

GOVERNMENT OWNED CORPORATIONS BILL 1993

EXPLANATORY NOTES

The Bill provides for the corporatisation of nominated government entities and for related purposes.

It should be noted that throughout the Bill references are made to subsidiaries of GOCs and to proposed subsidiaries of GOCs but in the preparation of these notes reference is generally made only to GOCs.

CHAPTER 1—PRELIMINARY

PART 1—INTRODUCTION

Clause 1 sets out the short title of the Act.

Clause 2 provides for the Act to commence on proclamation.

PART 2—INTERPRETATION

Clause 3 sets out the definitions in the Act.

Clause 4 sets out an inclusive definition of a reference to the doing of an act by a GOC.

PART 3—BASIC CONCEPTS

Clause 5 defines what is meant by a “government entity”.

Clause 6 establishes what is meant by a “GOC” or a “government owned corporation”.

Clause 7 sets out the types of GOCs and certain characteristics of a statutory GOC and a company GOC with special reference to the application of the Corporations Law.

Clause 8 sets out which Ministers are to be the “GOC Minister” and the “portfolio Minister” of a GOC and a candidate GOC.

Clause 9 sets out the meaning of “statement of corporate intent” and establishes the intention that the statement of corporate intent should represent an agreement between the GOC’s board of directors and the shareholding Ministers.

PART 4—OPERATION OF ACT AND APPLICATION OF LAWS

Clause 10 provides that the Act binds the Crown.

Clause 11 sets out the extraterritorial operation of the Act.

Clause 12 sets out the application of other laws to GOCs.

Clause 13 sets out the application of other laws to candidate GOCs.

Clause 14 outlines how the Corporations Law is to be applied to GOCs.

PART 5—OUTLINE OF ACT AND ITS BACKGROUND AND OBJECTIVES

Clause 15 states that the Act makes provision for a structural reform process for nominated government entities.

Clause 16 gives a meaning to “corporatisation” by describing a structural reform process.

Clause 17 sets out the objectives of corporatisation.

Clause 18 establishes that the objectives of corporatisation are to be achieved through the application of the key principles of corporatisation and their elements.

Clause 19 sets out the four “key principles of corporatisation” and their elements being—

- (a) Principle 1—Clarity of Objectives
- (b) Principle 2—Management autonomy and authority
- (c) Principle 3—Strict accountability for performance
- (d) Principle 4—Competitive neutrality

Clause 20 sets out the key objectives of GOC under corporatisation.

Clause 21 establishes how the Act will enable management of the corporatisation process.

CHAPTER 2—MECHANISMS FOR CREATING AND ALTERING TYPES OF GOCS

PART 1—OUTLINE OF THE PROCESSES

Clause 22 sets out what the Part provides.

Clause 23 requires a government entity to become a candidate GOC before becoming a statutory or company GOC.

Clause 24 relates the meaning of “candidate GOC” to nomination under Part 2.

Clause 25 provides meanings for “government entity that is to become a GOC”, “government entity that is to become a statutory GOC”, “government entity that is to become a company GOC” and “government entity that is to become a subsidiary of a GOC”.

PART 2—NOMINATION OF ENTITIES

Clause 26 provides that the Governor in Council may by regulation nominate a government entity or two or more government entities to be a candidate GOC.

Clause 27 provides that the Governor in Council may by regulation nominate a statutory GOC or part of a statutory GOC to be a candidate GOC that is to become a company GOC.

PART 3—PREPARATION OF CORPORATISATION CHARTER

Division 1—Preliminary

Clause 28 sets out the meaning of “corporatisation charter”.

Clause 29 sets out how a candidate GOC may become a GOC following the preparation and implementation of a corporatisation charter. Subclause (2) provides an exemption from these requirements.

Clause 30 provides that a candidate GOC may change its type to a company GOC following the preparation and implementation of a corporatisation charter. Subclause (2) provides an exemption from these requirements.

Division 2—Responsible Ministers

Clause 31 sets out who are to be responsible Ministers of a candidate GOC that is not a statutory GOC or part of a statutory GOC.

Clause 32 provides that the responsible Ministers of a candidate GOC are not to be treated as directors of the candidate GOC or any subsidiary or proposed subsidiary.

Clause 33 provides that for a statutory GOC or part of a statutory GOC, the shareholding Ministers are the responsible Ministers.

