



Regional Investment Corporation Act 2018

No. 6, 2018

**An Act to establish the Regional Investment
Corporation, and for related purposes**

Note: An electronic version of this Act is available on the Federal Register of Legislation
(<https://www.legislation.gov.au/>)

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Regional Investment Corporation Act 2018

No. 6, 2018

**An Act to establish the Regional Investment
Corporation, and for related purposes**

[Assented to 20 February 2018]

The Parliament of Australia enacts:

Part 1—Introduction

1 Short title

This Act is the *Regional Investment Corporation Act 2018*.

2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. Sections 1 and 2 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	20 February 2018
2. Sections 3 to 54	A single day to be fixed by Proclamation. However, if the provisions do not commence within the period of 6 months beginning on the day this Act receives the Royal Assent, they commence on the day after the end of that period.	8 March 2018 (F2018N00016)

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

3 Simplified outline of this Act

This Act establishes the Regional Investment Corporation.

The main functions of the Corporation are:

- (a) to administer farm business loans; and
- (b) to administer, on behalf of the Commonwealth, grants of financial assistance to States and Territories in relation to water infrastructure projects; and
- (c) to administer programs prescribed by the rules.

The Corporation must perform its functions in accordance with directions given by the responsible Ministers. The main directions are known as the Operating Mandate.

This Act also establishes the Board of the Corporation. The Board's main functions are:

- (a) to decide, within the scope of the Operating Mandate, the strategies and policies to be followed by the Corporation; and
- (b) to ensure the proper, efficient and effective performance of the Corporation's functions.

There is to be a Chief Executive Officer of the Corporation. The CEO is responsible for the day-to-day administration of the Corporation.

This Act also deals with miscellaneous matters, including recovery of costs, delegations, reviewing the operation of the Act and the power to make rules.

4 Definitions

In this Act:

Agriculture Minister means the Minister who administers the *Primary Industries Research and Development Act 1989*.

Section 4

Board means the Board of the Corporation established by section 14.

Board member means a member of the Board (and includes the Chair).

CEO means the Chief Executive Officer of the Corporation.

Chair means the Chair of the Board.

constitutional corporation means a corporation to which paragraph 51(xx) of the Constitution applies.

constitutional trade or commerce means trade or commerce:

- (a) between Australia and places outside Australia; or
- (b) among the States; or
- (c) within a Territory, between a State and a Territory or between 2 Territories.

Corporation means the Regional Investment Corporation established by section 7.

Desertification Convention means the United Nations Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa, done at Paris on 17 June 1994.

Note: The Convention is in Australian Treaty Series 2000 No. 18 ([2000] ATS 18) and could in 2018 be viewed in the Australian Treaties Library on the AustLII website (<http://www.austlii.edu.au>).

farm business loan means a loan made, or proposed to be made, to a farm business:

- (a) engaged solely or mainly in producing commodities for constitutional trade or commerce; or
- (b) for the purpose of encouraging or promoting constitutional trade or commerce; or
- (c) that is a constitutional corporation; or
- (d) to allow the business to satisfy the requirements of a contract with a constitutional corporation which relates to the corporation's trading activities; or

- (e) in an affected area, within the meaning of the Desertification Convention, for the purpose of implementing Australia's international obligations under that Convention; or
- (f) in a Territory.

Operating Mandate: see section 11.

paid work means work for financial gain or reward (whether as an employee, a self-employed person or otherwise).

responsible Ministers means:

- (a) the Agriculture Minister; and
- (b) the Minister who administers the *Public Governance, Performance and Accountability Act 2013*.

rules means rules made under section 54.

start day means 1 July 2018 or, if a day is specified in an instrument made under paragraph 8(4)(b), that day.

vacancy, in relation to the office of a Board member, has a meaning affected by subsection 20(3).

5 Crown to be bound

- (1) This Act binds the Crown in each of its capacities.
- (2) This Act does not make the Crown liable to be prosecuted for an offence.

