

South Australia

## **Public Corporations (TechInSA) Regulations 2016**

under the *Public Corporations Act 1993*

---

### **Contents**

#### **Part 1—Preliminary**

- 1 Short title
- 2 Commencement
- 3 Interpretation

#### **Part 2—Application of Act to Minister**

- 4 Application of Act to Minister

#### **Part 3—TechInSA**

##### **Division 1—Continuation and constitution of subsidiary**

- 5 Continuation of subsidiary (section 24)
- 6 Establishment of board
- 7 Composition of board
- 8 Conditions of membership
- 9 Vacancies or defects in appointment of directors
- 10 Allowances and expenses
- 11 Proceedings
- 12 Disclosure

##### **Division 2—Functions and performance**

- 13 Subsidiary's functions
- 14 Charter
- 15 Performance statement
- 16 Subsidiary companies
- 17 Indirect or joint operations by subsidiary
- 18 Advisory and other committees

##### **Division 3—Chief executive**

- 19 Chief executive

##### **Division 4—Financial and related matters**

- 20 Internal audit
- 21 Quarterly reports
- 22 Loans etc require approval
- 23 Provision of information
- 24 Dividends
- 25 Common seal and execution of documents
- 26 Annual report

## Schedule 1—Repeal and transitional provisions

- 1 Repeal of *Public Corporations (Bio Innovation SA) Regulations 2001*
  - 2 Transitional provision
- 

## Part 1—Preliminary

### 1—Short title

These regulations may be cited as the *Public Corporations (TechInSA) Regulations 2016*.

### 2—Commencement

These regulations come into operation on the day on which they are made.

### 3—Interpretation

- (1) In these regulations—

*Act* means the *Public Corporations Act 1993*;

*board* means the board of directors continued as the governing body of the subsidiary under Part 3;

*director* means a person appointed or holding office as a member of the board under Part 3;

*high-tech industry*—see subregulation (2);

*Minister* means the Minister for Science and Information Economy;

*premises* includes—

- (a) land; and
- (b) a building; and
- (c) a part of a building; and
- (d) any place, whether built on or not;

*repealed regulations* means the *Public Corporations (Bio Innovation SA) Regulations 2001* repealed under Schedule 1;

*subsidiary*—see regulation 5(1).

*TechInSA* means the subsidiary of the Minister continued under regulation 5(1);

- (2) For the purposes of these regulations, a person or body involved in an industry will be taken to be involved in a high-tech industry if the focus of the involvement includes 1 or more of the following activities:
- (a) high-technology manufacturing, or the development of novel technology related to such manufacturing;
  - (b) the development or production of innovative or intellectual property focussed products (including software);
  - (c) the provision of knowledge-intensive services that utilise research and development, science or technology, and highly skilled workers.

- (3) For the purposes of Part 3 Division 2, a person or body involved in a high-tech industry will have the necessary *South Australian nexus* if—
- (a) the person or body is a public sector agency (within the meaning of the *Public Sector Act 2009*); or
  - (b) the person or body has been established by or under an Act of the State; or
  - (c) the person or body is a research institution predominantly funded by the State; or
  - (d) the person or body is a company or registered body within the meaning of the *Corporations Act 2001* of the Commonwealth that, in the opinion of the board, has a predominant connection with the State.

## Part 2—Application of Act to Minister

### 4—Application of Act to Minister

The following provisions of the Act apply to the Minister:

- (a) Part 1 (Preliminary);
- (b) section 24 (Formation of subsidiary by regulation);
- (c) section 25 (Dissolution of subsidiary established by regulation);
- (d) the Schedule (Provisions applicable to subsidiaries).

## Part 3—TechInSA

### Division 1—Continuation and constitution of subsidiary

#### 5—Continuation of subsidiary (section 24)

- (1) *Bio Innovation SA*, established as a subsidiary of the Minister for Innovation under the repealed regulations, continues (without change of its corporate identity) as a subsidiary of the Minister for Science and Information Economy as *TechInSA*.
- (2) The subsidiary—
  - (a) is a body corporate; and
  - (b) has perpetual succession and a common seal; and
  - (c) is capable of suing and being sued in its corporate name.

#### 6—Establishment of board

- (1) A board of directors continues as the governing body of the subsidiary.
- (2) A member of the board (other than an *ex officio* member) in office immediately before the commencement of this regulation continues in office, subject to these regulations, for the remainder of the term for which he or she was appointed.
- (3) A member of the board *ex officio* in office immediately before the commencement of this regulation will, on the commencement of this regulation, cease to be a member.
- (4) Anything done by the board in the administration of the subsidiary's affairs is binding on the subsidiary.