Division 3—Draft Corporatisation Charter

Clause 34 establishes that the responsible Ministers may determine that a draft corporatisation charter be prepared and submitted to them and, in that event, the following provisions of the Division are to apply.

Clause 35 gives the responsible Ministers the discretion to determine that the draft corporatisation charter should contain all or any of the matters listed in subclause (1). The responsible Ministers may also determine that the draft corporatisation charter should contain a timetable for carrying out the matters listed in subclause (2).

Clause 36 sets out the other matters that Ministers may determine to be relevant to draft corporatisation charter preparation.

Clause 37 enables responsible Ministers to give written directions to a candidate GOC in relation to the candidate GOC and its subsidiaries to enable the draft corporatisation charter to be prepared including in subclause (2) directions which may be given to the candidate GOC if a charter preparation committee has been appointed.

Division 4—Charter Preparation Committee

Clause 38. Under this clause the responsible Ministers of a candidate GOC may appoint a charter preparation committee to prepare a draft corporatisation charter.

Clause 39 sets out the conduct of meetings and other business by a charter preparation committee.

Clause 40 sets out that the responsible Ministers may determine the terms of appointment of members of a charter preparation committee.

Clause 41 sets out how resignation and removal from office of members of a charter preparation committee may occur.

Clause 42 provides for a draft corporatisation charter to be given to

responsible Ministers and allows responsible Ministers to return the draft corporatisation charter to the charter preparation committee requesting it to carry out specified matters.

Division 5—Corporatisation Charter

Clause 43 establishes that responsible Ministers of a candidate GOC may approve a draft corporatisation charter.

Clause 44. Responsible Ministers of a candidate GOC may approve amendments to a candidate GOC's corporatisation charter.

PART 4—IMPLEMENTATION OF CORPORATISATION CHARTER

Clause 45. The responsible Ministers of a candidate GOC may appoint a charter administration committee to ensure implementation of the corporatisation charter.

Clause 46 sets out the way that the charter administration committee is to conduct its meetings and other business.

Clause 47 provides for the responsible Ministers to determine the terms of appointment of a member of a charter administration committee.

Clause 48 sets out how resignation and removal from office of a member of a charter administration committee may occur.

Clause 49 enables responsible Ministers to give written directions to a candidate GOC in relation to the candidate GOC and its subsidiaries to enable the GOCs' corporatisation charter to be implemented. Under subclause (2) the responsible Ministers may give directions to a candidate GOC if a charter administration committee has been appointed such directions to be in the terms set out in the subclause.

PART 5—CORPORATISATION FACILITATIVE MECHANISMS

Clause 50 sets out the purpose of the Part as being to provide mechanisms designed to facilitate the corporatisation process.

Clause 51 enables a regulation to provide for matters specified in subclause (1) in relation to a government entity that is not a body corporate that is to become a GOC. Under subclause (2) a regulation may be made with respect to any matter to facilitate the change to a body corporate that is to become a GOC.

Clause 52 enables a regulation to provide that, where there is a government entity that is a corporation sole or corporation aggregate (other than under the Corporations Law) that is to become a GOC, the person or persons constituting the office go out of office.

Clause 53 enables regulations to be made to facilitate the change of a government entity that is part of a body corporate to a body corporate in its own right that is to become a GOC.

Clause 54 sets out enabling provisions for regulations to provide for the transfer of assets and liabilities and other matters where a government entity is to become a GOC.

Clause 55 allows the responsible Ministers of a government entity that is to be a company GOC to adopt a memorandum and articles or to amend previous memorandum and articles. The clause also sets out the relationship between the memorandum and articles and the Act and the Corporations Law.

Clause 56 sets out the role of an existing board of directors or an equivalent body of a candidate GOC including carrying out the directions of the responsible Ministers regarding implementation of the candidate GOC's corporatisation charter.

Clause 57 sets out that where a government entity that is to become a GOC does not have a board of directors or an equivalent body, a regulation may provide for an interim board of directors. The clause goes on to set out the role of the interim board.

Clause 58 enables a regulation to provide that a candidate GOC is to have a share capital of a specified amount.

Clause 59 enables a regulation to be made to vary the share capital of a candidate GOC.

Clause 60 authorises a government entity that is to become a company GOC to transfer its incorporation to the Corporations Law and become registered under that Law.

