

18 GEO. V. No. 22. *Commonwealth, Etc., Financial Agreement Act.*

**CONSTITUTION.**

*Commonwealth and States Financial Agreement*

*Ratification Act of 1927* .. .. . 18 *Geo. V. No. 22*

**APPROPRIATION ACTS.**

*Appropriation Act of 1927-1928, No. 1* .. .. . 18 *Geo. V. No. 1*

*Appropriation Act of 1927-1928, No. 2* .. .. . 18 *Geo. V. No. 2*

*Appropriation Act of 1927-1928, No. 3* .. .. . 18 *Geo. V. No. 11*

**An Act to Authorise the Execution by the State of Queensland of a Draft Agreement between the Commonwealth of Australia and the States of New South Wales, Victoria, Queensland, South Australia, Western Australia, and Tasmania concerning the Adjustment of the Financial Relations between the Commonwealth and the States of the Commonwealth; to Approve and Ratify the Agreement as finally made and executed between such Parties; and for other purposes.**

18 Geo. V.  
No. 22.  
THE  
COMMON-  
WEALTH AND  
STATES  
FINANCIAL  
AGREEMENT  
RATIFICA-  
TION ACT OF  
1927.

[ASSENTED TO 7TH JANUARY, 1928.]

**W**HEREAS, with a view to making provision for the adjustment of Commonwealth and State financial relations, the general principle of a draft scheme was affirmed by a Conference of Commonwealth and State Ministers of the Crown in Melbourne, which commenced on the sixteenth day of June, one thousand nine hundred and twenty-seven: Preamble.

And whereas permanent effect cannot be given to the proposals contained in the said scheme unless the Constitution of the Commonwealth is altered so as to confer on the Parliament of the Commonwealth power to make laws for carrying out or giving permanent effect to such proposals:

And whereas, pending the submission to the electors of a proposed law for the alteration of the said Constitution as aforesaid, the Commonwealth and the States have agreed that for the period commencing on the first day of July, one thousand nine hundred and twenty-seven, and ending on the thirtieth day of June, one

*Commonwealth, Etc., Financial Agreement Act.* 18 GEO. V. No. 22,

thousand nine hundred and twenty-nine, certain of the proposed provisions of the said scheme shall be temporarily adopted :

And whereas, subject to the approval and ratification by the Parliaments of the Commonwealth and the States of the Commonwealth, a draft agreement has been prepared between the Commonwealth and the said States in relation to the matters above set forth, a copy of which draft agreement is set forth in the Schedule to this Act :

Schedule.

And whereas it is provided in such draft agreement that such agreement shall have no force or effect and shall not be binding on any party unless and until it is approved by the Parliaments of the Commonwealth and of the States :

And whereas it is desirable that the execution by the State of Queensland of the said draft agreement be authorised, and also that such agreement should be approved and ratified, subject to any amendments, alterations, additions, or modifications made therein which may be adopted and agreed to by the parties thereto before such draft agreement is finally made and executed :

Be it therefore enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Assembly of Queensland in Parliament assembled, and by the authority of the same, as follows:—

Short title.

1. This Act may be cited as "*The Commonwealth and States Financial Agreement Ratification Act of 1927.*"

Definitions.

2. In this Act, unless the context otherwise indicates or requires, the following terms have the meanings set against them respectively, that is to say:—

Party or parties.

"Party" or "Parties"—The Prime Minister of the Commonwealth of Australia, and the Premiers of the States of New South Wales, Victoria, Queensland, South Australia, Western Australia, and Tasmania, or any Minister of the Crown representing the Prime Minister of the Commonwealth or any Minister or Ministers of the Crown representing the Premier or Premiers of a State or States, or each and every of them ;

1927. *Commonwealth, Etc., Financial Agreement Act.*

“This Act”—This Act, the draft agreement, the agreement as finally agreed upon and executed by the parties thereto, any subsequent amendment, alteration, addition, or modification which may be made in such executed agreement as herein provided, and all Proclamations, Orders in Council, and regulations made in pursuance of this Act.

This Act.

3. (1.) The execution by or on behalf of the State of Queensland of the draft agreement between the Prime Minister of the Commonwealth of Australia or any Minister of the Crown representing the Prime Minister of the Commonwealth (as representing the Commonwealth) and the Premiers or any Minister or Ministers of the Crown representing the Premier or Premiers of the States of New South Wales, Victoria, Queensland, South Australia, Western Australia, and Tasmania (as representing such States), a copy of which draft agreement is set forth in the Schedule to this Act, is hereby authorised.

Authorisation of execution of draft agreement.

Schedule.

(2.) On the signature by the parties thereto of the said draft agreement (including any amendments, alterations, additions, or modifications made in such draft agreement and adopted and agreed to by the parties thereto) the agreement as thus finally agreed upon and made and executed by the parties thereto is, subject to this Act, hereby declared to be approved and ratified.

Approval and ratification of executed agreement.

(3.) The Agreement, as finally agreed upon and made and executed by the parties thereto, shall be published by the Governor in Council by Proclamation in the *Gazette* and shall, subject to this Act, upon such publication have the force of law and shall be valid and effectual for all purposes whatever, and shall be obeyed, and shall be judicially noticed.

Executed agreement to be published in *Gazette* and to have force of law.

(4.) Provided always that such executed agreement as so published shall have no force or effect and shall not be binding on the State of Queensland unless and until it is approved by the Parliaments of the Commonwealth and of the States.

No effect until approved by Parliaments of Commonwealth and the States.

4. In any case where circumstances may from time to time arise whereby any amendment, alteration, addition, or modification of the said executed agreement

Subsequent amendments to executed agreement.

*Commonwealth, Etc., Financial Agreement Act.* 18 GEO. V. No. 22,

as published as aforesaid in the *Gazette* may be deemed necessary and convenient by all parties thereto, the execution of such amendment, alteration, addition, or modification to such executed agreement is hereby authorised, approved, and ratified.

Such amendment, alteration, addition, or modification of such executed agreement shall be published by the Governor in Council by Proclamation in the *Gazette*, and shall upon such publication have the force of law and shall be valid and effectual for all purposes whatever, and shall be obeyed, and shall be judicially noticed.

Supplemen-  
tary  
agreements.

The provisions of this section shall also extend to and include any supplementary agreement or supplementary agreements made between the parties in respect of the various matters contained in such supplementary agreement or agreements, and also to any supplementary agreement or supplementary agreements between the Prime Minister of the Commonwealth or any Minister of the Crown representing the Prime Minister of the Commonwealth (as representing the Commonwealth) and the Premier of Queensland or any Minister of the Crown representing the Premier of Queensland (as representing the State).

Application  
of Act to  
sinking  
funds.

