Dear Professor Blake,

I refer to my earlier letter to you dated 24 December 2001 regarding the University’s request for its Council’s investment powers to be upgraded to those described in Part 4, Schedule 4 of the Public Authorities (Financial Arrangements) Act 1987.

The Treasurer has now advised that the University’s request is supported on the condition that the Council of the University is limited to exercising these additional powers through a funds manager approved by the Treasurer. The Treasurer has approved the use of the current funds manager, Macquarie Investment Management Limited, in this role.

Since your initial approach the Universities Legislation Amendment (Financial and Other Powers) Act 2001 has been proclaimed. Consistent with the new legislative arrangements, I have now approved additional investment powers for the Council on terms described by the Treasurer. A copy of the relevant Order is attached certifying this approval. Details of the Order will also be maintained on the Register of approvals in force, in accord with the provisions of the amended University of Technology, Sydney, Act 1989.

Should you require any further information, Ms Chris Burvill, Director of Higher Education, on telephone number 9561 8924, would be pleased to assist you.

Yours sincerely,

John Watkins MP
Minister for Education and Training
14 May 2002
University of Technology, Sydney (Investment Powers) Order 2002

under the
University of Technology, Sydney, Act 1989

, Minister for Education and Training

I, John Arthur Watkins, Minister for Education and Training, with the concurrence of the Treasurer, and in pursuance of clause 2 of Schedule 2 to the University of Technology, Sydney, Act 1989, make the following Order.

Dated, this __th day of __________ 2002.

John Watkins
University of Technology, Sydney (Investment Powers) Order 2002

1 Name of Order
This Order is the University of Technology, Sydney (Investment Powers) Order 2002.

2 Investment of any kind may be made
The Council of the University of Technology, Sydney may invest the funds of the University in investments of any kind.

3 Certain investments must be made through approved funds manager
(1) This clause applies to all investments other than the following:
   (a) deposits with a bank or the Treasury Corporation or deposits with or withdrawable shares in a building society or credit union (not including certificates of deposit or other transferable securities),
   (b) investments in an Hour-Glass investment facility of the Treasury Corporation (being a facility under which the Treasury Corporation accepts funds on behalf of the Crown in right of New South Wales and public or other authorities for investment by fund managers approved by the Treasury Corporation),
   (c) investments in an Hour-Glass investment facility of the Treasury Corporation (being a unit trust scheme within the meaning of the Duties Act 1997),
   (d) investments with, issued by, or guaranteed by, the Government of New South Wales or an eligible entity which is the Government of any other State or of the Commonwealth or of a Territory,
   (e) bills of exchange that have been accepted by a bank, building society or credit union,
   (f) a loan to an eligible entity that is a dealer in the short-term money market and in relation to which, at the time the loan is made, the Reserve Bank of Australia stands as lender of last resort,
(g) certificates of deposit issued by a bank, building society or credit union,

(h) any other investment prescribed under clause 2 (c) or 3 (f) of Schedule 4 to the Public Authorities (Financial Arrangements) Act 1987.

(2) If the funds of the University are invested in an investment to which this clause applies, the funds must be invested by a funds manager engaged by the Council under clause 2A of Schedule 2 to the University of Technology, Sydney, Act 1989 and designated as an approved fund manager for the University in the approval of the Treasurer under that clause.

(3) In this clause:

eligible entity has the same meaning as in Schedule 4 to the Public Authorities (Financial Arrangements) Act 1987.
Opinion

University of Technology, Sydney, Act 1989
Proposed University of Technology, Sydney (Investment Powers) Order 2002

University of Western Sydney Act 1997
Proposed University of Western Sydney (Investment Powers) Order 2002

Your ref: A Waddington
Our ref: SP P02-034 P02-035

In my opinion the attached draft Orders may legally be made.

(D COLAGIURI)
Parliamentary Counsel

7 MAR 2002
Resource Allocation Directorate
Office of Financial Management
New South Wales Treasury