6 Extension to external Territories

This Act extends to every external Territory.

Part 2—Regional Investment Corporation

Division 1—Establishment and functions

7 Establishment

- (1) The Regional Investment Corporation is established by this section.

Note: The *Public Governance, Performance and Accountability Act 2013* applies to the Corporation. That Act deals with matters relating to Commonwealth entities, including reporting and the use and management of public resources.

- (2) The Corporation may also be known by a name specified in the rules.

- (3) The Corporation:

- (a) is a body corporate; and
- (b) must have a seal; and
- (c) may acquire, hold and dispose of real and personal property; and
- (d) may sue and be sued.

- (4) The Corporation's seal is to be kept in such custody as the Board directs and must not be used except as authorised by the Board.

8 Functions of the Corporation

- (1) The Corporation has the following functions:

- (a) to administer farm business loans, including by:
 - (i) providing such loans to farm businesses, subject to relevant lending criteria being satisfied; and
 - (ii) consulting with commercial lenders and other industry bodies representing persons likely to seek a loan; and
 - (iii) determining, in accordance with the strategies and policies decided by the Board, the terms and conditions on which approved loans are provided; and
 - (iv) taking security for approved loans; and

- (v) charging for transaction costs incurred by the Corporation in relation to an approved loan; and
- (vi) managing approved loans, and if required, enforcing the security taken for an approved loan; and
- (vii) reviewing loans provided, and the terms and conditions on which approved loans are provided, periodically;
- (b) to administer, on behalf of the Commonwealth, financial assistance granted before the start day to States and Territories in relation to water infrastructure projects;
- (c) to administer, on behalf of the Commonwealth, financial assistance to States and Territories in relation to water infrastructure projects, including by:
 - (i) liaising, negotiating and cooperating with States and Territories and other parties on possible water infrastructure projects; and
 - (ii) providing advice to responsible Ministers on a water infrastructure project; and
 - (iii) implementing directions of the responsible Ministers under subsection 12(3) to enter into agreements, on behalf of the Commonwealth, for the grant of financial assistance to States or Territories in relation to water infrastructure projects; and
 - (iv) reviewing financial assistance granted, and the terms and conditions on which such financial assistance is granted, periodically;
- (d) to set, and adjust as required, the interest rates applicable to loans and financial assistance;
- (e) on its own initiative or at the request of a responsible Minister—to provide advice to the responsible Minister on the activities that are or could be undertaken by the Corporation;
- (f) to provide advice and assistance to:
 - (i) borrowers in relation to approved loans; or
 - (ii) prospective borrowers in relation to loans;
- (g) to administer programs prescribed by the rules;
- (h) any other functions conferred on the Corporation by this Act, the rules or any other Commonwealth law;

Section 8

- (i) to do anything incidental to, or conducive to, the performance of the above functions.
- (2) In performing its functions, the Corporation must act in a proper, efficient and effective manner.

Note: See also section 13 (compliance with directions).

When certain functions take effect

- (3) The Corporation is to perform:
 - (a) the function mentioned in paragraph (1)(a) from 1 July 2018 or an earlier day specified by the responsible Ministers in an instrument under paragraph (4)(a); and
 - (b) the function mentioned in paragraph (1)(b) from 1 July 2018 or an earlier day specified by the responsible Ministers in an instrument under paragraph (4)(b); and
 - (c) the function mentioned in paragraph (1)(c) from 1 July 2018 or an earlier day specified by the responsible Ministers in an instrument under paragraph (4)(c).
- (4) The responsible Ministers may, by legislative instrument, specify a day before 1 July 2018 from which the Corporation is to perform:
 - (a) the function mentioned in paragraph (1)(a); or
 - (b) the function mentioned in paragraph (1)(b); or
 - (c) the function mentioned in paragraph (1)(c).

