



ANNO DECIMO

GEORGII VI REGIS.

A.D. 1946.

No. 3 of 1946.

An Act to establish a body to be known as The Electricity Trust of South Australia, to define the powers and duties of that Trust, to vest in that Trust the undertaking of The Adelaide Electric Supply Company Limited, and for purposes incidental thereto.

*[Reserved 8th April, 1946.
Royal Assent Proclaimed 8th August, 1946.]*

BE IT ENACTED by the Governor of the State of South Australia, with the advice and consent of the Parliament thereof, as follows :

PART I.

PART I.

PRELIMINARY.

1. This Act may be cited as the " Electricity Trust of South Australia Act, 1946 ". Short title.
2. This Act shall commence on a day to be fixed by the Governor by proclamation. Commence-
ment of Act.
3. In this Act, unless the context otherwise requires— Interpretation.
 - " the company " means The Adelaide Electric Supply Company Limited referred to in The Adelaide Electric Supply Company's Act, 1922 :
 - " chairman " means chairman of the trust :
 - " member " means member of the trust, and includes the chairman :

“the trust” means The Electricity Trust of South Australia established by this Act :

“shares” includes stock :

“shareholder” includes stockholder.

Division of Act.

4. This Act is divided into Parts as follows :—

PART I.—Preliminary.

PART II.—The Electricity Trust of South Australia.

PART III.—Vesting in the Trust of the undertaking of The Adelaide Electric Supply Company Limited.

PART IV.—Powers and Duties of the Trust.

PART V.—Supplementary Provisions.

PART II.

PART II.

THE ELECTRICITY TRUST OF SOUTH AUSTRALIA.

Constitution of trust.

5. (1) There shall be established a body to be known as “The Electricity Trust of South Australia”.

(2) The trust shall be a body corporate with perpetual succession and a common seal and, subject to this Act, shall have power in its corporate name, to take, hold, and dispose of property of every kind and be a party to any legal proceedings.

(3) Every court and every person acting judicially shall take judicial notice of the seal of the trust and when the seal appears on any document shall presume that it was properly affixed thereto.

Members of trust.

6. (1) The trust shall consist of five members, all of whom shall be appointed by the Governor.

(2) A person shall not be appointed to the trust if he is—

(a) an undischarged bankrupt ;

(b) over the age of sixty-five years ;

(c) a member of a House of Parliament of the State or the Commonwealth ;

(d) an employee of the trust.

(2) The Governor may suspend a member from his office for incapacity, mismanagement, misbehaviour or neglect or failure to carry out any of his duties as a member of the trust ; and a full statement of the cause of such suspension shall be laid before each House of Parliament within the seven sitting days of that House next after the suspension.

(3) Unless within one month after the day when any such statement is laid before it and during the same session, the House of Assembly and the Legislative Council present an address to the Governor praying for the removal from office of the member so suspended, that member shall be restored to his office, without any loss of salary in respect of the period of his suspension.

(4) If such an address is so presented to the Governor within the said month, the Governor may remove from office the member so suspended, and thereupon the office of the member shall become vacant.

Validity of
acts of the
trust.

11. An act or proceeding of the trust shall not be invalid or illegal by reason only of the fact that at the time of the act or proceeding there was a vacancy in the office of any member : Provided that an act or proceeding of the trust shall not be valid if at the time thereof the trust consisted of less than three persons.

Quorum and
majority.

12. (1) Any three members of the trust shall form a quorum.

(2) All business coming before the trust shall be decided at meetings of the trust and a decision of the trust shall not be valid unless at least three members concur therein.

Payment of
members of
trust.

13. Each member of the trust shall be paid out of the funds of the trust such remuneration for his services and such travelling and other allowances (if any) as the Governor approves.

Disqualifica-
tion of
members by
interest.

14. A person shall not be appointed as or continue to be a member, if by himself or his partner or otherwise he has any interest, direct or indirect, in any contract made with the trust : Provided that a person shall not be so disqualified by reason only of the fact—

(a) that he holds any debentures issued by the trust ; or

(b) that he is a shareholder in a company with at least twenty members which has a contract with the trust ; or

(c) that he has a contract with the trust for the supply of electricity to him by the trust on the trust's usual terms.

15. (1) The trust shall hold all its assets for and on account of the Crown.

Relation of trust to Crown.

(2) The trust shall administer this Act in such manner as in its discretion it deems to be in the best interests of the general public.

