

Science and Industry Research (No. 2)

No. 52 of 1968

An Act to amend the *Science and Industry Research Act* 1949–1966, as amended by the *Science and Industry Research Act* 1968.

[Assented to 24 June 1968]

BE it enacted by the Queen's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows:—

1.—(1) This Act may be cited as the *Science and Industry Research Act* (No. 2) 1968. Short title and citation.

(2) The *Science and Industry Research Act* 1949–1966,* as amended by the *Science and Industry Research Act* 1968,† is in this Act referred to as the Principal Act.

(3) Section 1 of the *Science and Industry Research Act* 1968 is amended by omitting sub-section (2.).

(4) The Principal Act, as amended by this Act, may be cited as the *Science and Industry Research Act* 1949–1968.

2. This Act shall come into operation on the first day of July, One thousand nine hundred and sixty-eight. Commencement.

* Act No. 13, 1949, as amended by No. 78, 1959; and No. 93, 1966.
† Act No. 7, 1968.

3. Section 3 of the Principal Act is repealed and the following section inserted in its stead:—

Parts.

“ 3. This Act is divided into Parts, as follows:—

Part I.—Preliminary (Sections 1–7).

Part II.—The Commonwealth Scientific and Industrial Research Organization (Sections 8–10).

Part III.—The Executive of the Organization (Sections 11–14).

Part IV.—The Advisory Council and State Committees (Sections 15–20).

Part V.—Staff (Sections 21–24).

Part VI.—Finance (Sections 25–26G).

Part VII.—Miscellaneous (Sections 27–33).”

Definitions.

4. Section 7 of the Principal Act is amended by inserting before the definition of “ employee ” the following definition:—

“ ‘approved bank’ means the Reserve Bank of Australia, and includes any other bank for the time being approved by the Treasurer for the purposes of the provision in which the expression occurs;”

Commonwealth
Scientific and
Industrial
Research
Organization.

5. Section 8 of the Principal Act is amended by omitting sub-sections (5.) and (6.).

6. After section 9 of the Principal Act the following section is inserted:—

Organization
may accept
gifts, &c., and
act as trustee.

“ 9A.—(1.) Subject to the approval of the Minister and subject to any regulations that are applicable, the Organization may, in or in connexion with the performance of its functions and the exercise of its powers, accept moneys or other property given, devised, bequeathed, assigned or otherwise made available to the Organization (whether on trust or otherwise) and agree to any conditions subject to which moneys are, or other property is, given, devised, bequeathed, assigned or otherwise made available to the Organization, and may act as trustee of moneys or other property vested in the Organization upon trust.

“ (2.) Notwithstanding anything contained in this Act, where the Organization has agreed to any conditions subject to which moneys have, or other property has, been given, devised, bequeathed, assigned or otherwise made available to the Organization or the Organization holds any moneys or other property upon trust, the moneys or other property shall be dealt with by the Organization in accordance with those conditions or in accordance with the powers and duties of the Organization as trustee, as the case may be.”

Delegation.

7. Section 14 of the Principal Act is amended by omitting from sub-section (1.) the words “ by writing under its seal ” and inserting in their stead the words “ by instrument in writing signed by not less than three members of the Executive ”.

Meetings of
Advisory
Council.

8. Section 16 of the Principal Act is amended by omitting from sub-section (2.) the word “ six ” and inserting in its stead the word “ twelve ”.

9. Section 21 of the Principal Act is amended—

- (a) by omitting from sub-section (3.) the words “ A person ” and inserting in their stead the words “ Except with the approval of the Minister, a person ”;
- (b) by omitting sub-section (4.); and
- (c) by omitting from sub-section (5.) the words “ Three thousand dollars ” and inserting in their stead the words “ Ten thousand and seventy-three dollars ”.

Appointment
of officers.

10. Part VI. of the Principal Act is repealed and the following Part inserted in its stead:—

“ PART VI.—FINANCE.

