

# EXPLANATORY STATEMENT

Issued by the Authority of the Minister for Finance

## *Public Governance, Performance and Accountability (Investment) Authorisation 2014*

Section 59 of the PGPA Act permits corporate entities to invest in money that is (not immediately required for the purposes of the entity) in certain instruments prescribed in the Act as well as investments approved by the Finance Minister in writing. Subparagraph 59(1)(b)(iii) of the PGPA Act provides that the Finance Minister may make specific investment approvals for corporate Commonwealth entities.

The *Public Governance, Performance and Accountability (Investment) Authorisation 2014*, replaces the previous investment instrument: the *Commonwealth Authorities and Companies Act 1997 – Approval of Manners of Investment 2008/01*. The authorisation created pursuant to subparagraph 59(1)(b)(iii) of the PGPA Act maintains the scope of the investment approvals previously provided under section 18(3)(d) of the CAC Act.

Subsection 59(4), of the PGPA Act establishes these authorisations as legislative instruments that are not subject to disallowance. Hence section 42 (disallowance) of the *Legislative Instruments Act 2003* does not apply.

*The Public Governance, Performance and Accountability (Investment) Authorisation 2014*, provides specific approvals for nine corporate Commonwealth entities, which are listed below:

- (a) Australian Broadcasting Corporation;
- (b) Export Finance and Insurance Corporation;
- (c) Grains Research and Development Corporation;
- (d) Rural Industries Research and Development Corporation;
- (e) Commonwealth Scientific and Industrial Research Organisation;
- (f) Civil Aviation Safety Authority;
- (g) Australian Hearing Services;
- (h) Australian Nuclear Science and Technology Organisation; and
- (i) Airservices Australia.

## **Consultation**

As part of the implementation of the PGPA Act corporate Commonwealth entities have been consulted and the Office of Parliamentary Counsel has drafted the investment instrument.