16. Notwithstanding any other Act—

Liability of trust to pay rates and land tax

(a) land and buildings of the trust shall be ratable property within the meaning of the Local Government Act, 1934-1941 :

(b) the trust shall be liable to pay rates under the Local Government Act, 1934-1941, the Waterworks Act, 1932-1936, and the Sewerage Act, 1929-1936, and land tax under the Land Tax Act, 1936-1942.

17. (1) The trust may appoint such officers and other employees as it requires for the purpose of carrying out its duties and functions. The terms and conditions of every such appointment shall, subject to any law, be such as the trust determines.

Staff of trust

(2) The trust may delegate to any manager, sub-manager or other responsible officer any of its powers under this section, and may revoke any such delegation.

(3) An officer or employee of the trust shall not, by virtue of his office or employment as such, be subject to the Public Service Act, 1936-1945.

18. The trust may—

Pensions and retiring allowances.

(a) pay such pensions and retiring allowances to its officers and employees as it deems proper ;

(b) contribute such sums as it thinks fit to any fund established for the purpose of providing pensions, retiring allowances or other benefits for its officers and employees.

19. (1) The trust may borrow money from the Treasurer, or with the consent of the Treasurer, from any other authority or person or from the public—

Borrowing powers of trust and debentures.

(a) to make the payments to the shareholders of the company provided for in this Act ;

(b) to provide capital for any work, scheme, undertaking or purchase which the trust is authorized to carry out ;

(c) to satisfy any liability of the trust ;

(d) to enable the trust to make any loan or grant which it is authorized by this Act to make.

(2) The trust may issue debentures for any money borrowed by it.

(3) Any such debentures may confer on the holder thereof a mortgage or charge over any assets of the trust.

Government
guarantee of
debentures.

20. (1) The Treasurer shall out of the general revenue of the State make good any default of the trust in meeting any liability of the trust to any person, other than the Treasurer, under any debenture issued by the trust or on which the trust is liable.

(2) The amount of general revenue required for purposes of this section is hereby appropriated.

(3) The trust shall, on demand, pay to the Treasurer the amount of any payment made by him pursuant to subsection (1) of this section.

Reserves.

21. The trust may at the end of any financial year set aside out of its revenue such sums as it thinks proper as payments to reserves or sinking funds, and may invest any such reserves or sinking funds or use them in its undertaking.

Power of the
Treasurer to
lend money
to the trust.

22. (1) The Treasurer may lend money to the trust upon such terms and conditions as are agreed between the Treasurer and the trust.

(2) Where any loan made by the Treasurer to the trust is intended to be applied by the trust—

(a) for extending or improving supplies of electricity in rural areas ; or

(b) for granting a subsidy pursuant to section 43 of this Act to any supplier of electricity for the purpose of enabling him to improve or extend supplies of electricity in rural areas,

the loan may be on such special terms and conditions as are approved by the Governor.

(3) The Treasurer may arrange for the borrowing on behalf of the State, and in accordance with the Financial Agreement, of such sums of money as he requires for the purpose of making loans to the trust under this section.

(4) This section without further appropriation shall be sufficient authority for lending any money so borrowed, to the trust.

23. (1) The trust shall keep proper accounts showing Accounts. accurately and in detail all its financial transactions, assets and liabilities, and shall in each year not later than the thirty-first day of October prepare a profit and loss account for the preceding financial year and a balance-sheet showing its assets and liabilities as at the preceding thirtieth day of June.

(2) The profit and loss account and the balance-sheet shall be included in the annual report of the trust.

24. (1) The Auditor-General shall audit the accounts and Audit. balance-sheet of the trust and report thereon annually to the Minister.

(2) Every member and officer of the trust shall afford the Auditor-General and his officers proper and adequate facilities for conducting the audit, and shall furnish the Auditor-General or any of his officers, upon request, with any information relating to the affairs of the trust.

25. The trust shall within four months after the end of Annual report. each financial year prepare and present to the Minister a report on its operations during that financial year and the Minister shall cause that report to be laid before both Houses of Parliament as soon as practicable after the receipt thereof.

26. (1) The Governor may, whenever he deems it expedient Special reports to do so, appoint a person or persons to inquire into and report to him upon the management and operations of the trust.

(2) The person or persons so appointed shall be deemed to be a royal commission within the meaning of the Royal Commissions Act, 1917, and that Act shall apply in relation to that person or those persons and the inquiry and the persons from whom evidence, information or documents are sought.

