

# LEGISLATIVE ASSEMBLY

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Read 1° 2 November 1988

*(Brought in by Mr Jolly and Mr Fordham)*

## A BILL

to amend the *Borrowing and Investment Powers Act* 1987 to provide that the limits to the financial accommodation that may be obtained by certain authorities be determined by regulations, to make the borrowing and investment powers of the Totalizator Agency Board subject to the *Borrowing and Investment Powers Act* 1987, to amend the *Gas and Fuel Corporation Act* 1958, the *State Electricity Commission Act* 1958, the *Melbourne and Metropolitan Board of Works Act* 1958 and the *Racing Act* 1958 and for other purposes.

## **Borrowing and Investment Powers (Amendment) Act 1988**

The Parliament of Victoria enacts as follows:

### **Purpose.**

1. The purposes of this Act are—

- 5           (a) to provide that the limits to the financial accommodation that may be obtained by certain authorities be determined by regulations; and
- (b) to make the borrowing and investment powers of the Totalizator Agency Board subject to the *Borrowing and Investment Powers Act* 1987; and
- 10           (c) to make minor amendments to the *Melbourne and Metropolitan Board of Works Act* 1958.

**Commencement.**

2. (1) Subject to sub-section (2), this Act comes into operation on a day or days to be proclaimed.

(2) Section 10 (1) is deemed to have come into operation on 18 November 1987.

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**Principal Act.**

3. In this Act, the *Borrowing and Investment Powers Act 1987* is called the Principal Act.

No. 13/1987,  
Amended by  
Nos. 21/1988,  
23/1988,  
33/1988  
and 50/1988

**Amendment of sections 5, 8 and 10.**

4. The Principal Act is amended as follows:

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- (a) In section 5, after “Schedule 1” insert “, 1A”;
- (b) In section 8 (1), after “Schedule” insert “1A or”;
- (c) In section 10, after “Schedule” insert “1A or”.

**Insertion of new Division.**

5. After Division 2 of Part 2 of the Principal Act insert—

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“Division 2A—Limits on Financial Accommodation”

**Limits on financial accommodation as prescribed.**

‘11A. (1) This section applies to an authority specified in Schedule 2A.

(2) An authority specified in Schedule 2A must not at any time obtain financial accommodation if, at that time, its liability in respect of financial accommodation obtained under this Act and money borrowed under relevant borrowings exceeds or, if the financial accommodation were obtained, would exceed the amount prescribed for that authority.

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(3) Regulations under sub-section (2) prescribing an amount for an authority may be disallowed by Parliament.

(4) Unless regulations in force under sub-section (2) prescribe another amount for the authority, “amount prescribed” in that sub-section means—

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- (a) in relation to the Gas and Fuel Corporation of Victoria, \$700 000 000; and
- (b) in relation to the Melbourne and Metropolitan Board of Works, \$2 750 000 000; and
- (c) in relation to the State Electricity Commission of Victoria, \$8 000 000 000.

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(5) In sub-section (2), “money borrowed under relevant borrowings” means—

- (a) in relation to the Gas and Fuel Corporation of Victoria, money borrowed under any Act and financial accommodation obtained under any Act other than this Act; and
- (b) in relation to the Melbourne and Metropolitan Board of Works, money borrowed before the commencement of section 23 of this Act under section 188 of the *Melbourne and Metropolitan Board of Works Act 1958*; and
- (c) in relation to the State Electricity Commission of Victoria, money borrowed before the commencement of section 23 of this Act under section 89 of the *State Electricity Commission Act 1958*.

**15 Amendment of sections 12, 14, 20 and 21.**

**6.** The Principal Act is amended as follows:

- (a) In section 12 (1), after “Schedule 1” insert “or 1A”;
- (b) In section 14 (1), after “Schedule” insert “1A or”;
- (c) In section 20, after “Schedule 1” insert “, 1A”;
- (d) In section 21, after “Schedule 1” insert “, 1A”.

**Insertion of new Schedule 1A.**

**7.** After Schedule 1 to the Principal Act insert—

**“SCHEDULE 1A**

**s. 5 etc.**

Authorities to which sections 5, 8, 10, 12, 14, 20 and 21 apply  
Totalizator Agency Board”.

**Insertion of new Schedule 2A.**

**8.** After Schedule 2 to the Principal Act insert—

**“SCHEDULE 2A**

**s. 11A**

Authorities to which section 11A applies  
Gas and Fuel Corporation of Victoria  
Melbourne and Metropolitan Board of Works  
State Electricity Commission of Victoria”.

**25 Consequential amendments.**

**9.** (1) Section 17 (2) of the *Gas and Fuel Corporation Act 1958* is repealed.

(2) Section 88 (2) of the *State Electricity Commission Act 1958* is repealed.

**Amendment of the Melbourne and Metropolitan Board of Works Act.**

10. (1) In section 187 (1) of the *Melbourne and Metropolitan Board of Works Act 1958*—

- (a) after “financial accommodation” (where first occurring) insert “for the purposes of this Act (other than Parts VI and XII)”; and 5
- (b) after “receive under” insert “Part II, III or X of”.

(2) Section 187 (2) of the *Melbourne and Metropolitan Board of Works Act 1958* is repealed.

**Amendment of the Racing Act.** 10

11. For sections 116IA and 116IB of the *Racing Act 1958* substitute—

**Borrowing powers of the Board.**

“116IA. For the purposes of carrying out its powers and functions under this Act, the Board may obtain financial accommodation in accordance with the powers conferred on the Board under the *Borrowing and Investment Powers Act 1987*.” 15

**Investment powers of the Board.**

“116IB. The Board may invest any money standing to the credit of the Board and not immediately required for the purposes of this Act in accordance with the powers conferred on the Board under the *Borrowing and Investment Powers Act 1987*.”. 20

**Transitional provisions.**

12. (1) Section 116IA of the *Racing Act 1958*, as in force immediately before the commencement of section 11 of this Act, continues to apply to and in respect of— 25

- (a) money borrowed or re-borrowed and any other thing done under borrowing powers or powers to obtain financial accommodation conferred by the *Racing Act 1958* before the commencement of section 11; and
- (b) money borrowed or re-borrowed and any other thing done under borrowing powers or powers to obtain financial accommodation conferred by the *Racing Act 1958* after that commencement, pursuant to arrangements entered into before that commencement— 30

as if section 11 had not been enacted. 35

(2) Section 1161B of the *Racing Act* 1958 as in force immediately before the commencement of section 11 of this Act, continues to apply to or in respect of the investment of money or exercise of powers made before the commencement of section 11 as if section 11 had not been enacted.

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