal provision giving effect to the amendments to the *Irrigation Corporations Act 1994* set out in Schedule 1.

Schedule 1 Amendment of Irrigation Corporations Act 1994

Schedule 1 [4] amends the *Irrigation Corporations Act 1994* in the manner referred to above.

Schedule 1 [1], [2] and [3] make consequential amendments.



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Irrigation Corporations Amendment Bill 1999

No , 1999

A Bill for

An Act to amend the *Irrigation Corporations Act 1994* to make further provision in relation to the conversion of Coleambally Irrigation Corporation to a class 2 irrigation corporation; and for other purposes.

The Legislature of New South Wales enacts:	1
1 Name of Act	2
This Act is the <i>Irrigation Corporations Amendment Act 1999</i> .	3
2 Commencement	4
This Act commences on a day or days to be appointed by proclamation.	5 6
3 Amendment of Irrigation Corporations Act 1994 No 41	7
The <i>Irrigation Corporations Act 1994</i> is amended as set out in Schedule 1.	8 9

Schedule 1 Amendments

(Section 3)

[1] Section 4 Definitions

Insert “(except in section 34A)” after “means” in the definition of *water entitlement* in section 4 (1).

[2] Section 4 (1), definition of “water entitlement”

Omit “(except in the case of the Coleambally Irrigation Area)”.

[3] Section 34 Further requirements regarding applications

Omit “Coleambally Irrigation Limited or” from section 34 (1A).

[4] Section 34A

Insert after section 34:

34A Further application requirements relating to Coleambally Irrigation Limited

(1) The Minister may not approve an application under section 28 by Coleambally Irrigation Limited unless the Minister is satisfied that satisfactory arrangements or provisions have been made:

(a) for every existing irrigator to have the opportunity to hold shares of a class of shares in the corporation on the date the proclamation designating it as a class 2 irrigation corporation takes effect, so that the number of shares of that class held by the irrigator as a proportion of the total number of shares of that class issued by the corporation is equal to or greater than the irrigator’s existing water entitlement as a proportion of the total existing water entitlements of the same type, and

(b) for every existing irrigator to have the opportunity to enter into a contract with the corporation, having effect from the date the proclamation takes effect and for the term of the irrigation corporation licence and any subsequent irrigation corporation licence, providing for the supply to the irrigator of water, so that the water

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Schedule 1 Amendments

- entitlement of each existing irrigator as a proportion of
the total water entitlements allocated by the corporation
is equal to or greater than that irrigator's existing water
entitlement as a proportion of the total existing water
entitlements, and
- (c) in the proposed constitution of the corporation, for every
existing irrigator to be entitled to surrender or transfer
any such share, at any time after the proclamation takes
effect, if the irrigator so chooses, and
- (d) for every existing irrigator to be entitled to withdraw
from any such contract in accordance with the terms of
the contract, at any time after the proclamation takes
effect, if the irrigator so chooses, and
- (e) for the allocation by the irrigation corporation, on the
date the proclamation designating it as a class 2
irrigation corporation takes effect, of water entitlements
with respect to the total volume of water to which it is
entitled under its irrigation corporation licence (not
including any water that is lost or is likely to be lost in
transmission).
- (2) For the purposes of this section, a person is an ***existing
irrigator*** if the person has, immediately before the
proclamation is to take effect, any water entitlements.
- (3) In this section, ***water entitlement*** means any entitlement to
receive water:
- (a) provided by Coleambally Irrigation Limited, or
- (b) made available by arrangement between Coleambally
Irrigation Limited and the Ministerial Corporation,
- whether the entitlement arises under a provision of an Act or
under a contractual or administrative arrangement, but does not
include any entitlement of a type prescribed by the regulations.