

FINANCE AND DEVELOPMENT BOARD.

21° GEO. V., No. XLVII.

No. 47 of 1930.

AN ACT to provide for the establishment of a Finance and Development Board for Western Australia, and to define the powers and functions thereof, and for other incidental purposes.

[Assented to 22nd December, 1930.]

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 *Finance and Development Board Act, 1930*, and shall come into operation on a date to be fixed by proclamation.

Short title and commencement.

2. In this Act, subject to the context—

Definitions.

“Bank” means the Agricultural Bank of Western Australia;

“Board” means the Finance and Development Board established by this Act; and

“Trustees” means the trustees for the time being of the Bank.

3. After the commencement of this Act no moneys shall be raised by mortgage bonds as provided in the Agricultural Bank Act, 1906.

Moneys not to be raised by mortgage bonds.

4. (1.) A Finance and Development Board is hereby established.

Constitution of Finance and Development Board.

(2.) Such Board shall be a body corporate with perpetual succession and a common seal, and may hold land and sue and be sued in its corporate name.

(3.) The Board shall consist of the Managing Trustee of the Bank (who shall be chairman), the Under Treasurer, and a third member who shall be appointed by the Governor.

Tenure of office

5. (1.) The Managing Trustee and Under Treasurer shall be members of the Board by virtue of their respective offices, and shall cease to be members on vacating office.

(2.) The third member shall be appointed for a period of seven years, and shall be eligible for re-appointment, but shall be liable to suspension and removal in manner provided in section eight of the Agricultural Bank Act, 1906, and as if he were a trustee within the meaning of that section.

Appointment of deputy members.

6. During the illness, suspension, inability or absence of any member of the Board, the Governor may appoint some other person to act as the deputy of such member with authority to exercise the powers and perform the duties of such member.

Unofficial members not in public service.

7. No person shall be deemed to be employed in the public service of the State by reason merely of being a member or deputy member of the Board.

Quorum.

8. Two members shall form a quorum at any meeting of the Board, and at any such meeting the decision of two members shall be the decision of the Board.

Fees.

9. Every member or deputy member of the Board who is not in the public service shall be paid out of the moneys of the Board a prescribed fee not exceeding five guineas for each board meeting he shall attend; but no person shall receive, during any one year, more than two hundred and fifty pounds for such fees.

Officers.

10. The Governor may, subject to the Public Service Act, 1904, appoint such officers as may be necessary to assist the Board in the exercise of its powers and the discharge of its duties under this Act.

Disqualifications.

11. No person shall be appointed, or hold office, as a member or deputy member or officer of the Board who is or becomes an officer of any bank (other than the Agricultural Bank), firm or institution which carries on the business of making advances on the security of land in this State.

12. (1.) The following funds (which shall include securities for the time being representing the investment of such funds) are hereby vested in and shall by virtue of this section be transferred and delivered to the Board, that is to say—

Certain funds transferred to the Board.

- (a) all funds which are or shall come under the control of the Bank and are or shall be available for the purpose of making advances under the Agricultural Bank Act, 1906, or any other Act;
- (b) all funds which are or shall come under the control of the Discharged Soldiers' Land Settlement Board, and are or shall be available for the purpose of making advances or acquiring properties under the Discharged Soldiers' Settlement Act, 1918; and
- (c) all funds which are or shall come under the control of the Industries Assistance Board, and are or shall be available for the purpose of making advances under the Industries Assistance Act, 1915.

(2.) Insofar as any of the said funds are represented by securities held by the bank or the Returned Soldiers' Land Settlement Board, or the Industries Assistance Board, respectively, and are still subsisting, such securities shall be, and are hereby declared to be so held in trust for and on behalf of the Board constituted under this Act, and the rights of the security-holder thereunder as and when they become enforceable, shall be enforced in accordance with and under the direction of the said Board.

13. The Board may, with the approval of the Governor, borrow money for the purpose of making advances to the Bank as hereinafter provided.

Power to borrow.

14. All money borrowed by the Board may be raised by the issue of debentures payable to bearer, with or without interest coupons attached, and charged and secured upon the income, assets, and other property of the Board.

Money to be borrowed on debentures.

15. Every debenture shall be in the prescribed form, sealed with the seal of the Board, and numbered consecutively; and every debenture with interest coupons (if any) annexed thereto, and every coupon, after being detached therefrom, shall pass by delivery and without any assignment or indorsement; and the bearer of every debenture or detached interest coupon shall have the same rights as if he were expressly named as payee therein.

Provisions relating to debentures.

Terms and particulars of loan and rate of interest to be approved by Treasurer.

16. Before the raising of any loan by the Board is approved by the Governor, a proposal, showing the term and particulars of the loan and the rate of interest to be paid thereon, shall be submitted by the Board to and be approved by the Treasurer.

Appropriation to meet interest.

17. So long as any debentures remain outstanding, the Board shall in each half-year ending respectively on the 31st day of December and the 30th day of June, appropriate out of the funds of the Board a sum equal to the interest due on such debentures calculated up to the end of such half-year.

Sinking Fund.

18. The Board shall in every half-year, after the issue of debentures for any loan, cause a sum (being such percentage of the principal sum secured by such debentures as is named therein, not being at any time less than ten shillings per centum of such principal sum) to be invested in the name of the Board and to accumulate at compound interest for the redemption of such debentures.

Power to purchase debentures instead of contributing to sinking fund.

19. Any moneys required to be invested in the formation of a sinking fund to liquidate any loan may, in lieu thereof, be invested in the purchase of any of the debentures by sale of which the loan was raised; and the debentures so purchased and all coupons belonging thereto shall be forthwith cancelled.

