

CHEMISTRY CENTRE (WA) BILL 2006

EXPLANATORY MEMORANDUM

The purpose of this Bill is to take the Chemistry Centre, an office within the Department of Industry and Resources, and establish it as a statutory authority.

In broad terms, the Bill

- Creates the Chemistry Centre as a body corporate with perpetual succession;
- Defines a Board of Management, its constitution and operation;
- Defines the powers and functions of the new Chemistry Centre;
- Establishes the basis of employment within the new Chemistry Centre;
- Sets the accountability and financial provisions of the new Chemistry Centre; and
- Makes provisions for the transition from the status quo to the new entity.

Part 1 – Preliminary

This Part contains the title of the Act, the relevant commencement provisions and definitions of terms used within the Bill.

Part 2 – Chemistry Centre (WA)

This part defines the new body and its Board of Management. The Chemistry Centre may initiate or respond to proceedings in its own name. It is an agent of the Crown with the associated status, immunities and protections. It will have essentially a corporate style of governance with a board of 7 persons appointed by the Minister for the relevant skills and expertise that the members can bring to the organization. Schedule 1 provides the constitution and rules of operation for the Board.

Part 3 – Functions and Powers of the Chemistry Centre

Operating within the scope of the discipline of chemistry, the Chemistry Centre will provide information, advice, analytical services, R&D services and commercial activities in areas relating to public health, safety and security, and the develop of industry in the state.

The Chemistry Centre will provide a high quality, timely and cost effective service but it may also engage in relevant commercial activity and operate outside of the state. The Act provides Chemistry Centre with all the powers it needs to function like a private company with one notable exception. It may take a financial interest in any business concern only with the approval of the Minister and the Treasurer. It is provided with a delegated financial authority equal to the larger of 5% of the Chemistry Centre's total asset value or \$1,000,000. It may also operate under one or more trade names, such names having been approved by the Minister.

Part 4 – Staff

The day-to-day operations of the Chemistry Centre are placed in the hands of a chief executive officer who is employed under the Public Sector Management Act and reports to the Board. Staff other than the chief executive officer will typically be engaged under the Public Service Management Act. The Chemistry Centre, by arrangement with appropriate employing authority, to make use of other state public servant or state facilities. The terms of such arrangements are to be agreed between the parties.

Part 5 – Accountability and Financial Provisions

Division 1 – Accountability

The Chemistry Centre, in its operations, must follow its approved plan of action as laid out in its Strategic Development Plan (SDP) and Statement of Corporate Intent (SCI). These will be prepared and submitted to the Minister at prescribed times. The Chemistry Centre must keep the Minister informed on its financial situation. The Minister has the right to direct the Chemistry Centre with respect to its performance of its functions generally. The Minister may access information in the possession of the Chemistry Centre, except where such information is client-related information or personal information obtained by the Chemistry Centre in the course of performing its functions.

Division 2 – Financial Provisions

The Chemistry Centre will be funded from collections from fee-for-service activities and appropriations from government. The Minister may set a dividend payment limited to a maximum of the profits earned by the Chemistry Centre.

Division 3 – Financial Administration and Audit Act 1985

The Chemistry Centre is subject to the provisions of the FAAA.

Part 6 – General Provisions

The standards of confidential management of information obtained in the course of duty are defined for board members, staff and contractors, and for written material produced by the Chemistry Centre. The usual exemptions to confidentiality apply.

A process for laying documents before Parliament is described, as is the process by which the Chemistry Centre may execute documents.

The Minister is required to carry out a review of the Act on the 5th anniversary of its commencement and every 5 years thereafter.

Schedule 2 lays out the transitional provisions; the conditions under which the Chemistry Centre will operate in the period between this Act receiving Royal Assent and the date that the final provision comes into effect.

Schedule 3 lists a number of other Acts which must be amended to recognize the existence or effect of this Act.