

FEDERAL AID ROADS.

No. 46 of 1926.

An Act to authorize the Execution by the Commonwealth of Agreements between the Commonwealth and the States in relation to the Construction and Reconstruction of Federal Aid Roads, and to make provision for the carrying out thereof.

[Assented to 16th August, 1926.]

WHEREAS it is expedient to provide for financial assistance to the several States for the purpose of the construction and reconstruction of roads :

Preamble.

Be it therefore enacted by the King's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, for the purpose of appropriating the grant originated in the House of Representatives, as follows:—

1. This Act may be cited as the *Federal Aid Roads Act 1926.*

Short title.

2. The execution, by or on behalf of the Commonwealth, of agreements in the form contained in the Schedule to this Act, between the Commonwealth and each State of the Commonwealth is hereby authorized.

Execution of agreement authorized.

3.—(1.) For the purposes of this Act there shall be a Trust Account, known as the Federal Aid Roads Trust Account, which shall be kept in the books of the Treasury.

Appropriation of moneys.

(2.) The account established in pursuance of this section shall be a Trust Account within the meaning of section sixty-two A of the *Audit Act 1901-1926.*

(3.) There shall be payable out of the Consolidated Revenue Fund, which is hereby appropriated accordingly, into the Trust Account established in pursuance of this section such amount as is necessary for the purposes of each agreement executed by the Commonwealth in pursuance of this Act.

4. The Governor-General may make regulations, not inconsistent with this Act, prescribing all matters which are required or permitted to be prescribed, or which are necessary or convenient to be prescribed, for carrying out or giving effect to this Act.

Regulations.

THE SCHEDULE.

AGREEMENT made the _____ day of
One thousand nine hundred and twenty— BETWEEN THE COMMONWEALTH OF
AUSTRALIA (in this Agreement called "the Commonwealth") and THE STATE OF [*here*
insert State] (in this Agreement called "the State")

WHEREAS the Commonwealth proposes to make available to the different States for
the purpose of the construction and reconstruction of certain roads to be designated
"Federal Aid Roads" the total sum of Two million pounds (£2,000,000) in each year
for a period of ten years

AND WHEREAS the Commonwealth proposes to distribute the said sum of £2,000,000
between the different States on the basis of three-fifths population and two-fifths area

AND WHEREAS in pursuance of such proposal the Commonwealth has agreed to make
available to the State the sum of [(a)] during a period of ten years for the
purpose of the construction and reconstruction of Federal Aid Roads in the State of
[*here insert State*] upon and subject to the terms and conditions of this Agreement

NOW IT IS HEREBY AGREED as follows:—

1. THIS Agreement shall have no force or effect and shall not be binding on either
party unless and until it is approved adopted authorized or ratified by the Parliaments
of the Commonwealth and of the State.

2. (1) THE Commonwealth will subject to and for the purposes of this Agreement
provide the sum of [(a)] during the period of ten years commencing on the
first day of July One thousand nine hundred and twenty-six.

(2) The said sum of [(a)] will be paid by the Commonwealth into a Trust
Account established for the purpose under Section 62A of the *Audit Act* 1901-1924 of
the Commonwealth by payments into such account of the sum of [(b)] in each
year during the said period of ten years.

(3) Payments will be made to the State out of the moneys for the time being in the
said Trust Account in such amounts at such times and subject to such conditions as the
Minister may from time to time determine.

3. (1) SUBJECT to clause 7 of this Agreement the State will provide an additional
sum of [(c)] for the purposes of this Agreement.

(2) The said sum of [(c)] shall be provided by the State in instalments at
the rate of Fifteen shillings (15s.) for each One pound sterling paid to the State out of
the said Trust Account.

(3) Of the amount to be provided by the State under this clause the sum of
[(d)] shall be provided from Revenue. The balance of the amount to be provided
by the State may at the option of the State be provided out of current roads expendi-
ture or from Revenue or loan moneys.

