



Victoria Government Gazette

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State Owned Enterprises Act 1992

STATE OWNED ENTERPRISES (STATE BODY—VICFORESTS) ORDER 2003

Order in Council

The Governor in Council, acting under section 14 of the **State Owned Enterprises Act 1992**, makes the following Order:

1. Commencement

This Order comes into operation on the day on which it is made.

2. Definitions

In this Order:

“**Act**” means the **State Owned Enterprises Act 1992**;

“**Board**” means Board of Directors of VicForests;

“**Government body**” means a department or public body as defined by the **Financial Management Act 1994**;

“**Minister**” means the Minister responsible for Agriculture; and

“**Victorian State forest**” means a State forest within the meaning of the **Forests Act 1958**.

3. VicForests

- (1) There is established for the purposes of the Act, a State body by the name of VicForests.
- (2) The particular purpose of establishing VicForests is to create a statutory body to undertake the management and sale of timber resources in Victorian State forests on a commercial basis.
- (3) The functions of VicForests are to:
 - (a) undertake the sale and supply of timber resources in Victorian State forests, and related management activities, as agreed by the Treasurer and the Minister, on a commercial basis;
 - (b) develop and manage an open and competitive sales system for timber resources; and
 - (c) pursue other commercial activities as agreed by the Treasurer and the Minister.
- (4) For the purpose of performing its functions, VicForests may:
 - (a) acquire or dispose of real or personal property;
 - (b) enter into contracts and agreements;
 - (c) employ staff;
 - (d) do all such other things necessary or convenient to be done for or in connection with, or as incidental to the performance of its functions.
- (5) VicForests must operate its business or pursue its undertakings as efficiently as possible consistent with prudent commercial practice.
- (6) VicForests must be commercially focused and deliver efficient, sustainable and value for money services.
- (7) VicForests must operate in a framework consistent with Victorian Government policy and priorities.

SPECIAL

4. Board of Directors

- (1) There is a Board of Directors of VicForests which:
 - (a) is responsible for managing the affairs of VicForests; and
 - (b) may exercise the powers of VicForests.
- (2) The Board will consist of not less than four and not more than nine Directors.
- (3) The initial Directors of the Board are:
 - (a) Paul Barker, who shall be the Chair of the Board for a period of three years;
 - (b) Judy Ward, who shall be a Director for a period of three years;
 - (c) Jim Houghton, who shall be a Director for a period of three years;
 - (d) Warren Mundy, who shall be a Director for a period of two years; and
 - (e) Catherine Scott, who shall be a Director for a period of two years;
- (4) The Directors of VicForests (other than the initial Directors), shall on the recommendation of the Treasurer, be appointed by the Governor in Council having regard to the expertise necessary for VicForests to achieve its functions and objectives.
- (5) The Directors of VicForests (other than the initial Directors), shall be appointed for a term of up to three years and each Director (including the initial Directors) shall be eligible for re-appointment.
- (6) The terms and conditions of appointment of the Directors are as follows:
 - (a) the Chair shall be entitled to paid remuneration at \$50,000 a year;
 - (b) each of the other Directors is entitled to paid remuneration at \$24,000 a year;
 - (c) all Directors are entitled to the re-imbursment of reasonable expenses incurred in the discharge of their office;
 - (d) all Directors are entitled to superannuation contributions paid by VicForests in accordance with the **Commonwealth's Superannuation Guarantee (Administration) Act 1992**;
 - (e) Directors are not entitled to leave entitlements; and
 - (f) the Governor in Council may at any time remove a Director from office.

5. Directors' Interests

- (1) If—
 - (a) a Director of the Board has a direct or indirect pecuniary interest in a matter being considered, or about to be considered, by the Board; and
 - (b) the interest could conflict with the proper performance of the Director's duties in relation to the consideration of the matter—the Director, as soon as practicable after the relevant facts come to the Director's knowledge, must disclose the nature of the interest at a meeting of the Board.
- (2) A disclosure under sub-section (1) must be recorded in the minutes of the meeting and, unless the Minister or the board otherwise determines, the Director—
 - (a) must not be present during any deliberation of the Board in relation to the matter; and
 - (b) must not take part in any decision of the Board in relation to the matter.
- (3) For the purpose of the making of a determination by the Board under sub-section (2) in relation to a Director who has made a disclosure under sub-section (1), a Director who has a direct or indirect pecuniary interest in the matter to which the disclosure relates—

- (a) must not be present during any deliberation of the Board for the purpose of making the determination; and
 - (b) must not take part in the making by the Board of the determination.
- (4) Sub-section (1) does not apply in relation to a matter relating to the supply of goods or services to the Director if the goods or services are, or are to be, available to members of the public on the same terms and conditions.

6. Proceedings of the Board of Directors

The Board of Directors may regulate its own proceedings subject to the following:

- (1) meetings of the Board shall be held at such times and places as the Board determines;
- (2) the Chair may at any time convene a meeting but must do so when requested by a Director;
- (3) a simple majority of the Directors for the time being constitutes a quorum of a Board;
- (4) a question arising at a meeting shall be determined by a majority of votes of Directors present and voting on that question and, if voting is equal, the person presiding has a casting, as well as a deliberative, vote;
- (5) the Board must ensure that minutes are kept of each of its meetings;
- (6) the Board, may in writing, delegate to two or more Directors any of the Board's powers other than this power of delegation.

7. Contracts and agreements between government bodies and VicForests

The Board must notify the Treasurer and the Minister *before* VicForests enters into a contract or service agreement with a government body.

8. Accounts and records

The Board must ensure that there are kept proper accounts and record of the transactions and affairs of VicForests and such other records as sufficiently explain the financial operations and financial position of VicForests.

9. Directions by the Treasurer

- (1) After consultation between the Treasurer and the Minister, the Treasurer or Minister, with the approval of the Treasurer, may direct the Board, in writing to:
 - (a) provide a corporate plan containing information required in the direction;
 - (b) provide a statement of corporate intent as required in the direction;
 - (c) provide a business plan containing such information required in the direction;
 - (d) provide information relating to its performance;
 - (e) perform certain functions that the Treasurer and Minister consider to be in the public interest but that may cause VicForests to suffer financial detriment;
 - (f) cease to perform certain functions of a kind referred to in this section;
 - (g) cease to perform certain functions not considered by the Minister to be in the public interest; and
 - (h) provide such other information as the Treasurer and Minister consider necessary.
- (2) The Board must comply with a direction under this section.

Dated 28 October 2003

Responsible Minister:
Treasurer

SUDHA KASYNATHAN
Acting Clerk of the Executive Council

State Owned Enterprises Act 1992
STATE OWNED ENTERPRISES
(STATE BUSINESS CORPORATION—VICFORESTS) ORDER 2003
Order in Council

The Governor in Council, acting under section 17 of the **State Owned Enterprises Act 1992**, makes the following Order:

1. Commencement

This Order comes into operation on the day on which it is made.

2. VicForests

VicForests, the body established as a State body by the State Owned Enterprises (State Body—VicForests) Order 2003 dated 28 October 2003, is declared to be a State business corporation.

The Governor in Council, under section 14 of the **State Owned Enterprises Act 1992**, makes the following Order:

1. Commencement

This Order comes into operation on the day on which it is made.

2. Variation of Order establishing VicForests as a State body

Clauses 5, 6 and 9 of the State Owned Enterprises (State Body—VicForests) Order 2003, dated 28 October 2003, are repealed.

Dated 28 October 2003

Responsible Minister:
Treasurer

SUDHA KASYNATHAN
Acting Clerk of the Executive Council

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