Additional programs

- (5) For the purposes of paragraph (1)(g), the rules may prescribe one or more programs to be administered by the Corporation, and if the rules do so:
 - (a) they must address the constitutional basis for each program; and
 - (b) they may:
 - (i) allow for the charging of transaction costs incurred by the Corporation in relation to a program; or
 - (ii) specify matters relating to a program to be included in the annual report prepared by the Board under

section 46 of the *Public Governance, Performance and Accountability Act 2013*; or

- (iii) allow for the responsible Ministers to give written directions to the Corporation in relation to a program.

9 Powers of the Corporation

The Corporation has power to do all things necessary or convenient to be done for or in connection with the performance of its functions.

10 Corporation does not have privileges and immunities of the Crown

The Corporation does not have the privileges and immunities of the Crown in right of the Commonwealth.

Division 2—Operating Mandate and other directions

11 Operating Mandate

- (1) The responsible Ministers must, by legislative instrument, give directions (the ***Operating Mandate***) to the Corporation about the performance of the Corporation's functions.

Note: Part 4 of Chapter 3 (sunsetting) of the *Legislation Act 2003* does not apply to the directions (see regulations made for the purposes of paragraph 54(2)(b) of that Act).

- (2) Without limiting subsection (1), a direction forming part of the Operating Mandate may be given in relation to the following:
- (a) the objectives that the Corporation is to pursue in administering:
 - (i) farm business loans; or
 - (ii) financial assistance in relation to water infrastructure projects; or
 - (iii) programs prescribed by the rules under subsection 8(5);
 - (b) expectations in relation to the strategies and policies to be followed for the effective performance of the Corporation's functions;
 - (c) eligibility criteria for loans or financial assistance;
 - (d) financial arrangements in relation to the Corporation, including how amounts received by the Corporation are to be dealt with and the circumstances in which they are to be remitted to the Commonwealth;
 - (e) any other matters the responsible Ministers think appropriate.
- (3) The Operating Mandate must not direct, or have the effect of directing, the Corporation in relation to:
- (a) a particular farm business loan; or
 - (b) a particular loan provided by the Corporation under a program prescribed by the rules under subsection 8(5).
- (4) Despite regulations made for the purposes of paragraph 44(2)(b) of the *Legislation Act 2003*, section 42 (disallowance) of that Act applies to a direction forming part of the Operating Mandate.
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12 Responsible Ministers may give other directions to the Corporation

Farm business loans

- (1) The responsible Ministers may give a written direction to the Corporation in relation to a class of farm business loans, but may not give a direction in relation to a particular farm business loan.
- (2) Before giving a direction under subsection (1), the responsible Ministers must seek the Board's advice.

Water infrastructure projects

- (3) The responsible Ministers may give a written direction to the Corporation to enter into an agreement, on behalf of the Commonwealth, for the grant of financial assistance to a particular State or Territory in relation to a particular water infrastructure project. The direction may specify terms and conditions to be included in the agreement.
- (3A) In giving a direction under subsection (3), the responsible Ministers must exercise their powers consistently with the *Water Act 2007*.
- (3B) Before giving a direction under subsection (3) in relation to a water infrastructure project that is wholly or partly within the Murray-Darling Basin (as defined by the *Water Act 2007*), the responsible Ministers must seek the Murray-Darling Basin Authority's advice as to whether, in giving the direction, the Ministers would be exercising the Ministers' powers consistently with the Basin Plan (as defined by the *Water Act 2007*).
- (3C) For the purposes of subsection (3), any terms and conditions to be included in an agreement must be in accordance with the rules.
- (3D) However, a failure to comply with subsection (3C) does not affect the validity of a particular term or condition included in an agreement.

