

Commonwealth Authorities and Companies Amendment Regulations 1999 (No. 1) 1999 No. 46

EXPLANATORY STATEMENT

STATUTORY RULES 1999 No. 46

Issued by the authority of the Minister for Finance and Administration

Commonwealth Authorities and Companies Act 1997

Commonwealth Authorities and Companies Amendment Regulations 1999 (No. 1)

The attached Statutory Rules make regulations under subsection 49(1) of the *Commonwealth Authorities and Companies Act 1997* (the Act) to amend the Commonwealth Authorities and Companies Regulations 1997. Section 46 of the Act **provides that the application of** the Act to companies for the purposes of an intelligence or security agency is subject to any modifications that are prescribed by the regulations. (Intelligence or security agency has the meaning given by section 85ZL of the *Crimes Act 1914*) The amendments modify the application of the Act to companies conducted for the purposes of the intelligence or security agencies.

The amendment regulations set out modifications of the Act in relation to activities of companies conducted for the purposes of the agencies in the obtaining of intelligence, where disclosure, through the application of the Act, might prejudice those operations or the national interest.

The modifications essentially replicate arrangements which applied under section 70D of the *Audit Act 1901* ('exempt accounts'). Those arrangements have been preserved until the making of these regulations under transitional arrangements following the repeal of the *Audit Act 1901* on 1 January 1998.

Details of the amendments are as follows:

Regulation 1

This names the regulations as the Commonwealth Authorities and Companies Amendment Regulations 1998 in line with revised standards adopted by the Office of Legislative Drafting.

Regulation 2

Regulation 2 provides that the regulations are taken to have commenced from 1 January 1998, the date on which the *Audit Act 1901* was repealed.

Regulation 3.

This provides that Schedule 1 to these regulations amends the Commonwealth Authorities and Companies Regulations.

Schedule 1

[1]

This names the principal regulations as the Commonwealth Authorities and Companies Regulations 1997 in line with revised standards adopted by the Office of Legislative Drafting.

[2]

This inserts a new regulation 8 to modify the Act so that Part 4 (Reporting and other obligations of Commonwealth companies) and section 45 (Ministers must inform Parliament of share acquisitions etc) of the Act do not apply to companies conducted for the purposes of the intelligence or security agencies.