

LOANS.

5 ELIZ. II.
No. 16.
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THE
GOVERNMENT
LOAN ACT
OF 1956.

An Act to Authorise the Making of Arrangements by the State of Queensland pursuant to the Provisions of "The Commonwealth and States Financial Agreement Acts, 1927 to 1944," for the Raising of certain Sums of Money by way of Loan by the State, and for other purposes.

[ASSENTED TO 22ND NOVEMBER, 1956.]

Preamble.

WHEREAS it is expedient to authorise the making of arrangements by the State of Queensland pursuant to the provisions of **"The Commonwealth and States Financial Agreement Acts, 1927 to 1944,"* for the raising by way of Loan by the said State of certain sums of money amounting to forty-five million pounds—

Be it therefore enacted by the Queen'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 Government Loan Act of 1956.*"

Interpre-
tation.

2. For the purposes of this Act—

(a) The term "Financial Agreement" shall mean the Agreement between the Commonwealth and the States as approved, ratified and validated by **"The Commonwealth and States Financial Agreement Acts, 1927 to 1944"* ;

(b) The terms "Government Stock" and "Inscribed Stock" shall have the meanings respectively assigned to them in †*"The Government Loan Act of 1928."*

Act to be read as one with "*The Commonwealth and States Financial Agreement Acts, 1927 to 1944.*"

3. This Act shall be read and construed with and subject to the provisions of **"The Commonwealth and States Financial Agreement Acts, 1927 to 1944,"* and nothing in this Act shall be construed in derogation of any provision of the Financial Agreement.

* 18 G. 5 No. 22 and amending Acts.

† 19 G. 5 No. 9.

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4. The Governor in Council is hereby authorised and empowered to make arrangements in accordance with and in the manner provided in the Financial Agreement for the raising by way of Loan for the Public Service of the State of Queensland of sums of money not exceeding in the whole the sum of forty-five million pounds for expenditure for the following purposes, that is to say :—

Authority of State to make arrangements to raise a Loan of £45,000,000.

Upon Public Works and Services which may hereafter be approved by Parliament to be defrayed out of moneys standing to the credit of the Loan Fund Account ..	£ 40,000,000
For the purpose of meeting deficits (actual and/or prospective) in the Consolidated Revenue Fund	5,000,000
	£45,000,000

The sum in respect of which arrangements for the raising thereof are hereby authorised shall include such additional sums as may be necessary in order actually to produce to the Treasury the said sum after providing for all costs, charges, and expenses connected with the raising thereof, or of any part thereof.

5. (1.) Subject to this Act, for the purpose of raising the whole or any part of such sum pursuant to any such arrangement which may be made as aforesaid, the Governor in Council may subject to any such arrangement cause Government Stock or Inscribed Stock to be issued or created and delivered or sold.

Loans secured upon the Consolidated Revenue.

All Government Stock or Inscribed Stock so issued or created and delivered or sold—

- (a) Shall be secured upon the Consolidated Revenue of the State; and
- (b) Shall bear interest at a rate fixed by the Governor in Council according as necessity demands; and
- (c) Shall be repayable at a date or dates to be fixed by the Governor in Council.

(2.) The Governor in Council may subject to any such arrangement which may be made as aforesaid authorise the sale of any such Government Stock or Inscribed Stock in places beyond the limits of the State,

Stock may be sold beyond the limits of the State.

and may appoint any agent or agents to negotiate such sale and to enter into and execute any contract or contracts therefor.

Government
Stock—
when
deemed fully
issued.

(3.) All Government Stock purporting to be issued under the authority of this Act, if signed by the Governor or by the Vice-President of the Executive Council and countersigned by the Treasurer, or if such issue purports to have been made in any place beyond the limits of the State, signed as prescribed by the Governor in Council, shall be deemed to have been duly issued, and the holder thereof shall not be bound to inquire whether such issue was in fact duly authorised.

Sums
borrowed—
how to be
accounted
for.

6. Subject to this Act all sums borrowed under the authority of this Act shall be paid to the Treasurer, and shall be by him placed to the credit of the Consolidated Revenue Fund.

Temporary
advances.

7. Pending the final disposal of any Government Stock or Inscribed Stock authorised by this Act to be issued or created, the Governor in Council may obtain temporary advances from any bank, corporation, financial institution, or other source for such period and on such terms as to interest or otherwise as he thinks fit.

Application
of the Act.
14 Geo. V.
No. 37.

8. The provisions of **“The Government Loans Redemption and Conversion Act of 1923”* shall apply to the Loan hereby authorised to be raised.

Interest and
Sinking
Fund to be
primary
charges on
revenue.

9. All interest upon any sums borrowed under the authority of this Act, and all contributions in respect of any Sinking Fund hereinafter provided for, and all sums of money necessary for the purchase of Government Stock issued and sold under the conditions in the next succeeding section hereof, shall be and be deemed to be a charge upon all the revenues of the State, and the same when due shall be paid by the Treasurer out of such revenues in the following order:—

Firstly, the said interest; and

Secondly, the said contributions and purchase moneys,

in priority to all demands on such revenues, except the charges and expenses of the collection thereof and the interest upon the sums authorised to be borrowed

* 14 G. 5 No. 37.

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under the authority of the Government Loan Acts of 1890, 1894, 1899, 1900, 1902, 1908, 1910, 1911, 1914, 1918, 1921, 1924, 1926, 1928, 1931, 1937, 1941, 1948, 1950, 1952, and 1954, the Agricultural Lands Purchase Acts, the Closer Settlement Acts, **“The Government Savings Bank Stock Acts, 1894 to 1897,”* †*“The Commonwealth Bank Agreement Ratification and State Advances Act of 1920,”* and ‡*“The Government Loans Redemption and Conversion Act of 1923.”*

10. Any Government Stock or Inscribed Stock issued or created and delivered or sold under the authority of this Act may, if the Governor in Council so directs, and subject to the provisions of §*“The Commonwealth and States Financial Agreement Acts, 1927 to 1944,”* be issued or created and delivered or sold subject to the condition that a proportion of the principal moneys representing such stock shall be redeemed at stated intervals during the period of the currency of such stock, or to a condition that a certain amount shall be set apart at fixed periods for the purpose of purchasing such stock at such price and on such terms and conditions as are deemed desirable. Moneys so set apart may be payable to any bank or agent approved by the Governor in Council, to be defrayed by such bank or agent for the purpose aforesaid.

Special provision as to stock.

11. (1.) As provided by §*“The Commonwealth and States Financial Agreement Acts, 1927 to 1944,”* the Treasurer shall pay to the National Debt Commission, in respect of the whole of the sums borrowed under the authority of this Act, such sums by way of Sinking Fund payments as are prescribed by virtue of the provisions of the Financial Agreement; and the said National Debt Commission shall stand possessed of all such sums so paid to them and all interest received thereon as a Sinking Fund for the redemption of the sums borrowed under the authority of this Act.

Sinking Fund.

(2.) The Auditor-General shall cause a report to be made to the Legislative Assembly in each year giving full information in connection with the operations of such Sinking Fund during the last preceding financial year.

Report to Parliament.

* 58 V. No. 31 and amending Acts.

† 11 G. 5 No. 5.

‡ 14 G. 5 No. 37.

§ 18 G. 5 No. 22 and amending Acts.