

1989

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

SENATE

PRIMARY INDUSTRIES AND ENERGY RESEARCH AND
DEVELOPMENT BILL 1989

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister
for Primary Industries and Energy,
the Hon John Kerin.)

OUTLINE

PRIMARY INDUSTRIES AND ENERGY RESEARCH AND DEVELOPMENT BILL 1989

1. The purpose of this Bill is to establish Research and Development (R&D) Corporations in respect of primary industries, including energy, which will have as their main object to improve the funding of primary industries research and development to increase the economic, environmental and social benefits to the rural and wider community, and to achieve the sustainable use and management of our natural resources, by:
 - . identifying and evaluating primary industry R&D requirements,
 - . preparing five year plans and annual operational plans to strategically direct R&D funds,
 - . coordinating and funding R&D activities consistent with these plans,
 - . monitoring, evaluating and reporting on such activities, and
 - . facilitating the dissemination, adoption and commercialisation of R&D results.
2. The Bill provides R&D Corporations powers to do all things necessary to perform their functions, including the flexibility to apply and deal with patents, enter into agreements and joint ventures to undertake R&D activities, and raise money for worthwhile R&D.
3. R&D Corporations will have boards comprising nine directors, including a Chairperson, a government director, the Executive Director of the Corporation concerned and six other directors. All directors, except the Executive Director, will be appointed by the Minister. The six other directors, referred to as nominated directors, will be nominated by a Selection Committee for the Minister's appointment.
4. The Bill also provides for the establishment of a Rural Industries Research and Development Corporation (RIR&D Corporation). The RIR&D Corporation will assume the functions presently covered by the Australian Special Rural Research Fund which covers small industries and multi industry and national interest R&D for the rural sector. The RIR&D Corporation will also incorporate those of the present rural Research Councils established under the Rural Industries Research Act 1985 where the industries concerned have decided not to incorporate their relevant Research Council as a separate R&D Corporation or to incorporate it with another Corporation. R&D Councils will not have the powers of Corporations but will have access to them through their relationship with the RIR&D Corporation.

5. R&D Councils will comprise nine members, including a Chairperson and government member directly appointed by the Minister, and seven other members nominated by a Selection Committee for the Minister's appointment.
6. The Selection Committees in respect of each R&D Corporation will comprise a Presiding member plus three to six members nominated by specified representative organisations of the Corporation, except where a Corporation is predominantly funded by the Commonwealth in which case the Minister may choose to directly appoint one or more of the members. In the case of the RIR&D Corporation and its R&D Councils, the Selection Committee will comprise a Presiding Member and a member with special expertise who will both participate in each of the selection processes. They will be joined, for the purposes of undertaking the selection process for a particular body, by one to three members nominated by the representative organisations of those bodies.
7. Participation by the representative organisations and, where relevant, the respective industries associated with each R&D Corporation and R&D Council will, in addition to their role in respect of the selection processes, entail being consulted in the preparation of strategic five year plans, and being accounted to on the activities undertaken by the Corporation or Council by either direct annual meetings with the relevant Chairperson, or through an annual general meeting. Industry representative organisations will determine whether an annual general meeting will apply to their related R&D Corporation.
8. Funding of R&D Corporations and R&D Councils will vary according to the nature of the industry for which they are established. In most cases, particularly where the industries presently have Research Councils under the Rural Industries Research Act 1985, they will be funded through the imposition of a levy on producers with provision for the Commonwealth to match those levies, dollar for dollar, up to a limit of 0.5 per cent of the gross value of production of the specified products. Some R&D Corporations may be fully funded by industry levies, while the provision will exist for some Corporations to be fully funded by Commonwealth appropriation.
9. Each R&D Corporation and R&D Council is required to prepare a five year R&D plan setting out its objectives and broad strategies for that time span. These plans may be varied annually to cover the following five years. Complementary to the five year plan is the requirement for an annual operational plan setting out the particular R&D activities that the Corporation or Council proposes to fund in the forthcoming year.
10. The Bill provides that, apart from the appointment of the Executive Director, R&D Corporations may engage such staff and consultants as they consider necessary.

11. As well as being accountable to industries or representative organisations or constituent groups where relevant, R&D Corporations and R&D Councils are accountable to Parliament and will be required to furnish annual reports.

FINANCIAL IMPACT STATEMENT

12. The measures set out in this Bill will involve Commonwealth outlays of a one-off nature at the time of establishment of each corporation. On present indications transfer costs of approximately \$3.5m - 4m in 1989/90 and approximately \$60m in future years are indicated. Costs associated with the establishment of R&D Councils will be met from the current R&D administration program funds. Provision is made in the Bill for the cost recovery from newly established Corporations and Councils of expenses, such as Selection Committee costs, met by the Commonwealth.

PRIMARY INDUSTRIES AND ENERGY RESEARCH
AND DEVELOPMENT BILL 1989

PART 1 - PRELIMINARY

Clause 1: Short Title

13. Provides for the Act to be cited as the Primary Industries and Energy Research and Development Act 1989.

Clause 2: Commencement

14. This Bill will come into effect on the day it receives Royal Assent, however, it provides for the establishment of the Rural Industries Research and Development Corporation and the abolition of the Special Research Council and Special Research Fund to take effect on 1 July 1990.

Clause 3: Objects

15. Provides that the objects of the Bill are to make provision for the funding and administration of primary industries research and development to increase the economic, environmental and social benefits to the rural and wider community; achieve sustainable use and management of natural resources; make more effective use of the community's resources and skills; and improve accountability for expenditure upon primary industries research and development.

Clause 4: Definitions

16. Provides for interpretations.

Clause 5: Levies attached to R&D Corporations or R&D Funds

17. Provides for the attachment of a levy to an R&D Corporation or an R&D Fund as declared by the regulations. Regulations will specify the whole or part of the levy to be the research component of the levy.

Clause 6: Redirecting levies

18. Provides for a levy attached to an R&D Corporation or an R&D Fund to be transferred to another R&D Corporation or R&D Fund, after which it ceases to be attached to the original Corporation or Fund.

Clause 7: Representative organisations

19. The purpose of this clause is to provide for the Minister to declare at least one specified organisation to be a representative organisation relating to an R&D Corporation or an R&D Council whether or not the Corporation or Council is yet established.

PART 2 - RESEARCH AND DEVELOPMENT CORPORATIONS

Division 1 - Establishment, functions and powers of Research and Development Corporations

Clause 8: Establishment of Research and Development Corporations

20. This clause establishes both the R&D Corporation and the name the Corporation will be known by as specified in the regulations.

Clause 9: Establishment of the Rural Industries Research and Development Corporation

21. This clause establishes the Rural Industries Research and Development Corporation and allows for regulations to specify the primary industries in respect of which the Corporation is established.