## **7—Composition of board**

- (1) The board consists of not more than 7 members appointed by the Minister.
- (2) One director will be appointed by the Minister to chair meetings of the board.
- (3) The Minister may appoint a director to be the deputy of the director appointed to chair the board and the deputy may perform or exercise the functions and powers of that director in his or her absence.
- (4) On the office of a director becoming vacant, a person may be appointed in accordance with this regulation to the vacant office.
- (5) The Minister may appoint a suitable person to be deputy of a member of the board during any period of absence of the member (and any reference to a director in these regulations will be taken to include, unless the contrary intention appears, a reference to a deputy while acting as a member of the board).

## **8—Conditions of membership**

- (1) A director will be appointed for a term, not exceeding 3 years, specified in the instrument of appointment and, at the expiration of a term of appointment, will be eligible for reappointment.
- (2) The office of a director becomes vacant if the director—
  - (a) dies; or
  - (b) completes a term of office and is not reappointed; or
  - (c) resigns by written notice to the Minister; or
  - (d) becomes bankrupt or applies to take the benefit of a law for the relief of insolvent debtors; or
  - (e) is convicted of an indictable offence; or
  - (f) is removed from office by the Minister by written notice.

## **9—Vacancies or defects in appointment of directors**

An act of the board is not invalid by reason only of a vacancy in its membership or a defect in the appointment of a director.

## **10—Allowances and expenses**

A director is entitled to be paid from the funds of the subsidiary such remuneration, allowances and expenses as may be determined by the Minister.

## **11—Proceedings**

- (1) A quorum of the board consists of one-half the total number of its members (ignoring any fraction resulting from the division) plus 1.
- (2) The director appointed to chair the board will preside at meetings of the board at which he or she is present.
- (3) If the director appointed to chair the board is absent from a meeting of the board—
  - (a) if another director has been appointed as that director's deputy and is present at the meeting—the deputy; or

- (b) in any other case—a director chosen by the directors present at the meeting, will preside.
- (4) A decision carried by a majority of the votes cast by directors at a meeting is a decision of the board.
- (5) Each director present at a meeting of the board has 1 vote on a question arising for decision and, if the votes are equal, the director presiding at the meeting may exercise a casting vote.
- (6) A telephone or video conference between directors will, for the purposes of this regulation, be taken to be a meeting of the board at which the participating directors are present if—
- (a) notice of the conference is given to all directors in the manner determined by the board for that purpose; and
  - (b) each participating director is capable of communicating with every other participating director during the conference.
- (7) A proposed resolution of the board becomes a valid decision of the board despite the fact that it is not voted on at a meeting of the board if—
- (a) notice of the proposed resolution is given to all directors in accordance with procedures determined by the board; and
  - (b) a majority of the directors express their concurrence in the proposed resolution by letter, telex, fax, email or other written means of communication setting out the terms of the resolution.
- (8) The board must cause accurate minutes to be kept of its proceedings.
- (9) Subject to a duty of confidence owed by the subsidiary to another person, the directors may, in their discretion, authorise any other person to attend (but not participate in) a meeting of the board and that person may have access to papers provided to directors for the purpose of the meeting.
- (10) A person authorised in writing by the Minister or the Treasurer may attend (but not participate in) a meeting of the board and may have access to papers provided to directors for the purpose of the meeting.
- (11) If the board considers that a matter to be dealt with at a meeting attended by a representative of the Minister or the Treasurer should be treated as confidential, the board may advise the Minister or the Treasurer (as the case requires) of that opinion giving the reason for the opinion and the Minister or the Treasurer may, subject to subregulation (12), act on that advice as he or she thinks fit.
- (12) If the Minister or the Treasurer is satisfied on the basis of the board's advice under subregulation (11) that the subsidiary owes a duty of confidence in respect of a matter, the Minister or the Treasurer must ensure the observance of that duty in respect of the matter, but this subregulation does not prevent a disclosure as required in the proper performance of ministerial functions or duties.
- (13) Subject to these regulations, the board may determine its own procedures.

## **12—Disclosure**

- (1) If the subsidiary discloses to the Minister or the Treasurer under the Act or these regulations a matter in respect of which the subsidiary owes a duty of confidence, the subsidiary must give notice in writing of the disclosure to the person to whom the duty is owed.
- (2) A director of the subsidiary does not commit any breach of duty by reporting a matter relating to the affairs of the subsidiary to the Minister or the Treasurer.

