

Natural Gas Pipeline (South Australia) Agreement

No. 56 of 1967

An Act relating to an Agreement between the Commonwealth and the State of South Australia with respect to a Natural Gas Pipeline from Gidgealpa to Adelaide.

[Assented to 31 August 1967]

BE it enacted by the Queen's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows:—

1. This Act may be cited as the *Natural Gas Pipeline (South Australia) Agreement Act 1967*. Short title.
2. This Act shall come into operation on the day on which it receives the Royal Assent. Commencement.
3. The agreement a copy of which is set out in the Schedule to this Act is approved. Approval of agreement.
4. The payments provided for by the agreement referred to in the last preceding section may be made, by way of financial assistance to the State of South Australia on the terms and conditions contained in that agreement, out of the Consolidated Revenue Fund, which is appropriated accordingly. Appropriation for financial assistance.

THE SCHEDULE

Section 3.

AN AGREEMENT made the fifth day of May One thousand nine hundred and sixty-seven between THE COMMONWEALTH OF AUSTRALIA (in this agreement called "the Commonwealth") of the one part and THE STATE OF SOUTH AUSTRALIA (in this agreement called "the State") of the other part.

WHEREAS—

- (a) the State proposes that a pipeline will be constructed to convey natural gas from the Gidgealpa-Moomba petroleum field to Adelaide;
- (b) the pipeline will be constructed by the Natural Gas Pipelines Authority of South Australia constituted pursuant to the Natural Gas Pipelines Authority Act, 1967 of the State;
- (c) the Australian Loan Council at its meeting in February, 1967, gave its approval to the borrowing of moneys amounting to a total sum of Twenty million dollars (\$20,000,000) by the Authority during the period ending on the thirtieth day of June, 1972, for the purpose of financing in part the construction of the pipeline;
- (d) at the request of the State the Commonwealth has agreed to seek the approval of the Parliament of the Commonwealth to the provision, upon and subject to the terms and conditions set out in this agreement, of financial assistance of such further amounts up to a total sum of Fifteen million dollars (\$15,000,000) as may be required to finance the construction of the pipeline:

NOW IT IS HEREBY AGREED as follows:—

Definitions.

1. In this agreement, unless the contrary intention appears—

"clause" means clause of this agreement;

"the Authority" means the Natural Gas Pipelines Authority of South Australia constituted by the Natural Gas Pipelines Authority Act, 1967 of the State;

"the pipeline" means the pipeline to be constructed by the Authority for the conveyance of natural gas between Gidgealpa and Adelaide;

"the State Treasurer" means the Treasurer of the State and includes a Minister for the time being acting for and on behalf of that Treasurer; and

"the Treasurer" means the Treasurer of the Commonwealth and includes a Minister or other member of the Federal Executive Council for the time being acting for and on behalf of that Treasurer.

Approval of Agreement.

2. The Government of the Commonwealth shall, as soon as reasonably practicable after the date of this agreement, submit to its Parliament legislation to approve this agreement and to provide under section 96 of the Constitution of the Commonwealth of Australia for a grant of financial assistance to the State on the terms and conditions set out in this agreement.

Commencement of Agreement.

3. Except as provided in clause 2, this agreement shall have no force or effect and shall not be binding on the parties unless and until the legislation of the Parliament of the Commonwealth referred to in the last preceding clause is passed, whereupon it shall commence and come into full force and effect.

Financial Assistance.

- 4.—(1.) Subject to compliance by the State with the provisions of this agreement, the Commonwealth shall, in accordance with and subject to the provisions of this agreement, provide financial assistance to the State towards financing the construction of the pipeline.

(2.) The financial assistance to be provided by the Commonwealth under this agreement shall consist of the amount by which the expenditure on or in connexion with the construction of the pipeline incurred by the Authority prior to the first day of July, 1972, exceeds—

- (a) the total sum of the moneys borrowed by the Authority with the approval of the Australian Loan Council as aforesaid for the purpose of the construction of the pipeline; or
- (b) the sum of Twenty million dollars (\$20,000,000),

whichever is the greater but shall not exceed Fifteen million dollars (\$15,000,000).