5. Subject to this Act, where in any law of the State of Queensland reference is made in respect of loans to the constitution of a sinking fund, the application and investment thereof, and such other provisions, conditions, matters or things concerning such sinking fund as may be enacted therein, such law shall be read and construed as being subject to the provisions of this Act, and such law shall be deemed to be affected or abrogated, whether by way of repeal, limitation, or otherwise, according as the provisions, conditions, stipulations, and matters or things in this Act provided and contained so affect or abrogate such law of the State.

Orders in  
Council.

6. (1.) The Governor in Council may from time to time, by Order in Council published in the *Gazette*, repeal or amend, suspend, or modify in any manner whatever any Act or section or part of a section of any Act or any Proclamation, Order in Council, regulation, rule, by-law, or other matter, whether passed, promulgated, or made before, on, or after the commencement of this Act, which it may be considered necessary or convenient to so repeal,

1927. *Commonwealth, Etc., Financial Agreement Act.*

amend, suspend, or modify in order to give full force and effect in carrying out the administration of this Act and in the carrying out of the objects and purposes of this Act.

(2.) The Governor in Council may from time to time Regulations. make regulations providing for all or any purposes, whether general or to meet particular cases, as may be necessary or convenient for the administration of this Act or as may be necessary or expedient to carry out the objects and purposes of this Act, and where there may be in this Act no provision or no sufficient provision in respect of any matter or thing necessary or expedient to give effect to this Act, providing for and supplying such omission or insufficiency. Such regulations shall be published in the *Gazette*.

(3.) All such Orders in Council and regulations made under the authority of this Act shall, upon publication in the *Gazette*, have the force of law and shall be obeyed, and shall have the same force and effect as if they were enacted in and formed part of this Act, and shall be judicially noticed. Orders in Council and regulations to have the force of law.

7. All Proclamations, Orders in Council, and regulations made under the authority of this Act shall be laid before the Legislative Assembly within fourteen days after such publication, if Parliament is in session, and if not, then within fourteen days after the commencement of the next session. Proclamations, &c., to be laid before Parliament.

8. (1.) All moneys paid by the Treasurer and all acts, matters, or things done or performed under or pursuant to the draft agreement prior to the making of and execution of the agreement as finally agreed upon by the parties thereto, or paid, done, or performed before the coming into operation of this Act, or to be paid, done, or performed under or pursuant to such agreement as finally agreed upon by the parties thereto or under or pursuant to this Act after the passing thereof or after the coming into operation thereof, are approved, ratified, authorised, confirmed, and adopted, and are and shall be valid and effectual for all purposes whatever. Ratification of payments, acts, matters, &c.

(2.) All sums of money which are required to be expended by the Treasurer in connection with or pursuant to this Act shall be defrayed out of the Consolidated Revenue, which is hereby appropriated for the purpose. Appropriation.

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*Commonwealth, Etc., Financial Agreement Act.* 18 GEO. V. No. 22,

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Indemnity.

(3.) The State shall indemnify the Trustees of the sinking funds under any Loan Act or other Act of the State to which this Act applies from all responsibility in respect thereof arising from the provisions of this Act.

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## SCHEDULE.

### AGREEMENT BETWEEN COMMONWEALTH AND STATES.

Agreement made the \_\_\_\_\_ day of \_\_\_\_\_ one thousand nine hundred and twenty-seven between the Commonwealth of Australia (in this Agreement called the Commonwealth) of the first part, the State of New South Wales of the second part, the State of Victoria of the third part, the State of Queensland of the fourth part, the State of South Australia of the fifth part, the State of Western Australia of the sixth part, and the State of Tasmania of the seventh part (each of the parties of the second, third, fourth, fifth, sixth, and seventh parts being in this Agreement referred to as a State and the expression "the States" hereinafter used meaning where the context so permits or requires all of such parties).

Whereas, with a view to making provision for the adjustment of Commonwealth and State financial relations, the general principle of a draft scheme was affirmed by a Conference of Commonwealth and State Ministers in Melbourne which commenced on the sixteenth day of June, one thousand nine hundred and twenty-seven:

And whereas permanent effect cannot be given to the proposals contained in the said scheme unless the Constitution of the Commonwealth is altered so as to confer on the Parliament of the Commonwealth power to make laws for carrying out or giving permanent effect to such proposals:

And whereas pending the submission to the electors of a proposed law for the alteration of the said Constitution as aforesaid and in order to obtain immediately some of the advantages which would result from united action by adoption of the said scheme the Commonwealth and the States have agreed that for the period commencing on the first day of July, one thousand nine hundred and twenty-seven, and ending on the thirtieth day of June, one thousand nine hundred and twenty-nine, certain of the proposed provisions of the said scheme shall be temporarily adopted:

Now this Agreement witnesseth:

### PART I.

1. This Agreement shall have no force or effect and shall not be binding on any party unless and until it is approved by the Parliaments of the Commonwealth and of the States.

1927. *Commonwealth, Etc., Financial Agreement Act.*

2. DEFINITIONS.

In this Agreement—

“*Net Public Debt of a State existing on 30th June, 1927,*” means in respect of each State the amount of debt set forth hereunder opposite to the name of that State, viz.:—

	£
New South Wales .. .. .	234,088,501
Victoria .. .. .	136,949,942
Queensland .. .. .	101,977,855
South Australia .. .. .	84,834,364
Western Australia .. .. .	61,060,675
Tasmania .. .. .	22,434,060
	£641,345,397

The said amount of the net public debt of each State includes the debts of that State secured by—

- (i.) Inscribed Stock, including Local Inscribed Stock and Government Inscribed Stock;
- (ii.) Instalment Stock;
- (iii.) Registered Stock;
- (iv.) Funded Stock;
- (v.) Stock payable to bearer;
- (vi.) Bonds, including registered bonds;
- (vii.) Debentures, including registered debentures and instalment debentures;
- (viii.) Treasury Bills not repayable within twelve months from the date of issue; or
- (ix.) Fixed deposit receipts or special deposit receipts for moneys borrowed for other than temporary purposes;

issued or created by the State or by or on behalf of a Colony the predecessor of the State in respect of moneys borrowed by the Colony or State together with debts of the State to the Commonwealth of the amount set out respectively hereunder opposite to the name of the State so far as those last mentioned debts are not included by being secured in manner aforesaid:—

	£
New South Wales .. .. .	12,553,698
Victoria .. .. .	23,688,269
Queensland .. .. .	16,082,583
South Australia .. .. .	18,446,197
Western Australia .. .. .	16,739,872
Tasmania .. .. .	3,948,613
	£91,459,232

after deducting therefrom the amount for which the Commonwealth by this Agreement assumes liability under Part III., clause (4) of this Agreement and the

*Commonwealth, Etc., Financial Agreement Act.* 18 GEO. V. No. 22,

amount of any moneys or securities standing to the credit of a sinking fund, redemption fund, or a fund of a like nature of the State as on 30th June, 1927, and does not include any moneys raised by the State by way of overdraft, fixed deposit, or special deposit for temporary purposes only.

