

Victorian Arts Centre (Debt Transfer) Bill

EXPLANATORY MEMORANDUM

Clause 1 cites that the purpose of the Act is to transfer the debt of the Victorian Arts Centre Trust to the Victorian Public Authorities Finance Agency.

Clause 2 provides that the Act comes into operation on a day to be fixed by proclamation.

Clause 3:

Sub-clause (1) provides for the interpretation of terms used in section 3 of the Act.

Sub-clause (2) provides that on the date of commencement of section 3, all debts of the Victorian Arts Centre Trust, other than debts relating to a current overdraft, debts owed to trade creditors in connection with trading operations of the Trust and debts owed to the Victorian Public Authorities Finance Agency, will become debts of the Victorian Public Authorities Finance Agency.

Sub-clause (3) provides that on the date of commencement of section 3 all debts of the Victorian Arts Centre Trust owed to the Victorian Public Authorities Finance Agency will be extinguished.

Sub-clause (4) provides that any guarantee by the Government of Victoria in respect of any debt transferred from the Victorian Arts Centre Trust to the Victorian Public Authorities Finance Agency by sub-clause (2) will remain in full force and effect notwithstanding the transfer.

Sub-clause (5) provides that any debt of the Victorian Arts Centre Trust which is not currently guaranteed by the Government of Victoria and which is transferred by sub-clause (2) to the Victorian Public Authorities Finance Agency will be guaranteed by the Government of Victoria for the date of commencement of section 3.

Sub-clause (6) provides for the appropriation of money to fulfil the guarantees by the Government of Victoria mentioned in sub-clauses (4) and (5) and provides that any money received or recovered by the Treasurer in respect of the payment of any appropriated money is to be paid into the Consolidated Fund.

Sub-clause (7) provides that the amount of all debts of the Victorian Arts Centre Trust transferred to the Victorian Public Authorities Finance Agency or extinguished on the date of commencement of section 3, is deemed to represent equity held by the Government of Victoria in the Victorian Arts Centre Trust.

Clause 4 deletes from section 7 of the *Victorian Arts Centre Act 1979*, sub-sections (1) and (2) relating to the borrowing of money by way of overdraft and substitutes therefore a new sub-section (1) which provides that the Victorian Arts Centre Trust may, with the approval of the Treasurer, obtain temporary financial accommodation; and

Amends section 7 (3) by deleting the provision that the Governor in Council is required to approve a Treasurer's guarantee on repayments relating to temporary financial accommodation.

