



New South Wales

# Public Authorities (Financial Arrangements) Amendment Bill 2000

## 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 *Public Authorities (Financial Arrangements) Act 1987* (*the Act*) to establish a comprehensive system of arrangements for the control of authorities of the State in entering into and maintaining certain financial and other arrangements.

The Bill:

- (a) extends the coverage of the Act to entities that are covered by the *Public Finance and Audit Act 1983*, Ministers and State owned corporations, as well as to entities prescribed by regulations, and
- (b) provides that generally all such entities are “authorities” for the purposes of the whole Act, and
- (c) provides that the Act generally overrides provisions in other Acts that would authorise authorities to enter into such arrangements, and

- (d) transfers a provision from the *Treasury Corporation Act 1983* that generally requires authorities to obtain financial accommodation from the Treasury Corporation, and
- (e) confers on all authorities generally the limited powers of investment specified in Part 1 of Schedule 4 to the Act, and
- (f) provides that an authority that controls an entity must ensure that the controlled entity does not enter into or maintain arrangements that the authority itself could not enter into or maintain, and
- (g) permits inter-agency loans between authorities within the same ministerial portfolio, and
- (h) requires the Treasurer's approval before an authority exercises a power to enter into joint venture arrangements, and
- (i) enacts provisions of a savings or transitional nature, and
- (j) makes provision for other matters of a minor, consequential or ancillary nature.

## 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 *Public Authorities (Financial Arrangements) Act 1987* set out in Schedule 1.

**Clause 4** is a formal provision giving effect to the consequential amendments to an Act and a regulation set out in Schedule 2. Clause 4 (2) makes it clear that the provisions of the *Interpretation Act 1987* relating to gazettal, commencement, notification and disallowance of statutory rules do not apply to the amendments made by Schedule 2 to the regulation.

## **Schedule 1    Amendment of Public Authorities (Financial Arrangements) Act 1987**

Schedule 1 amends the Act for the purposes mentioned above and described more fully below.

**Coverage of Act: paramount operation—Schedule 1 [2]**

The Bill inserts provisions into the Act stating that its principal purpose is to establish a comprehensive system of arrangements for the control of authorities in entering into and maintaining financial arrangements and joint venture arrangements. Provisions are inserted to make it clear that the Act prevails over other legislation, and that it provides the principal source of power for authorities to enter into financial arrangements.

**Coverage of Act: new definition of “authority”—Schedule 1 [3], [5], [31], Schedule 2.1**

The Bill amends the Act to extend its coverage. It does so by inserting a new definition of *authority* in section 3 of the Act. The definition includes entities covered by Schedules 2 and 3 to the *Public Finance and Audit Act 1983*, Ministers, State owned corporations and entities prescribed by regulations as included, but does not include local government authorities and entities prescribed as not included.

**Coverage of Act: authorities for purposes of whole Act—Schedule 1 [3], [5], [9], [11], [15], [17]–[20], [22]**

The new definition of *authority* applies for the purposes of the whole Act, unless regulations are made limiting the application of the Act to particular authorities. Existing definitions of *authority* are omitted from various sections of the Act.

**Treasury Corporation—Schedule 1 [10], Schedule 2.2**

Proposed section 10 provides that an authority must not obtain financial accommodation otherwise than from the Treasury Corporation, unless the accommodation is obtained from the Treasurer or permitted by the Treasurer. The proposed section is substantially a re-enactment of section 9 of the *Treasury Corporation Act 1983* (section 9 is proposed to be repealed by Schedule 2.2 to the proposed Act).

**Investment powers—Schedule 1 [23], [24]**

At present, authorities have investment powers in Part 1, 2, 3 or 4 of Schedule 4 to the Act as determined by the regulations. Proposed section 24 (1A) will confer the limited investment powers in Part 1 on all authorities, subject to any directions of the Treasurer. The regulations will still be able to determine that particular authorities will have the wider powers in Part 2, 3 or 4.