Clause 10: R&D Corporation is a body corporate etc.

22. Outlines the nature, as a body corporate, of an R&D Corporation. Among other things, it provides that the Corporation will be legally responsible for its actions and that it may sue or be sued in its own name.

Clause 11: Functions

23. Describes R&D Corporation functions, including: the investigation and evaluation of R&D requirements; the preparation of 5 year R&D plans and annual operating plans; the coordination and funding of R&D activities that are consistent with these plans; to monitor, evaluate and report on its activities to the Minister and representative organisations; and to facilitate the dissemination, adoption and commercialisation of R&D results.

Clause 12: Powers

Sub-clause (1)

24. This sub-clause provides R&D Corporations with the powers necessary to perform their functions. These include powers to apply for patents; deal with existing patents; charge for and contract or share with others R&D work or activities; accept gifts and other contributions; acquire, hold and sell real and personal property; form or participate in forming companies; enter into contracts; or anything incidental to any of its powers.

Sub-clause (2)

25. Provides that an R&D Corporation will ensure that any company in which it has a controlling interest does not do anything that the Corporation is not itself empowered to do.

Clause 13: Agreements for carrying out R&D activities by other persons

26. This clause authorises an R&D Corporation to enter into agreements which provide for others to undertake R&D activities. It sets out the provisions that may be included in such agreements including: how the money provided or property acquired under agreements may be used; how payments are made; how ownership and marketing of inventions and patents are to be dealt with; and how payments to an R&D Corporation from the disposal of property, goods or inventions are to be made under the agreement.

Clause 14: Agreements for carrying out R&D activities with other persons

27. Authorises an R&D Corporation to enter into joint ventures for the purposes of undertaking R&D activities. It requires such agreements to include the objectives and expected duration of the activities, the nature and extent of the Corporation's contribution, and the profit sharing arrangements.

Clause 15: Consultations with persons and organisations

28. Provides for an R&D Corporation to consult with persons and organisations representative of the relevant industry, and with relevant Commonwealth, State and Territory authorities. Provision is also made for an R&D Corporation, if it so decides, to meet the costs reasonably incurred by a person or representative organisation in connection with such consultations.

Division 2 - Constitution of Research and Development Corporations

Clause 16: Constitution

29. Specifies that an R&D Corporation's board is to consist of a Chairperson, government director, Executive Director and between four and six other directors, as determined by the Minister to be appropriate to the Corporation.

Clause 17: Appointment of directors

30. Provides for the appointment of directors of an R&D Corporation to be made by the Minister. Conditions relating to appointments include: government directors are required to have experience in and knowledge of government policy processes and public administration; nominated directors are to be appointed from persons nominated by the Selection Committee; and directors must be under the age of 65.

Clause 18: Members of executive of representative organisation not eligible for appointment etc

31. Specifies that a person who is a member of the executive of a representative organisation of an R&D Corporation is not eligible for appointment to that Corporation. A director of an R&D Corporation who becomes a member of the executive of a representative organisation of that Corporation ceases to hold office.

Division 3 - R&D plans and annual operational plan

Clause 19: R&D Plans

32. Requires an R&D Corporation to prepare a written R&D plan with a five year horizon, and which states the Corporation's objectives and priorities for the period and outlines the strategies the Corporation intends to adopt in order to achieve those objectives.

Clause 20: Approval of R&D plans

33. Provides for R&D plans to be submitted to the Minister for approval. The plan will not have effect until the day it is approved by the Minister or the commencement date of the plan, whichever is the later. The Minister may, where he/she deems it necessary, request in writing that an R&D Corporation revise its plan. The R&D Corporation will amend the plan as it considers to be appropriate and re-submit the revised plan for approval. Where the plan is approved, the R&D Corporation must within a month notify the approval to each of its representative organisations.

Clause 21: Variation of R&D plans

34. This clause requires an R&D Corporation to review its five year plan as soon as practicable after 30 June of each year and consider whether a variation is necessary, and permits an R&D Corporation to review its plan at any other additional time to consider whether a variation is necessary. Where variations are considered necessary the plan can be varied with the approval of the Minister. The Minister may accept or reject such requested variations.

Clause 22: Approval for varied R&D plans to run for 4 years from next 1 July.

35. This clause provides for variations to five year plans to be in force for the subsequent four years from the following 1 July. The intent of this clause is to allow for R&D Corporations to prepare rolling five year plans. The Minister is required to consider and approve the variation to be in force for the subsequent four years from the following 1 July.

Clause 23: When variations of R&D plans take effect

36. Provides for variations of an R&D plan to take effect on the day specified by the Minister in giving approval to the variations in respect of those plans intended as a five year rolling plans, or where no date is specified by the Minister, the next 1 July after the approval of the plan. In any other case, for example for those plans varied for other than rolling reasons, the variation takes effect on the day of approval.

Clause 24: Consultation

37. Requires an R&D Corporation to consult with its representative organisations and any other persons or organisations it considers appropriate, in preparing or varying an R&D plan.

Clause 25: Annual operational plans

38. This clause requires an R&D Corporation to prepare each year a written annual operational plan (AOP) during which a five year R&D plan is in force. The AOP must specify groupings of R&D activities the Corporation intends to fund for the year, and describe how funding these activities will give effect to the five year R&D plan. AOPs are required to provide estimates of the total amounts likely to be spent by the Corporation on each grouping of R&D activities and on other expenditures during the year, and on the amounts that are likely to be paid to the Corporation during the year.

Clause 26: Approval of annual operational plans

39. Requires an R&D Corporation to submit its annual operational plan (AOP) to the Minister for approval as to its consistency with the five year R&D plan. The AOP will come into force when it is approved by the Minister or on the first day to which the plan relates, whichever is the later. If the Minister is of the opinion that the program is inconsistent with the five year R&D plan, he/she may request the R&D Corporation to revise the AOP accordingly. Having received such a request, an R&D Corporation will revise the AOP where necessary and re-submit it to the Minister for approval. Where an AOP, or its variation, is approved, the R&D Corporation must within a month notify the approval to each of its representative organisations.

Clause 27: Compliance with R&D plans and annual operational plans

40. Provides for an R&D Corporation to ensure consistency in the performance of its functions, the exercise of its powers, the R&D plan and the applicable annual operational plan.

Division 4 - Accountability

Clause 28: Annual report

41. Provides that an R&D Corporation prepare an annual report covering its operations during each financial year, including particulars of R&D activities funded by the Corporation and the amounts spent on those activities, reviews of R&D plans and annual operational plans, joint ventures entered into, patent dealings, and an assessment of the extent to which its operations during the year achieved the Corporation's stated objectives applicable to that year. The annual report is subject to the provisions of the Audit Act 1901.

