

1992

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

SENATE

AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH  
AMENDMENT BILL 1992

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Trade  
and Overseas Development, the Hon John Kerin, MP)



**AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH  
AMENDMENT BILL 1992**

**GENERAL OUTLINE**

The Australian Centre for International Agricultural Research Amendment Bill 1992 amends the Australian Centre for International Agricultural Research Act 1982 (the ACIAR Act). The Bill's primary purpose is to extend the life of the Centre beyond its current limited life as specified in the ACIAR Act. In addition, the Bill provides for three new functions for the Centre, changes the size and constitution of the Centre's Board of Management and Policy Advisory Council, and addresses four administrative issues aimed at improving the Centre's efficiency.

2. The ACIAR Act contains "sunset" provisions which limit the life of the Centre to 12 years and provide for a review to examine whether the Centre should continue. Flowing from a positive review outcome, the Bill repeals the "sunset" sections of the ACIAR Act thus providing for a further life for the Centre.

3. Consideration of the future of the Centre drew attention to the desirability of giving the Centre additional functions. The Bill provides for the Centre, in the context of its research programs, to establish and fund training schemes and conduct and fund development activities. Further, the Bill confers responsibility on the Centre for providing support to international agricultural research centres thus moving the Centre beyond its normal bilateral mode of operation.

4. The ACIAR Act provides for a Policy Advisory Council and Board of Management. While both bodies are retained, the Bill provides for a reduction in the size of the Council to a maximum of 14 members, removes the requirement for overseas members to be in a minority and allows for a nominee of the Director-General, Australian International Development Assistance Bureau (AIDAB) to be a member. These changes will improve the efficiency of the Council's deliberations. The Bill also removes the requirement for the Director-General, AIDAB to be a member of the Board of Management.

5. The ACIAR Act limits the Minister's powers of delegation to a person who is an officer of the Department of Foreign Affairs and Trade. The limitations are derived from the Second Reading Speech of the ACIAR Act stating that the operations of ACIAR will be subject to oversight by the Department of Foreign Affairs and Trade. The amendments clarify the ability of the Minister to delegate powers under the Act to the Board of Management, the Director and staff of ACIAR.

6. The ACIAR Act stipulates that moneys accepted on trust or subject to a condition cannot be paid into the ACIAR Trust Fund. The amendment overcomes this anomaly and enables all moneys received by ACIAR to be paid into the ACIAR Trust Fund, eliminating the requirement to operate a separate bank account.

7. The ACIAR Act also requires ACIAR not to enter into any contract without the approval of the Minister. This restriction has proved cumbersome in practice. The amendment will remove the restriction and enable ACIAR to enter into contracts for agricultural research without Ministerial approval when the value of the contract is below a limit determined by the Minister. Contracts for agricultural research above this limit will require Ministerial approval.

8. ACIAR's financial reporting requirements are specified in the ACIAR Act as being the form approved by the Minister for Finance. This form is currently that set out in the Entities Guidelines. ACIAR is also deemed to be a department by section 2AB of the Audit Act 1901. The amendment eliminates the requirement to prepare two sets of financial statements

#### Financial Impact Statement

9. The Bill does not necessitate additional outlays for the Centre's programs; the Centre's budget is determined within the overall aid budget outcome. There will be some improvements in the efficiency of the Centre and hence modest reductions in administrative overheads.

## **NOTES ON INDIVIDUAL CLAUSES**

### **Clause 1: Short Title etc**

10. This clause provides the mode of citation of the Act and defines the "Principal Act".

### **Clause 2: Commencement**

11. Clause 2 provides for the Act to commence on Royal Assent.

### **Clause 3: Interpretation**

12. This clause defines the term "international agricultural research centre".

### **Clause 4: Functions**

13. Clause 4 gives the Centre the new functions of establishing and funding training schemes and conducting and funding development activities, related to its research programs, and funding international agricultural research centres.

### **Clause 5: Constitution of the Board**

14. This clause removes the requirement for the Director-General, Australian International Development Assistance Bureau, to be a member of the Centre's Board of Management.

### **Clause 6: Constitution of Council**

15. Clause 6 allows for the Director-General, Australian International Development Assistance Bureau or a nominee of the Director-General to be a member of the Council. It also provides for a reduction in the size of the Council to a minimum of 12 and a maximum of 14 members, and removes the requirement that members of the Council who are not residents of Australia should be in a minority. In keeping with the reduction in the size of the Council, the clause also redefines the number of members required for the performance of the Council's functions.

### **Clause 7: Meetings of Council**

16. In consonance with the reduction in the size of the Council, this clause reduces the number of members required to initiate a meeting of the Council by written request to the President, and the number of members required to constitute a quorum.

**Clause 8: Payments into Fund**

17. Clause 8 allows all moneys, including trust moneys, received by ACIAR to be paid into the ACIAR Trust Fund.

**Clause 9: Limit on Certain Contracts**

18. This clause gives the Centre the power to approve contracts for agricultural research within a limit determined by the Minister. Parliament will be notified of this limit and may disallow the Minister's determination.

**Clause 10: Insertion of Section**

19. Clause 10 eliminates the anomaly that requires ACIAR to adhere to two sets of guidelines for the preparation of financial statements.

**Clause 11: Delegation by Minister**

20. This clause gives the Minister the power to delegate powers under the ACIAR Act to the Board of Management of ACIAR.

**Clause 12: Repeal of Sections 43 and 44**

21. Clause 12 repeals the "sunset" sections of the ACIAR Act thus giving the Centre a life beyond its initial period of 12 years.



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