

FEDERAL AID ROADS AGREEMENT.

22° GEO. V., No. XVI.

No. 16 of 1931.

AN ACT to ratify an Agreement made between the Commonwealth of Australia and the State of Western Australia relating to Federal Aid Roads.

[Assented to 18th August, 1931.]

BE it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the *Federal Aid Roads Agreement Act, 1931*, and shall be read together with the Federal Aid Roads Agreement Act, 1926. Short title.

2. The Agreement dated the twenty-first day of July, one thousand nine hundred and thirty-one, and made between the Commonwealth of Australia of the one part and the State of Western Australia of the other part, as set out in the schedule to this Act, is hereby ratified: Ratification of agreement.

Provided that nothing in the said Agreement shall affect the operation of section thirty-three of the Main Roads Act, 1930.

THE SCHEDULE.

AGREEMENT made the twenty-first day of July one thousand nine hundred and thirty-one between the Commonwealth of Australia (in this Agreement called "the Commonwealth") and the State of Western Australia (in this Agreement called "the State"):

Whereas by an Agreement in the form contained in the schedule to the Federal Aid Roads Act 1926 of the Commonwealth and made on the first day of July one thousand nine hundred and twenty-six between the Commonwealth and the State (which Agreement was approved adopted authorised and ratified by the Federal Aid Roads Agreement Act 1926 of the State and is hereinafter called the "principal Agreement") it was agreed in clauses 2 3 and 4 as follows:—

"2. (1.) The Commonwealth will subject to and for the purposes of this Agreement provide the sum of three million eight hundred and forty thousand pounds (£3,840,000) during the period of ten (10) years commencing on the first day of July one thousand nine hundred and twenty-six.

(2.) The said sum of three million eight hundred and forty thousand pounds (£3,840,000) will be paid by the Commonwealth into a trust account established for the purpose under section 62 A of the Audit Act 1901-1924 of the Commonwealth by payments into such account of the sum of three hundred and eighty-four thousand pounds (£384,000) 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 two million eight hundred and eighty thousand pounds (£2,880,000) for the purposes of this Agreement.

(2.) The said sum of two million eight hundred and eighty thousand pounds (£2,880,000) 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 three hundred and sixty thousand pounds (£360,000) 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 expenditure or from revenue or loan moneys.

"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 cent.) per annum accruing from day to day on the amount of loan moneys in the instalment.

(3.) The State shall on the thirtieth day or 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 subclause 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":

And whereas by an Agreement made the twelfth day of December one thousand nine hundred and twenty-seven between the Commonwealth of the first part the State of New South Wales of the second part the State of Victoria of the third part the State of Queensland of the fourth part the State of South Australia of the fifth part the State of Western Australia of the sixth part and the State of Tasmania of the seventh part (a copy of which Agreement is set forth in the schedule to the Financial Agreement Validation Act 1929 of the Commonwealth and in the schedule to the Financial Agreement Act 1928 of the State and which Agreement is hereinafter referred to as the "Financial Agreement") provision was made with respect to (*inter alia*) the borrowing of moneys by the State or by the Commonwealth for and on behalf of the State and for the payment of sinking fund contributions by the Commonwealth and the State in respect of the public debt of the State existing on the 30th day of June 1927 and in respect of each loan raised after the 30th day of June 1927 by the State or by the Commonwealth for and on behalf of the State:

And whereas the Financial Agreement has been approved by the Parliaments of the Commonwealth and of all the said States:

And whereas the Commonwealth and the State executed the Financial Agreement upon the understanding that the Financial Agreement should not modify or affect the operation of clause 4 of the principal Agreement but that in addition to the provision made in the Financial Agreement for the payment of sinking fund contributions as aforesaid the provisions of clause 4 of the principal Agreement should continue in full force and effect:

And whereas the Commonwealth and the State have agreed to vary the principal Agreement in the manner hereinafter appearing:

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 authorised or ratified by the Parliaments of the Commonwealth and of the State.

2. The Financial Agreement shall not modify or affect the operation of clause 4 of the principal Agreement or clause 4 of the principal Agreement as varied by this Agreement but in addition to the provision made in the Financial Agreement for the payment of sinking fund contributions by the Commonwealth and the State in respect of the public debt of the State existing on 30th day of June 1927 and in respect of each loan raised after the 30th day of June 1927 by the State or by the Commonwealth for and on behalf of the State the provisions of clause 4 of the principal Agreement as varied by this Agreement shall continue in full force and effect.

3. The principal Agreement shall be read and construed as if clauses 2 to 12 (both inclusive) were deleted therefrom and the following clauses were inserted in lieu of clauses 2 and 4 respectively:—

“2. (1.) The Commonwealth will subject to and for the purposes of this Agreement provide during each year of the period of five years commencing on the first day of July one thousand nine hundred and thirty-one a sum equivalent to $38\frac{4}{2000}$ ths of the aggregate of the following amounts namely—

(a) so much of the duties of customs payable and collected under the tariff item specified in this paragraph in respect of the goods specified in this paragraph as shall be equal to $2\frac{1}{2}$ d. per gallon of all of those goods which shall be entered for home consumption during that year that is to say the duties of customs payable and collected under tariff item 229 (C) in the schedule to the Customs Tariff 1921-1930 as proposed to be amended by the Customs Tariff Proposal introduced into the House of Representatives on the twenty-sixth day of March one thousand nine hundred and thirty-one or under that tariff item as further amended or proposed to be amended during the continuance of this Agreement in respect of naphtha benzine benzoline gasoline pentane petrol and other petroleum or shale spirit; and

