

AIRLINE EQUIPMENT (LOAN GUARANTEE) ACT 1974

No. 99 of 1974

An Act relating to the Provision of certain Equipment for a Domestic Airline.

BE IT ENACTED by the Queen, the Senate and the House of Representatives of Australia, as follows:—

- Short title. 1. This Act may be cited as the *Airline Equipment (Loan Guarantee) Act 1974*.¹
- Commence-
ment. 2. This Act shall come into operation on the day on which it receives the Royal Assent.¹
- Guarantee of
certain loans. 3. (1) The Treasurer may, on behalf of Australia, at the request of Ansett Transport Industries Limited and subject to the conditions required by this Act, for the purpose of the purchase by Ansett Transport Industries (Operations) Proprietary Limited of 2 Boeing 727-200 aircraft and related spare parts and equipment, guarantee the repayment of, and the payment of interest on, a loan or loans made or to be made to Ansett Transport Industries (Operations) Proprietary Limited.
- (2) A guarantee or guarantees shall not be given under sub-section (1) in respect of loans in the currency of the United States of America, or in any other currency, exceeding in the aggregate \$19,000,000 in the currency of the United States of America.
- (3) For the purposes of sub-section (2), the amount of a loan made in a currency other than the currency of the United States of America shall be taken to be the amount in the currency of the United States of America that was equivalent to the first-mentioned amount at the date on which the loan was made, as ascertained by the Reserve Bank of Australia.
- Conditions
of
guarantees. 4. For the purpose of the protection of the financial interests of Australia, the Treasurer shall not give a guarantee under section 3 unless—
- (a) the moneys are borrowed on reasonable terms and conditions;
 - (b) proper security is, or is to be, given to Australia over the aircraft, spare parts and equipment to which the loan relates;
 - (c) undertakings to the satisfaction of the Treasurer are given that the aircraft, spare parts and equipment over which security is to be taken in accordance with paragraph (b)—

- (i) will be insured, and kept insured, against all risks that is customary to insure, and to their full insurable value;
 - (ii) will not be sold or made the subject of a mortgage or charge having priority over the security to Australia in respect of the guarantee; and
 - (iii) will not be taken out of Australia for a destination that is not in Australia or a Territory except after the furnishing of such security as the Treasurer requires;
- (d) undertakings to the satisfaction of the Treasurer are given that, so long as the loan or any interest on the loan remains unpaid—
- (i) officers of the Australian Public Service will have full access at all reasonable times to the financial accounts of Ansett Transport Industries Limited and Ansett Transport Industries (Operations) Proprietary Limited when authorized in writing by the Minister for that purpose; and
 - (ii) each of those companies will do everything within its power to ensure that the officers so authorized have similar access to the financial accounts of any company or firm in which that company at any time has, whether directly or indirectly, a controlling interest; and
- (e) such other conditions as the Treasurer thinks necessary are fulfilled.

5. (1) The Treasurer may, either generally or otherwise as provided Delegation. by the instrument of delegation, by writing under his hand, delegate to an officer of the Department of the Treasury any of his powers under this Act.

(2) A power so delegated may be exercised in accordance with the instrument of delegation.

(3) A delegate is, in the exercise of his powers under this Act, subject to the directions of the Treasurer.

(4) A delegation under this section is revocable at will and does not prevent the exercise of a power by the Treasurer.

NOTE

1. Act No. 99, 1974; assented to 21 November 1974.