“ 25.—(1.) There are payable to the Organization such moneys as are appropriated by the Parliament for the purposes of expenditure by the Organization under this Act.

Moneys
appropriated
for purposes
of Organization.

“ (2.) Moneys payable to the Organization under this section shall be paid in such amounts and at such times as the Treasurer determines.

“ 26.—(1.) The Executive shall open and maintain an account or accounts with an approved bank or approved banks and shall maintain at all times at least one such account.

Bank accounts.

“ (2.) The Executive shall pay all moneys of the Organization into an account referred to in the last preceding sub-section.

“ 26A.—(1.) The moneys of the Organization shall be applied only—

Application of
moneys.

- (a) in payment or discharge of the expenses, obligations and liabilities of the Organization, the Executive, the Advisory Council or a State Committee under this Act; and
- (b) in payment of the remuneration and expenses of members of the Executive and of the Advisory Council and of any amounts payable to members of a State Committee under the regulations.

“ (2.) Moneys of the Organization not immediately required for the purposes of the Organization may be invested on fixed deposit with the Reserve Bank of Australia or in securities of the Commonwealth or in such other securities as the Treasurer approves.

“ 26B. The Organization may, with the consent of the Treasurer—

Borrowing by
Organization.

- (a) borrow moneys on overdraft from an approved bank; or
 - (b) borrow moneys in such other manner as the Treasurer approves,
- but shall not otherwise borrow moneys.

“ 26c.—(1.) A separate account (in this section referred to as ‘ the special account ’) shall be kept in the books of the Organization in respect of moneys paid to the Organization by the Commonwealth out of the Consolidated Revenue Fund.

Separate
account to be
kept of moneys
paid to
Organization
out of
Consolidated
Revenue Fund,
and of related
moneys.

“ (2.) Where—

- (a) the Organization receives moneys from the sale or lease of land acquired by the Organization, or from the sale or hire of

goods acquired or produced by the Organization, and the cost to the Organization of acquiring the land, or of acquiring or producing the goods—

- (i) was or is to be met by the Organization out of moneys standing to the credit of the special account; or
 - (ii) was met, before the commencement of this section, by moneys paid out of the Consolidated Revenue Fund for the purpose of meeting that cost;
- (b) the Organization receives moneys in respect of work carried out or to be carried out, or a service provided or to be provided, by the Organization and the cost to the Organization of carrying out the work or providing the service—
- (i) was or is to be met by the Organization out of moneys standing to the credit of the special account; or
 - (ii) was met, before the commencement of this section, by moneys paid out of the Consolidated Revenue Fund for the purpose of meeting that cost;
- (c) the Organization receives moneys as fees or royalties in respect of a discovery or invention, or an improvement in a process, apparatus or machine, made available by the Organization under section twenty-seven of this Act and the discovery, invention or improvement resulted from research or investigation the cost of which—
- (i) was or is to be met by the Organization out of moneys standing to the credit of the special account; or
 - (ii) was met, before the commencement of this section, by moneys paid out of the Consolidated Revenue Fund for the purpose of meeting that cost;
- (d) the Organization receives moneys as interest from the investment of moneys standing to the credit of the special account; or
- (e) the Organization receives any other moneys and the Executive is satisfied that—
- (i) the receipt of those moneys is, directly or indirectly, attributable to the expenditure by the Organization of moneys standing to the credit of the special account or of moneys paid out of the Consolidated Revenue Fund, before the commencement of this section, for the purposes of the Organization; and
 - (ii) it is appropriate that the moneys so received should be paid into the special account,

the moneys so received shall be credited to the special account.

“(3.) Where moneys received by the Organization are in part only moneys of a kind referred to in a paragraph of the last preceding subsection, the moneys shall, to the extent to which they are moneys of such a kind, be credited to the special account.

“ (4.) Moneys standing to the credit of the special account shall not be expended otherwise than in accordance with estimates of expenditure prepared by the Executive and approved by the Minister and Treasurer.