## **Division 2—Functions and performance**

### **13—Subsidiary's functions**

- (1) The subsidiary's functions are limited to the following:
  - (a) to contribute to the development of South Australia's high-tech industry by—
    - (i) facilitating the translation of research into intellectual property, products and services associated with high-tech industries from concept to commercialisation in collaboration with universities in South Australia and research institutions with a South Australian nexus; and
    - (ii) encouraging participation in the development and commercialisation of intellectual property, products and services associated with high-tech industries that have a South Australian nexus to facilitate the growth of high-tech industry companies; and
    - (iii) providing business support (including by funding grants and repayable grants and access to business incubation facilities) to persons or bodies involved, or commencing involvement, in high-tech industries that have, or will have, a South Australian nexus; and
    - (iv) facilitating access to public or private funding, including from pre-seed, investment trusts, seed and venture capital funds; and
    - (v) providing funding for related professional development, information and referral services and for facilitating mentoring and professional networking opportunities; and
    - (vi) contributing to policy development to accelerate the development of high-tech industries with a South Australian nexus for the economic and social benefit of the State consistent with broader government policy and in collaboration with other government agencies; and
    - (vii) managing premises held or to be held by the Minister for the purposes of establishing or maintaining a high-tech precinct, including leasing, subdividing, buying or selling, or undertaking construction on land for the purposes of any such premises;
  - (b) to carry out other functions conferred on the subsidiary by the Minister;
  - (c) to do anything necessary or expedient to be done for the purposes of a function referred to in a preceding paragraph.

- (2) The subsidiary must obtain the approval of the Minister before it makes a material change to its policy direction or budget.

#### **14—Charter**

- (1) The Minister and the Treasurer must prepare a charter for the subsidiary.
- (2) The charter must address—
  - (a) the nature and scope of the subsidiary's operations;
  - (b) the subsidiary's obligations to report on its operations;
  - (c) the form and contents of the subsidiary's accounts and financial statements;
  - (d) any accounting, internal auditing or financial systems or practices to be established or observed by the subsidiary;
  - (e) the acquisition or disposal of capital or assets.
- (3) The charter may deal with any other matter not specifically referred to in subregulation (2).
- (4) The charter must be reviewed by the Minister at the end of each financial year.
- (5) The Minister and the Treasurer may amend the charter at any time.
- (6) The charter, or an amendment to the charter, comes into force and is binding on the subsidiary on a day specified in the charter or amendment (but without affecting any contractual obligations previously incurred by the subsidiary).
- (7) On the charter or an amendment to the charter coming into force, the Minister must, within 12 sitting days, have copies of the charter, or the charter in its amended form, laid before both Houses of Parliament.

#### **15—Performance statement**

- (1) The Minister must, when preparing the charter for the subsidiary, also prepare, after consultation with the subsidiary, a performance statement setting the various performance targets that the subsidiary is to pursue in the coming financial year or other period specified in the statement and dealing with such other matters as the Minister considers appropriate.
- (2) The Minister must, after consultation with the subsidiary, review the performance statement when reviewing the subsidiary's charter.
- (3) The Minister may, after consultation with the subsidiary, amend the performance statement at any time.

#### **16—Subsidiary companies**

- (1) The subsidiary must not, without the approval of the Treasurer—
  - (a) form a subsidiary company; or
  - (b) acquire, or enter into an arrangement under which it will at a future time or would on the happening of some contingency hold, relevant interests in shares in a company such that the company becomes a subsidiary of the subsidiary.

- (2) The Treasurer may, as a condition of approval under this section, or by direction, require the subsidiary to take steps to include in a subsidiary company's constitution such provisions as the Treasurer considers appropriate—
  - (a) imposing limitations on the nature or scope of the company's operations; or
  - (b) imposing other controls or practices,consistent with those applicable to the subsidiary.

### **17—Indirect or joint operations by subsidiary**

The subsidiary must not, without the approval of the Treasurer, establish a trust scheme or a partnership or other scheme or arrangement for sharing of profits or joint venture with another person or undertake any operations or transactions pursuant to such a scheme or arrangement.

### **18—Advisory and other committees**

The subsidiary may establish committees to advise or assist it in the performance of any of its functions.

## **Division 3—Chief executive**

### **19—Chief executive**

- (1) There will be a chief executive of the subsidiary.
- (2) The chief executive is to be appointed by the board with the approval of the Minister on terms and conditions approved by the Minister.
- (3) The chief executive is, subject to the control and direction of the board, responsible for—
  - (a) giving effect to the policies and decisions of the board; and
  - (b) attaining the performance objectives set from time to time by the board; and
  - (c) effectively managing the staff and resources of the subsidiary.
- (4) The chief executive may not be a director but may attend a meeting of the board in an advisory capacity if invited to do so.
- (5) The board must obtain the approval of the Minister before removing a person from the position of chief executive of the subsidiary.

## **Division 4—Financial and related matters**

### **20—Internal audit**

- (1) The subsidiary must establish and maintain effective internal auditing of its operations.
- (2) The subsidiary must, unless exempted by the Minister, establish an audit committee.
- (3) The audit committee will comprise—
  - (a) a member of the board of the subsidiary, or such members of the board as the board may from time to time determine; and
  - (b) such other person or persons as the board may from time to time appoint,



but may not include the chief executive of the subsidiary.

