

FACT SHEET

Tasmanian Development Amendment Bill 2024

Tasmania Development and Resources (TDR) is the Tasmanian Government's industry and business development entity. It provides loans, grants, and guarantees in support of business stability, employment, and economic development.

This Bill is designed to ensure that TDR is best set up to deliver for Tasmanians. It does so by increasing some of the financial limits imposed by the *Tasmanian Development Act 1983* (the Act), creating administrative efficiencies, and rectifying an operational issue with the funding of certain loans and grants.

New financial limits

The Bill increases four of the financial caps imposed on TDR. These increases are designed to enhance TDR's ability to support economic development and improve its operational efficiency. The increased caps are:

- Acquire an interest in a business undertaking – from \$10 million to \$35 million
- Secured loans – from \$3 million to \$15 million
- Unsecured loans – from \$250 000 to \$500 000
- Discharging liabilities – from \$20 000 to \$50 000

The increase to the limit for acquiring an interest in a business undertaking delivers on one of the Tasmanian Government's 2030 Strong Plan for Tasmania's Future election commitments.

Creating administrative efficiencies

The Bill also introduces a power of Ministerial delegation. This new power will allow the Minister to delegate their functions or powers which are of an administrative or managerial nature. This will provide for administrative efficiency, while ensuring that the most significant powers such as the making of large loans remain with the Minister.

Rectifying the operational issue with Part III loans and grants

The final change in this Bill is to improve an issue where the Act does not specify where loans made under section 35 are to be funded from. It does this by inserting a new section which provides that any loans or grants made under Part III, which includes section 35, can be paid either from the funds of TDR or from money appropriated by Parliament. It also includes a validation clause to ensure that no previous grants or loans previously made under this part are invalidated because of this issue.