Clause 61 allows existing legal relationships to continue despite anything done under the Part.

Clause 62. Subclause (1) enables a regulation to be made with respect to any matter to facilitate the transition of a government entity to a GOC. Subclause (2) enables a regulation to be made to apply a provision of the Chapter or Chapter 1 as set out in the subclause.

PART 6—CANDIDATE GOCS BECOMING GOCS

Clause 63. Where the Governor in Council is satisfied that the candidate GOC is ready to become a GOC and has complied as specified with the Act, the Governor in Council may by regulation declare that the candidate GOC is a GOC.

Clause 64. The declaration as a GOC does not affect the legal personality or the functions and powers of the entity.

CHAPTER 3—GOVERNMENT OWNED CORPORATIONS (GOCs)

PART 1—BASIC REQUIREMENTS

Division 1—Statutory GOCs

Clause 65 provides that a statutory GOC must be established as a body corporate by an Act but not registered under the Corporations Law and

must have a board of directors and issued shares.

Division 2—Company GOCs

Clause 66 provides that a company GOC must be a public company within the meaning of the Corporations Law.

PART 2—APPLICATION OF CORPORATIONS LAW

Division 1—Statutory GOCs

Clause 67 enables a regulation to prescribe the provisions of the Corporations Law to apply to a statutory GOC and states how those provisions are to apply.

Clause 68 provides that a statutory GOC is an exempt public authority for the purposes of the Corporations Law.

Division 2—Company GOCs

Clause 69 provides that the Corporations Law applies to a company GOC except as otherwise provided by the Act.

Clause 70 establishes that a company GOC is not an exempt public authority for the purposes of the Corporations Law.

PART 3—SHARES AND SHAREHOLDING MINISTERS

Division 1—Statutory GOCs

Clause 71. A statutory GOC must have only two shareholders.

Clause 72. Each shareholder in a statutory GOC must have an equal number of shares in the GOC and be entitled to rights equal to the other shareholder.

Clause 73. The GOC Minister and portfolio Minister are taken to be the shareholders of the statutory GOC.

Clause 74. The GOC Minister and portfolio Minister of a statutory GOC are its shareholding Ministers.

Clause 75. A regulation may vary the share capital of a statutory GOC.

Division 2—Company GOCs

Clause 76. A company GOC must have only five shareholders.

Clause 77. Two of the shareholders must be voting shareholders and three must be non-voting shareholders.

Clause 78. Voting shareholders must have an equal number of shares and votes.

Clause 79. The voting shareholders of a company GOC are the GOC Minister and portfolio Minister. The non-voting shareholders must be Ministers.

Clause 80. The GOC and portfolio Ministers of a company GOC are its shareholding Ministers and non-voting shareholders are not shareholding Ministers of the company GOC.

Clause 81 allows resolutions to be passed by the shareholding Ministers of a company GOC without holding meetings.

Division 3—GOCs generally

Clause 82. The State owns the shares in a GOC and the shareholders of the GOC hold their shares on behalf of the State.

Clause 83 provides that shares in a GOC may only be transferred to a Minister and provides for the execution of transfers by the Premier.

Clause 84. Acts authorised or required by the Act to be done by a GOC's shareholding Ministers must be done by the shareholding Ministers jointly.

Clause 85. In the first subclause shareholding Ministers and non-voting shareholders of a GOC are not to be treated as directors. The clause further provides for an exemption from civil liability of a Minister but if that exemption is not available then the civil liability attaches to the State instead of the Minister.

PART 4—MEMORANDUM AND ARTICLES

Division 1—Statutory GOCs

Clause 86. Shareholding Ministers may require amendment of the memorandum and articles of a subsidiary of a GOC.

Clause 87 sets out the relationship between the memorandum and articles of a subsidiary of a GOC and the Act and the Corporations Law.

Division 2—Company GOCs

Clause 88. Memorandum and articles of a company GOC may be amended by shareholding Ministers.

Clause 89. Shareholding Ministers may require amendment of the memorandum and articles of a subsidiary of a company GOC.

Clause 90 sets out the relationship between the memorandum and articles of a company GOC and the Act and the Corporations Law.

PART 5—BOARD OF DIRECTORS

Division 1—Statutory GOCs

Clause 91 requires each statutory GOC to have a board of directors.

