

Statutory Bodies Financial Arrangements Amendment Regulation (No. 1) 2015

Explanatory notes for SL 2015 No. 183

made under the

Statutory Bodies Financial Arrangements Act 1982

General Outline

Short title

Statutory Bodies Financial Arrangements Amendment Regulation (No. 1) 2015

Authorising law

Section 78 of the *Statutory Bodies Financial Arrangements Act 1982*.

Policy objectives and the reasons for them

The objectives of the *Statutory Bodies Financial Arrangements Amendment Regulation (No. 1) 2015* (the Amendment Regulation) are to:

- alter the reporting frequency of derivative transactions for statutory bodies;
- insert new investment products offered by Queensland Investment Corporation (QIC), and remove a product no longer offered by QIC;
- prescribe Trade and Investment Queensland (TIQ) as a statutory body that may enter into derivative transactions and allocate category 1 investment power;
- remove references to abolished statutory bodies and insert statutory bodies that replaced them; and
- amend some words for consistency of terminology.

The reasons for the objectives are outlined below.

Frequency of derivative reporting requirements for statutory bodies

Section 12 of the *Statutory Bodies Financial Arrangements Regulation 2007* (SBFA Regulation) requires that a statutory body must provide monthly reports to the Treasurer for the duration of a derivative transaction. This reporting requirement is considered onerous and administratively burdensome for statutory bodies. Changes have been made to the reporting requirement such that statutory bodies will be required to provide reports on their derivative transactions on a quarterly basis unless a more frequent reporting requirement is determined by the Treasurer. As such, the SBFA Regulation will be amended to reflect changes in the reporting frequency.

Changes to QIC investment products

QIC has introduced three new investment products namely QIC Bond Plus Fund, QIC Cash Enhanced Fund and QIC GFI Inflation Plus Fund. These investment products have been approved to be prescribed investment arrangements for statutory bodies with category 2 investment power. QIC has abolished the QIC Stable Fund which is currently listed as a prescribed investment arrangement. The Regulation will be amended to add these new investment products and remove the QIC Stable Fund.

Trade and Investment Queensland (TIQ)

On 1 February 2014, TIQ was established as a statutory body pursuant to the *Trade and Investment Queensland Act 2013*. TIQ has been approved to be allocated category 1 investment power and be listed in the SBFA Regulation as a statutory body that may enter into derivative transactions. The SBFA Regulation will be updated by including TIQ to schedule 3 (list of statutory bodies with category 1 investment power) and schedule 8 (list of statutory bodies that may enter into derivative transactions).

Update references to abolished and/or replaced statutory bodies

- **Dental Technicians Board of Queensland:** Section 123 the *Health Legislation (Health Practitioner Regulation National Law) Amendment Act 2010* repealed the authorising Act for the Dental Technicians Board, *Dental Practitioners Registration Act 2001*. As such, reference to the Dental Technicians Board will be removed from the SBFA Regulation.
- **Office of Health Practitioner Registration Boards (OHPRB):** Pursuant to the *Health Practitioner Registration and Other Legislation Amendment Act 2013*, the OHPRB ceased operations on 30 June 2013. As such, references to the OHPRB will be removed from the SBFA Regulation.
- **Health Quality and Complaints Commission (HQCC):** Section 321 of the *Health Ombudsman Act 2013* repealed the *Health Quality and Complaints Commission Act 2006*, the authorising Act for the HQCC. As such, references to the HQCC will be removed from the SBFA Regulation.
- **Queensland Training Assets Management Authority (QTAMA):** Section 223 of the *Further Education and Training Act 2014* abolished the *Queensland Training Assets Authority Act 2014*, the authorising Act for the QTAMA. As such, references to the QTAMA will be removed from the SBFA Regulation.
- **Speech Pathologists Board of Queensland:** Section 54 of the *Health Practitioner Registration and Other Legislation Amendment Act 2013* repealed the *Speech Pathologists Registration Act 2001*, the authorising Act for the Speech Pathologists Board. As such, references to the Speech Pathologists Board will be removed from the SBFA Regulation.
- **Sugar Industry Commissioner:** The *Primary Industries and Other Acts Amendment Act 2008* amended the *Sugar Industry Act 1999* to effect the dissolution of the office of the Sugar Industry Commissioner. As such, references to the Sugar Industry Commissioner will be removed from the SBFA Regulation.

- **Future Growth Fund:** Section 50 of the *Revenue Amendment and Trade and Investment Queensland Act 2013* repealed the *Future Growth Fund Act 2006*, the authorising Act for the Queensland Future Growth Fund (QFGF). Therefore, references to QFGF will be removed from the SBFA Regulation.
- **Council of the Shire of Aurukun and the Council of the Shire of Mornington:** The Council of the Shire of Aurukun and the Council of the Shire of Mornington (the Shires) were regulated under the *Local Government (Aboriginal Lands) Act 1978*. However, the Shires are regulated under the *Local Government Act 2009* now. The SBFA Regulation will be updated to reflect the change.
- **Statutory bodies under the Racing Act 2002:** The *Racing and Other Legislation Amendment Act 2012* amended the *Racing Act 2002* such that the Queensland All Codes Racing Industry Board was established, abolishing Greyhound Racing Authority and Queensland Harness Racing Board. The SBFA Regulation will be updated to reflect the changes.
- **Tourism Queensland:** The *Tourism and Events Queensland Act 2012* combined the functions of Tourism Queensland and Events Queensland, and established Tourism and Events Queensland. The SBFA Regulation will be updated to reflect the changes.

Minor Amendments for consistency of terminology

As proposed by the Office of the Queensland Parliamentary Counsel (OQPC), section 2(2) will be amended such that the words 'statutory body' and 'body' will be replaced with 'entity' for consistency. The names of credit agencies will be updated for currency in section 8 and section 10.

Achievement of policy objectives

To achieve its objectives, the Amendment Regulation will alter the reporting frequency of derivative transactions, update references to investment products offered by QIC, update references to abolished and/or related statutory bodies, include TIQ as a statutory body that may enter into derivative transactions and allocate category 1 investment power, and effect some minor amendments for consistency.

Consistency with policy objectives of authorising law

The Amendment Regulation is consistent with the main objectives of the SFBA Act.

Inconsistency with policy objectives of other legislation

The Amendment Regulation is consistent with the policy objectives of other legislation.

Benefits and costs of implementation

The amendments are administrative in nature. It is not anticipated that there will be additional costs to government.

Consistency with fundamental legislative principles

The Regulation is consistent with the Fundamental Legislative Principles, as defined in the *Legislative Standards Act 1992*.

Consultation

Consultation has been undertaken with OQPC, QIC and the Office of Best Practice Regulation (OBPR).

No parties expressed issues with the proposed amendments.

OBPR advised that a Regulatory Impact Statement is not required.