PART III.

PART III.

VESTING IN THE TRUST OF THE UNDERTAKING
OF THE ADELAIDE ELECTRIC SUPPLY COM-
PANY LIMITED.

The appointed
day.

27. The Governor may by proclamation appoint a day to be the "appointed day" for purposes of this Part. The day so appointed is hereinafter called "the appointed day".

Vesting of
assets of the
company in
the trust.

28. (1) On and after the appointed day all the assets which immediately before that day were vested in or belonged to the company and were situated or deemed by law to be situated within the State shall be vested in and belong to the trust.

(2) Notwithstanding any law or memorandum or articles of association to the contrary, the directors of the company, by a resolution passed by a majority of the directors, may resolve to convey, transfer and assign to the trust all or any of the assets which are vested in or belong to the company and are situated or deemed by law to be situated outside the State.

(3) If in respect of any assets of the company situated or deemed by law to be situated outside the State a resolution is not passed under subsection (2) of this section within one month after the appointed day, the amounts payable under this Act to shareholders of the company on surrender of their shares shall be reduced in the aggregate by the value of those assets, and the amount of that reduction shall be apportioned ratably between the shareholders in proportion to the respective amounts to which apart from this subsection they would be entitled on such surrender.

(4) The value of any assets of the company which are situated or deemed by law to be situated outside the State and in respect of which a resolution is not passed as provided in subsection (2) of this section shall be ascertained and certified by a valuer to be appointed by the Governor, and his certificate shall be conclusive as to that value.

(5) In this section "assets" means real and personal property of every kind, including choses in action, and all other rights, interests and claims, liquidated or unliquidated, certain or contingent, accrued or accruing.

29. (1) On and after the appointed day all liabilities to which the company was subject immediately before that day or to which it thereafter becomes subject by reason of any transaction, act, matter or thing done or occurring before that day, shall be transferred to the trust and the trust shall be liable upon and shall satisfy all such liabilities.

Transfer of liabilities of the company to the trust.

(2) In this section "liabilities" includes all liabilities, debts, and obligations, certain or contingent, liquidated or unliquidated, accrued or accruing, and includes the liabilities of the company accrued and accruing upon debentures issued by the company.

(3) Nothing in this section shall confer any rights upon any shareholder of the company in respect of his shares other than a right to be paid any dividend declared but not paid before the appointed day.

30. (1) It shall be the duty of the company and every director and officer thereof to do or join in doing every act, matter or thing which it is necessary or convenient to do for giving and securing to the trust the possession and control of all property vested in the trust by this Act or transferred, conveyed or assigned to the trust pursuant to this Act, or which the directors have resolved to convey, transfer or assign to the trust pursuant to this Act.

Duty of directors and officers.

(2) The Supreme Court on the application of the trust may order the company or any director or officer of the company to do or join in doing any act, matter or thing which it or he is required to do under subsection (1) of this section.

31. (1) At any time after the expiration of one month from the appointed day any shareholder of the company shall be entitled to be paid by the trust—

Compensation for shareholders.

- (a) the market value of his shares as at the first day of August, nineteen hundred and forty-five; and
- (b) interest at the rate of four per centum per annum on the amount of that market value for the period between the day on which the last dividend or interim dividend on the shares became payable by the company until the day when the market value of the shares is paid to the shareholder by the trust.

(2) For the purposes of this Part the market values, expressed in Australian currency, of the shares of the company as at the first day of August, nineteen hundred and forty-five, shall respectively be those set out in the schedule to this Act, subject to any reduction thereof under section 28 or this section.

(3) If between the introduction into Parliament of the Bill for this Act and the appointed day, the company pays to the holder of any of its shares any dividend or other payment out of profits, at a rate in excess of the rate at which the last previous dividend was paid on those shares, or at a time earlier than the usual time for payment of dividends on those shares, the amount payable to the shareholder pursuant to this Part as the market value of his shares, shall be reduced by a sum, to be certified by the Auditor-General, representing the excess financial benefit which the shareholder obtained by reason of that dividend or other payment, over and above that which he would have obtained had dividends been paid only at the usual time and at the rate at which they were last previously paid by the company.

Shareholders'
option to take
debentures.

32. (1) Any person entitled to be paid the market value of shares under this Part may elect to accept debentures issued by the trust in satisfaction of the whole or part of that market value, such whole or part being a multiple of ten pounds.