The said sum of £234,088,501 (being the amount of the debt of New South Wales abovementioned) comprises the debts referred to in, and has been computed in the manner shown in the statement signed by representatives of the Commonwealth and of New South Wales.

“*Gross Public Debt of a State existing on 30th June, 1927,*” means in respect of each State the amount of debt set forth hereunder opposite to the name of that State, viz.:—

	£
New South Wales .. .. .	239,441,363
Victoria .. .. .	144,844,530
Queensland .. .. .	105,259,916
South Australia .. .. .	87,614,005
Western Australia .. .. .	70,705,913
Tasmania .. .. .	24,254,688
	£672,120,415

The said amount of the gross public debt of each State includes the net public debt of that State together with the amount for which the Commonwealth by this Agreement assumes liability under Part III., clause (4), of this Agreement and the amount of any moneys or securities standing to the credit of any sinking fund, redemption fund, or fund of a like nature of the State as on 30th June, 1927.

“*Transferred Properties*” means the properties mentioned or specified in the Schedule of Transferred Properties signed by representatives of the Commonwealth and the States as revised to the 30th June, 1927, being properties which became vested in the Commonwealth pursuant to section 85 (i.) of the Constitution of the Commonwealth.

“*The Loan Council*” means the Australian Loan Council created in pursuance of this Agreement.

- “*Bondholder*” means an owner of any—
- (i.) Inscribed Stock, including Local Inscribed Stock and Government Inscribed Stock;
  - (ii.) Instalment Stock;
  - (iii.) Registered Stock;
  - (iv.) Funded Stock;
  - (v.) Stock payable to bearer;
  - (vi.) Bonds, including registered bonds;



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1927. *Commonwealth, Etc., Financial Agreement Act.*

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- (vii.) Debentures, including registered debentures and instalment debentures;
- (viii.) Treasury Bills not repayable within twelve months from the date of issue; or
- (ix.) Fixed deposit receipts or special deposit receipts for moneys borrowed for other than temporary purposes;

issued or created by a State or by or on behalf of a Colony the predecessor of the State in respect of borrowed moneys but does not include the Commonwealth.

### 3. AUSTRALIAN LOAN COUNCIL.

(a) There shall be an Australian Loan Council, which shall consist of one Minister of State of the Commonwealth to be appointed in writing from time to time by the Prime Minister of the Commonwealth to represent the Commonwealth, and one Minister of State of each State to be appointed in writing from time to time by the Premier of that State to represent that State: Provided that if, in the opinion of the Prime Minister or of any Premier of a State, special circumstances exist at any time which make it desirable so to do, a person who is not a Minister may, instead of a Minister, be appointed by the Prime Minister or the Premier, as the case may be, to represent the Commonwealth or a State as a member of the Loan Council. The name of each person appointed to represent a State shall be notified in writing by the Premier of that State to the Prime Minister.

(b) The member representing the Commonwealth on the Loan Council shall hold office during the pleasure of the Prime Minister of the Commonwealth and a member representing a State shall hold office during the pleasure of the Premier of the State which the member was appointed to represent.

(c) A decision in which all the members for the time being of the Loan Council concur shall be a unanimous decision of the Loan Council notwithstanding any vacancy then existing in its membership.

(d) A meeting of the Loan Council may at any time be convened by the member representing the Commonwealth, and shall be so convened upon the request of at least three members representing States.

(e) A majority of the members of the Loan Council shall constitute a quorum of the Loan Council for the exercise of its powers at any meeting. Provided that—

- (i.) A member may at any time appoint in writing a deputy to act in his absence; and any deputy so appointed may in the absence of the member exercise all the powers and functions of the member and his presence shall be deemed the presence of the member; and
- (ii.) An absent member who has not appointed a deputy may vote by letter or by telegram, and in such case that member shall be counted as being present in relation only to the questions on which he has voted.

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*Commonwealth, Etc., Financial Agreement Act.* 18 GEO. V. No. 22,

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(f) The Loan Council may make rules of procedure, including rules relating to places, times, and notices of meetings, and conduct of business at meetings, and from time to time may alter such rules.

(g) The Commonwealth and each State will from time to time while Part II. of this Agreement is in force, and while Part III. of this Agreement is in force, submit to the Loan Council a programme setting forth the amount it desires to raise by loans for each financial year for purposes other than the conversion, renewal or redemption of existing loans, or temporary purposes. Each programme shall state the estimated total amount of such loan expenditure for the year, and the estimated amount of repayments which will be available towards meeting that expenditure. Any revenue deficit to be funded shall be included in such loan programme, and the amount of such deficit shall be set out. Loans for Defence purpose approved by the Parliament of the Commonwealth shall not be included in the Commonwealth's loan programme or be otherwise subject to this Agreement.

(h) If the Loan Council decides that the total amount of the loan programme for the year cannot be borrowed at reasonable rates and conditions it shall decide the amount to be borrowed for the year, and may by unanimous decision allocate such amount between the Commonwealth and the States.

(i) If the members of the Loan Council fail to arrive at a unanimous decision under the last preceding subclause allocating the amount to be borrowed for any year, the amount to be borrowed for that year shall be allocated as follows:—

- (i.) The Commonwealth shall, if it so desires, be entitled to have one-fifth or any less proportion of such amount allocated to the Commonwealth; and
- (ii.) Each State shall be entitled to have allocated to it a sum (being a portion of the balance of such amount) bearing to the balance of such amount the same proportion which the net loan expenditure of that State in the preceding five years bears to the net loan expenditure of all the States during the same period: Provided that any State may, if it so desires, have allocated to it a sum less than the sum to which it is entitled under this subclause or no sum, and that when a less sum or no sum has been allocated to any State or States in manner aforesaid the amount then remaining available for allocation shall be allocated to the other States in the proportion which the net loan expenditure of each of such other States in the preceding five years bears to the net loan expenditure of all such other States during the same period. For the purposes of this subclause net loan expenditure does not include expenditure for the conversion, renewal, or redemption of loans, but means the gross other loan expenditure of a State less any amounts of such expenditure repaid to the State other than moneys repaid to the State in manner stated in Part II., clause 4 (e) or Part III., clause 3 (i) of this Agreement.

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1927. *Commonwealth, Etc., Financial Agreement Act.*

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(j) If the total amount to be borrowed as aforesaid for any year is to be borrowed by means of more than one loan, the Loan Council may by unanimous decision apportion between the Commonwealth and the States the amount to be borrowed by each such loan other than the loan by means of which the balance of the total amount to be borrowed as aforesaid for the year is borrowed.