Clause 29: Accountability to representative organisations

42. Requires an R&D Corporation, other than one required to hold an annual general meeting, to provide copies of its annual report to each of its representative organisations as soon as practicable after it has been tabled in Parliament, and to arrange for the Chairperson to attend the organisation's annual conference or a meeting of their Executives for the purpose of delivering an address and being questioned on the Corporation's activities over the previous year and the intended activities for the new year.

Division 5 - Finance

Clause 30: Payments to R&D Corporations

43. This clause provides for an R&D Corporation to which a levy or class of levies is attached to be paid, from consolidated revenue, monies collected or received by the Commonwealth from the research component of those levies, from penalties associated with those levies, and from contributions from the Commonwealth. The clause also provides for an R&D Corporation to which no levies are attached to be paid out of money appropriated by Parliament.

Clause 31: Government matching payments not to exceed levy payments

44. This clause provides for the Commonwealth to contribute funds to an R&D Corporation to a level not exceeding the Corporation's expenditure from funds derived from levies. This clause does not apply to the Rural Industries Research and Development Corporation.

Clause 32: R&D Corporations to which the Commonwealth makes no matching payment

45. Stipulates that R&D Corporations so declared by regulations are not to receive Commonwealth contributions.

Clause 33: Commonwealth's matching payments not to exceed certain proportion of production

46. Provides that where the Commonwealth contributes matching funds to an R&D Corporation, the amount contributed is not to exceed an amount equal to 0.5 per cent of the gross value of production (GVP) in respect of the industries to which that R&D Corporation relates. The GVP is to be determined by the Minister and specified in the regulations. Where tobacco levies are attached to an R&D Corporation prior to 1 July 1991, the Commonwealth matching contribution is not to exceed an amount equal to 3.5 cents per kilogram for the tobacco leaf in respect of which those levies are imposed in the relevant financial year.

Clause 34: Expenditure of money of R&D Corporations

47. Provides for an R&D Corporation to spend money required in the performance of its functions, including payments for funding R&D activities, director and other remuneration, selection committee expenses and levy collection expenses.

Clause 35: Commonwealth to be paid levy expenses from R&D Corporations

48. Provides for an R&D Corporation to which a levy is attached to pay the Commonwealth for expenses incurred in collecting and administering levies.

Clause 36: Commonwealth to be reimbursed for refunds of levy

49. Provides that where the Commonwealth is required to refund any part of a levy paid by a levy payer and that the levy has already been paid to an R&D Corporation, that Corporation is required to pay the Commonwealth the amount that the Commonwealth will refund to the levy payer.

Clause 37: Transfer of money where levies redirected

50. This clause provides for levies already paid into one R&D Corporation or R&D Fund to be transferred to another R&D Corporation or R&D Fund where the attachment of a levy to an R&D Corporation and R&D Fund has also been transferred to the other R&D Corporation and R&D Fund. Where two R&D Corporations are unable to agree on whether such a transfer should take place or the amount to be transferred, this clause provides for the Minister to determine the matter.

Clause 38: Payment of amounts of levy where levies redirected

51. Provides that where amounts from levies received and payable to an R&D Corporation by the Commonwealth is outstanding, and that where the associated levy has been subsequently transferred to another R&D Corporation or R&D Fund, the outstanding payment is to be paid to the other R&D Corporation or R&D Fund.

Clause 39: Payment of matching contributions where levies redirected

52. Provides that where the Commonwealth has not yet paid money into an R&D Corporation or R&D Fund where it was required to match expenditure payments from the Corporation or Fund, and where the attachment of levies has been transferred from that Corporation or Fund to another Corporation, the Commonwealth must pay the new Corporation the matching payment under its original obligation.

Clause 40: Treatment of amounts received, after levies redirected, as a result of earlier expenditure

53. Provides that where money is received by an R&D Corporation from the sale of property, work undertaken, interest receipts or patent dealings in relation to initiatives commenced when the related levies were attached to the Corporation but have since been transferred to another R&D Corporation or R&D Fund, that money received must be transferred to the Corporation or Fund to which the related levies are newly attached. Where two R&D Corporations are unable to agree on whether such a transfer should take place or the amount to be transferred, this clause provides for the Minister to determine the matter.

Clause 41: Separate accounting records

54. Provides by regulations for an R&D Corporation to keep separate accounting records in relation to the relevant specified classes of research and development activity.

Clause 42: Borrowing from Commonwealth

55. Provides authority for an R&D Corporation to borrow money than from the Commonwealth, subject to the written approval of the Minister for Finance.

Clause 43: Borrowing from persons other than the Commonwealth

56. Provides for an R&D Corporation to borrow money from persons other than the Commonwealth on the written approval of the Treasurer. Money may be borrowed in foreign currency.

Clause 44: Guarantee of borrowing

57. Provides that the Treasurer may, on behalf of the Commonwealth, enter into a contract to guarantee the repayment or payment by an R&D Corporation of money borrowed or raised and spells out provisions concerning court proceedings in relation to such contracts. The repayment or payment of money may also be guaranteed by the Commonwealth where the Treasurer makes a written determination.

Clause 45: Borrowing not otherwise permitted

58. Provides that an R&D Corporation must not borrow money except under this Division.

Clause 46: R&D Corporations may give security

59. Provides that an R&D Corporation may give security over all or part of its land or other assets for the repayment and payment by the Corporation of money it borrows.

Clause 47: Liability to taxation

60. Stipulates that R&D Corporations are subject to Commonwealth taxation (other than income tax). They are not subject to State or Territory taxation unless provided for in the regulations, but are required to pay State or Territory stamp duty as applicable on the relevant transactions, instruments or documents.

Division 6 - Meetings of Research and Development Corporations

Clause 48: Times and places of meetings

61. Provides for an R&D Corporation to hold such meetings, at times and places as determined by the Corporation, as is necessary to efficiently perform its functions. A Chairperson may call a meeting at any time, but must call one if requested to do so by a majority of the Corporation's directors.

Clause 49: Presiding at meetings

62. Provides for the Chairperson of an R & D Corporation to preside at all meetings at which he/she is present, or if absent, for the Deputy Chairperson or a director on the appointment of the directors present to preside.

Clause 50: Quorum

63. Provides for a majority of directors present to constitute a quorum.

Clause 51: Voting at meetings

64. Requires questions to be decided by a majority of votes of directors present at meetings, and provides the person presiding at the meeting to have a deliberative vote and, if necessary, a casting vote.

Clause 52: Conduct of meetings

65. Provides for an R&D Corporation to determine the manner in which it conducts meetings. It also allows for an R&D Corporation to permit a director to participate in a meeting by phone or by any other means of communication and to regard such a participant as being present at the meeting.

Clause 53: Resolutions without meetings

66. This clause enables resolutions to be passed as though at a meeting of an R&D Corporation without the Corporation actually meeting. It requires that a majority of directors which if at a meeting constitute a quorum, indicate agreement with the resolution.