THE SCHEDULE—*continued*

5.—(1.) The Commonwealth will, at the request of the State Treasurer from time to time, make payments to the State at such times and of such amounts as the Treasurer considers appropriate of the financial assistance that is to be provided by the Commonwealth under this agreement. Payments by the Commonwealth.

(2.) If at any time the total amount of the payments made by the Commonwealth under this clause exceeds the maximum amount of the financial assistance provided for by clause 4, the amount of the excess shall be refunded by the State to the Commonwealth upon request being made therefor by the Treasurer to the State Treasurer.

6. The State shall furnish to the Treasurer such documents and other evidence in support of each request by the State for a payment under sub-clause (1.) of clause 5 as the Treasurer may from time to time reasonably request, whether the request is made before or after the Commonwealth has made payment pursuant to the request by the State. Provision of Documents, etc.

7. The State shall ensure that financial assistance provided to the State under this agreement is not used or applied except as finance to provide for and construct the pipeline. Use of Payments.

8.—(1.) Interest at the rate provided in this clause shall accrue in respect of each payment under sub-clause (1.) of clause 5 calculated from the date on which the payment was made on so much of the payment as for the time being has not been refunded under sub-clause (2.) of clause 5 or repaid under clause 9. Interest.

(2.) The amount of the interest that has accrued under this clause shall be calculated as at each fifteenth day of June and fifteenth day of December and each amount shall become payable to the Commonwealth upon the date at which the amount is calculated.

(3.) The rate at which interest is to accrue under this clause in respect of a payment shall be the maximum rate that is authorized by the Australian Loan Council to be paid in respect of private borrowings having a term of eight years that might be raised by semi-governmental authorities at the time the payment is made.

9. The State shall repay to the Commonwealth the total sum of the payments made by the Commonwealth to the State under sub-clause (1.) of clause 5 and not refunded by the State under sub-clause (2.) of that clause by sixteen equal half-yearly instalments, the first instalment to be paid on the fifteenth day of December, 1972, and succeeding instalments on each fifteenth day of June and fifteenth day of December thereafter until the whole of the total sum has been repaid. Repayments.

10. As soon as reasonably practicable after the thirtieth day of June, 1972, the State Treasurer shall furnish to the Treasurer a statement prepared by the Auditor-General of the State that— Financial Statement.

- (a) shows the expenditure that has been incurred on or in connexion with the construction of the pipeline up to and including that date;
- (b) shows the amount that, with the approval of the Australian Loan Council, has been borrowed by the Authority for the purpose of the construction of the pipeline during the period ending on that date; and
- (c) certifies that the financial assistance provided by the Commonwealth under this agreement has been expended in accordance with the provisions of this agreement.

11. A notice, request or other communication to be given or made under this agreement shall be deemed to have been duly given or made— Notices, etc.

- (a) in the case of a communication by the Commonwealth or the Treasurer to the State or the State Treasurer—if it is signed by the Treasurer or by a person thereunto authorized in writing by him and is sent by prepaid post addressed to the State Treasurer; or
- (b) in the case of a communication by the State or the State Treasurer to the Commonwealth or the Treasurer—if it is signed by the State Treasurer or by a person thereunto authorized in writing by him and sent by prepaid post addressed to the Treasurer.

THE SCHEDULE—*continued*

IN WITNESS WHEREOF this agreement has been executed as at the date and year first above written.

SIGNED for and on behalf of THE COMMONWEALTH OF AUSTRALIA by the Right Honourable HAROLD EDWARD HOLT, Prime Minister of the Commonwealth, in the presence of—P. H. BAILEY

HAROLD HOLT

SIGNED for and on behalf of THE STATE OF SOUTH AUSTRALIA by the Honourable FRANCIS HENRY WALSH, the Premier of the State, in the presence of—J. S. WHITE

FRANK WALSH