Clause 92 sets out the role of the board of directors of a statutory GOC as including the matters specified in the clause.

Clause 93 sets out the power of the board of a statutory GOC by resolution to delegate its powers to the persons specified in the clause.

Clause 94 refers to additional provisions relating to the board of a statutory GOC as being set out in Schedule 1.

Division 2—Company GOCs

Clause 95 sets out the role of the board of a company GOC as including the matters specified in the clause.

Clause 96 states that the board of a company GOC is to consist of the number of directors that are appointed by the Governor in Council and stipulates matters which the Governor in Council must have regard to in making an appointment of a person as a director.

PART 6—CHIEF EXECUTIVE OFFICER

Division 1—Statutory GOCs

Clause 97. Each statutory GOC is to have a chief executive officer.

Clause 98. The chief executive officer is, under the board, to manage the GOC.

Clause 99. Anything done in the name of or for a statutory GOC by its

chief executive officer is taken to have been done by the GOC.

Clause 100 sets out the power of the chief executive officer to delegate his powers.

Clause 101 refers to additional provisions relating to the chief executive officer of a statutory GOC as being set out in Schedule 2.

Division 2—Company GOCs

Clause 102 provides that the chief executive officer of a company GOC is to be appointed by the Governor in Council on the recommendation of the GOC's board.

PART 7—CORPORATE PLAN

Division 1—General

Clause 103. Each GOC must have a corporate plan.

Clause 104. The corporate plan applies to subsidiaries.

Clause 105. The GOC Minister may issue guidelines about the form and content of corporate plans which must be complied with by every GOC.

Division 2—Preparation, agreement on and modification of corporate plan

Clause 106. The board of a GOC must prepare and submit to shareholding Ministers for their agreement a draft corporate plan within the time limits set out in the clause.

Clause 107 sets out the procedures and time limits for the Ministers to request or direct the contents of and other matters in relation to the draft

corporate plan.

Clause 108. A draft corporate plan becomes the GOC's corporate plan when it is agreed to by shareholding Ministers.

Clause 109 provides for a draft corporate plan to be taken to be the GOC's corporate plan for a limited time.

Clause 110 provides for the modification of the corporate plan with the agreement of shareholding Ministers or by their direction to the board.

PART 8—STATEMENT OF CORPORATE INTENT

Division 1—Preliminary

Clause 111. Each GOC must have a statement of corporate intent for each financial year.

Clause 112. The statement of corporate intent of a GOC applies to its subsidiaries.

Clause 113. The statement of corporate intent must be consistent with the corporate plan of a GOC.

Division 2—Matters to be included in statement of corporate intent

Clause 114 provides that a GOC's statement of corporate intent must specify the financial and non-financial performance targets for its activities for the relevant financial year and goes on to refer to the matters required to be included in the statement of corporate intent by following clauses.

Clause 115 sets out the additional matters which must be included in the statement of corporate intent and provides that the matters listed do not limit the matters which may be included in the statement of corporate intent. The clause also provides that the shareholding Ministers may exempt the GOC from including in the statement of corporate intent any of the specified matters or any aspect of one of those matters.

Division 3—Preparation, agreement on and modification of statement of corporate intent

Clause 116 requires the board to prepare and submit to shareholding Ministers for their agreement a draft statement of corporate intent within the times specified in the clause. The board and the shareholding Ministers must endeavour to reach agreement on the draft statement of corporate intent as soon as possible.

Clause 117 sets out the procedures for shareholding Ministers to request or direct modifications to the statement of corporate intent and other matters within the times referred to in the clause.

Clause 118. A draft statement of corporate intent becomes the GOC's statement of corporate intent when it has been agreed to by shareholding Ministers.

Clause 119 provides for a draft statement of corporate intent to be taken to be a GOC's statement of corporate intent for a limited time.

Clause 120 provides for the modification of a statement of corporate intent by agreement with shareholding Ministers or by their direction.

PART 9—COMMUNITY SERVICE OBLIGATIONS

Clause 121 sets out the meaning of “community service obligations” as being obligations to perform activities that the GOC's board establishes to the satisfaction of the shareholding Ministers are not in the commercial interests of the GOC to perform and arise because of a direction, notification or duty to which the clause applies but do not arise because of the application of Principles 3 and 4 of the key principles of corporatisation (and their elements).

