

1996
THE LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

(As presented)

(Ms Tucker)

**Territory Owned Corporations
(Amendment) Bill 1996**

**A BILL
FOR**

**An Act to amend the *Territory Owned Corporations
Act 1990***

The Legislative Assembly for the Australian Capital Territory enacts as follows:

Short title

- 5 **1.** This Act may be cited as the *Territory Owned Corporations
(Amendment) Act 1996*.

Commencement

- 10 **2. (1)** Sections 1, 2, 3 and 4 commence on the day on which this Act
is notified in the *Gazette*.
- (2)** Section 5 commences on a day fixed by the Minister by notice in
the *Gazette*.

Job No.: 1995/169

(3) If section 5 has not commenced before the end of the period of 6 months commencing on the day on which this Act is notified in the *Gazette*, that section, by force of this subsection, commences on the first day after the end of that period.

5 **Principal Act**

3. In this Act, "Principal Act" means the *Territory Owned Corporations Act 1990*¹

Repeal

10 4. Section 7 of the Principal Act is repealed and the following section substituted:

Principal objectives of corporations

"7. (1) The principal objectives of a Territory owned corporation are to—

- 15 (a) operate at least as efficiently as any comparable business;
- (b) maximise the sustainable return to the Territory on its investment in the corporation in accordance with the performance targets contained in the latest statement of corporate intent of the corporation,
- 20 (c) exhibit a sense of social responsibility by having regard to the interests of the community in which it operates; and
- (d) where its activities affect the environment—conduct its operations in compliance with the principles of ecologically sustainable development.

25 "(2) For the purposes of paragraph (1) (d), ecologically sustainable development is to be taken to require the effective integration of economic and environmental considerations in decision-making processes and to be achievable through implementation of the following principles:

- 30 (a) the precautionary principle, namely, that if there is a threat of serious or irreversible environmental damage, a lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation;
- (b) the inter-generational equity principle, namely, that the present generation should ensure that the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations;
- 35 (c) conservation of biological diversity and ecological integrity;
- (d) improved valuation and pricing of environmental resources.

“(3) The principal objectives of a Territory owned corporation are of equal importance.”.

Substitution

5 5. Section 12 of the Principal Act is repealed and the following sections are substituted:

Directors

“12. (1) The directors of a Territory owned corporation or a subsidiary shall include the following:

- 10 (a) a person who is an employee of the corporation or subsidiary;
- (b) a person with experience in consumer rights or social justice;
- (c) in relation to ACTEW Corporation Limited and Totalcare Industries Limited—a person with experience in environmental matters.

15 “(2) A person is not eligible to be a director of a Territory owned corporation or a subsidiary unless—

- (a) he or she is to be appointed as a director referred to in subsection (1), or
- 20 (b) in the opinion of the voting shareholders, he or she has the expertise or skills necessary to assist the corporation to achieve its principal objectives.

Selection of certain directors

“12A. (1) A defined director shall be selected by a selection committee from a panel of 3 persons nominated by the relevant body.

“2) A selection committee shall consist of the following:

- 25 (a) the chairperson of the board of directors of the relevant Territory owned corporation or subsidiary or, if that position is vacant, a person nominated by the voting shareholders;
- (b) 2 persons nominated by the relevant body;
- (c) 2 persons nominated by the voting shareholders.

30 “(3) Subject to this section, the procedures for—

- (a) nominating and selecting a defined director; and
- (b) constituting the selection committee for the appointment of that director;

shall be as determined by the voting shareholders.

“(4) In this section—

‘defined director’ means a director referred to in subsection 12 (1);

‘relevant body’—

- 5 (a) in relation to a selection committee to appoint a director referred to in paragraph 12 (1) (a)—means the ACT Trades and Labour Council Incorporated;
- 10 (b) in relation to selection committee to appoint a director referred to in paragraph 12 (1) (b)—means the Australian Capital Territory Council of Social Service Incorporated; and
- (c) in relation to a selection committee to appoint a director referred to in paragraph 12 (1) (c)—means the Conservation Council of the South East Region and Canberra Incorporated.”.

NOTE

Principal Act

1. Reprinted as at 31 August 1993 See also Act No. 38, 1994; No 7, 1995.

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