Section 13

- (4) Before giving a direction under subsection (3), the responsible Ministers must seek the Board's advice on the particular water infrastructure project to which the direction relates.
- (4A) If:
- (a) the responsible Ministers give a direction under subsection (3) to the Corporation to enter into an agreement; and
 - (b) the direction is one in relation to which the responsible Ministers received advice from the Murray-Darling Basin Authority under subsection (3B);
- then:
- (c) the Board must notify the responsible Ministers when the agreement has been entered into; and
 - (d) the responsible Ministers must publish the advice on the internet within 30 business days of receiving the notice under paragraph (c).
- (5) The rules must prescribe, in relation to agreements to be entered into under subsection (3):
- (a) the terms and conditions, or the kinds of terms and conditions, that may be included in an agreement; and
 - (b) the matters the Corporation must consider in specifying terms and conditions to be included in an agreement.

13 Compliance with directions

- (1) In performing its functions, the Corporation must take all reasonable steps to comply with a direction given under this Division (other than subsection (3)).

Note: See also subsection (5).

- (2) As soon as practicable after the Board becomes aware that the Corporation has failed to comply with a direction given under this Division, the Board must, in writing:
- (a) advise the responsible Ministers of that fact; and
 - (b) explain the circumstances in which the failure to comply with the direction occurred.

- (3) If the responsible Ministers are satisfied that the Corporation has failed to comply with a direction given under this Division, the responsible Ministers may, by written notice given to the Board, direct the Board:
 - (a) if the Board has not given the Ministers a written explanation under subsection (2)—to give the responsible Ministers, within a period specified in the notice, a written explanation; and
 - (b) whether or not the Board has given the Ministers a written explanation under subsection (2)—to take action specified in the notice, within a period specified in the notice, in order to ensure that the Corporation complies with the direction.
- (4) The Board must comply with a direction given by the responsible Ministers under subsection (3).
- (5) Subsections (1) and (4) do not apply to the extent that the direction relates to the Board's performance of functions or exercise of powers under the *Public Governance, Performance and Accountability Act 2013* in relation to the Corporation.
- (6) A failure to comply with a direction given under this Division (including a direction under subsection (3)), does not affect the validity of any transaction.

13A Tabling of water infrastructure project agreements etc.

- (1) The Corporation must give the Agriculture Minister a copy of an agreement entered into under subsection 12(3).
- (2) The Agriculture Minister must cause:
 - (a) a copy of the agreement; and
 - (b) any direction given under subsection 12(3) relating to the agreement;to be tabled in each House of Parliament within 15 sitting days of that House after receiving a copy of the agreement.
- (3) The Agriculture Minister must cause a copy of the documents mentioned in subsection (2) to be published on the internet within 30 days of the Minister receiving the copy of the agreement.

Part 3—Board of the Corporation

Division 1—Establishment and functions of the Board

14 Establishment of the Board

The Board of the Corporation is established by this section.

15 Functions of the Board

- (1) The functions of the Board are:
 - (a) to decide, within the scope of the Operating Mandate, the strategies and policies to be followed by the Corporation; and
 - (b) to ensure the proper, efficient and effective performance of the Corporation's functions; and
 - (c) to sign an agreement, on behalf of the Commonwealth, with a State or Territory for the grant of financial assistance to the State or Territory in relation to a water infrastructure project; and
 - (d) to appoint the CEO; and
 - (e) any other functions conferred on the Board by this Act or the rules.
- (2) The Board has power to do all things necessary or convenient to be done for or in connection with the performance of its functions.
- (3) Anything done in the name of, or on behalf of, the Corporation by the Board, or with the authority of the Board, is taken to have been done by the Corporation.

Division 2—Members of the Board

16 Membership

The Board consists of:

- (a) the Chair; and
- (b) at least 2, and no more than 4, other members.

17 Appointment of Board members

- (1) Board members are to be appointed by the responsible Ministers by written instrument, on a part-time basis.
- (2) A person is not eligible for appointment as a Board member unless the responsible Ministers are satisfied that the person has:
 - (a) appropriate qualifications, skills or experience in one or more of the following:
 - (i) agribusiness and the financial viability of businesses within the agricultural sector;
 - (ii) banking and finance;
 - (iii) water infrastructure planning and financing;
 - (iv) issues concerning rural industries and communities;
 - (v) economics;
 - (vi) financial accounting or auditing;
 - (vii) government funding programs or bodies;
 - (viii) law; or
 - (b) expertise in an area that is relevant to a program prescribed by the rules under subsection 8(5).