(k) If the members of the Loan Council fail to arrive at a unanimous decision under the last preceding subclause apportioning the amount to be borrowed as aforesaid by any loan, the amount to be borrowed by that loan shall be apportioned between the Commonwealth and the States in proportion to the amount then to be borrowed as aforesaid for the Commonwealth and for each State for the year.

(l) The Commonwealth and each State will also from time to time, while Part II. of this Agreement is in force and while Part III. of this Agreement is in force, submit to the Loan Council a statement setting out the amount it requires for each financial year for the conversion, renewal, or redemption of existing loans.

(m) If the members of the Loan Council fail to arrive at a unanimous decision on any matter other than the matters referred to in subclauses (h) and (j) of clause 3, and subclause (b) of clause 4 of this Part of this Agreement, the matter shall be determined by a majority of votes of the members.

On every question for decision by the Loan Council the member representing the Commonwealth shall have two votes and a casting vote, and each member representing a State shall have one vote.

(n) A decision of the Loan Council in respect of a matter which the Loan Council is by this Agreement empowered to decide shall be final and binding on all parties to this Agreement.

(o) In this clause the expressions "Prime Minister" and "Premier" include the persons for the time being respectively acting as such.

#### 4. FUTURE BORROWINGS OF COMMONWEALTH AND STATES.

(a) Except in cases where the Loan Council has decided under subclause (b) of this clause that moneys shall be borrowed by a State, the Commonwealth, while Part II. or Part III. of this Agreement is in force, shall, subject to the decisions of the Loan Council and subject also to clauses 5 and 6 of this Part of this Agreement, arrange for all borrowings for or on behalf of the Commonwealth or any State, and for all conversions, renewals, redemptions, and consolidations of the Public Debts of the Commonwealth and of the States.

(b) If at any time the Loan Council by unanimous decision so decides, a State may in accordance with the terms of the decision borrow moneys outside Australia in the name of the State, and issue securities for the moneys so borrowed. The Commonwealth shall guarantee that the State will perform all its obligations to bond holders in respect of the moneys so borrowed. For

*Commonwealth, Etc., Financial Agreement Act. 18 GEO. V. No. 22,*

all the purposes of this Agreement, including the making of sinking fund contributions, the moneys so borrowed shall be deemed to be moneys borrowed by the Commonwealth for and on behalf of that State.

(c) If any State after the 30th June, 1927, and before this Agreement has been approved by the Parliaments of the Commonwealth and of the States, has borrowed moneys in the name of the State and issued securities for the moneys so borrowed, such moneys shall for all the purposes of this Agreement, including the making of sinking fund contributions, be deemed to be moneys borrowed by the Commonwealth for and on behalf of that State.

(d) While Part II. or Part III. of this Agreement is in force, moneys shall not be borrowed by the Commonwealth or any State otherwise than in accordance with this Agreement.

## 5. BORROWING BY STATES.

For any purpose (including the redemption of securities given or issued at any time for moneys previously borrowed or used in manner stated in this clause) a State may, while Part II. or Part III. of this Agreement is in force—

- (a) Subject to any maximum limits decided upon by the Loan Council from time to time for interest, brokerage, discount and other charges, borrow moneys within the State from authorities, bodies, funds, or institutions (including Savings Banks) constituted or established under Commonwealth or State law or practice and from the public by counter sales of securities; and
- (b) Use any public moneys of the State which are available under the laws of the State.

Any securities that are issued for moneys so borrowed or used shall be Commonwealth securities, to be provided by the Commonwealth upon terms approved by the Loan Council.

Where any such borrowing or use is solely for temporary purposes, the provisions of this Agreement, other than this clause, shall not apply.

Where any such borrowing or use is not solely for temporary purposes, and Commonwealth securities are issued in respect thereof, the moneys borrowed or used shall be deemed to be moneys borrowed by the Commonwealth for and on behalf of the State, and may be retained by the State. A State may convert securities given or issued at any time by that State for moneys previously borrowed or used in manner stated in this clause. New securities issued on any such conversion shall be Commonwealth securities to be provided by the Commonwealth upon terms approved by the Loan Council. The amount for which such new securities are issued shall be deemed to be moneys borrowed by the Commonwealth for and on behalf of the State.

If the moneys deemed under this clause to be moneys borrowed by the Commonwealth on behalf of a State, together with the amounts raised by the Commonwealth for and on behalf of the State, exceed the total amount of loan moneys decided upon by the

1927. *Commonwealth, Etc., Financial Agreement Act.*

Loan Council as the moneys to be raised for and on behalf of the State for the financial year in which the money is deemed to be borrowed, the excess shall, unless the Loan Council otherwise decides, be deemed to be moneys received by the State in the following year on account of its loan programme for that year.

For the purposes of this clause counter sales of securities shall be deemed to mean sales of securities made at the offices of the State Treasury, and at such other places as may be decided upon by the Loan Council.

The Commonwealth shall not be under any obligation to make sinking fund contributions in respect of moneys borrowed or used pursuant to this clause to meet a revenue deficit of a State, but the provisions of clause 4 (*d*) of Part II. and of clause 3 (*j*) of Part III. of this Agreement shall apply respectively to all moneys borrowed or used for that purpose.

Except in cases where the Loan Council has otherwise decided under subclause (*b*) of clause 4 of Part I. of this Agreement a State shall not have the right to invite loan subscriptions by the issue of a public prospectus.

Notwithstanding anything contained in this Agreement, any State may use for temporary purposes any public moneys of the State which are available under the laws of the State or may, subject to maximum limits (if any) decided upon by the Loan Council from time to time for interest, brokerage, discount, and other charges, borrow money for temporary purposes by way of overdraft or fixed, special, or other deposit, and the provisions of this Agreement, other than this paragraph, shall not apply to such moneys.

## 6. BORROWING BY COMMONWEALTH.

For any purpose (including the redemption of securities given or issued at any time for moneys previously borrowed or used in manner stated in this clause) the Commonwealth may, while Part II. or Part III. of this Agreement is in force—

- (a) Subject to any maximum limits decided upon by the Loan Council from time to time for interest, brokerage, discount, and other charges, borrow moneys within the Commonwealth from authorities, bodies, funds, or institutions (including Savings Banks) constituted or established under Commonwealth or State law or practice, and from the public by counter sales of securities; and
- (b) Use any public moneys of the Commonwealth which are available under the laws of the Commonwealth.

Any securities that are issued for moneys so borrowed or used shall be Commonwealth securities, to be provided by the Commonwealth upon terms approved by the Loan Council.