### **Transactions not regarded as investments—Schedule 1 [26]**

Proposed section 28 makes it clear that certain transactions are not subject to the requirements of Part 3 of the Act, which regulates the investment of money by authorities. These transactions are made under statutory powers to make grants, loans or other forms of financial assistance that are not in the nature of investments. Without affecting the generality of the section, certain transactions of this kind involving the Rental Bond Board, the New South Wales Rural Assistance Authority and the Sustainable Energy Development Authority are specifically referred to in the proposed section as not being subject to those requirements, and provision is made for other specific transactions to be identified by the regulations.

### **Controlled entities—Schedule 1 [3], [4], [6], [11], [14], [16], [27], [28]**

The Bill makes provision for entities that are controlled by authorities. Proposed section 37A provides that an authority that controls an entity must ensure that the controlled entity does not enter into or maintain any financial arrangements that the authority itself is not authorised to enter, unless permitted by the Treasurer. Existing references to “affiliates” are replaced by references to “controlled entities”, for consistency of terminology.

### **Inter-agency loans—Schedule 1 [12]**

Proposed sections 14A and 14B authorise a Minister to determine that authorities within the Minister’s portfolio may lend money to each other without such loans being subjected to the requirements of the Act relating to the obtaining of financial accommodation or the investment of money. Proposed section 14C makes it clear that the provisions will not affect the operation or requirements of the *Public Finance and Audit Act 1983*, any Appropriation Act or any other Act.

### **Joint ventures—Schedule 1 [21]**

Proposed section 22L provides that an authority must not enter into a joint venture arrangement without the approval of the Treasurer. The expression “joint venture” is defined in proposed section 22K, and provision is made for regulations to prescribe activities as being or not being within that section.

### **Savings and transitional provisions—Schedule 1 [30], [32], [33]**

Schedule 6 to the Act is amended to include provisions of a savings and transitional nature consequent on the enactment of the proposed Act, and enables regulations of a savings or transitional nature to be made. Proposed clause 17 provides that any existing arrangements are not affected and may be maintained, subject to any directions of the Treasurer.

Proposed clause 18 provides that references to the repealed section 27, which relates to the overriding operation of the Act, are to be taken to be references to the proposed corresponding new provision, and that the enactment of the proposed Act does not affect the current arrangements applying to the investment powers of the Sydney Organising Committee for the Olympic Games.

Proposed sections 46 and 47 contain provisions of a savings and transitional nature consequent on an entity becoming or ceasing to be an authority within the meaning of the amended Act, and enables regulations of a savings or transitional nature to be made. Again, any existing arrangements are not affected and may be maintained, subject (in the case of an entity becoming an authority) to any directions of the Treasurer.

**Minor, consequential or ancillary amendments—Schedule 1 [1], [7], [25], [29]**

The Bill makes other amendments to the Act that are of a minor, consequential or ancillary nature.

## **Schedule 2 Consequential amendments**

Schedule 2 makes consequential amendments to the *Public Authorities (Financial Arrangements) Regulation 1995* and the *Treasury Corporation Act 1983*.



New South Wales

# Public Authorities (Financial Arrangements) Amendment Bill 2000

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New South Wales

# Public Authorities (Financial Arrangements) Amendment Bill 2000

No , 2000

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## A Bill for

An Act to amend the *Public Authorities (Financial Arrangements) Act 1987* to establish a comprehensive system of arrangements for the control of authorities of the State in entering into and maintaining certain financial and other arrangements; to make consequential amendments to the *Public Authorities (Financial Arrangements) Regulation 1995* and the *Treasury Corporation Act 1983*; and for other purposes.

