

Victorian Public Authorities Finance Bill

EXPLANATORY MEMORANDUM

Clause 1

Sub-clause (1) contains the normal statutory provisions concerning the short title.

Sub-clause (2) contains a provision regarding the date of commencement of the Act.

Clause 2 defines the terms "Agency", "Participating authority" and "Securities".

Clause 3

Sub-clause (1) establishes a Victorian Public Authorities Finance Agency.

Sub-clause (2) provides details as to the manner in which the Agency shall be constituted namely by four persons appointed by the Governor in Council.

Sub-clause (3) gives the Governor in Council, on the nomination of the Treasurer, discretionary power to appoint a deputy chairman.

Clause 4 states the objective of the Agency as being to obtain finance for the participating authorities.

Clause 5

Sub-clause (1) identifies the functions of the Agency.

Sub-clause (2) empowers the Agency to perform financial and other arrangements that in the opinion of the Agency are conducive to the carrying out of its functions.

Clause 6

Sub-clause (1) contains a statement of the general powers of the Agency.

Sub-clause (2) empowers the Agency to do all things that are necessary, convenient or incidental to the performance of its functions.

Clause 7

Sub-clauses (1) and (2) provide for the keeping, use and judicial notice of the common seal of the Agency.

Clause 8 identifies the general conditions applying to the appointment of members.

Clause 9 provides for the appointment of acting members in the event of a member being unable to perform the duties of office.

Clause 10 identifies the conditions under which the office of a member of the Agency shall become vacant.

Clause 11 contains the statutory provisions relating to meetings of the Agency.

Clause 12 provides for the steps to be taken should a member of the Agency have a pecuniary interest in a matter being considered or to be considered by the Agency.

Clause 13

Sub-clauses (1) to (7) provide for the delegation by the Agency of its powers, duties or functions.

Sub-clause (8) provides for the appointment of a General Manager and other officers and employees.

Clause 14

Sub-clauses (1) to (6) require the Agency to keep accounts and records and to prepare both an audited statement of accounts and an annual report and directs that such report and audited statement of accounts be laid before both houses of the Parliament.

Sub-clause (7) empowers the Agency to engage a registered company auditor to carry out such intermediate inspections and audits as the Agency considers necessary.

Sub-clauses (8) and (9) provide for the Agency to report to the Treasurer on any part of its operations.

Clause 15 requires each participating authority to pay to the Agency such sums as the Agency determines are necessary to meet its obligations.

Clause 16 provides for the distribution of any surplus generated by the Agency.

Clause 17 states that the Agency is not to be deemed to represent the Crown for any purpose.

Clause 18

Sub-clauses (1) and (2) provide for the Agency to adopt such policies as it determines and for the Agency to keep the Treasurer informed as to such policies and proposed policies.

Sub-clause (3) requires the Agency to consult with the Treasurer, if the Treasurer so requests, as to any policy or proposed policy and to give effect to any determination of policy made by the Treasurer after such consultation.

Clause 19 empowers the Agency to borrow or reborrow within such limits and subject to such conditions as are from time to time fixed by the Treasurer.

Clause 20

Sub-clauses (1) to (5) authorize the Agency to raise loans by the issue of bonds, inscribed stock, notes or other securities approved by the Treasurer and establishes the general conditions required for such issues.

Sub-clause (6) provides a statutory guarantee of borrowings undertaken pursuant to any provisions of the Act.

Clause 21 empowers the Agency to raise funds outside the Commonwealth.

Clause 22 establishes that securities issued by the Agency are authorized investments for the purposes of both trustees and any company or body incorporated by an Act of the Parliament of Victoria.

Clause 23 provides that a notice of trust in relation to any securities issued pursuant to this Act shall not be receivable by the Agency or by a participating authority.

Clause 24 provides that the holders of securities are not responsible for the application of the monies they advance to the Agency.

Clause 25 provides for the Agency to establish and operate a sinking fund for the purposes of paying off any loan raised by it.

Clause 26 empowers the Governor in Council to make regulations with respect to the securities issued under the Act.

Clause 27 empowers the Agency to purchase securities that it has issued and to resell those securities unless the Treasurer otherwise directs.

Clause 28

Sub-clause (1) provides the Agency with the power to obtain deposits, advances or financial accommodation from any person whether in Victoria or elsewhere of such amount and secured or arranged in such manner as is approved by the Treasurer.

Sub-clause (2) empowers the Agency to acquire or dispose of any real or personal property and make such property available for use or purchase by a participating authority.

Sub-clause (3) guarantees the repayment of any deposits, advances or financial accommodation.

Clause 29 empowers the Agency to accept money on deposit from the Treasurer or any participating authority.

Clause 30 provides the Agency with the power to invest in any manner declared by the Treasurer to be authorized for the purposes of this Act.

Clause 31

Sub-clause (1) empowers the Treasurer to execute a guarantee in favour of any person guaranteeing the due performance of an obligation of the Agency or of a corporation trust partnership or other body formed by the Agency.

Sub-clause (2) provides for the Treasurer to approve of the assignment of any guarantee given by him under this clause.

Clause 32 appropriates the Consolidated Fund to the extent necessary to fulfil a guarantee given under the Act.

Clause 33 provides for penalties in respect of crimes relating to the operations of the Agency.

Clause 34 provides for the Agency to pay to the Treasurer such sums as the Treasurer may determine in respect of interest on and repayment of loans made available under this Act.

Clause 35 provides that in addition to the powers already conferred on the Agency to issue securities or secure borrowings the Agency may secure borrowings in any other manner approved by the Treasurer.

Clause 36 empowers the Agency with the approval of the Treasurer to borrow moneys that are necessary for the performance of its functions and provides for the securing and guarantee of such borrowings.

Clause 37 provides for the exchange of participating authorities' securities for similar Agency securities.

Clause 38 establishes the Agencies powers in respect of an interest in corporations, trusts and partnerships.

Clause 39 provides for public authorities to be participating authorities.