Where any such borrowing or use is solely for temporary purposes, the provisions of this Agreement, other than this clause, shall not apply.

Where any such borrowing or use is not solely for temporary purposes, and Commonwealth securities are issued in respect

*Commonwealth, Etc., Financial Agreement Act.* 18 GEO. V. No. 22,

thereof, the moneys borrowed or used may be retained by the Commonwealth. The Commonwealth may convert securities given or issued at any time by the Commonwealth for money previously borrowed or used in manner stated in this clause. New securities issued on any such conversion shall be Commonwealth securities to be provided by the Commonwealth upon terms approved by the Loan Council.

If the moneys so borrowed or used are not borrowed or used solely for temporary purposes and Commonwealth securities are issued in respect thereof, and such moneys, together with other moneys borrowed by the Commonwealth for and on behalf of the Commonwealth as part of the total amount of loan moneys decided upon by the Loan Council as the moneys to be raised for and on behalf of the Commonwealth for the financial year in which the securities are issued, exceed such total amount, the excess shall, unless the Loan Council otherwise decides, be deemed to be moneys received by the Commonwealth in the following year on account of its loan programme for that year.

For the purposes of this clause, counter sales of securities shall be deemed to mean sales of securities made at the offices of the Commonwealth Treasury and at such other places as may be decided upon by the Loan Council.

Notwithstanding anything contained in this Agreement, the Commonwealth may use for temporary purposes any public moneys of the Commonwealth which are available under the laws of the Commonwealth or may, subject to maximum limits (if any) decided upon by the Loan Council from time to time for interest, brokerage, discount, and other charges, borrow money for temporary purposes by way of overdraft, or fixed, special, or other deposit, and the provisions of this Agreement other than this paragraph shall not apply to such moneys.

#### 7. PAYMENT OF INTEREST AND SINKING FUNDS.

In the event of Part III. of this Agreement not coming into force, each State shall in respect of all moneys borrowed by the Commonwealth for and on behalf of that State during the period commencing on the 1st July, 1927, and ending on the 30th June, 1929:—

- (a) Pay to the Commonwealth interest at the full rate of interest payable by the Commonwealth in respect of the loan by which such moneys were borrowed or such other rate of interest as may be payable by that State to the Commonwealth under any agreement made or to be made between the Commonwealth and that State in respect of such moneys. Such interest shall be payable for the full term of that loan and be paid to the Commonwealth on the respective days upon which interest is payable by the Commonwealth in respect of that loan; and
- (b) Make sinking fund contributions to the National Debt Commission in respect of the loan by which such moneys were borrowed at the full rate, and for the

1927. *Commonwealth, Etc., Financial Agreement Act.*

portion unexpired on the 30th June, 1929, of the full period, provided for in the conditions under which the public were invited to subscribe to that loan; and

- (c) Pay to the Commonwealth when the loan matures an amount which (together with the sinking fund contributions made by the Commonwealth and the State in respect of that loan and the accumulations of such contributions), will be sufficient to provide for the redemption of that loan. For the purposes of this subclause such contributions shall be deemed to accumulate at the rate of  $4\frac{1}{2}$  per centum per annum compounded.

PART II.

1. This part of this Agreement shall be in force only during and in respect of the period of two years, commencing on 1st July, 1927, and ending on 30th June, 1929.

2. CONTRIBUTION BY COMMONWEALTH TO INTEREST.

The Commonwealth will in each of the said two years pay to each State by equal monthly instalments the amount set out opposite to the name of that State as shown hereunder:—

	£
New South Wales .. .. .	2,917,411
Victoria .. .. .	2,127,159
Queensland .. .. .	1,096,235
South Australia .. .. .	703,816
Western Australia .. .. .	473,432
Tasmania .. .. .	266,859
	£7,584,912

Each State shall apply the amount so paid to it towards payment of interest due by that State on the Public Debt of that State. All amounts paid by the Commonwealth to a State in pursuance of section 6 of the States Grants Act, 1927, of the Commonwealth shall be deemed to be payments to that State under this clause.

3. TRANSFERRED PROPERTIES.

The Commonwealth will in each of the said two years pay to each State interest at the rate of 5 per centum per annum on the agreed value of transferred properties in the State, such value being in the case of each State as follows:—

	£
New South Wales .. .. .	4,788,005
Victoria .. .. .	2,302,862
Queensland .. .. .	1,560,639
South Australia .. .. .	1,035,631
Western Australia .. .. .	736,432
Tasmania .. .. .	500,754
	£10,924,323

## 4. SINKING FUNDS.

(a) In each of the said two years the Commonwealth will pay from revenue a sinking fund contribution at the rate of 2s. 6d. per annum for each £100 of the net public debts of the States existing on 30th June, 1927, and each State (other than the State of New South Wales) will pay from revenue a sinking fund contribution at the rate of 5s. per annum for each £100 of the net public debt of that State existing on 30th June, 1927. The State of New South Wales will, in the financial year commencing 1st July, 1928, pay from revenue a sinking fund contribution at the rate of 5s. for each £100 of the net public debt of that State existing on 30th June, 1927.

(b) Where in respect of any debt included in the gross public debt of a State existing on 30th June, 1927, there is under laws or contracts existing at that date an obligation to provide a sinking fund at a rate in excess of 7s. 6d. per annum for each £100, any amount to be so provided in excess of the rate of 7s. 6d. per annum for each £100 shall be provided out of the National Debt Sinking Fund established under the laws of the Commonwealth: Provided that if any law imposing such an obligation is repealed or is amended so as to reduce the rate of sinking fund to be provided, the only amount (if any) to be provided out of the National Debt Sinking Fund pursuant to this subclause in respect of that debt shall, as from the date of such repeal or amendment, be the amount (if any) by which the reduced rate of sinking fund for the time being exceeds 7s. 6d. per annum for each £100.

(c) In respect of each loan raised after the 30th June, 1927, either by a State or by the Commonwealth for and on behalf of a State (other than a loan raised for the conversion, renewal, or redemption of a loan, or for temporary purposes) the Commonwealth and that State shall, subject to the next succeeding subclause as from the date of the raising of that loan, each pay from revenue a sinking fund contribution at the rate of five shillings (5s.) per annum for each £100 of the amount of such loan: Provided, however, that the liability of the State of New South Wales to make sinking fund contributions under this subclause shall commence on the 1st July, 1928. The provisions of this subclause apply to a loan raised after the 30th June, 1927, to meet a revenue deficit which accrued on or before that date.

(d) In respect of any loan raised after 30th June, 1927, by a State or by the Commonwealth for and on behalf of a State to meet a revenue deficit accruing after that date no sinking fund contribution shall be payable by the Commonwealth, but that State shall pay from revenue a sinking fund contribution at a rate of not less than 4 per centum per annum on the amount of that loan.