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<b>The Legislature of New South Wales enacts:</b>	1
<b>1    Name of Act</b>	2
This Act is the <i>Public Authorities (Financial Arrangements) Amendment Act 2000</i> .	3 4
<b>2    Commencement</b>	5
This Act commences on a day or days to be appointed by proclamation.	6 7
<b>3    Amendment of Public Authorities (Financial Arrangements) Act 1987 No 33</b>	8 9
The <i>Public Authorities (Financial Arrangements) Act 1987</i> is amended as set out in Schedule 1.	10 11
<b>4    Consequential amendments</b>	12
(1) The <i>Public Authorities (Financial Arrangements) Regulation 1995</i> and the <i>Treasury Corporation Act 1983</i> are amended as set out in Schedule 2.	13 14 15
(2) Sections 39, 40 and 41 of the <i>Interpretation Act 1987</i> do not apply to the amendments to the <i>Public Authorities (Financial Arrangements) Regulation 1995</i> set out in Schedule 2.	16 17 18



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<b>Schedule 1</b>	<b>Amendment of Public Authorities (Financial Arrangements) Act 1987</b>	1 2
	(Section 3)	3
<b>[1] Long title</b>		4
	Omit “and investments”. Insert instead “(including investments)”.	5
<b>[2] Sections 2A–2C</b>		6
	Insert after section 2:	7
<b>2A Principal purpose of Act</b>		8
	The principal purpose of this Act is to provide a comprehensive system of arrangements for the control of authorities of the State in entering into and maintaining arrangements of the kinds covered by this Act.	9 10 11 12
<b>2B Exclusive operation of Act</b>		13
	(1) If an Act or statutory rule (other than this Act and the regulations) expressly or impliedly confers or imposes any function on an authority for or with respect to the entry into and maintenance of financial arrangements or joint venture arrangements, the authority is not to exercise those functions unless:	14 15 16 17 18 19
	(a) the authority is authorised to do so under subsection (3) or by or under any other provision of this Act, or	20 21
	(b) the arrangements are approved under this Act.	22
	(2) The regulations may provide that subsection (1) does not apply to any arrangement or any arrangement of a class prescribed by the regulations.	23 24 25
	(3) The Treasurer may, by order in writing, authorise a specified authority to exercise any specified function referred to in subsection (1), either generally or in relation to any specified arrangement or arrangement of a specified class. Any such authorisation may be given unconditionally or subject to such conditions as the Treasurer thinks appropriate.	26 27 28 29 30 31

**2C   Relationship with other Acts**

- (1) This Act has effect despite anything in any Act or statutory rule (other than this Act and the regulations) enacted or made before the commencement of this section.
- (2) Any Act or statutory rule (other than this Act and the regulations) enacted or made after the commencement of this section is to be construed as having effect subject to this Act, except to the extent that such an Act expressly overrides this Act.

**[3]   Section 3 Definitions**

Insert in alphabetical order in section 3 (1):

***authority*** means:

- (a) a person, group of persons or body specified in Schedule 2 to the *Public Finance and Audit Act 1983*, or
- (b) a person, group of persons or body specified in Column 1 of Schedule 3 to the *Public Finance and Audit Act 1983*, or
- (c) a Minister of the Crown, or
- (d) a State owned corporation or a subsidiary of a State owned corporation, or
- (e) an entity or entity of a class prescribed by the regulations as being within this definition,

but does not include:

- (f) a local government authority, or
- (g) an entity or entity of a class prescribed by the regulations as not being within this definition.

***controlled entity***, in relation to an authority, means an entity of which the authority has control within the meaning of a standard referred to in section 39 (1A) or 45A (1A) of the *Public Finance and Audit Act 1983*, and includes an entity or entity of a class prescribed by the regulations as being within this definition, but does not include:

- (a) an entity that is itself an authority within the meaning of this Act, or

(b) an entity or entity of a class prescribed by the regulations as not being within this definition.

Accordingly, a reference (however expressed) in this Act to an entity controlled by an authority is a reference to such a controlled entity.

*entity* has the same meaning as in the Corporations Law, and (without limitation) includes any person, group of persons or body.

*financial arrangements* means arrangements for or with respect to:

- (a) the obtaining of financial accommodation, or
- (b) the effecting of a financial adjustment, or
- (c) a joint financing arrangement, or
- (d) the investment of funds,

and includes an arrangement or arrangement of a class prescribed as being within this definition, but does not include an arrangement or arrangement of a class prescribed as not being within this definition.

*joint venture* is defined in section 22K.

*joint venture arrangements* means arrangements (as defined in section 22J) for or with respect to the carrying on of a joint venture.