18 Chair

The responsible Ministers must, by written instrument, appoint one Board member to be the Chair.

Section 19

19 Term of appointment

A Board member holds office for the period specified in the instrument of appointment. The period must not exceed 5 years.

Note: A Board member may be reappointed: see section 33AA of the *Acts Interpretation Act 1901*.

20 Acting appointment

- (1) The Agriculture Minister may, by written instrument, appoint a Board member to act as the Chair:
 - (a) during a vacancy in the office of Chair (whether or not an appointment has previously been made to the office); or
 - (b) during any period, or during all periods, when the Chair:
 - (i) is absent from duty or from Australia; or
 - (ii) is, for any reason, unable to perform the duties of the office.
 - (2) The Agriculture Minister may, by written instrument, appoint a person to act as a Board member:
 - (a) during a vacancy in the office of a Board member (whether or not an appointment has previously been made to the office); or
 - (b) during any period, or during all periods, when a Board member:
 - (i) is absent from duty or from Australia; or
 - (ii) is, for any reason, unable to perform the duties of the office.
- Note: For rules that apply to acting appointments, see sections 33AB and 33A of the *Acts Interpretation Act 1901*.
- (3) For the purposes of a reference in:
 - (a) this Act to a vacancy in the office of a Board member; or
 - (b) the *Acts Interpretation Act 1901* to a **vacancy** in the membership of a body;there are taken to be 4 Board member offices in addition to the Chair.

21 Remuneration

- (1) A Board member is to be paid the remuneration that is determined by the Remuneration Tribunal. If no determination of that remuneration by the Tribunal is in operation, the Board member is to be paid the remuneration that is prescribed by the rules.
- (2) A Board member is to be paid the allowances that are prescribed by the rules.
- (3) This section has effect subject to the *Remuneration Tribunal Act 1973*.

22 Leave of absence

- (1) The Agriculture Minister may grant leave of absence to the Chair on the terms and conditions that the Agriculture Minister determines.
- (2) The Chair may grant leave of absence to another Board member on the terms and conditions that the Chair determines.
- (3) The Chair must notify the responsible Ministers if the Chair grants another Board member leave of absence for a period that exceeds 3 months.

23 Outside employment

A Board member must not engage in any paid work that, in the opinion of the responsible Ministers, conflicts or could conflict with the proper performance of his or her duties.

24 Other terms and conditions

A Board member holds office on the terms and conditions (if any) in relation to matters not covered by this Act that are determined by the responsible Ministers.

Section 25

25 Resignation

- (1) A Board member may resign his or her appointment by giving the responsible Ministers a written resignation.
- (2) The resignation takes effect on:
 - (a) the day it is received by the responsible Ministers (or if the Ministers receive it on different days, the later of those days); or
 - (b) if a later day is specified in the resignation—on that later day.

26 Termination of appointment

- (1) The responsible Ministers may terminate the appointment of a Board member:
 - (a) for misbehaviour; or
 - (b) if the Board member is unable to perform the duties of his or her office because of physical or mental incapacity; or
 - (c) if the responsible Ministers do not have confidence in the Board member.
- (2) The responsible Ministers may terminate the appointment of a Board member if:
 - (a) the Board member:
 - (i) becomes bankrupt; or
 - (ii) applies to take the benefit of any law for the relief of bankrupt or insolvent debtors; or
 - (iii) compounds with his or her creditors; or
 - (iv) makes an assignment of his or her remuneration for the benefit of his or her creditors; or
 - (b) the Board member is absent, except on leave of absence, from 3 consecutive meetings of the Board; or
 - (c) the Board member engages in paid work that, in the opinion of the responsible Ministers, conflicts or could conflict with the proper performance of his or her duties (see section 23 (outside employment)); or

- (d) the responsible Ministers are satisfied that the performance of the Board member has been unsatisfactory for a significant period.

