

1996
THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN
CAPITAL TERRITORY

Canberra Tourism and Events Corporation Bill 1996

EXPLANATORY MEMORANDUM

Circulated by the authority of
Tony De Domenico MLA
Minister for Business, Employment and Tourism



ACT GOVERNMENT

Canberra Tourism and Events Corporation Bill 1996

OUTLINE

The objective of this Bill is to establish the Canberra Tourism and Events Corporation

The establishment of the Canberra Tourism and Events Corporation was foreshadowed in the 1996-7 Territory Budget. The establishment of a Corporation to maximise the social and economic benefits of tourism to the Territory reflects moves in a number of other Australian jurisdictions.

The Bill sets out the functions, powers, membership and staffing of the Corporation. Other significant provisions deal with the financial, accountability and reporting arrangements for the Corporation. The Corporation is subject to the *Financial Management Act 1996* (Part VIII) which sets out financial provisions dealing with Territory corporations. The Bill enables the Corporation to prepare annual business plans.

Revenue Cost Implications

The Bill will not impact on the 1996/7 Budget.

DETAILS OF THE BILL

PART I PRELIMINARY

Short title, Commencement, Interpretation These are formal provisions

PART II CORPORATE STATUS

Division 1 Establishment, functions and powers

Establishment This provision establishes the Canberra Tourism and Events Corporation

The law does not include a number of provisions sometimes associated with the establishment of a corporation by statute. A reference to perpetual succession has not been included because there are no corporators and the term is therefore meaningless. (The *Second Corporate Law Simplification Bill Exposure Draft 1995* proposes omitting reference to perpetual succession.)

While some Acts establishing corporations provide for the corporation to give directions about custody and use of the common seal, these are essentially matters of internal management that do not need to be provided for in the Act. The reader is also referred to section 150 of the *Evidence Act 1995* of the Commonwealth.

Functions The principal function of the Corporation is to market the Territory to local, interstate and international travellers. Other functions of the Corporation are set out in this provision.

Powers This clause provides that the Corporation has the legal capacity of a natural person in relation to its functions.

Some Acts establishing statutory corporations provide that the body may sue and be sued, many provide that the body may acquire, hold and dispose of real and personal property, some provide that the body may enter into contracts. None of these provisions is strictly necessary because these are inherent powers of a corporation at common law (see *Halsbury's Laws of Australia*, vol 7, para 120-20 to 120-40). It is not necessary to expressly confer power to enter into contracts or to deal with real and personal property or to provide for delegation to an agent. These are all things that a "person" may do. The *Second Corporate*

Law Simplification Bill Exposure Draft 1995 also proposes omitting references to holding land and to being able to sue

Companies, partnerships and joint ventures

This clause prevents the Corporation entering into certain transactions concerning other legal entities without the approval of the Minister.

Division 2 Membership

Constitution This clause provides for membership of the Corporation

Chairperson and Deputy Chairperson

This clause provides for the appointment of the Chairperson and Deputy Chairperson of the Corporation

Appointed members This clause provides that the terms and conditions of members of the Corporation referred to in clause 8(1)(a) are those set out in the Schedule.

Public servant member

This clause provides for the appointment of a public servant member of the Corporation by the Minister.

Division 3 Meetings

Convening Meetings This clause makes provision for convening meetings of the Corporation

Procedure This clause makes provision for procedure at meetings of the Corporation. Provision for other matters sometimes included in legislation (such as the creation of sub-committees) is not included because they are internal matters which do not require legislation. The Committee may hold a meeting by telephone or video link

Quorum Four members constitute a quorum at a meeting of the Corporation

Disclosure of interest This clause requires the disclosure of direct or indirect pecuniary or personal interests of appointed members of the Corporation

PART III CHIEF EXECUTIVE OFFICER, STAFF AND CONSULTANTS**Division 1 Chief Executive Officer**

Office and office holder

This clause provides for the office of the Chief Executive Officer

Role

This clause provides that, subject to and in accordance with the general directions of the Corporation, the Chief Executive Officer shall manage the affairs of the Corporation

Division 2 Staff and consultants

Staff

Staff of the Corporation must be employed under the *Public Sector Management Act 1994*. In effect, the Chief Executive Officer would have the powers of a Chief Executive in relation to that staff. This clause is intended to be read in conjunction with section 24 of the *Public Sector Management Act 1994*.

Consultants

The Corporation may engage consultants

PART IV MANAGEMENT

Interpretation

This is a formal provision

Management focus

Members of the Corporation are required to discharge the functions of the Corporation in accordance with sound business practice and the Corporation's business plan

Business plans

The business plan must contain financial information in the Corporation's statement of intent (prepared under the *Financial Management Act 1996*) together with longer term strategic planning information

Development of business plans

In preparing a business plan, the Corporation shall have regard to the Minister's views. This provision is intended to be subject to other provisions in the law, including those dealing with Ministerial directions

Modification of business plans

In modifying a business plan, the Corporation shall have regard to the Minister's views. This provision is subject to other provisions in the law, including those dealing with Ministerial directions

Application of Part VIII of the Financial Management Act 1996

Part VIII of the *Financial Management Act 1996* applies to the Corporation. Accordingly there is no need for the provision to provide for financial reporting, investment or borrowings. Having regard to the functions of the proposed Corporation, no special financial powers are required. Subclause (2) is included to avoid an inference from the specific terms of subclause (1). Under the terms of the *Auditor-General Act 1996* the accounts of the Corporation would be audited by the Auditor-General. It is not necessary to make specific provision in the Bill for this purpose.

PART V MISCELLANEOUS

Provision of information

This clause provides that the Corporation shall furnish to the Minister such information relating to its operations as the Minister requires.

Ministerial directions The Minister may give general or particular directions to the Corporation. The Territory shall pay the reasonable cost of the Corporation complying with the direction. Details of directions must be presented to the Assembly.

Quarterly reports This clause makes provision for quarterly reports to the Minister.

Annual report This clause makes provision for an annual report. The Corporation is a "public authority" for the purposes of the *Annual Reports (Government Agencies) Act 1995*.

Regulations Standard provision is made for the making of regulations.

Vesting of assets This clause makes transitional provision for the transfer of assets to the Corporation.

Development of first business plan

This clause makes transitional provision for the development of the first business plan.

Schedule

The schedule provides for the appointment and terms and conditions of members referred to in clause 8(1)(a) Members may be appointed for up to 3 years after the Minister has considered the appointees' suitability Provision is also made for

- entitlement for remuneration of appointed members of the Corporation,
- resignation of appointed members of the Corporation,
- the termination of appointment of appointed members of the Corporation, and
- acting appointments while the office is vacant or an appointed member is unavailable