*local government authority* means a council or county council within the meaning of the *Local Government Act 1993* or any person exercising all or any of the functions of such a council or county council.

*portfolio Minister* of an entity is defined in section 5B.

**[4] Section 3 (1)**

Omit the definition of *affiliate*.

**[5] Section 3 (4)–(6)**

Insert after section 3 (3):

- (4) The prescription of an entity or class of entities under paragraph (e) or (g) of the definition of *authority* in subsection (1) may be made generally or may be made for the purposes of specified provisions of this Act only. Such a prescription is taken to be made generally unless it is expressed to be made for the purposes of specified provisions of this Act.
- (5) A part of an entity may be prescribed for the purposes of paragraph (e) or (g) of the definition of *authority* in subsection (1).
- (6) Two or more parts of an entity may be separate authorities for the purposes of this Act. If:
  - (a) an entity is an authority, and
  - (b) a part of the entity is also an authority,
 the authority referred to in paragraph (a) is taken not to include the part referred to in paragraph (b), unless the regulations otherwise provide.

**[6] Section 3 (7)**

Insert as section 3 (7):

- (7) A reference in the definition of *controlled entity* in subsection (1) to a standard includes a reference to:
  - (a) if the standard is amended—the standard as in force for the time being, and
  - (b) if the standard is replaced—the substituted standard, and
  - (c) if the substituted standard is amended—the substituted standard as in force for the time being.

**[7] Section 3 (8)**

Insert as section 3 (8):

- (8) An order of the Treasurer under this Act may be given in the form of a written direction of the Treasurer.

<b>[8] Section 5B</b>	1
Insert after section 5A:	2
<b>5B Meaning of portfolio Minister</b>	3
(1) In this Act, a reference to the <i>portfolio Minister</i> of an entity (including an authority) is a reference to:	4
(a) subject to paragraphs (b), (c) and (d)—the Minister who solely or jointly administers the legislation under which the entity is established or regulated, or	5
(b) in the case of a statutory State owned corporation—the portfolio Minister of the corporation (under section 20I of the <i>State Owned Corporations Act 1989</i> ), or	6
(c) in the case of a company State owned corporation—the Minister who is designated by the Treasurer as the portfolio Minister of the corporation (under subsection (2)), or	7
(d) in the case of an entity that is controlled by an authority—the Minister who is the portfolio Minister of the authority under another paragraph of this subsection.	8
(2) The Treasurer may, by order published in the Gazette, designate a Minister as the portfolio Minister of a company State owned corporation for the purposes of this Act.	9
<b>[9] Section 6 Definition of “authority”</b>	10
Omit the section.	11
<b>[10] Section 10</b>	12
Insert after section 9:	13
<b>10 Provision of financial accommodation from Treasury Corporation</b>	14
(1) Despite anything in this Act, but subject to subsection (2), an authority must not obtain financial accommodation otherwise than from the Treasury Corporation.	15

(2) Subsection (1) does not apply:	1
(a) in respect of the provision of financial accommodation	2
by way of an advance of money by the Treasurer under	3
section 9, or	4
(b) to the extent of any exemptions under subsection (3).	5
(3) The Treasurer may, by order in writing, grant exemptions from	6
subsection (1). Such an exemption may be granted in relation	7
to specified authorities, specified classes of authorities or all	8
authorities or in relation to specified transactions, specified	9
classes of transactions or all transactions, or any combination.	10
<b>[11] Section 11 General powers in relation to obtaining financial</b>	11
<b>accommodation</b>	12
Omit “affiliate of the authority” from section 11 (2) (f).	13
Insert instead “entity controlled by the authority”.	14
<b>[12] Part 2, Division 4</b>	15
Insert after section 14:	16
<b>Division 4      Inter-agency financial accommodation</b>	17
<b>14A Inter-agency loans within same ministerial portfolio</b>	18
(1) The portfolio Minister of an entity that is an authority may	19
determine that an amount of money in the funds of or under the	20
control of the authority is to be lent to another entity for which	21
he or she is the portfolio Minister.	22
(2) Any such amount is to be lent in accordance with that	23
determination and on such terms and conditions as the portfolio	24
Minister determines.	25
<b>14B Application of Act to inter-agency loans within same portfolio</b>	26
This Act (other than this Division) does not apply to or in	27
respect of a loan made under this Division.	28