(e) Where loan moneys have been advanced by a State under terms providing for the repayment of such moneys, the State shall as and when such moneys are repaid pay such moneys either to the State Loan Fund or to the account or fund from which such moneys were advanced, or to the sinking fund hereinafter mentioned, and shall, in addition, make from revenue its sinking fund contributions in respect of the loan or loans from which the moneys so advanced were provided:



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 1927. *Commonwealth, Etc., Financial Agreement Act.*


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Provided that when loan moneys have been advanced by a State to a Public or Local Authority or body constituted by the State or under the laws of the State and the Authority or body repays such moneys out of its revenue, the State may, out of moneys so repaid, make its sinking fund contributions in respect of the loan moneys so advanced.

(f) All sinking fund contributions to be made in pursuance of this Part of this Agreement shall be paid to the National Debt Commission constituted under the *\*National Debt Sinking Fund Act 1923-25* of the Commonwealth (herein called the National Debt Commission) as follows:—

- (i.) As regards the net public debt of a State existing on 30th June, 1927—by half-yearly instalments on 30th September and 31st March in each financial year, or on such other dates as may be agreed between the Commonwealth and the State;
- (ii.) As regards loans raised after 30th June, 1927—by equal instalments on the dates on which interest on such loans is payable or on such other dates as may be agreed upon between the Commonwealth and the State concerned.

(g) Where the conditions relating to sinking funds, redemption funds, and funds of a like nature require payments to be made to trustees, the National Debt Commission will either directly or through any State concerned, make the necessary payments to those trustees.

(h) The sinking fund contributions made under this Part of this Agreement in respect of the Public Debt of a State (other than contributions paid or to be paid to trustees under the last preceding subclause hereof) shall so far as the same will suffice be applied in the repurchase or redemption of the Public Debt of that State and in the event of the proposed law for the alteration of the Constitution referred to in Part IV. of this Agreement not becoming law and of this Agreement not being validated thereunder on or before the 30th June, 1929, all State securities repurchased or redeemed as aforesaid shall be cancelled with the exception of securities the market value of which represents the amount of money provided in excess of the rate of 7s. 6d. per annum for each £100 under paragraph (b) of this clause, which latter securities shall be retained by and belong to the National Debt Commission.

### PART III.

This Part of this Agreement shall not come into force or be binding upon any party hereto unless before the 1st July, 1929, the Constitution of the Commonwealth has been altered in accordance with the proposals referred to in Part IV. of this Agreement and a law of the Parliament of the Commonwealth has been made thereunder validating this Agreement, but shall come into full force and effect if and when before the said date the Constitution is so altered and this Agreement is so validated.

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\* No. 5 of 1923, No. 6 of 1924, and No. 3 of 1925, Commonwealth Statutes, Vols. XXI. page 12, XXII. page 11, and XXIII. page 3.

*Commonwealth, Etc., Financial Agreement Act.* 18 GEO. V. No. 22,

When this Part of this Agreement comes into force every matter or thing done and payment made under or in pursuance of Part II. of this Agreement shall be deemed, so far as is practicable, to have been done or made under this Part of this Agreement to the same extent as if this Part had then in fact been in force, and all necessary adjustments shall be made in respect of moneys so paid in order to ensure that no party hereto shall be liable for or make double payments in respect of the same matter.

## PERMANENT PROVISIONS.

## 1. TAKING OVER STATES' PUBLIC DEBTS.

Subject to the provisions of this Part of this Agreement the Commonwealth will take over on the 1st July, 1929:—

- (i.) The balance then unpaid of the gross public debt of each State existing on 30th June, 1927; and
- (ii.) All other debts of each State existing on the 1st July, 1929, for moneys borrowed by that State which by this Agreement are deemed to be moneys borrowed by the Commonwealth for and on behalf of that State—

and will in respect of the debts so taken over assume as between the Commonwealth and the States the liabilities of the States to bondholders.

## 2. PAYMENT OF INTEREST.

(a) Subject to this clause the Commonwealth will pay to bondholders from time to time interest payable on the Public Debts of the States taken over by the Commonwealth as aforesaid other than debts due by the States to the Commonwealth.

(b) The Commonwealth will in each year during the period of fifty-eight years, commencing on 1st July, 1927, provide by equal monthly instalments the following amounts in respect of each State as shown hereunder towards the interest payable by that State:—

	£
New South Wales .. .. .	2,917,411
Victoria .. .. .	2,127,159
Queensland .. .. .	1,096,235
South Australia .. .. .	703,816
Western Australia .. .. .	473,432
Tasmania .. .. .	266,859

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£7,584,912

(c) Each State shall in each year during the same period of fifty-eight years pay to the Commonwealth the excess over the amounts to be provided by the Commonwealth under the last preceding subclause necessary to make up as they fall due the interest charges falling due in that year on the public debt of that State taken over by the Commonwealth as aforesaid and then unpaid, and on any moneys borrowed by the Commonwealth on behalf of that State and then unpaid, and after the expiration of the said period each State shall in each year pay to the Commonwealth,

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*1927. Commonwealth, Etc., Financial Agreement Act.*

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as they fall due, the whole of the interest charges on any debt then unpaid and included in the public debt of that State taken over by the Commonwealth as aforesaid, and on any moneys borrowed by the Commonwealth on behalf of that State and then unpaid.

(*d*) The method by which payments shall be made by a State under subclause (*c*) of this clause shall be arranged from time to time between the Commonwealth and that State.

(*e*) The rate of interest payable under subclause (*c*) of this clause in respect of moneys borrowed by the Commonwealth on behalf of a State shall be the full rate of interest payable by the Commonwealth in respect of the loan by which such moneys were borrowed or such other rate of interest as may be payable by the State to the Commonwealth under any Agreement made or to be made between the Commonwealth and that State in respect of such moneys and such interest shall be payable by the State for the full term of that loan.

### 3. SINKING FUND.

(*a*) A sinking fund at the rate of 7s. 6d. per annum for each £100 of the net public debts of the States existing on 30th June, 1927, shall be established in the manner hereinafter set forth.

(*b*) During the period of fifty-eight years commencing on the 1st July, 1927, the Commonwealth shall pay from revenue annually a sinking fund contribution at the rate of 2s. 6d. for each £100 of the net public debts of the States existing on 30th June, 1927, and each State (other than the State of New South Wales) shall in each year during the said period pay from revenue a sinking fund contribution at the rate of 5s. for each £100 of the net public debt of such State existing on 30th June, 1927. The State of New South Wales during the period of fifty-eight years commencing on the 1st July, 1928, shall in each year pay from revenue a sinking fund contribution at the rate of 5s. for each £100 of the net public debt of that State existing on 30th June, 1927.