Note: The appointment of a Board member may also be terminated under section 30 of the *Public Governance, Performance and Accountability Act 2013* (which deals with terminating the appointment of an accountable authority, or a member of an accountable authority, for contravening general duties of officials).

Division 3—Meetings of the Board

27 Convening meetings

- (1) The Board must hold such meetings as are necessary for the efficient performance of its functions.
- (2) The Chair:
 - (a) may convene a meeting at any time; and
 - (b) must convene at least 4 meetings each calendar year; and
 - (c) must convene a meeting within 30 days after receiving a written request to do so from another Board member.

28 Presiding at meetings

- (1) The Chair must preside at all meetings at which he or she is present.
- (2) If the Chair is not present at a meeting, the Chair must appoint one of the other Board members to preside.

29 Quorum

At a meeting of the Board, a quorum is constituted by:

- (a) at any time when the Board consists of 3 Board members—2 Board members; or
- (b) in any other case—3 Board members.

30 Voting at meetings

- (1) A question arising at a meeting of the Board is to be determined by a majority of the votes of the Board members present and voting.
- (2) The person presiding at a meeting of the Board has a deliberative vote and, if the votes are equal, a casting vote.

31 Conduct of meetings

The Board may regulate proceedings at its meetings as it considers appropriate.

Note: Section 33B of the *Acts Interpretation Act 1901* contains further information about the ways in which Board members may participate in meetings.

32 Minutes

The Board must keep minutes of its meetings.

33 Decisions without meetings

- (1) The Board is taken to have made a decision at a meeting if:
 - (a) without meeting, a majority of the Board members entitled to vote on the proposed decision indicate agreement with the decision; and
 - (b) that agreement is indicated in accordance with the method determined by the Board under subsection (2); and
 - (c) all the Board members were informed of the proposed decision, or reasonable efforts were made to inform all the members of the proposed decision.
- (2) Subsection (1) applies only if the Board:
 - (a) has determined that it may make decisions of that kind without meeting; and
 - (b) has determined the method by which Board members are to indicate agreement with proposed decisions.
- (3) For the purposes of paragraph (1)(a), a Board member is not entitled to vote on a proposed decision if the Board member would not have been entitled to vote on that proposal if the matter had been considered at a meeting of the Board.
- (4) The Board must keep a record of decisions made in accordance with this section.

Part 4—Chief Executive Officer, staff and consultants

Division 1—Chief Executive Officer

34 Chief Executive Officer

There is to be a Chief Executive Officer of the Corporation.

35 Functions of the CEO

- (1) The CEO:
 - (a) may sign, on behalf of the Corporation, a loan agreement to be administered by the Corporation; and
 - (b) is otherwise responsible for the day-to-day administration of the Corporation.
- (2) The CEO has power to do all things necessary or convenient to be done for or in connection with the performance of his or her duties.
- (3) The CEO is to act in accordance with policies and strategies determined by the Board.

Board directions

- (4) The Board may give written directions to the CEO, not inconsistent with any direction given to the Corporation under Division 2 of Part 2, about the performance of the CEO's duties.
- (5) The CEO must comply with a direction under subsection (4).
- (6) A direction under subsection (4) is not a legislative instrument.

36 Appointment

- (1) The CEO is to be appointed by the Board by written instrument, on a full-time basis.

Note: The CEO may be reappointed: see section 33AA of the *Acts Interpretation Act 1901*.

- (2) The CEO holds office for the period specified in the instrument of appointment. The period must not exceed 5 years.
- (3) The Board must not appoint a Board member as the CEO.
- (4) The Board must consult with the responsible Ministers before appointing the CEO.