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<b>14C Other Acts not affected</b>	1
This Division is subject to and does not affect the operation or requirements of the <i>Public Finance and Audit Act 1983</i> , any Appropriation Act or any other Act (other than this Act).	2 3 4
<b>[13] Section 15 Definition of “authority”</b>	5
Omit the section.	6
<b>[14] Section 17 General powers in relation to effecting financial adjustments</b>	7
Omit “affiliate of the authority” from section 17 (2) (f). Insert instead “entity controlled by the authority”.	8 9
<b>[15] Section 19 Definition of “authority”</b>	10
Omit the section.	11
<b>[16] Section 20 Power to enter joint financing arrangements</b>	12
Omit “affiliate of the authority” from section 20 (3) (i). Insert instead “entity controlled by the authority”.	13 14
<b>[17] Section 22 Definition of “authority”</b>	15
Omit the section.	16
<b>[18] Section 22A Statutory guarantee</b>	17
Omit “, as defined for the purposes of Part 2,” from section 22A (1) (a). Insert instead “pursuant to Part 2”.	18 19
<b>[19] Section 22A (1) (b)</b>	20
Omit “by such an authority” Insert instead “by an authority pursuant to Part 2”.	21 22
<b>[20] Section 22A (1) (c)</b>	23
Omit “such” where secondly occurring.	24

<b>[21] Part 2D</b>	1
Insert after Part 2C:	2
 <b>Part 2D Joint ventures</b>	 3
 <b>22J Definition</b>	 4
In this Part:	5
<i>arrangement</i> includes a contract or understanding, and	6
includes the constitution of a body corporate referred to in	7
section 22K (1) (b).	8
 <b>22K Meaning of joint venture</b>	 9
(1) In this Act, a reference to a joint venture is a reference to an	10
activity:	11
(a) carried on jointly by two or more persons, whether or	12
not in partnership, or	13
(b) carried on by a body corporate formed by two or more	14
persons for the purpose of enabling those persons to	15
carry on that activity jointly by means of their joint	16
control, or by means of their ownership of shares in the	17
capital, of that body corporate,	18
and includes a reference to an activity or activity of a class	19
prescribed by the regulations as being within this section, but	20
does not include a reference to an activity or activity of a class	21
prescribed by the regulations as not being within this section.	22
(2) An activity may be regarded as carried on jointly even though	23
some or all of the persons involved carry on different aspects	24
of the activity.	25
 <b>22L Restriction on joint ventures</b>	 26
(1) An authority must not:	27
(a) enter into an arrangement with another person for the	28
purpose of carrying on a joint venture, or	29
(b) carry on a joint venture under such an arrangement,	30
unless the Treasurer has approved of the arrangement.	31



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(2) The Treasurer's approval:	1
(a) may be given for a specified arrangement or class of arrangements, and	2
	3
(b) may be given in respect of one or more specified authorities or in respect of a specified class of authorities, and	4
	5
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(c) may be otherwise specific or may be general, and	7
(d) may be given on such terms and subject to such conditions as the Treasurer thinks fit.	8
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(3) The Treasurer's approval must be in writing.	10
(4) The Treasurer's approval is required under this section even though the arrangement is, or is entered into in connection with, financial accommodation authorised under Part 2, a joint financing arrangement authorised under Part 2B or some other financial arrangement authorised under this Act.	11
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<b>[22] Section 23 Definition of "authority"</b>	16
Omit the section.	17
<b>[23] Section 24 Investment powers of authorities</b>	18
Omit "Part 1, 2, 3 or 4" from section 24 (1). Insert instead "Part 2, 3 or 4".	19
<b>[24] Section 24 (1A)</b>	20
Insert after section 24 (1):	21
(1A) An authority that does not have the investment powers described in any of Parts 2, 3 and 4 of Schedule 4 has, in respect of all funds of or under the control of the authority, the investment powers described in Part 1 of that Schedule, except to the extent that the Treasurer by order in writing declares that the authority does not have those powers in respect of all or any specified funds or has them only in relation to specified funds.	22
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<b>[25] Section 27 Replacement of other investment powers</b>	29
Omit the section.	30