Clause 122. The community service obligations of a GOC are to be specified in its statement of corporate intent as are the costings of, funding for or other arrangements to make adjustments relating to the community service obligations.

PART 10—GENERAL RESERVE POWERS OF SHAREHOLDING MINISTERS

Clause 123 provides a reserve power for shareholding Ministers to notify a GOC's board in writing of a public sector policy that is to apply to the GOC if the shareholding Ministers are satisfied that it is necessary to give the notification in the public interest.

Clause 124 provides for shareholding Ministers to give a GOC's board a written direction if the shareholding Ministers are satisfied that, because of exceptional circumstances, it is necessary to give the direction in the public interest.

Clause 125 requires the board of a GOC to give a written notice to shareholding Ministers and the Auditor-General if, as a result of a direction or notification given by shareholding Ministers to the board, the board suspects that the GOC may become insolvent and has formed the opinion that a substantial cause of the insolvency would be compliance with the direction or notification. When a notice is given under this clause, the shareholding Ministers must, if they are satisfied as required, take action as set out in the clause.

Clause 126 establishes that the only direction that a GOC is subject to by the Government is as provided by the Act or another Act.

PART 11—REPORTS AND OTHER ACCOUNTABILITY MATTERS

Division 1—Statutory GOCs

Clause 127. This clause deals with the form and extent of the application of the *Financial Administration and Audit Act 1977* to statutory GOCs.

Division 2—Company GOCs

Clause 128. This clause sets out the extent to which the *Financial Administration and Audit Act 1977* may be applied by regulation to company GOCs and the form in which that Act is to apply. The clause also provides the manner of application of the *Financial Administration and Audit Act*.

Clause 129 declares the application of the *Public Accounts Committee Act 1988* to the annual reports and financial statements of a company GOC.

Division 3—GOCs generally

Clause 130 sets out the requirements for quarterly reports to be given by GOCs to shareholding Ministers.

Clause 131 sets out the contents of annual reports of GOCs.

Clause 132 enables shareholding Ministers to delete commercially sensitive matters from the copy of the annual report (and accompanying documents) that are laid before the Legislative Assembly or otherwise made public. A summary may be included of a matter required to be included in an annual report provided it indicates that it is a summary, and subject to the deletion by shareholding Ministers of commercially sensitive material, the full statement is laid before the Legislative Assembly.

Clause 133 sets out the information, reports and other matters required to be provided by the board of a GOC to shareholding Ministers.

**PART 12—DUTIES AND LIABILITIES OF
DIRECTORS AND OTHER OFFICERS*****Division 1—Statutory GOCs***

Clause 134 sets out the requirements for disclosure of directors'

interests.

Clause 135. This clause sets out the requirements where a director of a statutory GOC has a material personal interest in a matter that is being considered by the board of the GOC.

Clause 136. This clause sets out for defined officers of a statutory GOC the duties of honesty, care and diligence, improper use of information and improper use of position in relation to the statutory GOC. The section includes offence and recovery provisions. For the purposes of subsection (3), specified matters which are to be had regard to in determining the degree of care and diligence are set out in subsection (9).

Clause 137 sets out a prohibition on loans to directors and others and a prohibition on guarantees or security in connection with loans made to directors and others.

Clause 138 prohibits indemnities and exemptions from liability incurred as a defined officer of a statutory GOC. An exception from the prohibition applies so that a statutory GOC is not prevented from indemnifying a person against a civil liability (other than a liability to the GOC) unless the liability arises out of conduct involving lack of good faith.

Clause 139. A statutory GOC must not pay a premium for insuring a defined officer against a liability arising out of a wilful breach of duty in relation to the GOC or in breach of the improper use of information or improper use of position provisions of clause 136.

Clause 140. A person who is a director of a statutory GOC or takes part in its management during insolvent trading commits an offence against the clause. Defences are set out in the clause.

Clause 141 provides that a person who is found guilty of an offence against clause 140 is personally responsible for payment to the GOC of the amount required to satisfy so much of the debts of the GOC as the Supreme or a District Court considers proper.

Clause 142 provides for examination by the Supreme or a District Court of persons who have been or may have been guilty of fraud, negligence, default, breach of trust or breach of duty or other misconduct in relation to a GOC or of persons who may be capable of giving information in relation to the management, administration or affairs of the statutory GOC.