(*c*) Where in respect of any debt included in the gross public debt of a State existing at the 30th June, 1927, there is under laws or contracts existing at that date an obligation to provide a sinking fund at a rate in excess of 7s. 6d. per annum for each £100, any amount to be so provided in excess of 7s. 6d. per annum for each £100 shall be provided out of the National Debt Sinking Fund, established under the laws of the Commonwealth: Provided that if any law imposing such an obligation is repealed or is amended so as to reduce the rate of sinking fund to be provided the only amount (if any) to be provided out of the National Debt Sinking Fund pursuant to this subclause in respect of that debt shall as from the date of such repeal or amendment be the amount (if any) by which the reduced rate of sinking fund for the time being exceeds 7s. 6d. per annum for each £100.

(*d*) When a loan is issued for the conversion, renewal, or redemption of any debt of a State included in the gross Public Debt of that State existing on 30th June, 1927, the only sinking fund contributions to be made by the Commonwealth and that State in

*Commonwealth, Etc., Financial Agreement Act.* 18 GEO. V. NO. 22,

respect of the debt so converted, renewed, or redeemed shall be sinking fund contributions at the same rate and for the same period and upon the same amount as if such debt had not been converted, renewed, or redeemed.

(e) Subject to subclauses (h) and (j) of this clause a sinking fund at the rate of 10s. per annum for each £100 of the amount of each new loan raised by a State or by the Commonwealth for and on behalf of a State after 30th June, 1927, shall be established.

(f) Subject to subclauses (h) and (j) of this clause, in each year during the period of fifty-three years from the date of the raising after 30th June, 1927, of any new loan by a State or by the Commonwealth for and on behalf of a State the Commonwealth and that State shall each pay from revenue a sinking fund contribution of a sum equal to 5s. for each £100 of the amount of the new loan:

Provided that the period of fifty-three years during which the State of New South Wales shall make sinking fund contributions in respect of new loans raised in the financial year beginning on the 1st July, 1927, shall commence on the 1st July, 1928.

(g) For the purpose of the last two preceding subclauses a loan issued after the 30th June, 1927, to meet a revenue deficit which accrued on or before that date shall be deemed to be a new loan, but a loan issued for the conversion, renewal, or redemption of a debt, shall not be deemed to be a new loan, and where a loan is issued partly for the conversion, renewal, or redemption of a debt and partly for other purposes so much only of the loan as has been issued for other purposes, shall be deemed to be a new loan.

(h) Where it is agreed between the Commonwealth and a State that a loan or any portion of a loan raised after 30th June, 1927, and expended or to be expended upon wasting assets should be redeemed within a shorter period than fifty-three years, the annual sinking fund contributions of the State in respect of that loan or the portion thereof, shall be increased to an amount which with the sinking fund contributions of the Commonwealth in respect of that loan or the portion thereof will provide for the redemption of that loan or the portion thereof within such shorter period. All sinking fund contributions of the State in respect of that loan or the portion thereof shall cease on the expiration of the shorter period, but the Commonwealth contributions in respect of that loan shall continue for the remainder of the period of fifty-three years from the date of the raising of that loan, and during such remainder of the period the State contributions to the sinking fund in respect of other loans of that State shall be reduced by the amount of the Commonwealth contributions during that remainder of the period in respect of such redeemed loan or the portion thereof. For the purposes of this subclause the sinking fund contributions of the Commonwealth and the State shall be deemed to accumulate at the rate of  $4\frac{1}{2}$  per centum per annum compounded.

(i) Where loan moneys have been advanced by a State under terms providing for the repayment of such moneys the State shall as and when such moneys are repaid pay such moneys either to

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 1927. *Commonwealth, Etc., Financial Agreement Act.*


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the State Loan Fund or to the account or fund from which such moneys were advanced, or to the sinking fund and shall in addition make from revenue its sinking fund contributions in respect of the loan or loans from which the moneys so advanced were provided:

Provided that when loan moneys have been advanced by a State to a Public or Local Authority or body constituted by the State or under the laws of the State and the Authority or body repays such moneys out of its revenue, the State may out of moneys so repaid make its sinking fund contributions in respect of the loan moneys so advanced.

(j) In respect of any loan raised after the 30th June, 1927, by a State or by the Commonwealth for and on behalf of a State to meet a revenue deficit accruing after that date no sinking fund contribution shall be payable by the Commonwealth, but that State shall for a period sufficient to provide for the redemption of that loan pay from revenue in each year during such period a sinking fund contribution at a rate of not less than 4 per centum per annum of the amount of that loan. For the purposes of this subclause the sinking fund contributions of the State shall be deemed to accumulate at the rate of  $4\frac{1}{2}$  per centum per annum compounded.

(k) All sinking fund contributions to be made in pursuance of this part of this Agreement shall be debts payable to the National Debt Commission as follows:—

(i.) As regards the net public debt of a State existing on 30th June, 1927—by half-yearly instalments on 30th September and 31st March in each financial year or on such other dates as may be agreed between the Commonwealth and that State.

(ii.) As regards loans raised after 30th June, 1927—by equal instalments on the dates on which interest on such loans is payable or on such other dates as may be agreed upon between the Commonwealth and the State concerned.

(l) Subject to the next succeeding subclause all moneys and securities standing to the credit of sinking funds, redemption funds and funds of a like nature of a State existing on 30th June, 1929, shall forthwith be transferred by the States to the National Debt Commission. Nothing in this subclause contained shall be deemed to limit the power of a State to cancel before 30th June, 1929, any such securities,

(m) Where the conditions relating to sinking funds, redemption funds, and funds of a like nature as aforesaid held by a State on trust or by trustees under statutory or contractual obligations preclude the transfer of those funds to the National Debt Commission, such funds shall remain under the control of the State or those trustees, and the National Debt Commission will either directly or through the State concerned make all future payments to the State or to those trustees from the sinking fund.

*Commonwealth, Etc., Financial Agreement Act.* 18 GEO. V. No. 22,

(n) The sinking funds to be established under this Agreement shall be controlled by the National Debt Commission. The National Debt Commission may arrange with any State to act as its agent in connection with payments due to bond holders.

(o) Sinking Fund contributions made under this Agreement in respect of the debts of a State and funds of that State transferred to the National Debt Commission under subclause (l) of this clause will not be accumulated, but (subject to subclauses (m) and (p) of this clause) will be applied to the redemption of the public debts of that State and of loans raised by the Commonwealth for and on behalf of that State, or to the purchase of securities issued in respect thereof.