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<b>[26]    Section 28</b>	1
Insert after section 27:	2
<b>28    Part not to apply in certain cases</b>	3
(1) This Part does not affect any statutory power to make grants, loans or other forms of financial assistance that are not in the nature of investments, and in particular does not affect:	4
(a) the power of the Rental Bond Board to make a grant or loan under section 20 (4), or to provide money under section 21, of the <i>Landlord and Tenant (Rental Bonds) Act 1977</i> , or	5
(b) the power of the New South Wales Rural Assistance Authority to grant loans or other assistance under the <i>Rural Assistance Act 1989</i> , or	6
(c) the power of the Sustainable Energy Development Authority to grant financial accommodation under the <i>Sustainable Energy Development Act 1995</i> , or	7
(d) any other functions under any Act that are prescribed by the regulations for the purposes of this section.	8
(2) This section does not affect the generality of section 2B (2) or (3).	9
<b>[27]    Section 28A General powers in relation to investments</b>	10
Omit “affiliate of the authority” from section 28A (2) (f).	11
Insert instead “entity controlled by the authority”.	12
<b>[28]    Part 4A</b>	13
Insert after Part 4:	14
<b>Part 4A    Controlled entities</b>	15
<b>37A    Controlled entities</b>	16
(1) An authority that controls an entity must ensure that the controlled entity does not enter into or maintain any financial arrangements that the authority itself is not authorised by or under this Act to enter into, except to the extent that:	17

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- (a) the authority is permitted by the Treasurer under subsection (2) to authorise the entity to enter into or maintain (or both) any such financial arrangements, or
- (b) this subsection does not apply to any such financial arrangements because of the regulations under subsection (3).
- (2) The Treasurer may, by order in writing, permit a specified authority to authorise a controlled entity to enter into or maintain (or both) financial arrangements of the kind referred to in subsection (1). Permission may be given in respect of a specified financial arrangement or financial arrangements of a specified class.
- (3) The regulations may provide that subsection (1) does not apply to financial arrangements of a specified class.
- (4) This section does not itself confer power on a controlled entity to enter into or maintain any financial arrangements.
- (5) This section does not affect any obligations imposed on a controlled entity by or under any Act or law, other than an obligation imposed on the controlled entity by the authority at its discretion.
- (6) The fact that a Minister may exercise control over or give directions to an authority does not make the authority a controlled entity of that Minister for the purposes of this Act.
- (7) In this section:
- authority*** includes any person who may exercise functions on behalf of the authority.
- financial arrangements*** includes arrangements for or with respect to carrying on a joint venture.

<b>[29] Section 45</b>	1
Insert after section 44:	2
<b>45 Exercise of functions by authorities that are not corporations</b>	3
(1) The functions expressed to be conferred or imposed on an authority by or under this Act may, in the case of an authority that is not a corporation, be exercised on behalf of the authority:	4
(a) subject to paragraph (b), by a Minister or by the head or other chief officer of the authority, or	5
(b) by such person or by the holder of such office as is prescribed by the regulations.	6
(2) This section does not affect any other manner in which such an authority may lawfully exercise such a function.	7
<b>[30] Sections 46 and 47</b>	8
Insert as sections 46 and 47:	9
<b>46 Transitional provisions applying to entities that become authorities</b>	10
(1) This section applies where an entity becomes an authority within the meaning of this Act on or after the commencement of this section, and so applies whether the entity becomes an authority for the purposes of:	11
(a) this Act generally, or	12
(b) particular provisions of this Act, whether or not it is already an authority for other provisions of this Act.	13
(2) Subject to any directions of the Treasurer under this section:	14
(a) nothing in this Act affects any financial arrangements or joint venture arrangements entered into before the entity became an authority, and the authority may maintain those arrangements, and	15
(b) the authority has and may exercise any power that the entity would (had it not become an authority) have apart from this Act to enter into financial arrangements or joint venture arrangements for a period of 6 months after it so becomes an authority.	16