(b) so much of the duties of excise payable and collected under the tariff item specified in this paragraph in respect of the goods specified in this paragraph as shall be equal to $1\frac{1}{2}$ d. per gallon of all of those goods which shall be entered for home consumption during that year that is to say the duties of excise payable and collected under tariff item 11 in the schedule to the Excise Tariff 1921-1928 as proposed to be amended by the Excise Tariff Proposal introduced into the House of Representatives on the twenty-sixth day of March one thousand nine hundred and thirty-one or under that tariff item as further amended or proposed to be amended during the continuance of this Agreement in respect of petroleum or shale products namely petrol benzine benzol benzoline gasoline naphtha pentane and other petroleum and shale distillates and in respect of coal tar and coke oven distillates suitable for use as petrol substitutes

and during the period of six months commencing on the first day of July one thousand nine hundred and thirty-six a sum equivalent to $38\frac{4}{2000}$ ths of the aggregate of the following amounts namely—

(i) so much of the duties of customs payable and collected under the tariff item specified in paragraph (a) of this subclause in

respect of the goods specified in that paragraph as shall be equal to 2½d. per gallon of all those goods which shall be entered for home consumption during the said period of six months and

- (ii) so much of the duties of excise payable and collected under the tariff item specified in paragraph (b) of the subclause in respect of the goods specified in that paragraph as shall be equal to 1½d. per gallon of all those goods which shall be entered for home consumption during the said period of six months.

(2.) All the said sums will be paid by the Commonwealth into a trust account established for the purpose under section 62 A of the Audit Act 1901-1926 of the Commonwealth.

(3.) Payments will be made monthly to the State out of the moneys for the time being in the said trust account.

“4. (1.) The Commonwealth shall in each year during the said period of five years and also during the said period of six months commencing on the first day of July one thousand nine hundred and thirty-six 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 so much of the moneys which have been provided by the State for the purposes of this Agreement as have been provided from loan moneys.

(2.) The State shall on the thirty-first day of December (or on such other date as may be agreed upon between the Commonwealth and the State) in each year after the expiration of the said periods of five years and six months pay into the said sinking fund an amount equal to two pounds ten shillings per centum (£2 10s. %) per annum accruing from day to day on the amount of loan moneys which have been provided by the State for the purposes of this Agreement until the amounts paid into the sinking fund under this Agreement and any amendment of this Agreement in respect of such loan moneys together with the sinking fund contributions in respect of such loan moneys provided for by the Agreement set forth in the schedule to the Financial Agreement Validation Act 1929 of the Commonwealth and in the schedule to the Financial Agreement Act 1928 of the State and validated and approved by those Acts are sufficient to provide for the redemption of the said loan moneys. For the purposes of this clause the said payments and contributions shall be deemed to accumulate at the rate of four and a half per centum (4½ per cent.) per annum compounded.

(3.) The sinking fund hereinbefore referred to is the National Debt Sinking Fund established under the National Debt Sinking Fund Act 1923-1930 of the Commonwealth or any amendment thereof or any sinking fund established in lieu thereof and all moneys paid into such fund shall be applied as if they were sinking fund contributions paid under the Agreement last aforesaid in respect of the public debt of the State.”

4. (1.) The variations of the principal Agreement made by this Agreement shall take effect on the first day of July one thousand nine hundred and thirty-one.

(2.) Upon such variations taking effect the State shall be freed and discharged from liability to provide under clause 3 of the principal Agreement any further moneys than have been actually provided by it under that clause at that date.

(3.) If the State prior to such variations taking effect shall have expended any of the moneys paid to the State under the principal Agreement or any of the moneys provided by the State under that Agreement on the maintenance of roads instead of on the construction or reconstruction of Federal Aid roads the expenditure on the maintenance of roads shall be deemed to have been authorised by the principal Agreement and the State shall not be under any liability to the Commonwealth for so doing.

(4.) If at the time upon which such variations shall take effect any moneys shall be in the trust account mentioned in the principal Agreement payments will be made to the State out of those moneys in such amounts and at such times as the Minister may from time to time determine.

5. All moneys paid to the State under this Agreement or under the principal Agreement as varied by this Agreement will be expended upon the construction reconstruction maintenance or repair of roads.

6. The Minister may satisfy himself by such means as he thinks fit as to whether the moneys paid to the State under this Agreement or under the principal Agreement as varied by this Agreement have been expended as provided for in the last preceding clause.

7. The expression "the Minister" in this Agreement has the same meaning as that expression has in the principal Agreement.

In witness whereof the Prime Minister of the Commonwealth and the Premier of the State have hereunto set their hands the day and year first above written.

Signed by the Right Honourable James Henry Scullin, the Prime Minister of the Commonwealth, for and on behalf of the Commonwealth in the presence of—

(Sgd.) J. H. SCULLIN.

(Sgd.) F. Strahan.

Signed by the Honourable Sir James Mitchell, K.C.M.G., the Premier of the State, for and on behalf of the State in the presence of—

(Sgd). JAMES MITCHELL.

(Sgd.) L. E. Shapcott, J.P.