

1990

**THE LEGISLATIVE ASSEMBLY OF THE
AUSTRALIAN CAPITAL TERRITORY**

TERRITORY OWNED CORPORATIONS BILL 1990

SUPPLEMENTARY EXPLANATORY MEMORANDUM

Amendment 1 relates to a correction at Clause 12 to identify the singular "objective" as per the principle objective of Territory owned corporations as set out at Clause 7.

Amendment 2 deals with a correction of layout at Subclause 13(1) whereby both paragraphs (a) and (b) of Subclause 13(1) relate to a company that is or is intended to become a Territory owned corporation or a subsidiary.

Amendment 3 introduces a new Clause 13(a) which prohibits the acquiring of subsidiaries (as defined by the Corporations Act) by Territory owned corporations where those subsidiaries are anything other than 100% wholly owned by the Territory.

Amendment 4 adds to the existing Clause 15 an enhanced mechanism for shareholder oversight of assets of Territory owned corporations in cases where Territory owned corporations may mortgage significant assets.

Amendment 5 deals with a correction to ensure that the interpretation of the term "net reasonable expenses" applies to the whole clause.

Amendment 6 ensures that the provisions in Clause 17 for the Auditor-General as company auditor of Territory owned corporations align with the requirements under the Commonwealth Companies Code.

Amendment 7 deals with a correction by inserting the previously omitted word "sitting" into Subclause 18(3).

Amendment 8 deals with a correction to Subclause 18(4), by ensuring appropriate continuity of timing of the tabling of statements by the portfolio Minister responsible for Territory owned corporations.

Amendment 9 clarifies Paragraph 21(2)(d); the Auditor-General's report included in the Annual Report to be tabled in the Legislative Assembly is the same report that the Auditor-General will furnish to the voting shareholders in accordance with his/her responsibilities as a company auditor under the Commonwealth Companies Code.

Amendment 10 deals with the removal of the specific reference to the Corporations Act at Subclause 21(3), substituting a more general reference to Commonwealth legislation dealing with the regulation of companies. This amendment ensures the appropriate link to Commonwealth companies legislation, irrespective of the specific title of the legislation.

Amendment 11 clarifies Subclause 28(5) in regard to the definition of "relevant company", requiring the portfolio Minister to certify in writing the intention of a company to become a Territory owned corporation or a subsidiary.

Amendment 12 deals with a typographical error at Subclause 29(17).