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| (3) The Treasurer may give directions of either or both of the following kinds:  | 1  |
|  | 2  |
| (a) requiring the authority to modify or terminate any arrangements referred to in subsection (2) (a) or (b) within such period and in such manner (if any) as the Treasurer specifies,  | 3  |
|  | 4  |
|  | 5  |
|  | 6  |
| (b) requiring the authority not to exercise any power referred to in subsection (2) (b) after a specified date within that period of 6 months.   | 7  |
|  | 8  |
|  | 9  |
| (4) The authority must comply with any such direction.   | 10 |
| (5) Such a direction may be given only in relation to arrangements of a kind that the authority cannot enter into under this Act or that requires an authorisation or approval under this Act.                                   | 11 |
|  | 12 |
|  | 13 |
| (6) The Treasurer is required to consult with the portfolio Minister of the authority, or with the authority or the authority's representatives, before giving any such direction.   | 14 |
|  | 15 |
|  | 16 |
| (7) The regulations may contain provisions of a savings or transitional nature consequent on an entity's becoming an authority on or after the commencement of this section.   | 17 |
|  | 18 |
|  | 19 |
| <b>47 Transitional provisions applying to entities that cease to be authorities</b>  | 20 |
|  | 21 |
| (1) This section applies where an entity ceases to be an authority within the meaning of this Act on or after the commencement of this section, and so applies whether the entity ceases to be an authority for the purposes of: | 22 |
|  | 23 |
|  | 24 |
|  | 25 |
| (a) this Act generally, or   | 26 |
| (b) particular provisions of this Act, whether or not it continues to be an authority for other provisions of this Act.  | 27 |
|  | 28 |
|  | 29 |
| (2) Nothing in this Act affects any financial arrangements or joint venture arrangements entered into by the entity as an authority, and the entity may maintain those arrangements.   | 30 |
|  | 31 |
|  | 32 |
| (3) The regulations may contain provisions of a savings or transitional nature consequent on an entity's ceasing to be an authority on or after the commencement of this section.  | 33 |
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|  | 35 |
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Public Authorities (Financial Arrangements) Amendment Bill 2000

Schedule 1      Amendment of Public Authorities (Financial Arrangements) Act 1987

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<b>[31]    Schedule 1 Authorities</b>	1
Omit the Schedule.	2
<b>[32]    Schedule 6 Savings and transitional provisions</b>	3
Insert “ <i>Public Authorities (Financial Arrangements) Amendment Act 2000</i> ”	4
at the end of clause 1 (1).	5
<b>[33]    Schedule 6, Part 4</b>	6
Insert after Part 3:	7
 <b>Part 4 Provisions consequent on enactment of</b>	8
<b>        Public Authorities (Financial Arrangements)</b>	9
<b>        Amendment Act 2000</b>	10
 <b>16    Definition</b>	11
In this Part:	12
<i>amending Act</i> means the <i>Public Authorities (Financial</i>	13
<i>Arrangements) Amendment Act 2000</i> .	14
 <b>17    Effect of amendments on arrangements entered into by</b>	15
<b>        authorities</b>	16
(1) This clause applies where an entity, to which any provision of	17
this Act applied before the commencement of any amendment	18
made by the amending Act, is or becomes an authority (as	19
defined in section 3) on the commencement of the amendment.	20
(2) Subject to any directions of the Treasurer under this clause:	21
(a) an amendment made by the amending Act does not	22
affect any financial arrangements or joint venture	23
arrangements entered into by the entity before the	24
commencement of the amendment (under this Act or	25
otherwise), and the authority may maintain those	26
arrangements, and	27