(p) If at any time it is deemed inexpedient by the National Debt Commission to apply sinking funds in the manner set forth in subclause (o) of this clause, such funds may be temporarily invested in any securities in which the National Debt Commission is from time to time by law authorised to invest moneys.

(q) When a security issued in respect of a public debt of a State or of a loan raised by the Commonwealth for and on behalf of a State is repurchased or redeemed by the National Debt Commission such security shall be cancelled—

- (i.) If a repurchased security—on the last day of September, December, March or June next ensuing after the date of repurchase, or on the date of maturity of the security whichever shall first occur; and
- (ii.) If a redeemed security—on the date of redemption.

In addition to the sinking fund contributions otherwise payable in respect of that debt or loan the State concerned shall—

- (i.) As from the date of cancellation of each security and for the full period during which the said sinking fund contributions are payable make from revenue a further sinking fund contribution at the rate of 4½ per centum per annum of the face value of the cancelled security; and
- (ii.) Also pay to the National Debt Commission interest on the face value of each repurchased security at the rate provided by the security from the last date preceding the repurchase upon which interest was payable under the terms of the security up to the date of cancellation of the security.

#### 4. TRANSFERRED PROPERTIES.

It is agreed that all questions between the Commonwealth and the States relating to State properties transferred to the Commonwealth or acquired by the Commonwealth under section 85 of the Constitution shall be settled as follows:—

The States will as from 1st July, 1929, and as between the Commonwealth and the States be completely free and discharged from all liability whether in respect of principal, interest, or sinking fund, or otherwise, which liability shall be assumed by the Commonwealth in respect of so much of the public debts of the States bearing interest at the rate of 5 per centum per annum,

1927. *Commonwealth, Etc., Financial Agreement Act.*

taken over by the Commonwealth as aforesaid as amounts to the agreed value of transferred properties, namely, £10,924,323, apportioned to the several States as follows:—

				£
New South Wales	..	..	..	4,788,005
Victoria	..	..	..	2,302,862
Queensland	..	..	..	1,560,639
South Australia	..	..	..	1,035,631
Western Australia	..	..	..	736,432
Tasmania	..	..	..	500,754
Total .. .. .				£10,924,323

The particular portion of the public debt of each State in respect of which the States shall become free and discharged from liability shall be determined by the Commonwealth:

Each State will issue to the Commonwealth freehold titles (or, if the laws of any State do not permit of the issue of freehold titles, then titles as near to freehold as the laws of that State will permit) for transferred properties consisting of land or interests in land in that State, and all liability of the Commonwealth to the State in respect of transferred properties shall as from the 1st July, 1929, be extinguished.

The provisions of clauses 2 and 3 of this Part of this Agreement shall not apply to the said amount of £10,924,323.

PART IV.—MISCELLANEOUS.

1. EXPENSES OF LOAN FLOTATION.

Each State shall repay to the Commonwealth all expenses incurred or payments made by the Commonwealth in the performance of this Agreement in relation to the State, including the following expenses and payments:—

- (i.) Loan flotation charges;
- (ii.) Management charges;
- (iii.) Stamp duties on transfer of securities;
- (iv.) Commission on payment of interest;
- (v.) Expenses incurred in the conversion, renewal, redemption, or consolidation of loans;
- (vi.) Exchange on transference of moneys.

Unless it is otherwise agreed between the Commonwealth and a State the Commonwealth will not do anything in connexion with a loan of that State existing on the 30th June, 1927, or raised thereafter pursuant to this Agreement, which if done by that State would be a breach of any now existing agreement by that State with any Bank.

A certificate by the Auditor-General of the Commonwealth stating the amount to be repaid by a State to the Commonwealth and the matter in respect of which the repayment is to be made shall, in the event of a dispute, be conclusive as to the amount and matter stated.

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*Commonwealth, Etc., Financial Agreement Act.* 18 GEO. V. No. 22,

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## 2. ALTERATION OF THE CONSTITUTION.

The Commonwealth will take the necessary action to submit to the Parliament of the Commonwealth and to the electors proposals for the alteration of the Constitution of the Commonwealth in the following form:—

“105A. (1) The Commonwealth may make agreements with the States with respect to the public debts of the States, including—

- (a) The taking over of such debts by the Commonwealth;
- (b) The management of such debts;
- (c) The payment of interest and the provision and management of sinking funds in respect of such debts;
- (d) The consolidation, renewal, conversion, and redemption of such debts;
- (e) The indemnification of the Commonwealth by the States in respect of debts taken over by the Commonwealth; and
- (f) The borrowing of money by the States or by the Commonwealth or by the Commonwealth for the States.

(2) The Parliament may make laws for validating any such agreement made before the commencement of this section.

(3) The Parliament may make laws for the carrying out by the parties thereto of any such agreement.

(4) Any such agreement may be varied or rescinded by the parties thereto.

(5) Every such agreement and any such variation thereof shall be binding upon the Commonwealth and the States parties thereto, notwithstanding anything contained in this Constitution or the constitution of the several States or in any law of the Parliament of the Commonwealth or of any State.

(6) The powers conferred by this section shall not be construed as being limited in any way by the provisions of section 105 of this Constitution.”

## 3. INDEMNITY.

Each State agrees with the Commonwealth that it will, by the faithful performance of its obligations under this Agreement, indemnify the Commonwealth against all liabilities whatsoever in respect of the public debt of that State taken over by the Commonwealth as aforesaid (other than the liabilities of the Commonwealth under this Agreement to pay interest and to make sinking fund contributions and under clause 4 of Part III. of this Agreement), and in respect of all loans of that State in respect of which this Agreement provides that sinking fund contributions shall be made.



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1927. *Commonwealth, Etc., Financial Agreement Act.*

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4. ACCOUNTS.

Separate accounts shall be kept by the Commonwealth for each State in respect of Debt, Interest, and Sinking Funds.

In witness whereof the Prime Minister of the Commonwealth of Australia and the Premiers of each of the States of New South Wales, Victoria, Queensland, South Australia, Western Australia, and Tasmania have signed this Agreement respectively for and on behalf of the Commonwealth of Australia and of the said States.

Signed by the Prime Minister of the  
Commonwealth of Australia for and  
on behalf of the said Commonwealth,  
in the presence of—

Signed by the Premier of the State of  
New South Wales for and on behalf  
of the said State, in the presence of—

Signed by the Premier of the State of  
Victoria for and on behalf of the  
said State, in the presence of—

Signed by the Premier of the State of  
Queensland for and on behalf of the  
said State, in the presence of—

Signed by the Premier of the State of  
South Australia for and on behalf of  
the said State, in the presence of—

Signed by the Premier of the State of  
Western Australia for and on behalf  
of the said State, in the presence of—

Signed by the Premier of the State of  
Tasmania for and on behalf of the  
said State, in the presence of—

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