“ (5.) The Treasurer may, if he considers it appropriate to do so, direct the payment by the Organization to the Commonwealth, in such amounts and at such times as he specifies, of any moneys standing to the credit of the special account.

“ 26D. The Organization shall not, except with the approval of the Minister, enter into a contract involving the payment by the Organization of an amount exceeding Fifty thousand dollars. Limit on contracts.

“ 26E. The Executive shall keep proper accounts and financial records in relation to the Organization in accordance with generally accepted accounting principles and shall do all things necessary to ensure that all payments out of the moneys of the Organization are properly authorized and correctly made and that adequate control is maintained over the moneys and other property of the Organization and the incurring of liabilities by the Organization. Proper accounts to be kept.

“ 26F.—(1.) The Auditor-General shall— Audit.

- (a) from time to time inspect and audit the accounts and financial records of the Organization;
- (b) from time to time inspect other records of the Organization so far as they relate to the acquisition, receipt, custody or disposal of moneys or other property of the Organization, including moneys or other property held by the Organization upon trust; and
- (c) forthwith draw the attention of the Minister to any irregularity revealed by any audit or inspection under this sub-section that, in the opinion of the Auditor-General, is of sufficient importance to justify his so doing.

“ (2.) The Auditor-General shall, at least once in each year, report to the Minister the result of any inspection or audit carried out under the last preceding sub-section.

“ (3.) The Auditor-General or a person authorized by him is entitled at all reasonable times to full and free access to all accounts, records, documents and papers of the Organization relating directly or indirectly to the receipt or payment of moneys by the Organization or the acquisition, receipt, custody or disposal of other property of the Organization, including moneys or other property held by the Organization upon trust.

“ (4.) The Auditor-General or a person authorized by him may make copies of, or take extracts from, any such accounts, records, documents or papers.

“ (5.) The Auditor-General or a person authorized by him may require a member of the Executive or an officer or employee of the Organization to furnish him with such information in the possession of the member, officer or employee, or to which the member, officer or employee

has access, as the Auditor-General or the person so authorized considers necessary for the purposes of an inspection or audit under this section, and the member, officer or employee shall comply with the requirement.

Exemption
from taxation.

“ 26G. The Organization is not subject to taxation under any law of the Commonwealth or to taxation under any law of a State or Territory of the Commonwealth to which the Commonwealth is not subject.”.

11. Section 30 of the Principal Act is repealed and the following section inserted in its stead:—

Annual report.

“ 30.—(1.) The Executive shall, as soon as practicable after each thirtieth day of June, prepare and furnish to the Minister a report of the operations of the Organization during the year ended on that date, together with financial statements in respect of that year in such form as the Treasurer approves.

“ (2.) Before furnishing the financial statements to the Minister, the Executive shall submit them to the Auditor-General, who shall report to the Minister—

- (a) whether the statements are based on accounts and financial records kept in accordance with this Act;
- (b) whether the statements are in agreement with the accounts and financial records and show fairly the financial operations of the Organization;
- (c) whether the receipt, expenditure and investment of moneys, and the acquisition and disposal of other property, by the Organization during the year have been in accordance with this Act; and
- (d) as to such other matters arising out of the statements as the Auditor-General considers should be reported to the Minister.

“ (3.) The Minister shall cause the report and financial statements referred to in sub-section (1.) of this section, together with the report of the Auditor-General, to be laid before each House of the Parliament within fifteen sitting days of that House after their receipt by the Minister.”.

Appropriations
by Supply Acts
1968–69 for
purposes of
Organization.

12. For the purposes of sub-section (1.) of section 25 of the Principal Act as amended by this Act, moneys appropriated by the *Supply Act (No. 1) 1968–69* for the services specified in Division 190 of Part 1 of the Schedule to that Act, and by the *Supply Act (No. 2) 1968–69* for the services specified in Division 815 of the Schedule to that Act, shall be deemed to be moneys appropriated by the Parliament for the purposes of expenditure by the Organization under the Principal Act as amended by this Act.