Interest and sinking fund on cancelled debentures.

20. During the period for which such cancelled debentures would have been current if they had not been so purchased, a sum equal to the half-yearly interest and contribution to sinking fund which such cancelled debentures would have carried or entailed if not so purchased, shall be provided by the Board half-yearly and invested as aforesaid and paid to the credit of the sinking fund.

Accumulated sinking fund to be applied to payment of loan.

21. The accumulated sinking fund formed for the redemption of any loan shall be charged in priority with payment, at their due date, of the principal owing on or secured by the debentures in respect of which such sinking fund was created.

Where debentures and interest payable.

22. All debentures when due and interest thereon shall be payable out of the funds of the Board at the place mentioned for such payment on the face of the debentures.

23. The funds of the Board shall be deemed to include any moneys placed at the disposal of the Board by the Treasurer for the purposes of this Act.

Funds of Board.

24. The payment of all moneys due by the Board is guaranteed by the State.

Responsibility of State for Board.

25. The Governor may authorise the sale or disposal of any debentures beyond the limits of the State, and, in such case, the Board may appoint agents to negotiate such sale on behalf of the Board.

Governor may authorise sale of debentures.

26. The Board shall keep, or cause to be kept, in one or more books, a register of debentures, and within a reasonable time after the sale of any debenture, shall cause to be made an entry in the register specifying the number, date, and amount of the debenture; and the register may be inspected at all reasonable times by any person on payment of the prescribed fee for each inspection. Such register shall be evidence of any matters required or authorised by the Act to be entered therein.

Register of debentures.

27. Any person shall be entitled to obtain from the Board copies or extracts, certified by the officer in whose custody the register is kept to be true copies of or extracts from such register, upon payment of the prescribed fee; and any copy or extract so certified shall be admissible in evidence.

Copies to be supplied.

28. No notice of any trust, expressed or implied or constructive, shall be received by the Board, or by any officer of the same, in relation to any debentures issued under this Act.

Notice of trust not receivable.

29. A person advancing money and receiving in consideration thereof any debenture issued under this Act shall not be bound to inquire into the application of the moneys advanced, or be in any way responsible for the non-application or misapplication thereof.

Owners of securities not responsible for application of moneys.

30. (1.) In case any debenture shall by accident be defaced, the Board may from time to time, on such debenture being delivered to the Board, cause a new debenture to be issued and delivered to the holder of such defaced debenture in lieu thereof, and thereupon the debenture so defaced shall be cancelled.

Debentures may be exchanged for new debentures.

(2.) The debenture so to be issued in lieu of the defaced debenture shall have a like currency, and shall, in all respects, be subject to the same rules, regulations, and provisions as by this Act are declared of and concerning the debenture in substitution for which such new debenture shall be issued as aforesaid; and shall bear the same number, date and amount, and bear the like interest as the said defaced debenture bore respectively.

Provisions as to debentures lost or destroyed.

31. In case proof shall be made to the satisfaction of the Board, by statutory declaration or otherwise, that any debenture has by casualty or mischance been lost, burnt, or otherwise destroyed, it shall be lawful for the Board to cause the principal money and interest due upon such debenture so lost, burnt, or otherwise destroyed to be paid as the same respectively become due, to the person claiming to have been the last holder of such debenture, in like manner as if the original debenture had been brought in to be paid off:

Provided that the person so receiving the principal money and interest in respect of such debenture alleged to have been lost, burnt, or otherwise destroyed shall give security to the satisfaction of the Board against any lawful claim which may be made upon the Board in respect of such debenture.

Provision of money by the Board for the Bank.

32. (1.) The Board may, subject to this Act, out of the funds under its control, place at the disposal of the Bank such moneys as the Board may consider that it is advisable for the Bank to advance to any persons and for any purposes, to whom and for which such Bank or the Industries Assistance Board or the Discharged Soldiers' Settlement Board is authorised to make advances under this or any other Act, or to whom and for which the Treasurer is authorised to make advances under Part III. of the Industries Assistance Act, 1915.

(2.) When the Bank shall, out of the moneys supplied by the Board, have made to any person such an advance as the Industries Assistance Board might have made to such person, then the provisions of the Industries Assistance Act, 1915, shall, if, and so far as, the trustees so decide, apply and have effect to and in respect of such person and the advance made to him as if the Bank had been and were the Industries Assistance Board, and the Bank shall have and may exercise the rights, powers, and authorities of the Industries Assistance Board accordingly.

33. Notwithstanding anything contained in the Agricultural Bank Act, 1906, or the Industries Assistance Act, 1915, or the Discharged Soldiers' Settlement Act, 1918, or the Group Settlement Act, 1925, all moneys received by the Bank in payment of interest or in repayment of principal on or in respect of advances made by the Bank, out of moneys placed at the disposal of the Bank under the preceding provisions of this Act shall be applied in payment to the Bank of a percentage for administrative purposes as prescribed by the Board, and, subject thereto, shall be paid to the Board or as the Board shall direct:

Disposal of moneys
received by Bank.

Provided that insofar as any of the funds vested in the Board under section twelve of this Act, and any moneys placed at the disposal of the Board by the Treasurer under section twenty-three of this Act, consist of loan moneys raised by this State under and subject to the provisions of the Financial Agreement Act, 1928, the Board shall be liable to pay to the State out of the moneys from time to time in the hands of the Board the amount of all sinking fund contributions payable by the State in respect of such loan moneys, and which shall be paid by the State under and in accordance with the said Act.

34. The Governor may make such regulations as it may be necessary or convenient to make for the purpose of carrying this Act into effect or achieving the objects thereof.

Regulations.