(a) Here insert in the case of—		£
New South Wales	5,520,000
Victoria	3,600,000
Queensland	3,760,000
South Australia	2,280,000
Western Australia	3,840,000
Tasmania	1,000,000
(b) Here insert in the case of—		£
New South Wales	552,000
Victoria	360,000
Queensland	376,000
South Australia	228,000
Western Australia	384,000
Tasmania	100,000
(c) Here insert in the case of—		£
New South Wales	4,140,000
Victoria	2,700,000
Queensland	2,820,000
South Australia	1,710,000
Western Australia	2,880,000
Tasmania	750,000
(d) Here insert in the case of—		£
New South Wales	517,500
Victoria	337,500
Queensland	352,500
South Australia	213,750
Western Australia	360,000
Tasmania	93,750

THE SCHEDULE—*continued.*

4. (1) If any instalment provided by the State as aforesaid is or includes loan moneys of the State the State shall at the time when the instalment is provided so inform the Commonwealth and specify the amount of loan moneys in the instalment.

(2) The Commonwealth shall thenceforward in each year during the remainder of the said period of ten years withdraw from moneys in the said Trust Account and pay into the Sinking Fund hereinafter mentioned an amount equal to Three pounds per centum (£3 %) per annum accruing from day to day on the amount of loan moneys in the instalment.

(3) The State shall on the thirtieth day of June in each year after the expiration of the said period of ten years pay into the said Sinking Fund an amount equal to £3 per centum per annum accruing from day to day on each amount of loan moneys included in an instalment provided by the State as aforesaid until the amount paid into the Sinking Fund under this and the preceding sub-clause in respect of that instalment (together with all interest credited thereto) is sufficient to repay the loan moneys included in such instalment.

(4) The Sinking Fund hereinbefore referred to is the National Debt Sinking Fund established under the *National Debt Sinking Fund Act 1923-1925* of the Commonwealth or any amendment thereof or any Sinking Fund established in lieu thereof and all moneys paid into such Fund will be deemed to accumulate each year at the average annual effective rate of interest earned during that year by Sinking Fund moneys.

(5) A certificate by the body or person for the time being controlling the said Sinking Fund moneys stating the average annual effective rate of interest earned during any year by Sinking Fund moneys shall be conclusive as to the matter stated.

5. For the purposes of this Agreement the following classes of roads shall be deemed to be Federal Aid Roads :—

- (i) Main roads which open up and develop new country ;
- (ii) Trunk roads between important towns ; and
- (iii) Arterial roads to carry the concentrated traffic from developmental, main, trunk, and other roads.

6. (1) ALL moneys paid to the State under this Agreement and all moneys provided by the State under this Agreement shall be expended solely on the construction and reconstruction of Federal Aid Roads.

(2) One-fourth of the moneys paid to the State under this Agreement and one-fourth of the moneys to be provided by the State under this Agreement shall be expended solely on the construction of Federal Aid Roads.

(3) The Minister shall have the power to decide from time to time how the balance of the moneys paid to the State under this Agreement and the balance of the moneys to be provided by the State under this Agreement shall be expended but so that such moneys shall be expended solely in the construction of Federal Aid Roads and/or the reconstruction of Federal Aid Roads.

7. (1) WHERE a road being constructed or being reconstructed under this Agreement passes through a town whose population (according to the latest statistics available at the time the work is being done) does not exceed Five thousand (5,000) persons such road may be constructed through the town or reconstructed (as the case may be) as if the town did not exist. Provided that the width of any road constructed or reconstructed through a town pursuant to this clause shall not except with the approval in writing of the Minister exceed twenty feet.

(2) If any portion of the cost of constructing or reconstructing a road pursuant to this Agreement is contributed by the Municipal or other local governing authority of a town referred to in the last preceding sub-clause the amount to be provided by the State under clause 3 of this Agreement shall be reduced by the amount so contributed. Provided however that the State shall not require any such municipal or other local governing authority to contribute more than one-half of the amount to be provided by the State as its proportion of the cost of constructing or reconstructing such road.