Clause 143 provides for the Supreme or a District Court to grant relief to

a director, the chief executive officer or an employee of a statutory GOC from liability for specified matters if the person ought fairly to be excused.

Clause 144. A defined officer of a statutory GOC must not provide false or misleading information or documents and if he does so commits an offence under the provision.

Division 2—Company GOCs

Clause 145 sets out those matters to which regard must be had when determining for the purposes of the Corporations Law, the degree of care and diligence for officers of company GOCs.

Clause 146 sets out those matters to which regard must be had when determining, for the purposes of the Corporations Law, the degree of care and diligence for officers of subsidiaries of GOCs.

Division 3—GOCs generally

Clause 147 requires the board of a GOC to give written notice to shareholding Ministers and the Auditor-General if the board suspects that the GOC may become insolvent and has formed the opinion that a substantial cause of the insolvency would not be compliance with a direction or notification from shareholding Ministers. When a notice is given under this clause, the shareholding Ministers must, if they are satisfied as required, take action as set out in the clause.

PART 13—LEGAL CAPACITY AND POWERS

Division 1—Statutory GOCs

Clause 148 is an inclusive provision relating to the objects of the division.

Clause 149 sets out the general powers of statutory GOCs.

Clause 150 sets out the restrictions on powers of statutory GOCs.

Clause 151 sets out the assumptions that a person having dealings with a statutory GOC or a person having dealings with a person who has acquired or purports to have acquired title to property from a statutory GOC is entitled to make.

Division 2—Company GOCs

Clause 152 sets out the general powers of a company GOC which it has in addition to the powers conferred on it by the Corporations Law.

Clause 153 provides that, for the removal of doubt, the Act does not revive the doctrine of ultra vires in relation to company GOCs.

PART 14—FINANCE

Division 1—Taxation

Clause 154 provides that a GOC is not exempt from State tax merely because it is a GOC but allows a regulation to be made which may exempt a GOC from liability to pay a State tax in whole or part.

Clause 155. A GOC must pay to the GOC Minister for payment into the Consolidated Fund tax equivalents being those amounts that are determined by the GOC's tax assessor to be the value of benefits derived by the GOC because it is not liable to pay Commonwealth tax that would be payable if it were neither a GOC nor a government entity.

Division 2—Borrowings and Guarantees

Clause 156 provides that a GOC is a statutory body for the purposes of the *Statutory Bodies Financial Arrangements Act 1982*.

Clause 157. A GOC may borrow in accordance with the specified policies as outlined in its statement of corporate intent.

Clause 158 limits the circumstances in which the State is liable for the debts and other liabilities of a GOC.

Division 3—Dividends

Clause 159 sets out the procedure and requirements for determining the dividend to be paid by a GOC for a financial year.

Clause 160 sets out the procedure and requirements for payment of an interim dividend.

PART 15—ACQUISITION AND DISPOSAL OF ASSETS AND SUBSIDIARIES

Clause 161 contains a reserve power of shareholding Ministers to direct that asset not be disposed of.

Clause 162 provides that a GOC may only dispose of any of its main undertakings with the prior written approval of the shareholding Ministers.

Clause 163 provides that a GOC may only form a subsidiary or acquire shares or participate in any other transaction resulting in the acquisition or disposal of a subsidiary with the prior consent of the shareholding Ministers.

PART 16—EMPLOYEES

Division 1—Application of Part to GOC Subsidiaries

Clause 164. Part 16 applies to a subsidiary of a GOC and its employees

in the same way as it applies to the GOC and its employees.

Division 2—Statutory GOCs

Clause 165 provides for a statutory GOC to engage employees.

Clause 166 provides that the terms of employment of the employees of a statutory GOC are to be as determined by the GOC.

Division 3—Company GOCs

Clause 167 provides that the *Public Sector Management Commission Act 1990* does not apply to a company GOC or its employees.

Division 4—GOCs generally

Clause 168 provides for senior executives of a GOC to be appointed by the Governor in Council on the recommendation of the board.

Clause 169 enables a GOC to make arrangements for the services of officers to be made available to the GOC and for the services of an employee of the GOC to be made available to government.

Clause 170 applies the *Equal Opportunity in Public Employment Act 1992* to GOCs.