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- (b) the authority has and may exercise any power that the entity would (had the amending Act not been enacted) have apart from this Act to enter into financial arrangements or joint venture arrangements for a period of 6 months after the commencement of the amendment.
- (3) The Treasurer may give directions of either or both of the following kinds:
- (a) requiring the authority to modify or terminate any arrangements referred to in subclause (2) (a) or (b) within such period and in such manner (if any) as the Treasurer specifies,
- (b) requiring the authority not to exercise any power referred to in subclause (2) (b) after a specified date within that period of 6 months.
- (4) The authority must comply with any such direction.
- (5) Such a direction may be given only in relation to arrangements of a kind that the authority cannot enter into under this Act or that requires an authorisation or approval under this Act.
- (6) The Treasurer is required to consult with the portfolio Minister of the authority, or with the authority or the authority's representatives, before giving any such direction.
- 18 Provisions relating to exclusive operation of Act**
- (1) A reference in any other Act, statutory instrument or document to section 27 (which was repealed by the amending Act) is, subject to the regulations, taken to be a reference to section 2B (which was inserted by the amending Act).
- (2) Neither sections 2B and 2C, nor the enactment of the amending Act, affects the operation of section 49 of the *Sydney Organising Committee for the Olympic Games Act 1993*.

<b>Schedule 2 Consequential amendments</b>	1
(Section 4)	2
<b>2.1 Public Authorities (Financial Arrangements) Regulation 1995</b>	3
<b>[1] Clause 3 Definitions</b>	4
Omit the definition of <i>authority</i> .	5
<b>[2] Clause 48 Investment powers of authorities</b>	6
Omit clause 48 (a).	7
<b>[3] Clause 56 Declaration of authorities</b>	8
Omit clause 56 (1). Insert instead:	9
(1) The entities listed in Schedule 5 are prescribed as being within the definition of <i>authority</i> in section 3 (1) of the Act.	10 11
<b>[4] Clause 56A</b>	12
Omit the clause. Insert instead:	13
<b>56A Declaration of authority—financial adjustments</b>	14
The Commissioner of Police is prescribed as being within the definition of <i>authority</i> in section 3 (1) of the Act, but only for the purposes of Part 2A of the Act.	15 16 17
<b>[5] Schedule 1 Part 1 investment powers</b>	18
Omit the Part.	19
<b>[6] Schedule 5, heading</b>	20
Omit “Part 2 authorities”.	21
Insert instead “Authorities specifically included”.	22



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<b>[7] Schedule 5</b>	1
Insert in alphabetical order:	2
Albury-Wodonga (New South Wales) Corporation	3
Ambulance Service of New South Wales	4
Area health service constituted under the <i>Health Services Act 1997</i>	5 6
Geological and Mining Museum Trust	7
Health Administration Corporation	8
Minister administering the <i>Environmental Planning and Assessment Act 1979</i> (a corporation)	9 10
Minister administering the <i>Heritage Act 1977</i> (a corporation)	11
Ministerial Corporation for Industry	12
New South Wales Capital Works Financing Corporation	13
New South Wales Health Foundation	14
Statutory health corporation constituted under the <i>Health Services Act 1997</i>	15 16
TAFE Commission	17
Tourism New South Wales	18
Water Administration Ministerial Corporation	19
 <b>2.2 Treasury Corporation Act 1983 No 75</b>	 20
 <b>[1] Section 3 Definitions</b>	 21
Omit “(other than an authority within the meaning of Part 2 of the funding Act)” from the definition of <i>council</i> in section 3 (1).	22 23
 <b>[2] Section 3 (1)</b>	 24
Omit “Part 2 of” from the definition of <i>public authority</i> .	25

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<b>[3] Section 3 (4)</b>	1
Insert after section 3 (3):	2
(4) Notes in this Act do not form part of this Act.	3
<b>[4] Section 9</b>	4
Omit the section. Insert instead:	5
<b>9 Provision of financial accommodation from Corporation</b>	6
*       *       *       *       *	7
<b>Note.</b> Section 10 of the <i>Public Authorities (Financial Arrangements) Act 1987</i> provides that, subject to subsection (2) of that section, an authority (within the meaning of that Act) must not obtain financial accommodation otherwise than from the Corporation.	8 9 10 11