Clause 54: Minutes

67. Requires that an R&D Corporation must keep minutes of its meetings.

Clause 55: Disclosure of interests

68. Requires that a director of an R&D Corporation, through having a direct or indirect pecuniary interest in a matter being considered by the Corporation, must disclose the nature of such interest, and that the disclosure will be recorded in the minutes. Where such matters are being deliberated, that director must not be present unless otherwise determined by the Corporation.

Clause 56: Persons may be invited to attend meetings

69. Provides for an R&D Corporation to invite persons to a meeting for the purpose of advising or informing it on any matter.

Division 7 - Annual general meetings

Clause 57: R&D Corporations to which this Division applies

70. Provides for an R&D Corporation to which a levy is attached to be subject to the clauses relating to annual general meetings if so specified in the regulations.

Clause 58: List of levy payers

71. This clause provides that where an R&D Corporation is required to hold an annual general meeting, the Corporation must prepare a list of its levy payers for the preceding financial year from those that seek to be entered on the list in accordance with clause 59. The list of levy payers must not be used for any other purpose than to invite levy payers to attend an annual general meeting of the Corporation.

Clause 59: Corporation to convene annual general meeting

72. Provides that where an R&D Corporation is required to conduct an annual general meeting, the meeting must be held in each financial year at a time and place determined by the Corporation, and that a period of not more than 15 months elapse between meetings.

Clause 60: Notice of convening of an annual general meeting

73. Provides that where an R&D Corporation is to hold an annual general meeting, it must, no later than 70 days prior to the meeting give notice regarding the time and place of the meeting and the deadline by which levy payers are to apply to be included on a list of levy payers for the purpose of being invited to attend. The notice must be published in the Gazette, a national newspaper and by any other manner as determined by the Corporation.

Clause 61: Purpose of annual general meeting

74. Provides that the purpose of an annual general meeting is to provide an opportunity for levy payers to consider an R&D Corporation annual report; to receive an address by the Corporation Chairperson on the Corporation's performance and outlook; to question the Corporation's directors on any aspect of the Corporation's activities; and to debate and vote on any motion relating to the Corporation's responsibilities or any motion moved on behalf of the Corporation to endorse a recommendation the Corporation proposes to make to the Minister or any motion of no confidence in the Corporation's Chairperson or in the Corporation.

Clause 62: Regulations may provide for certain matters

75. This Clause provides that the regulations may make provision for: notifying which R&D Corporations must hold annual general meetings; notifying the levy payers of the time and place of the meeting, terms of motions proposed and other matters of relevance; the appointment of proxies for levy payers; the methods by which motions are to be taken as passed; the method of determining the number of votes each attending levy payer may cast; and the adoption of procedures relating to voting to ensure that the amount of levy paid by a levy payer remains confidential.

Clause 63: Conduct of annual general meetings

76. Specifies that an annual general meeting of an R&D Corporation may be attended by the directors of the Corporation, the levy payers who have been included on a list of levy payers, members of the executive of the representative organisations, persons invited by the Corporation, and employees and consultants of the Corporation as determined appropriate by the Corporation. The Chairperson is required to preside at the meeting if present, and the Corporation must keep record of the meeting's proceedings. Levy payers attending are eligible to vote on any matter to be determined at a meeting.

Clause 64: Motions of no confidence

77. Provides that where a motion of no confidence in an R&D Corporation or the Chairperson is moved at an annual general meeting of the Corporation, the person presiding at the meeting must cease presiding until the motion has been voted on and be replaced by an employee of the Corporation as selected by the Chairperson. Where a motion of no confidence in the Corporation is passed, the office of each director (other than Executive Director) is to be taken as vacant immediately after the meeting. The Minister must within one month terminate the appointment of each director by notice in Gazette and then proceed to appoint a different Chairperson and government director and appoint nominated directors as per the selection processes set out in Part 4 of the Bill. Where a motion of no confidence in the Chairperson is passed, the Minister is required as soon as practicable after the meeting to terminate the Chairperson's appointment and, within two months, appoint another person as Chairperson of the Corporation.

Clause 65: Representative organisations to receive copy of resolutions

78. Provides that where an R&D Corporation has held an annual general meeting, it is required within one month to provide to each of its representative organisations a copy of the text of the motions passed at the meeting.

Division 8 - Provisions relating to directors other than Executive Directors

Clause 66: Definition

79. Provides that within Division 8, "director" means a director of an R&D Corporation other than the Executive Director.

Clause 67: Term of office

80. Specifies that directors of R&D Corporations are to be appointed for terms of up to 3 years as specified in the instrument of appointment. Directors are eligible for reappointment by the Minister, but cease to hold office on attaining 65 years of age.

Clause 68: Directors hold office on a part-time basis

81. Provides that directors of R&D Corporations hold office on a part-time basis.

Clause 69: Remuneration and allowances of directors

82. Provides for payment to directors (other than Executive Director) of remuneration at a level determined by the Remuneration Tribunal and allowances as are prescribed.

Clause 70: Terms and conditions of appointment not provided for by Act

83. Provides for the Minister to determine directors' terms and conditions in relation to matters not provided for by this Bill.

Clause 71: Outside employment

84. Provides that a director must not engage in paid employment the Minister considers conflicts with the director's duties.

Clause 72: Leave of absence

85. Provides for the Minister to grant leave of absence to the Chairperson of an R&D Corporation and for the Chairperson to grant leave of absence to directors (other than the Executive Director) on terms and conditions determined by the Minister or the Chairperson as appropriate.

Clause 73: Resignation

86. Provides that R&D Corporation directors may resign by writing to the Minister and that the resignation takes effect on the day of notice or on the specified date within the notice if stated.

Clause 74: Termination of appointment

87. Provides the Minister with discretion to terminate the appointment of the Chairperson or a nominated director for misbehaviour or for physical or mental incapacity. Where the Chairperson or nominated director becomes bankrupt, is absent without leave from three consecutive meetings or fails to comply with the obligations concerning disclosure of pecuniary interests, the Minister must terminate the appointment.

Clause 75: Deputy Chairperson

88. Provides for the appointment of the Deputy Chairperson by the Minister from directors of an R&D Corporation (other than the government director or Executive Director). It provides for terms and conditions of appointment, the termination of appointment and for the powers to be exercised and functions to be performed by the Deputy Chairperson.

Division 9 - Executive Director

Clause 76: Executive Director

89. Provides that each R&D Corporation is to have an Executive Director.

Clause 77: Duties

90. Provides that an Executive Director of an R&D Corporation is to manage the affairs of the Corporation in accordance with its policies and directions. Action taken by an Executive Director on behalf of the Corporation shall be deemed to have been done by the Corporation.