Clause 171 requires the board of a GOC to prepare an employment and industrial relations plan specifying arrangements for all major employment and industrial relations issues for the GOC and including the matters specified in the clause. The plan must be included in the GOC's statement of corporate intent. The clause enables shareholding Ministers to direct the board in relation to the preparation or review of the plan and sets out consultation which must occur in the plan's preparation or review.

Clause 172 provides for a GOC, with the prior approval of the Governor in Council, to establish and maintain a superannuation scheme for its employees.

Clause 173 contains provisions relating to superannuation for officers and employees who were previously officers of the public service and contributors or members of specified State schemes.

Clause 174 preserves leave entitlements of certain former officers and employees of government entities.

Clause 175 provides a right of return to the public service upon election by officers of the public service employed by a GOC within one year after it becomes a GOC.

PART 17—OTHER MATTERS

Division 1—GOCs generally

Clause 176 excludes the application of the *Electoral and Administrative Review Act 1989* to GOCs.

Clause 177 excludes the application of the *Parliamentary Commissioner Act 1974* to GOCs.

Clause 178 provides for the application by regulation of any provision of the Chapter to a subsidiary of a GOC.

Division 2—Statutory GOCs

Clause 179 contains provisions relating to a statutory GOC's seal.

Clause 180 provides for authentication of documents made by a statutory GOC (otherwise than required to be under seal) by signature of specified or authorised persons.

Clause 181 provides for judicial notice of certain signatures and the holding of office.

Clause 182. A statutory GOC is a unit of public administration under the *Criminal Justice Act 1989*.

Division 3—Company GOCs

Clause 183 excludes the application of the *Criminal Justice Act 1989* to a company GOC.

CHAPTER 4—MISCELLANEOUS

Clause 184 contains provisions to enable monitoring and assessment of GOCs to be carried out and in particular empowers the shareholding Ministers of a GOC to request the chief executive of the department to investigate and report to them on any matter relating to the GOC and for that purpose empowers the chief executive to give written directions. Similar provisions for investigation and report are included for candidate GOCs on the request of responsible Ministers.

Clause 185 provides that a document to be given to a board of a GOC or candidate GOC may be given to its chairperson.

Clause 186 sets out the proceedings for offences.

Clause 187 enables the Governor in Council to make regulations for the purposes of the Act.

SCHEDULE 1**ADDITIONAL PROVISIONS RELATING TO BOARD
OF STATUTORY GOC****PART 1—COMPOSITION OF BOARD OF
STATUTORY GOC**

Clause 1 provides that the board of a statutory GOC is to consist of the

number of directors appointed by the Governor in Council.

Clause 2 sets out provisions relating to the appointment of the chairperson and deputy chairperson of a statutory GOC and includes provision for the deputy chairperson to act as chairperson.

PART 2—MEETINGS AND OTHER BUSINESS OF BOARD OF STATUTORY GOC

Clause 3 contains a definition of “required minimum number” of directors.

Clause 4 allows the board of a statutory GOC to conduct its business in the way it considers appropriate.

Clause 5 relates to the times and places of meetings of the board of a statutory GOC.

Clause 6 relates to the person who is to preside at meetings of a statutory GOC.

Clause 7 relates to quorum and voting at meetings of the board of a statutory GOC.

Clause 8 allows participation in meetings of the board otherwise than by physical presence of a director.

Clause 9 allows resolutions of the board to be passed without a meeting.

Clause 10 requires the board to keep minutes of its proceedings.

PART 3—PROVISIONS RELATING TO DIRECTORS

Clause 11 contains provisions relating to the appointment of directors of a statutory GOC.

Clause 12 makes provision for the terms of appointment of a director of

a statutory GOC which are not provided for by the Act.

Clause 13 enables appointment of an acting director of a GOC.

Clause 14 relates to resignation by a director or the chairperson and deputy chairperson of a board.

Clause 15 relates to the termination of appointment of a director.

SCHEDULE 2

ADDITIONAL PROVISIONS RELATING TO CHIEF EXECUTIVE OFFICER OF STATUTORY GOC

Clause 1 provides for the appointment of a chief executive officer by the Governor in Council on the recommendation of the board of the GOC.

Clause 2 enables appointment of an acting chief executive officer.

Clause 3 makes provision for terms of appointment not provided for by the Act for the chief executive officer.

Clause 4 relates to the resignation of the chief executive officer.

Clause 5 relates to the termination of appointment of the chief executive officer.