KING ISLAND SHIPPING SERVICE

AGREEMENT ACT 1974

No. 149 of 1974

An Act relating to an Agreement between Australia and Tasmania in respect of Financial Assistance to Tasmania in connexion with a Shipping Service to King Island.

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 *King Island Shipping Service Agreement Act* 1974.

**Commencement.**

2. This Act shall come into operation on the day on which it receives the Royal Assent.

**Approval of agreement.**

3. The agreement a copy of which is set out in the Schedule is approved.

**Appropriation.**

4. The payments by Australia to Tasmania provided for in the agreement referred to in section 3 may be made by way of financial assistance, on the terms and conditions contained in that agreement, out of the Consolidated Revenue Fund, which is appropriated accordingly.

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SCHEDULE Section 3

AN AGREEMENT made the Twenty-sixth day of November One thousand nine hundred and seventy-four between—

THE COMMONWEALTH OF AUSTRALIA (in this agreement called “Australia”) of the one part, and

THE STATE OF TASMANIA (in this agreement called “Tasmania”) of the other part.

WHEREAS—

(a) Tasmania has agreed with Australia that a shipping service will be conducted by the Transport Commission, Tasmania, between King Island and other places in Tasmania or the State of Victoria;

(b) Tasmania has arranged, in connexion with the shipping service, the purchase of the M.V. “Straitsman” together with additional ship’s equipment and some forklift trucks and has had the vessel surveyed and certain alterations made at an estimated total cost of One million four hundred and fifteen thousand dollars ($1,415,000);

(c) Tasmania has requested Australia to provide financial assistance to the State towards meeting the cost last referred to;

(d) the Australian Government has agreed to request the Parliament of Australia to authorize the grant of financial assistance to Tasmania to the extent and upon the terms and conditions set out in this agreement.

NOW IT IS HEREBY AGREED as follows:—

1.In this agreement, unless the contrary intention appears or the context otherwise requires—

“clause” means clause of this agreement;

“equipment” means the additional equipment for the vessel and the forklift trucks referred to in Recital (b);

**SCHEDULE**—continued

“the Treasurer” means the Australian Treasurer and includes an Australian Minister of State acting for and on behalf of the Australian Treasurer; and

“the vessel” means the M.V. “Straitsman”, after survey and alteration as hereinbefore recited.

2. This agreement shall have no force or effect and shall not be binding on either party until it has been approved by the Parliament of Australia.

3. (1) Subject to compliance by Tasmania with the provisions of this agreement, Australia will, in accordance with and subject to the provisions of this agreement, provide financial assistance by way of loan to Tasmania for the purpose of meeting or of reimbursing expenditure in respect of the vessel and equipment as hereinbefore recited.

(2) The financial assistance to be provided under sub-clause (1) (which is hereinafter referred to as “the financial assistance”) shall not exceed in the aggregate One million four hundred and fifteen thousand dollars ($1,415,000).

4. Australia will, subject to the provisions of this agreement, make payment to Tasmania of the financial assistance when so requested by Tasmania.

5. (1) Tasmania shall furnish to the Treasurer such documents and other evidence to support a request by Tasmania for payment of the financial assistance as the Treasurer may reasonably request, whether the request by the Treasurer is made before or after Australia has made that payment.

(2) Any statement of expenditure by Tasmania forwarded to Australia in connexion with a request for payment of the financial assistance shall be certified as to its correctness by the Auditor-General of Tasmania.

6. (1) Subject to the provisions of clause 7, Tasmania shall repay to Australia the amount of the financial assistance by thirty (30) equal consecutive half-yearly payments.

(2) The first payment by Tasmania under sub-clause (1) of this clause shall be payable on the 15th June 1975 and subsequent payments shall be payable on each succeeding fifteenth day of December and fifteenth day of June until the full amount that is repayable has been paid.

7. Tasmania may at any time, after giving to the Treasurer notice of at least one month of its intention to do so, repay the whole, or a part not being less than One hundred thousand dollars ($100,000), of so much of the amount of the financial assistance as remains unrepaid under clause 6, together with interest on the amount repaid accrued to the date of payment in accordance with clause 8.

8. (1) Interest payable by Tasmania to Australia shall accrue on so much of the amount of the financial assistance as has not for the time being been repaid calculated from the date on which the payment of the financial assistance was made by Australia at the rate provided in this clause.

(2) Tasmania shall pay the interest for the time being accrued under this clause on the fifteenth day of June and the fifteenth day of December in each year.

(3) The rate at which interest accrues and is payable by Tasmania under this clause shall be the rate of yield to maturity of the loan of the longer or longest term of the last loan raising by the Australian Government in Australia for public subscription prior to the date upon which payment of the financial assistance was made by Australia.

9. Tasmania shall from time to time at the request of the Treasurer furnish to him such information as he may reasonably require for the purposes of or in relation to this agreement.

10. The accounts, books, vouchers, documents and other records of Tasmania relating to the purchase and to work on the vessel and equipment shall be subject to audit by the Auditor-General of Tasmania who shall furnish to the Treasurer a report on the audit and on the financial statements indicating, inter alia—

(a) whether the financial statements are based on proper accounts and records and are in agreement with those accounts and records; and

(b) whether the expenditure of moneys is in accordance with this agreement,

and including reference to such other matters arising out of the audit and financial statements as the Auditor-General of Tasmania considers should be reported to the Treasurer.

SCHEDULE—continued

11. Any notice, request or other communication given or made to Tasmania for the pur­poses of this agreement on behalf of Australia or by the Treasurer shall be a sufficient notice if it is in writing signed by the Treasurer or a person authorized in writing by him, and any notice, application, request or other communication given or made to Australia or to the Treasurer for the purposes of this agreement on behalf of Tasmania shall be a sufficient notice if it is in writing signed by the appropriate Tasmanian Minister or any person authorized in writing by him.

IN WITNESS WHEREOF this agreement has been executed on behalf of the respective parties as at the day and year first above written.

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| SIGNED by the Honourable EDWARD GOUGH WHITLAM, Prime Minister of Australia, in the presence of—D. H. SOLOMON | E. G.WHITLAM |
| SIGNED by the Honourable ERIC ELLIOTT REECE Premier of Tasmania, in the presence of—K. J. BINNSUnder Treasurer | ERIC REECE |