(2) Every debenture issued under this section—

(a) shall bear interest at the rate of four per centum per annum calculated as from the day on which the last dividend or interim dividend on the shares in respect of which the debenture is issued, became payable by the company ; and

(b) shall be redeemable as hereinafter provided.

(3) For every twenty pounds of the face value of the debentures issued to a person under this section debentures to the face value of ten pounds shall be redeemed by the trust at the end of the fifth and tenth years respectively after the day as from which interest on the debentures is calculated; and any fractional part of twenty pounds in the face value of the debentures issued to a person under this section shall be redeemed by the trust at the end of the fifth year after the said day.

33. Any fractional part of ten pounds in the market value of the shares in respect of which a person is entitled to payment under this Part and all interest on such market value shall be paid in cash.

Cash payment
of odd
amounts

34. (1) Where, pursuant to this Part, debentures of the trust are issued to a shareholder of the company in satisfaction of the market value of any shares—

Construction of
wills and
powers of
attorney
affecting shares.

(a) any disposition which was effected by a testamentary instrument executed before the passing of this Act, and would have operated as a specific bequest of the shares, shall be construed as a specific bequest of the debentures ;

(b) all powers of attorney and other documents, executed before the passing of this Act authorizing or requiring any person to receive, deal with or dispose of the shares and dividends thereon shall apply to the debentures and the interest thereon.

(2) The trust may give possession of any debentures issued under this Part to any person (whether the shareholder or any other person) who satisfies the trust that he is entitled to possession of the shares for the market value of which the debentures were issued.

35. Except as provided in this Part no person shall be entitled to compensation for anything done by or pursuant to this Part.

No compensa-
tion except as
provided in
this Part.

PART IV.

PART IV.

POWERS AND DUTIES OF THE TRUST.

36. The trust shall until Parliament otherwise provides continue to manage, maintain and operate the undertaking of The Adelaide Electric Supply Company Limited subject to and in accordance with the provisions of The Adelaide Electric Supply Company's Acts, 1897 to 1931 :

Management
of undertaking.

Provided that sections 32, 33 and 38 of The South Australian Electric Light and Motive Power Company's Act, 1897, shall not apply to the trust.

Construction of Adelaide Electric Supply Company's Acts.

37. So far as is necessary to give effect to section 36 of this Act, The Adelaide Electric Supply Company's Acts, 1897 to 1931, shall as from the appointed day be construed as if every reference therein to the company were a reference to the trust.

Administration by trust of Electricity Act, 1943.

38. Upon the establishment of the trust—

- (a) The South Australian Electricity Commission established by the Electricity Act, 1943, shall cease to exist ;
- (b) the Electricity Act, 1943, and the Electrical Articles and Materials Act, 1940, shall thereafter be administered by the trust ;
- (c) the trust shall be substituted for the said Electricity Commission in all pending transactions and proceedings to which that Commission is a party.

Consequential amendment of Electricity Act, 1943.

39. As from the establishment of the trust the Electricity Act, 1943, shall be amended—

- (a) by striking out the definition of " the Commission " in section 2 and inserting in lieu thereof the following :—

" the trust " means " The Electricity Trust of South Australia," established by the Electricity Trust of South Australia Act, 1946 ;

- (b) by striking out the word " Commission " wherever it appears therein and inserting in lieu thereof the word " trust ".

Additional powers of trust.

40. In addition to the powers specified in The Adelaide Electric Supply Company's Acts, 1897 to 1931, the trust shall have the following powers, namely :—

- (a) To purchase, take leases of or hire power stations, sub-stations, transmission lines and distribution systems ;
- (b) By agreement with any other person who supplies or generates electricity, to interconnect the mains of the trust with those of such other person and interchange electricity or give or receive supplies of electricity in bulk ;
- (c) With the approval of the council of any municipality or district council district, to supply electricity direct to consumers within that municipality or district :

- (d) To supply electricity direct to consumers not within a municipality or district council district :
- (e) To do any act or thing and enter into and carry out any transaction which it is necessary or convenient to do, enter into or carry out for the purpose of generating, transmitting and supplying electricity.

41. (1) The trust shall, as soon as possible after it has been constituted, conduct inquiries into the following matters :—

Inquiries and works to be carried out by the trust.