Clause 78: Appointment

91. Provides that an Executive Director of an R&D Corporation is appointed by the Corporation. A person cannot be appointed as Executive Director if he/she is the Chairperson, government director or nominated director of the Corporation, or a member of the executive of a representative organisation or has attained the age of 65.

Clause 79: Term of appointment etc

92. The Executive Director of an R&D Corporation holds office during the Corporation's pleasure but ceases to hold office on attaining 65 years of age.

Clause 80: Executive Director holds office on full-time or part-time basis

93. Provides that the Executive Director of an R&D Corporation holds office on a full-time or part-time basis as specified in the instrument of appointment.

Clause 81: Executive Director not to engage in other paid employment

94. Requires that a full-time Executive Director of an R&D Corporation must not engage in paid employment outside the duties of the office without the Corporation's approval. Part-time Executive Directors must not engage in paid employment if, in the Corporation's opinion, it conflicts with the proper performance of the Executive Director's duties.

Clause 82: Terms and conditions of employment

95. Provides that the remuneration and allowance of an Executive Director are to be determined by the R&D Corporation and approved by the Minister.

Clause 83: Leave of absence

96. Provides for the Chairperson of an R&D Corporation to grant leave of absence to the Executive Director, and determine conditions of such absence.

Clause 84: Resignation

97. Provides that an Executive Director of an R&D Corporation may resign by writing to the Chairperson of the Corporation, and that the resignation takes effect on the day of notice or on the specified date within the notice if stated.

Clause 85: Disclosure of interests

98. This clause requires an Executive Director to disclose any direct or indirect pecuniary interest in writing to the Chairperson of the Corporation.

Clause 86: Acting Executive Director

99. This clause enables an R&D Corporation to appoint an acting Executive Director when the Executive Director is absent from duty or from Australia or when the position is vacant. It provides, among other things, for the Executive Director's powers to be exercised by the person acting.

Clause 87: Exclusion of Executive Director etc. from certain deliberations

100. Provides that the Executive Director or the acting Executive Director of an R&D Corporation is to be excluded from any deliberations concerning the position of Executive Director including matters regarding appointment, terms and conditions, termination of appointment and giving permission or refusal for the Executive Director to engage in outside paid employment.

Division 10 - Employees and consultants

Clause 88: Employees

101. Provides for an R&D Corporation to employ staff as necessary under terms and conditions of employment determined by the Corporation. These terms and conditions are not to be more favourable than those of the Executive Director.

Clause 89: Consultants

102. Provides for an R&D Corporation to engage consultants to the Corporation on terms and conditions determined by the Corporation.

Division 11 - Miscellaneous

Clause 90: Committees

103. Provides that an R&D Corporation may establish committees to assist it in carrying out its functions and provides for the Corporation to determine the size and quorum of

such committees. Members of committees are subject to the same conditions as for directors regarding conflict of interest as per clause 85. A member of a committee who is not a director of the Corporation holds office on such terms and conditions including remuneration and allowances, as determined by the Remuneration Tribunal.

Clause 91: Delegation by R&D Corporation

104. This clause provides for an R&D Corporation to delegate all or any of its powers to a committee, director or an employee of the Corporation. The delegate is subject to the directions of the Corporation in the exercise of powers delegated.

Clause 92: Delegation by Executive Director

105. Provides for an Executive Director of an R&D Corporation to delegate all or any of his/her powers to an employee of the Corporation. The delegate is subject to the directions of the Executive Director in the exercise of powers delegated.

PART 3 - RESEARCH AND DEVELOPMENT COUNCILS AND RESEARCH AND DEVELOPMENT FUNDS

Division 1 - Establishment, function and powers of Research and Development Councils

Clause 93: Establishment

106. This clause establishes both the R&D Council and the name the Council will be known by as specified in the regulations.

Clause 94: Functions

107. Describes R&D Council functions, including: the investigation and evaluation of R&D requirements; the preparation of 5 year R&D plans and annual operational plans; the coordination and funding of R&D activities that are consistent with those plans; to monitor, evaluate and report on its activities to the Minister and representative organisations; and to facilitate the dissemination, adoption and commercialisation of R&D results.

Clause 95: Powers

108. Provides that an R&D Council has power to do all things that are necessary or convenient to be done for the performance of its functions.

Clause 96: Consultations with persons and organisations

109. Provides for an R&D Council to consult with persons and organisations representative of the relevant industry, and with relevant Commonwealth, State and Territory authorities. Provision is also made for an R&D Corporation, if it so decides, to meet the costs reasonably incurred by a person or representative organisation in connection with such consultations.

Clause 97: Additional functions of the RIR&D Corporation

110. Provides for additional RIR&D Corporation functions to include administering the R&D Funds, providing administrative services to R&D Councils where agreed, and entering into agreements on behalf of Councils.

Division 2 - Constitution and meetings of R&D Councils

Clause 98: Constitution of R&D Councils

111. Specifies that an R&D Council is to consist of a Chairperson, government member and between three and seven other members, as determined by the Minister to be appropriate for the Council.

Clause 99: Appointment of members

112. Provides for the appointment of members of an R&D Council to be made by the Minister. Conditions relating to appointments include: government members are required to have experience in and knowledge of government policy processes and public administration; nominated members are to be appointed from nominations of the Selection Committee; and all members must be under the age of 65.

Clause 100: Members of executive of representative organisation not eligible for appointment etc.

113. Specifies that a person who is a member of the executive of a representative organisation of an R&D Council is not eligible for appointment to that Council.

Clause 101: Applied provisions

114. Provides for the provisions of Divisions 6 and 8 of Part 2 to be applied to meetings of the R&D Councils and provisions relating to members of R&D Councils.

Division 3 - R&D Plans and annual operational plans

Clause 102: R&D Plans

Sub-clauses (1) & (2)

115. Requires an R&D Council to prepare R&D plans. The conditions and requirements regarding the nature of these plans, their approval, variation, approval of variation and date to take effect are as per Clauses 19 to 24 which apply to R&D plans of R&D Corporations.

Sub-clause (3)

116. Provides that an R&D Council cannot submit its R&D plan, request approval to a variation of a plan or request an update of a plan to carry for the following 5 years (rolling plan) to be approved by the Minister unless the Council has at least one month beforehand provided a copy of the plan, variation or request to the Rural Industries Research and Development Corporation. If the Corporation indicates to the Council that it wishes to have its comments accompany the Council's plan, variation or request to the Minister, these comments must then accompany the Council's plan, variation or request to the Minister.

Clause 103: Annual operational plans

117. This clause requires an R&D Council to prepare each year a written annual operational plan (AOP). The AOP must specify groupings of R&D activities the Council intends to fund for the year, and describe how funding these activities will give effect to the five year plan. AOPs are required to provide estimates of the total amount likely to be spent by the Council on each grouping of R&D activities and on other expenditures during the year, and the amounts that are likely to be paid into the Council's R&D Fund during the year.

