

Landcom Corporation Bill 2001

Explanatory note

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

Overview of Bill

The objects of this Bill are as follows:

- (a) to establish Landcom as a statutory State owned corporation, within the context of the *State Owned Corporations Act 1989* (the **SOC Act**), and to set out its principal functions and objectives,
- (b) to make consequential amendments to other Acts,
- (c) to enact consequential savings and transitional provisions.

Outline of provisions

Part 1 Preliminary

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 defines certain words and expressions used in the proposed Act, and provides for certain other words and expressions to be given the same meanings as they have in the SOC Act.

Clause 4 provides that notes in the proposed Act do not form part of the Act.

Part 2 Landcom

Clause 5 establishes Landcom (the **Corporation**) as a statutory State owned corporation under the SOC Act. At present, Landcom operates as part of the New South Wales Land and Housing Corporation. The proposed Act will establish Landcom as a separate corporate entity.

Clause 6 sets out the principal objectives of the Corporation. These are as follows:

- (a) to be a successful business and, to this end:
 - (i) to operate at least as efficiently as any comparable businesses, and
 - (ii) to maximise the net worth of the State's investment in it,
- (b) to exhibit a sense of social responsibility by having regard to the interests of the community in which it operates,
- (c) to protect the environment by conducting its operations in compliance with the principles of ecologically sustainable development contained in section 6 (2) of the *Protection of the Environment Administration Act 1991*,
- (d) to exhibit a sense of responsibility towards regional development and decentralisation in the way in which it operates,
- (e) to undertake, or assist the Government in undertaking, strategic or complex urban development projects,
- (f) to assist the Government in achieving its urban management objectives,
- (g) to be a responsible developer of residential, commercial and industrial land.

Clause 7 sets out the principal functions of the Corporation. These are as follows:

- (a) to undertake and participate in residential, commercial, industrial and mixed development projects,
- (b) to provide advice and services related to urban development, on a commercial basis, to government agencies and others.

Clause 8 provides for a board of directors for the Corporation.

Clause 9 provides for a chief executive officer of the Corporation.

Clause 10 provides for an acting chief executive officer of the Corporation.

Part 3 Accountability

Clause 11 allows the portfolio Minister to provide the board of the Corporation with a statement of priorities in relation to the operations of the Corporation and any subsidiaries. The statement may specify:

- (a) the urban management priorities for the Corporation and its subsidiaries, expressed in broad terms, as proposed by the portfolio Minister, and
- (b) the projects, activities or outcomes to be undertaken or achieved by the Corporation as proposed by the portfolio Minister.

Clause 12 allows the board of the Corporation to accept and implement the statement of priorities or to reject the statement of priorities (with the approval of the voting shareholders), and to give effect to the statement of priorities (to the extent accepted by the board).

Clause 13 provides for the modification or revocation by the board of its acceptance of a statement of priorities.

Clause 14 prevents the Corporation from making significant acquisitions or disposal of certain real property assets, without the approval of the voting shareholders. The restrictions are similar to those that apply to fixed assets or investments under section 20X of the SOC Act.

Part 4 Miscellaneous

Clause 15 makes it clear that the SOC Act applies in respect of the Corporation.

Clause 16 allows specified assets, rights and liabilities of the New South Wales Land and Housing Corporation and the Ministerial Development Corporation to be transferred to Landcom, and gives effect to Schedule 1.

Clause 17 gives effect to Schedule 2, which provides for the transfer of staff from the Department of Urban Affairs and Planning to Landcom.

Clause 18 provides for the making of regulations for the purposes of the proposed Act.

Clause 19 gives effect to the amendment of Acts set out in Schedule 3.

Clause 20 gives effect to the savings, transitional and other provisions set out in Schedule 4.

Clause 21 provides for a review of the proposed Act at the end of 5 years after its date of assent.

Schedules

Schedule 1 sets out the provisions that are to apply to the transfer of assets, rights and liabilities under the proposed Act.

Schedule 2 sets out the provisions that are to apply to the transfer of staff under the proposed Act.

Schedule 3 amends the following Acts:

First State Superannuation Act 1992

Housing Act 2001

Public Sector Management Act 1988

State Authorities Non-contributory Superannuation Act 1987

State Authorities Superannuation Act 1987

Superannuation Act 1916

At present, Landcom operates under the auspices of the New South Wales Land and Housing Corporation (***the Land and Housing Corporation***) under the *Housing Act 2001*. As a consequence of the separation of Landcom from the Land and Housing Corporation, various functions of the Land and Housing Corporation relating to urban development are omitted from the *Housing Act 2001*. In addition, an amendment to section 22 of that Act makes it clear that the Land and Housing Corporation may continue to acquire land for the purposes of the Crown

Lands Homesites Program (a program currently administered by the Land and Housing Corporation operating as Landcom) and other Government policies or programs relating to residential development. See Schedule 3.2.

Schedule 4 sets out provisions of a savings or transitional nature consequent on the enactment of the proposed Act.