

1985

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA
HOUSE OF REPRESENTATIVES

Presented and read a first time, 21 August 1985

(Minister for Aviation)

A BILL

FOR

**An Act relating to the provision of certain equipment for
Qantas Airways Limited**

BE IT ENACTED by the Queen, and the Senate and the House of Representatives of the Commonwealth of Australia, as follows:

Short title

5 1. This Act may be cited as the *Qantas Airways Limited (Loan Guarantee) Act 1985*.

Commencement

2. This Act shall come into operation on the day on which it receives the Royal Assent.

Provision of credit deemed to be a borrowing

10 3. For the purposes of this Act, the provision of credit shall be deemed to be a borrowing to the extent of the amount of that credit.

Guarantee of certain loans

4. (1) The Treasurer may, on behalf of the Commonwealth, and subject to the conditions required by this Act, guarantee—

- (a) the repayment by Qantas Airways Limited of amounts borrowed by it not exceeding in the aggregate the sum of the expenditure that the Treasurer is satisfied—
 - (i) will be, or has been, incurred in connection with the purchase by it of a Boeing 747-300 Extended Upper Deck aircraft and related spare parts and equipment; and
 - (ii) will be, or has been, met out of money owned or borrowed by it; and
- (b) the payment of interest (including any interest on that interest) on amounts so borrowed.

(2) A guarantee or guarantees shall not be given under sub-section (1) in respect of moneys borrowed in the currency of the United States of America, or in any other currency, exceeding in the aggregate \$115,000,000 in the currency of the United States of America.

(3) The power of the Treasurer to give a guarantee under this section includes—

- (a) a power to agree, on behalf of the Commonwealth, that proceedings under the guarantee may be taken in a court of a country other than Australia; and
- (b) a power to waive, on behalf of the Commonwealth, the immunity of the Commonwealth from suit in a court of a country other than Australia in relation to any proceedings that may be taken under the guarantee in such a court.

(4) For the purposes of sub-section (2), the amount of a borrowing in a currency other than the currency of the United States of America shall be taken to be the amount in the currency of the United States of America that was equivalent to the first-mentioned amount at the date of the borrowing, as ascertained by the Reserve Bank of Australia.

Conditions of guarantees

5 For the purpose of the protection of the financial interests of the Commonwealth, the Treasurer shall not give a guarantee under section 4 unless—

- (a) the moneys are borrowed on terms and conditions that the Treasurer is satisfied are reasonable;
- (b) appropriate security to the satisfaction of the Treasurer is, or is to be, given to the Commonwealth over property of Qantas Airways Limited, being property 85% of the value of the interest of Qantas Airways Limited in which, immediately before the giving of security to the Commonwealth, equals or exceeds the amount borrowed;

(c) undertakings to the satisfaction of the Treasurer are given that the property of Qantas Airways Limited over which security is, or is to be, taken in accordance with paragraph (b)—

5 (i) will be insured and kept insured against all risks against which it is customary to insure and to the full insurable value of that property; and

(ii) will not be sold or made the subject of a mortgage or charge having priority over the security to the Commonwealth in respect of the guarantee; and

10 (d) such other conditions as the Treasurer thinks necessary are fulfilled.

Delegation

6. (1) The Treasurer may, either generally or as otherwise provided by the instrument of delegation, by writing, delegate to another Minister or to an officer of the Department of the Treasury all or any of the powers or functions of the Treasurer under this Act, other than this power of delegation.

15 (2) A power or function so delegated, when exercised or performed by the delegate, shall, for the purposes of this Act, be deemed to have been exercised or performed by the Treasurer.

20 (3) A delegate is, in the exercise or performance of a power or function so delegated, subject to the directions of the Treasurer.

(4) A delegation under this section does not prevent the exercise of a power or the performance of a function by the Treasurer.