Clause 104: Approval etc. of annual operational plans

Sub-clause (1)

118. Provides that the approval processes and consultation processes for R&D Corporation annual operational plans as per Clause 26 apply to R&D Council's annual operational plans.

Sub-clause (2)

119. Stipulates that an R&D Council cannot submit an annual operational plan, or a variation of the plan to the Minister for approval unless the Council has, at least one month beforehand, provided a copy of the plan or variation to the Rural Industries Research and Development Corporation. If the Corporation indicates to the Council that it wishes to have comments accompany the plan or variation, these comments must then accompany the Council's plan or variation to the Minister.

Clause 105: Compliance with R&D plans and annual operational plans

120. Provides for an R&D Council to ensure consistency in the performance of its functions, the exercise of its powers, the R&D plan and the applicable annual operational plan.

Division 4 - Accountability

Clause 106: Annual report

Sub-clauses (1) and (2)

121. Provides that, as soon as practicable after 30 June, an R&D Council prepare an annual report covering its operations during the previous financial year, including particulars of R&D activities funded by the Council and the amount spent on these activities, reviews of R&D plans and annual operational plans, those agreements entered into by the Rural Industries Research and Development Corporation on its behalf, and an assessment of the extent to which the Council's operations during the year achieved the Council's stated objectives applicable to that year.

Sub-clauses (3)-(5)

122. Stipulate that an R&D Council cannot submit an annual report to the Minister unless at least one month beforehand the Council provided a copy of the report to the Rural Industries Research and Development Corporation. If the Corporation indicates to the Council that it wishes to have comments accompany the report, those comments must then accompany the Council's report to the Minister. The Minister must table the report in Parliament within 15 days of receiving it.

Clause 107: Accountability to representative organisations

123. Requires an R&D Council to provide copies of its annual report to each of its representative organisations as soon as practicable after it has been tabled in Parliament and to arrange for the Chairperson to attend the organisation's annual conference or a meeting of their executives for the purpose of delivering an address and being questioned on the Council's activities over the previous year and the intended activities for the new year.

Division 5 - Research and Development Funds

Clause 108: Establishment of Research and Development Funds

124. Requires that where an R&D Council is established, a corresponding R&D Fund is established in respect of that Council. The Fund vests in, and is to be administered by the Rural Industries Research and Development Corporation.

Clause 109: Money to be paid into R&D Fund

125. This clause provides for an R&D Council to which a levy is attached to its Fund to be paid, from consolidated revenue, monies collected or received by the Commonwealth

from the research component of those levies, and from penalties associated with the levies and contributions from the Commonwealth. The clause also provides for an R&D Fund to which no levy is attached to be paid out of money appropriated by Parliament.

Clause 110: Government matching payments not to exceed levy payments

126. This clause provides for the Commonwealth to contribute funds to an R&D Fund to a level not exceeding the expenditure from the funds derived from levies.

Clause 111: Commonwealth's matching payments not to exceed certain proportion of production

127. Provides that where the Commonwealth contributes matching funds to an R&D Fund, the amount contributed is not to exceed an amount equal to 0.5 per cent of the gross value of production (GVP) in respect of the industries to which that R&D Fund relates. The GVP is to be determined by the Minister and specified in the regulations. Where tobacco levies are attached to an R&D Fund prior to 1 July 1991, the Commonwealth matching contribution is not to exceed an amount equal to 3.5 cents per kilogram for the tobacco leaf in respect of which these levies are imposed in the relevant financial year.

Clause 112: Additional money payable into R&D Funds

128. Provide for an R&D Fund to receive monies in addition to those stipulated in Clause 109, including amounts received from the sale of property, patent dealings, interest and work undertaken by the R&D Council. The Commonwealth is required to pay into the Fund, amounts paid to the Commonwealth for the purpose of the Fund.

Clause 113: Expenditure of money in R&D Funds

Sub-clauses (1), (3) and (4)

129. Provides for the Rural Industries Research and Development Corporation, on behalf of an R&D Council, to spend money from that Council's R&D Fund required in the performance of the Council's functions, including payments for funding R&D activities, member and other remuneration, services provided by the Corporation as agreed with the Council, Selection Committee expenses, levy collection expenses and the payment of employees, consultants and administrative and clerical services.

Sub-clause (2)

130. Requires the Rural Industries and Development Corporation to pay out of an R&D Fund the amount of money it is required to pay to another R&D Corporation on R&D Fund if

the levies originally attached to the Fund have been transferred to another R&D Fund or R&D Corporation.

Clause 114: Commonwealth to be paid levy expenses from R&D Funds

131. Provides for expenses incurred by the Commonwealth in collecting and administering levies to be paid from the R&D Fund to which the related levy is attached.

Clause 115: Commonwealth to be reimbursed for refunds of levies

132. Stipulates that where the Commonwealth is required to refund any part of a levy paid by a levy payer, and that levy has already been paid to an R&D Fund, the Rural Industries Research and Development Corporation is required to pay the Commonwealth from that Fund the amount the Commonwealth will refund to the levy payer.

Clause 116: Transfer of money where levies redirected

133. Where a levy is transferred to another Fund or Corporation levies already paid are also transferred. Where the Rural Industries Research and Development Corporation and another R&D Corporation are unable to agree on whether such a transfer should take place or the amount to be transferred, this clause provides for the Minister to determine the matter.

Clause 117: Payment of amounts of levy where levies redirected

134. Provides that where amounts from levies received and payable to an R&D Fund by the Commonwealth is outstanding, and that where the associated levy has been subsequently transferred to another R&D Fund or R&D Corporation, the outstanding payment is to be paid to the other R&D Fund or R&D Corporation.

Clause 118: Payment of matching contributions where levies redirected

135. Provides that where the Commonwealth has not yet paid money into an R&D Fund or an R&D Corporation where the Commonwealth was required to match expenditure payments from the Fund or Corporation, and where the attachment of levies has been transferred from that Fund or Corporation to another Fund, the Commonwealth must pay into the new Fund the matching payment under its original obligation.

Clause 119: Treatment of amounts received, after levies redirected, as a result of earlier expenditure

136. Provides that where money is received into an R&D Fund from the sale of property, work undertaken, interest receipts or patent dealings in relation to initiatives commenced when the related levies were attached to the Fund but have since been transferred to another R&D

Corporation or R&D Fund, that money received must be transferred to the Corporation or Fund to which the related levies are newly attached. Where the Rural Industries Research and Development Corporation and another Corporation are unable to agree on whether such a transfer should take place or the amount to be transferred, this clause provides for the Minister to determine the matter.

