

### Obligations of Council under the Local Government Act 1993

According to the Local Government Act 1993, under Section 21, **Enterprise Powers**, the relevant clauses should be noted:

- (1) In carrying out any of its functions, a council may –
  - (a) form or participate in the formation and operation of a corporation, trust, partnership or other body; and
  - (b) subscribe for, or otherwise acquire and dispose of, shares in or debentures or other securities of a corporation; and
  - (c) become a member of a company limited by guarantee; and
  - (d) subscribe for, or otherwise acquire and dispose of, units in a trust; and
  - (e) acquire and dispose of an interest in a partnership or other body; and
  - (f) enter into partnership or into any arrangement for sharing of profits, union of interest, cooperation, joint venture, reciprocal concession or otherwise, with any person carrying on, or engaged in, or about to carry on or engage in, any business or transaction capable of being conducted so as to directly or indirectly benefit the community; and
  - (g) undertake a project or activity not directly authorized by this or another Act for the purpose of raising revenue.
- (1A) A motion by a council to exercise any of its powers under [subsection \(1\)](#) must be accompanied by a statement of the objectives of the exercise of that power.**

There are also other obligations to inform the Minister if expenditure into the enterprise of at least \$250 000 or 5% or more of its general rates revenue is at stake – but this decision does entail this quantum of expenditure.

The following statement constitutes the suggested Statement of Objectives required to comply with Statement of Objectives Pursuant to Section (1A) of the Local Government Act.

The stated purpose and objectives for the Northern Tasmanian Development Corporation (NTDC) are as follows (as set out in the NTDC Constitution and Shareholder Agreement):

NTDC will provide pro-active regional leadership, that is engaged with business and the shareholders to consolidate an agreed vision and implement a strategic economic action plan based on the Northern Regional Futures Plan framework.

**The primary objectives of the NTDC are to:**

- (a) provide pro-active, engaged and strategic regional economic leadership;**
- (b) consolidate an agreed vision for the development, sustainability and prosperity of the geographic region that the Organisation's Members encompass;**
- (c) and implement a strategic economic action plan based on the Northern Regional Futures Plan framework or similar; and.**
- (d) to provide effective representation and advocacy to State and Federal Government and other stakeholders.**

As an incumbent member of the Northern Tasmania Development Association Inc, Council has been involved in all considerations about the incorporation of that entity into the NTDC, pursuant to the Local Government Act. It is considered by Council that Council, the Municipality and rate payers generally, will benefit from the incorporation of NTDC. The organisation will effect direct and material economic, employment, and investment outcomes, and contribute indirectly to social and community benefits as a consequence of NTDC achieving the objectives that it will be set up to achieve.