- (a) The improvement and extension of the supply of electricity in the settled areas of the State north of the thirty-fourth parallel of latitude and east of Spencer Gulf, and particularly the supply of electricity to the Broken Hill Associated Smelters Pty Limited, and the question whether a generating station should be established for supplying the said areas and Company ;
- (b) The works which should be carried out and any other action which should be taken to ensure that an adequate output of electricity will be maintained in the event of supplies of bituminous coal to the trust being reduced or stopped ;
- (c) The supply of electricity throughout the State and desirability of establishing regional power stations and of connecting them with the mains of the trust in the metropolitan area with the object of making electricity available at reasonable price over the widest possible area, and particularly in the River Murray irrigation areas, the areas east of the River Murray, Eyre Peninsula, Yorke Peninsula and the south-eastern areas of the State ;
- (d) The coal deposits and any other sources of fuel within the State, and the purposes for which and the methods by which such coal and fuel may be used.
- (e) The introduction of an optional two-part tariff (without meter rents) for electricity supplied for domestic purposes.

(2) The Treasurer may, out of the general revenue of the State, pay to the trust the amount of any expenditure incurred by the trust in making the inquiries mentioned in this section, not exceeding twenty thousand pounds.

(3) The trust shall report to the Minister its findings on the matters inquired into pursuant to this section, and the action which it proposes to take. The Minister shall lay every such report before Parliament.

(4) The trust shall carry out any works which, after inquiry as mentioned in this section, it deems desirable.

(5) The amounts of general revenue required for the purposes of the inquiries mentioned in this section are hereby appropriated.

Power to sell
machinery to
trust.

42. (1) The Governor may direct that the respective Ministers in whom the machinery and equipment mentioned in this section is vested, shall sell it to the trust.

(2) The trust shall use any machinery and equipment sold to it under this section, to generate electricity at Loveday for the purpose of supplying public authorities and private consumers in the irrigation areas and in any other areas which in the trust's opinion should be supplied from Loveday.

(3) The machinery and equipment which may be sold under this section are the following :—

(a) Two 525 horsepower Bellis and Morcom diesel-driven generating sets and the auxiliary equipment used or supplied in connection therewith ;

(b) The transformers and transmission lines connecting Loveday pumping station with the pumping stations at Cobdogla, Moorook, and Kingston, and the spare transformer kept at Loveday.

(4) The Public Supply and Tender Act, 1914-1940, shall not apply to a sale made pursuant to this section.

Loans and
grants by
trust to other
suppliers.

43. The trust may with the approval of the Minister—

(a) lend money to any other supplier of electricity for the purpose of enabling him to improve or extend supplies of electricity or to connect his mains with those of the trust ;

(b) grant a subsidy to any supplier of electricity for the purpose of enabling him to improve or extend supplies of electricity in rural areas.

PART V.

PART V.

SUPPLEMENTARY PROVISIONS.

44. The Governor may make regulations prescribing any matters or things necessary to be prescribed for the purpose of carrying this Act into effect or better effecting the objects of this Act and, without limiting the generality of the foregoing provisions, requiring any person to do any acts, matters or things necessary to be done for securing to the trust the title, possession and control of any assets vested in it or assigned or transferred to it pursuant to this Act, and may by any such regulation prescribe penalties recoverable summarily and not exceeding two hundred pounds for breach of any regulation. Regulations.

Reserved for the signification of His Majesty the King's pleasure thereon.

C. W. M. NORRIE, Governor.

THE SCHEDULE.

MARKET VALUE OF STOCKS AND SHARES OF THE ADELAIDE
ELECTRIC SUPPLY COMPANY LIMITED AS AT 1st AUGUST, 1945.

Class of stock or share.	Value in Australian currency of each £1 stock or share on 1st August, 1945.
	<i>£ s. d.</i>
8 per cent "B" cumulative preference (Adelaide and London Registers)	1 19 0
6½ per cent "C" cumulative preference (Adelaide Register) ..	1 12 6
6½ per cent "C" cumulative preference (London Register) ...	1 5 6
6 per cent cumulative preference (Adelaide Register)	1 10 0
6 per cent cumulative preference (London Register)	1 5 0
5 per cent "A" cumulative preference (London Register)	1 8 0
5 per cent "D" cumulative preference (Adelaide and London Register)	1 6 2
Ordinary (Adelaide and London Registers)	1 15 0

For the purpose of this schedule shares shall be deemed to be on that Register on which they were registered on the first day of April, nineteen hundred and forty-six.