

Act 1992 No. 113

TREASURY CORPORATION (AMENDMENT) BILL 1992

NEW SOUTH WALES



EXPLANATORY NOTE

(This Explanatory Note relates to this Bill as introduced into Parliament)

A statutory corporation may only exercise the functions that are conferred on the corporation by Act. This may operate to prevent such a corporation pursuing the objects for which it is established by means of a particular activity because the activity is not specifically mentioned or contemplated in the list of functions of the corporation. The Corporations Law specifically provides that this principle is not applicable to companies.

The object of this Bill is to amend the Treasury Corporation Act 1983 to give the Treasury Corporation ("TCorp") full power to engage in any activity that is in pursuance of the objects for which it is established. This will remove the need for TCorp to identify a specific head of power in the Act for each such activity.

At present the Act contains a list of TCorp's functions. The list is narrow and specific and can operate to unduly restrict TCorp in its role as provider of financial services to the public sector.

The Bill inserts new provisions which remove the need for a list of specific functions. There will be a clear statement of the principal object for which TCorp is established, namely, to provide financial services for or for the benefit of the Government and public sector bodies. TCorp will have the same legal capacity, powers and authorities as a company under the Corporations Law to pursue its objects. TCorp will remain subject to the control and direction of the Treasurer.

A person having dealings with TCorp will be protected by new provisions that remove the need for such a person to inquire into TCorp's power to enter into those dealings.

The specific list of functions currently in the Act are re-enacted in the form of examples of the activities in which TCorp can engage. Some of the existing functions also contain restrictions on TCorp or extra powers, and these have been retained in a new format. Neither the list of examples nor the extra powers are to be interpreted as limiting TCorp's powers.

In addition, section 8 has been amended to confer a clear power on public authorities and other public bodies to appoint TCorp as their agent for any purpose. A minor consequential amendment is made to section 7 and the long title of the Act.

Treasury Corporation (Amendment) 1992 [Act 1992 No. 113]

Clause 1 specifies the short title of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on a day or days to be appointed by proclamation.

Clause 3 is a formal provision to give effect to the amendments to the Treasury Corporation Act 1983 specified in Schedule 1.

Schedule 1 contains the amendments to the Treasury Corporation Act 1983 described above.