37 Acting appointment

The Board may, by written instrument, appoint a person (other than a Board member) to act as the CEO:

- (a) during a vacancy in the office of CEO (whether or not an appointment has previously been made to the office); or
- (b) during any period, or during all periods, when the CEO:
 - (i) is absent from duty or from Australia; or
 - (ii) is, for any reason, unable to perform the duties of the office.

Note: For rules that apply to acting appointments, see sections 33AB and 33A of the *Acts Interpretation Act 1901*.

38 Remuneration

- (1) The CEO is to be paid the remuneration that is determined by the Remuneration Tribunal. If no determination of that remuneration by the Tribunal is in operation, the CEO is to be paid the remuneration that is prescribed by the rules.
- (2) The CEO is to be paid the allowances that are prescribed by the rules.
- (3) This section has effect subject to the *Remuneration Tribunal Act 1973*.

39 Leave of absence

- (1) The CEO has the recreation leave entitlements that are determined by the Remuneration Tribunal.

Section 40

- (2) The Board may grant the CEO leave of absence, other than recreation leave, on the terms and conditions as to remuneration or otherwise that the Board determines.

40 Outside employment

The CEO must not engage in paid work outside the duties of his or her office without the Board's approval.

41 Other terms and conditions

The CEO holds office on the terms and conditions (if any) in relation to matters not covered by this Act that are determined by the Board.

41A Disclosure of interests

- (1) The CEO must give written notice to the Board of any disclosure made by the CEO under section 29 of the *Public Governance, Performance and Accountability Act 2013* (which deals with the duty to disclose interests).
- (2) Subsection (1) applies in addition to any rules made for the purposes of section 29 of the *Public Governance, Performance and Accountability Act 2013*.
- (3) For the purposes of this Act and the *Public Governance, Performance and Accountability Act 2013*, the CEO is taken not to have complied with section 29 of that Act if the CEO does not comply with subsection (1) of this section.

42 Resignation

- (1) The CEO may resign his or her appointment by giving the Board a written resignation.
- (2) The resignation takes effect on the day it is received by the Board or, if a later day is specified in the resignation, on that later day.

43 Termination of appointment

- (1) The Board may terminate the appointment of the CEO:
 - (a) for misbehaviour; or
 - (b) if the CEO is unable to perform the duties of his or her office because of physical or mental incapacity.
- (2) The Board may terminate the appointment of the CEO if:
 - (a) the CEO:
 - (i) becomes bankrupt; or
 - (ii) applies to take the benefit of any law for the relief of bankrupt or insolvent debtors; or
 - (iii) compounds with his or her creditors; or
 - (iv) makes an assignment of his or her remuneration for the benefit of his or her creditors; or
 - (b) the CEO is absent, except on leave of absence, for 14 consecutive days or for 28 days in any 12 months; or
 - (c) the CEO engages, except with the Board's approval, in paid work outside the duties of his or her office (see section 40 (outside employment)); or
 - (d) the CEO fails, without reasonable excuse, to comply with section 29 of the *Public Governance, Performance and Accountability Act 2013* (which deals with the duty to disclose interests) or rules made for the purposes of that section; or
 - (e) the Board is satisfied that the performance of the CEO has been unsatisfactory for a significant period.
- (3) If the Board terminates the appointment of the CEO, the Board must notify the responsible Ministers of the termination.

Division 2—Staff and consultants

44 Staff

- (1) The Corporation may employ such persons as it considers necessary for the performance of its functions and the exercise of its powers.
- (2) An employee is to be employed on the terms and conditions that the Corporation determines in writing.
- (3) The Corporation may make arrangements for the services of officers or employees of the following to be made available to the Corporation:
 - (a) the Commonwealth, a State or a Territory;
 - (b) an authority of the Commonwealth or of a State or Territory;
 - (c) any other organisation or body.

45 Consultants

- (1) The Corporation may engage consultants to assist in the performance of its functions.
- (2) The consultants are to be engaged on the terms and conditions that the Corporation determines.