THE SCHEDULE—*continued.*

8. (1) THE State shall to the satisfaction of the Minister make proper provision for the adequate and continuous maintenance in good repair and condition of all roads constructed or reconstructed in pursuance of this Agreement. Such maintenance shall be taken in hand immediately following upon the completion of the construction or reconstruction of any road or portion thereof and shall be met from moneys provided by the State.

(2) If any such road is not adequately and continuously maintained in good repair and condition to the satisfaction of the Minister the State shall not (if the Minister so directs) be entitled to payment of any further moneys out of the said Trust Account until the road has been put in good repair and condition to the satisfaction of the Minister and until proper provision to the satisfaction of the Minister has been made by the State for the road being adequately and continuously maintained in good repair and condition.

9. (1) PRIOR to the submission by the State of any proposals for expenditure of any moneys provided by the Commonwealth and the State in pursuance of this Agreement the State shall submit to the Minister for his approval full particulars of the roads proposed to be constructed or reconstructed during the period of five years commencing on the first day of July One thousand nine hundred and twenty-six and prior to the expiration of the said period of five years the State shall submit to the Minister for his approval full particulars of the roads proposed to be constructed or reconstructed during the period of five years commencing on the expiration of the first mentioned period of five years.

(2) All proposals in connexion with works to be carried out in any financial year in pursuance of this Agreement shall be submitted by the State to the Minister for his approval and the State shall not commence any proposed work without first obtaining the approval in writing of the Minister.

(3) When submitting any such proposals the State shall specify by what method it is proposed the work shall be executed.

(4) The method of execution shall be by contract except that where the Minister for the State considers that tenders received for the execution of the work are unsatisfactory or that execution by day labour would be more economical and/or expeditious and so informs the Minister the Minister may if he is satisfied that action has been taken by the State to ensure that the work will be carried out according to approved methods of construction in which modern plant is utilized to the fullest extent approve of the execution of the work in whole or in part by day labour.

(5) If any moneys provided for expenditure during any financial year are not expended during that financial year such moneys may be available for expenditure on the particular work for which they were provided until that work is completed.

10. (1) ALL necessary surveys and supervision shall be undertaken by the State.

(2) An amount equal to two per centum of the cost of the work carried out will be paid to the State out of the said Trust Account towards the cost of the survey and supervision of that work and of the preparation of plans and other preliminaries in connexion with that work.

11. (1) THE final portion of the Commonwealth's proportion of the cost of carrying out any work under this Agreement will be paid to the State after the work has been completed to the satisfaction of the Minister.

(2) The Minister may satisfy himself by such means as he thinks fit as to whether any work has been carried out in accordance with this Agreement.

12. THE Commonwealth will establish a Board to be known as the Federal Aid Roads Board consisting of the Minister and a Minister representing each of the different States to which any money is made available in pursuance of the hereinbefore recited proposal of the Commonwealth. The said Board shall meet in the month of April in each year and at such other times as the Minister considers necessary for the purpose of discussing any matters in connection with the carrying out of the works.

13. THE Minister on behalf of the Commonwealth undertakes that any Regulations necessary or desirable to enable this Agreement to be carried out will be made by the Governor-General in Council.

14. ANY approval or other communication to be given or made by the Minister to the State under this Agreement shall be deemed to have been duly given or made if signed by or on behalf of the Minister and delivered by hand or sent by prepaid post to the Minister of at his office in

THE SCHEDULE—*continued.*

15. IN this Agreement "the Minister" means the Minister for Works and Railways of the Commonwealth for the time being or the member of the Federal Executive Council for the time being performing the duties of the Minister.

IN WITNESS whereof the _____ and
 have hereunto set their hands the day and year first above writt(en).

SIGNED by _____

for and on behalf of the Commonwealth in
 the presence of—

SIGNED by _____

for and on behalf of the said State in the
 presence of—