

**Local Government Amendment
(Cudgegong (Abattoir) County Council
Dissolution) Bill 2003**

Explanatory note

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

Overview of Bill

The object of this Bill is to make special provisions concerning the winding up and dissolution of Cudgegong (Abattoir) County Council (which trades under the name of Mudgee Regional Abattoir). This is done by applying the *Corporations Act 2001* of the Commonwealth to the winding up. As a result:

- (a) certain entitlements of former employees of the abattoir are given protection from claims by other unsecured creditors, and
- (b) any money provided to former employees by the Commonwealth under its General Employee Entitlements and Redundancy Scheme may later be repaid to the Commonwealth in the winding up.

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 the date of assent.

Clause 3 is a formal provision that gives effect to the amendments to the *Local Government Act 1993* set out in Schedule 1.

Schedule 1 Amendments

Schedule 1 [4] inserts a new Schedule 9 into the *Local Government Act 1993* containing special provisions relating to Cudgegong (Abattoir) County Council.

They are as follows:

Winding up

Clause 1 (1) of Schedule 9 provides that Cudgegong (Abattoir) County Council may be wound up voluntarily or by a liquidator appointed by the Minister.

Clause 1 (2) of Schedule 9 provides for Parts 5.5–5.9 of the *Corporations Act 2001* of the Commonwealth to apply to the winding up of Cudgegong (Abattoir) County Council. (The mechanism for doing this is explained in the note to clause 1 (2) of Schedule 9.)

Clause 2 of Schedule 9 validates certain acts and omissions of the person appointed as administrator for Cudgegong (Abattoir) County Council on 3 September 2003.

Transfer of liabilities of Cudgegong (Abattoir) County Council after winding up

Clause 3 of Schedule 9 provides for any liabilities of Cudgegong (Abattoir) County Council that are proved in the winding up of the county council, but are not fully met in that winding up, to be transferred to Mudgee Shire Council or Rylstone Shire Council, or both, by the proclamation that dissolves Cudgegong (Abattoir) County Council. This includes any liability to repay the Commonwealth Government any payment made by it under its General Employee Entitlements and Redundancy Scheme in respect of wages or of superannuation contributions, or in respect of leave of absence or termination of employment, under an industrial instrument.

Clause 4 of Schedule 9 provides for the enforcement of certain directions given in relation to such liabilities.

Other provisions

Clauses 5 and 6 of Schedule 9 revoke the appointment of an administrator and receiver and manager for Cudgegong (Abattoir) County Council and make provision regarding those revocations.

Schedule 1 [1] gives effect to proposed Schedule 9.

Schedule 1 [2] deletes a redundant provision concerning Cudgegong (Abattoir) County Council.

Schedule 1 [3] provides for the making of savings and transitional regulations consequent on the enactment of the proposed Act.