Part 5—Miscellaneous

46 Terms and conditions of loans

A person who is a party to a loan provided by the Corporation must comply with the terms and conditions of the loan.

47 Recovery of costs

- (1) If the Corporation provides a loan to a person, the Corporation may charge the person to recover all or any of the transaction costs incurred by the Corporation in relation to the loan.
- (2) A cost charged under subsection (1):
 - (a) is a debt due to the Corporation; and
 - (b) is recoverable by the Corporation in a court of competent jurisdiction.

48 Exemption from taxation

- (1) For the purposes of section 50-25 of the *Income Tax Assessment Act 1997*, the Corporation is taken to be a public authority constituted under an Australian law.

Note: This means the Corporation is exempt from income tax.

- (2) The Corporation is not subject to taxation under a law of a State or Territory, if the Commonwealth is not subject to the taxation.

49 Delegation by Corporation

- (1) The Corporation may, in writing under its seal, delegate all or any of its powers or functions under this Act or the rules to:
 - (a) a Board member; or
 - (b) the CEO.
 - (2) In exercising any powers or performing any functions under the delegation, the delegate must comply with any directions of the Corporation.
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Section 50

50 Delegation by Board

- (1) The Board may, in writing, delegate to a Board member or the CEO all or any of its powers or functions under this Act or the rules.
- (2) In exercising any powers or performing any functions under the delegation, the delegate must comply with any directions of the Board.

51 Delegation and subdelegation by CEO

- (1) The CEO may, in writing, delegate all or any of the CEO's powers or functions under this Act to a member of the staff referred to in subsection 44(1).
- (2) If the Corporation or the Board delegates a power or function under subsection 49(1) or 50(1) to the CEO, the CEO may, in writing, subdelegate the power or function to a member of the staff referred to in subsection 44(1).
- (3) In exercising any powers or performing any functions under the delegation or subdelegation, the delegate or subdelegate must comply with any directions of the CEO.
- (4) Sections 34AA, 34AB and 34A of the *Acts Interpretation Act 1901* apply in relation to a subdelegation in a corresponding way to the way in which they apply in relation to a delegation.

52 Transfer of records to the Corporation

Any records or documents relating to:

- (a) financial assistance provided, before the start day, to a State or Territory in relation to a water infrastructure project; or
- (b) possible water infrastructure projects;

that were in the possession of the Department immediately before the start day, and are or may be relevant to the Corporation's functions, are to be transferred to the Corporation as soon as practicable after the start day.

Note: Any records and documents transferred are Commonwealth records for the purposes of the *Archives Act 1983*.

53 Review of operation of Act

- (1) The Agriculture Minister must arrange for a review of the operation of this Act to be undertaken.
- (2) The review must be finalised on or before 1 July 2024 and consider:
 - (a) the scope of the Corporation's activities after 30 June 2026; and
 - (b) the appropriate governance arrangements for the Corporation after that date.
- (3) The persons who undertake the review must give the Agriculture Minister a written report of the review.
- (4) The Minister must cause a copy of the report to be tabled in each House of Parliament within 15 sitting days of that House after its receipt by the Minister.
- (5) The Minister must cause a copy of the report to be published on the internet within 30 days after its receipt by the Minister.

54 Rules

- (1) The responsible Ministers may, by legislative instrument, make rules prescribing matters:
 - (a) required or permitted by this Act to be prescribed by the rules; or
 - (b) necessary or convenient to be prescribed for carrying out or giving effect to this Act.
- (2) To avoid doubt, the rules may not do the following:
 - (a) create an offence or civil penalty;
 - (b) provide powers of:
 - (i) arrest or detention; or
 - (ii) entry, search or seizure;
 - (c) impose a tax;

Section 54

- (d) set an amount to be appropriated from the Consolidated Revenue Fund under an appropriation in this Act;
 - (e) directly amend the text of this Act.
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*[Minister's second reading speech made in—
House of Representatives on 14 June 2017
Senate on 4 September 2017]*

(123/17)