Division 6 - Employees, consultants and administrative services

Clause 120: Employees

137. Provides for an R&D Council to employ staff as necessary under terms and conditions of employment determined by the Council.

Clause 121: Consultants

138. Provides for an R&D Council to engage consultants to the Council. The terms and conditions of engaged consultants are to be determined by the Corporation.

Clause 122: Administrative agreements

139. Provides for an R&D Council to enter into agreement with another body for that body to perform administrative and clerical services necessary for the Council to perform its functions and exercise its powers.

PART 4 - SELECTION COMMITTEES

Division 1 - Establishment etc. of Selection Committees

Clause 123: Presiding Members of Selection Committees

140. Provides for the part-time appointment of a Presiding Member to a Selection Committee for each R&D Corporation, for a term of not more than three years as specified in the instrument of appointment.

Clause 124: Minister may request the establishment of a Selection Committee

141. Provides that for the purpose of appointing and filling vacancies for nominated directors of an R&D Corporation or nominated members of an R&D Council, the Minister must write to the appropriate Presiding Member requesting that Presiding Member to establish a Selection Committee. In respect of writing to the Presiding Member responsible for the Rural Industries Research and Development Corporation, the Minister must also specify for which Council a Selection Committee is to be established.

Clause 125: Establishment of Selection Committees - R&D Corporations

142. Provides that where a Presiding Member is requested to establish a Selection Committee in respect of an R&D Corporation, he/she is required to write to the Corporation's representative organisation(s) seeking nominations of persons to the Minister for appointment to the Selection Committee. The Selection Committee will comprise, in addition to the Presiding Member, three to six other members nominated by the representative organisations and appointed by the Minister. Where the Minister is not satisfied with a nomination, however, he/she may request another nomination to be made.

Clause 126: Establishment of Selection Committees - predominantly Commonwealth funded R&D Corporations

143. Provides for the Minister, in respect of R&D Corporations predominantly funded by the Commonwealth, to appoint in addition to the Presiding Member, one to six other members. Where the Minister appoints less than six members, the representative organisations may nominate the remainder. Other provisions are as per clause 124.

Clause 127: Establishment of Selection Committees- R&D Councils

144. Provides that where a Presiding Member for the Rural Industries Research and Development Corporation is requested to establish a Selection Committee in respect of an R&D Council, he/she is requested to write to that Council's representative organisation(s) seeking nominations of persons to the Minister for appointment to the Selection Committee. The Selection Committee will comprise the Presiding Member, one to three members appointed by the Minister on the nomination of the representative organisation(s) and a member chosen by the Minister as having knowledge of and experience in research and development, scientific matters or marketing. This expert member is to be appointed similarly to the Presiding Member, on a part-time basis for a term not exceeding three years as specified in the instrument of appointment. Where the Minister is not satisfied with a representative organisation's nomination, however, he/she may request another nomination to be made.

Clause 128: Function of Selection Committees

145. Specifies that the function of a Selection Committee for an R&D Corporation or an R&D Council is to nominate, at the request of the Minister, persons for the Minister to appoint as nominated directors of the R&D Corporation or nominated members of the R&D Council.

Clause 129: Powers of Selection Committees

146. Provides that a Selection Committee has power to do all things that are necessary or convenient to be done for the performance of its functions.

Clause 130: Presiding Member to abolish Selection Committee

147. Provides that where a Selection Committee has completed its task of nominating persons for appointment by the Minister in respect of the relevant R&D Corporation or R&D Council, and that where there are no outstanding matters to be dealt with, the Presiding Member must abolish the Selection Committee.

Division 2 - The selection process

Clause 131: Nominations to be made by Selection Committees

Sub-clauses (1) and (3)

148. Require that a Selection Committee must provide the Minister with written notice of its nominations for appointment to the relevant R&D Corporation or R&D Council including details of the nominees' qualifications and experience, and the Selection Committee's opinion on how the nomination(s) will best ensure that the directors of the R&D Corporation or members of a R&D Council concerned will collectively possess an appropriate balance of expertise in accordance with Clause 132.

Sub-Clause (2)

149. In enabling it to make a nomination, a Selection Committee must invite nomination of persons for appointment by placing advertisements in at least one newspaper which circulates throughout Australia and by inviting representative organisations to suggest candidates, and may invite nomination of persons in any other manner it considers appropriate.

Clause 132: Selecting persons for nomination

150. Specifies that in selecting persons to be nominated for appointment to R&D Corporations or Councils the Selection Committee shall choose from the available candidates such persons as will best ensure that the Corporation or Council collectively possesses, having regard to the particular primary industry concerned, qualifications and experience in: commodity production, commodity processing, commodity marketing, conservation of natural resources, management of natural resources, science, technology and technology transfer, environmental and ecological matters, economics, administration of R&D, finance and business management. A person can be nominated for appointment to a Corporation or Council

even though that person may have previously been considered and not nominated to, or rejected by, the Minister.

Clause 133: Selection Committee to make only one nomination

151. Provides that unless the Minister rejects a nomination put forward by a Selection Committee and that therefore a further nomination is required, the Selection Committee is to nominate only one person in respect of each appointment to be made by the Minister.

Clause 134: Minister may request further information

152. Provides for the Minister to seek in writing further information from a Selection Committee where he/she considers the statement provided by the Selection Committee in nominating persons for appointment to be inadequate.

Clause 135: Minister may reject nomination

153. Provides for the Minister to request a further nomination if he/she is not satisfied with a nomination provided by a Selection Committee.

Division 3 - Preliminary selection arrangements

Clause 136: Selection arrangements for proposed R&D Corporations

154. Provides for the appointment of persons as members to a Selection Committee or as directors to an R&D Corporation prior to a proposed Corporation being established. Appointments of directors cannot take effect until the regulations specify that an R&D Corporation is established. The clause also provides for the Commonwealth to meet the expenses of the Selection Committee and to cost recover these expenses when the R&D Corporation is established.

Clause 137: Selection arrangements for the RIR&D Corporation before its establishment

155. Provides for the provisions of clause 136 to apply in respect of the Rural Industries Research and Development Corporation.

Clause 138: Selection arrangements for proposed R&D Councils

156. Provides for the provisions of clause 136 to apply in respect of R&D Councils. The obligation of the Commonwealth to meet the Selection Committee expenses as per clause 136 applies if the Rural Industries Research and Development Corporation is not yet established.

Division 4 - Other provisions relating to Selection Committees

Clause 139: Applied provisions

157. Provides for the provisions of Division 6 and 8 of Part 2 to be applied to meetings of a Selection Committee and to members of a Selection Committee.

Clause 140: Employees

158. Provides for a Selection Committee to employ persons other than employees of the R&D Corporation concerned, or the Rural Industries Research and Development Corporation where an R&D Council is concerned, to perform clerical and administrative services in connection with the performance of its functions and exercise of its powers. The terms and conditions of employment are to be determined by the Selection Committee.