- (4) The functions of the audit committee include—
- (a) reviewing annual financial statements to ensure that they provide a true and fair view of the state of affairs of the subsidiary; and
  - (b) liaising with external auditors; and
  - (c) reviewing the adequacy of the accounting, internal auditing, reporting and other financial management systems and practices of the subsidiary on a regular basis.

## **21—Quarterly reports**

The subsidiary must report to the Minister on the subsidiary's financial position on a quarterly basis.

## **22—Loans etc require approval**

- (1) The subsidiary must not lend or advance to a person any money, securities or property without the prior written approval of the Minister and the Treasurer.
- (2) The subsidiary must not undertake commercial borrowings without the prior written approval of the Minister and the Treasurer.

## **23—Provision of information**

- (1) The subsidiary must, at the request in writing of the Minister or the Treasurer, provide such information or records in the possession or control of the subsidiary as the Minister or the Treasurer may require in such manner and form as the Minister or the Treasurer may require.
- (2) If a record in the possession or control of the subsidiary is provided to the Minister or the Treasurer under this regulation, the person to whom it is provided may make, retain and deal with copies of the record as he or she thinks fit.
- (3) If the board considers that information or a record provided under this regulation contains matters that should be treated as confidential, the board may advise the person to whom it is provided of that opinion giving the reason for the opinion and the Minister or the Treasurer may, subject to subregulation (4), act on that advice as he or she thinks fit.
- (4) If the Minister or the Treasurer is satisfied on the basis of the board's advice under subregulation (3) that the subsidiary owes a duty of confidence in respect of a matter, the Minister or the Treasurer must ensure the observance of that duty in respect of the matter, but this subregulation does not prevent a disclosure as required in the proper performance of ministerial functions or duties.
- (5) The subsidiary must—
  - (a) notify the Minister if a request is made by the Treasurer under this regulation; and
  - (b) notify the Treasurer if a request is made by the Minister under this regulation.

## **24—Dividends**

- (1) The Treasurer may, after consultation with the Minister and the subsidiary, by notice in writing to the subsidiary at any time during a financial year, determine that the subsidiary pay a specified dividend, or a specified interim dividend or specified interim dividends, for that financial year, as the Treasurer considers appropriate.
- (2) If the Treasurer determines under this regulation that a dividend or interim dividend or dividends be paid by the subsidiary, the dividend or interim dividend or dividends must be paid at the direction of the Treasurer, in the manner and at the time or times determined by the Treasurer, after consultation with the subsidiary and the Minister.
- (3) A recommendation under this regulation must be made by the board and may not be made by any person or committee pursuant to a delegation.

## **25—Common seal and execution of documents**

- (1) The common seal of the subsidiary must not be affixed to a document except pursuant to a decision of the board, and the affixing of the seal must be attested by the signatures of 2 directors.
- (2) The board may, by instrument under the common seal of the subsidiary, authorise a director, an employee of the subsidiary (whether nominated by name or by office or title) or any other person to execute documents on behalf of the subsidiary subject to limitations (if any) specified in the instrument of authority.
- (3) Without limiting subregulation (2), an authority may be given so as to authorise 2 or more persons to execute documents jointly on behalf of the subsidiary.
- (4) A document is duly executed by the subsidiary if—
  - (a) the common seal of the subsidiary is affixed to the document in accordance with this regulation; or
  - (b) the document is signed on behalf of the subsidiary by a person or persons in accordance with authority conferred under this regulation.

## **26—Annual report**

- (1) The subsidiary must, within 3 months after the end of each financial year, deliver to the Minister a report on the operations of the subsidiary during that financial year.
- (2) The Minister must cause a copy of the report to be laid before both Houses of Parliament within 12 sitting days after receipt of the report.

## **Schedule 1—Repeal and transitional provisions**

### **1—Repeal of *Public Corporations (Bio Innovation SA) Regulations 2001***

The *Public Corporations (Bio Innovation SA) Regulations 2001* are repealed.

### **2—Transitional provision**

- (1) TechInSA is the same body corporate as Bio Innovation SA established under the repealed regulations and continued under these regulations.
- (2) A reference in an instrument to Bio Innovation SA is (where the context admits) to be read as a reference to TechInSA.

**Note—**

As required by section 10AA(2) of the *Subordinate Legislation Act 1978*, the Minister has certified that, in the Minister's opinion, it is necessary or appropriate that these regulations come into operation as set out in these regulations.

**Made by the Governor**

with the advice and consent of the Executive Council  
on 4 August 2016

No 188 of 2016

15MSIE02CS