Clause 141: Consultants

159. Provides for a Selection Committee to engage consultants to the Committee on terms and conditions determined by the Committee.

Clause 142: Annual reports of Selection Committees

160. Provides for the Presiding Member of each Selection Committee to prepare and give to the Minister a report of its activities for the preceding year, and the Minister to table the report in Parliament within 15 sitting days of receiving it.

DIVISION 5 - MISCELLANEOUS

Clause 143: Co-ordination meetings

161. This clause provides for a meeting to be held each year to bring together the Chairpersons of R&D Corporations for the purpose of considering as far as practicable co-ordinating R&D activities pursued or proposed to be pursued by the R&D Corporations and R&D Councils. The Minister will nominate a Chairperson of one of the R&D Corporations to preside at the meeting, which will be attended by the Chairpersons of each of the R&D Corporations, or where this is not possible, a person who is nominated by that Corporation to attend instead. R&D Councils will be represented by the Chairperson of the Rural Industries Research and Development Corporation.

Clause 144: Minister may give directions

162. Provides for the Minister to give R&D Corporations or R&D Councils written directions as to the performance of their functions and the exercise of their powers.

Particulars of directions within a financial year must be included in the annual report covering that year unless the Corporation or Council considers that disclosure of the direction prejudices commercial activities, or the Minister considers disclosure to be contrary to public interest.

Clause 145: Transfer of assets etc. on the establishment of an R&D Corporation or R&D Council

163. Provides for the Minister to transfer any Commonwealth assets considered appropriate to an R&D Corporation or the Rural Industries Research and Development Corporation on behalf of an R&D Council as they become established. Where an asset owned by the Commonwealth is transferred to an R&D Corporation, the Corporation becomes liable to pay and discharge associated debts, liabilities and obligations.

Clause 146: Transfer of assets etc. on the cessation of an R&D Corporation or R&D Council

164. Provides for the Minister to transfer any R&D Corporation or R&D Council assets to the Commonwealth where those bodies cease to exist. Where such a transfer is made, the Commonwealth becomes liable to pay and discharge associated debts, liabilities and obligations.

Clause 147: Alteration of agreements and instruments on establishment of an R&D Corporation or R&D Council

165. Provides that agreements and instruments to which the Commonwealth is a party become transferred to an R&D Corporation or the Rural Industries Research and Development Corporation on behalf of an R&D Council where a Corporation or Council is established in connection with the primary industry to which the agreement or instrument relates.

Clause 148: Alteration of agreements and instruments on cessation of an R&D Corporation or R&D Council

166. Provides that agreements and instruments to which an R&D Corporation or the Rural Industries Research and Development Corporation on behalf of R&D Councils is a party become transferred to the Commonwealth on their cessation.

Clause 149: Renaming of R&D Corporations and R&D Councils

167. Allows for R&D Corporations and R&D Councils to change their names through regulations.

Clause 150: Regulations

168. Regulations can be made by the Governor-General on all matters required or permitted to be prescribed or when necessary or convenient for carrying out or giving effect to the Bill. The Governor-General must, in the case of making regulations in respect of annual general meetings, take into consideration the recommendations of representative organisations.

Clause 151: Orders

169. Provides that the regulations may make provision for the Minister to make orders consistent with the Bill in respect of any matter to which provision may be made by the regulations.

PART 6 - TRANSITIONAL PROVISIONS AND CONSEQUENTIAL AMENDMENTS

Clause 152: Transitional - Research Funds under the Rural Industries Research Act 1985

170. Provides that where levies attached to Research Funds under section 6 of the Rural Industries Research Act 1985 are transferred to an R&D Corporation or R&D Fund, the levies cease to be attached to the Research Fund and that Research Fund is to be abolished. It also provides for the transfer of credit, investments and liabilities. Allowance is made for outstanding monies owed to Research Funds by the Commonwealth to be paid to the relevant R&D Corporations or R&D Funds after transfer of levies has taken place.

Clause 153: Transitional-Research Councils and State Research Committees under the Rural Industries Research Act 1985

Sub-clause (1)

171. Provides that where levies attached to Research Councils under section 11 of the Rural Industries Research Act 1985 are transferred to become attached to an R&D Corporation or R&D Fund, the levies cease to be attached to the Research Council and that Research Council is to be abolished.

Sub-clause (2)

172. Provides that where a State Research Committee was in existence as a result of a levy being declared by regulation within the purpose of section 12 of the Rural Industries Research Act 1985, and that levy has been transferred to become attached to an R&D Corporation, that State Research Committee is to be abolished.

Clause 154: Transitional - Coal Research Trust Account

173. Provides, the transfer of the attachment of levies and amounts from the Trust Account established by the Coal Research Assistance Act 1977 to an R&D Corporation when the levy imposed by the Excise Tariff Act 1921 becomes attached to an R&D Corporation.

Clause 155: Other Trust Accounts

174. Provides, where a Trust Account has been established under section 62A of the Audit Act 1901 for the purpose of funding primary industries research and development, and that an R&D Corporation has been established in respect of that primary industry, the Minister may close the account and transfer any amounts and liabilities associated with it to the Corporation.

Clause 156: Closure of Trust Account

175. Provides where a Research Fund or the Coal Research Trust Account is abolished, it is to be taken as closed under subsection 62A(4) of the Audit Act 1901, and amounts payable to an R&D Corporation are payable out of consolidated revenue.

Clause 157: Abolition of Special Research Council and Special Research Fund

176. Provides for the Rural Industries Research Act 1985 and other Acts as specified in Schedule 1 to be amended as set out in the Schedule, and provides for the transfer of Special Research Fund monies to the Rural Industries Research and Development Corporation.

Clause 158: Amendments of other Acts

177. Provides for Acts other than the Rural Industries Research Act 1985 as specified in Schedule 2 to be amended as set out in the Schedule.

SCHEDULE 1 - ABOLITION OF SPECIAL RESEARCH COUNCIL AND SPECIAL RESEARCH FUND

Part 1: Amendments of the Rural Industries Research Act 1985

178. Provides for consequential amendments of the Rural Industries Research Act 1985 to those clauses regarding, and references to, the Special Research Council and Special Research Fund, to reflect their abolition.

Part 2: Amendments of other Acts

179. Provides for consequential amendments of Acts other than the Rural Industries Research Act 1985 to reflect the abolition of the Special Research Council and Special Research Fund.

SCHEDULE 2 - AMENDMENTS OF OTHER ACTS

180. Provides for amendments to the various levy and levy collection Acts relating to those industries for which R&D Corporations or R&D Councils are proposed. These amendments will reflect the redirection of levies to the appropriate R&D Corporations and R&D Councils.

