

No. , 1927.

A BILL

To ratify an Agreement made between the State and the Commonwealth relating to the indebtedness of the State to the Commonwealth in respect of loans for Soldier Settlement.

[MR. LANG ;—24 *February*, 1927.]

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 New South Wales in Parliament assembled, and by the authority of
5 the same, as follows:—

1. This Act may be cited as the "Finance (Soldiers Settlement Loans) Act, 1927." Short title.

2. The agreement set out in the Schedule to this Act is hereby ratified.

Ratification
of Agreement
of 9th June,
1926.

SCHEDULE.

MEMORANDUM OF AGREEMENT made the Ninth day of June One thousand nine hundred and twenty-six Between the Commonwealth of Australia (hereinafter referred to as "the Commonwealth") and the State of New South Wales (hereinafter referred to as "the State").

WHEREAS the Commonwealth and the State have for some time been acting in co-operation for the purpose of placing willing and suitable settlers on the land :

And whereas the Commonwealth has lent to the State the several sums stated in column 2 of the Schedule hereto for the purposes of such settlement :

And whereas the State has repaid to the Commonwealth the several sums stated in column 3 of the Schedule hereto :

Now it is hereby agreed as follows :—

1. This Agreement is subject to ratification by the Parliaments of the Commonwealth and of the State and shall come into effect when so ratified.

2. In this Agreement—

(a) Any person who was at any time after the fourth day of August One thousand nine hundred and fourteen and before the thirty-first day of August One thousand nine hundred and twenty-one—

(i) a member of the Naval or Military Forces enlisted or appointed for or employed on active service outside Australia, or employed in a ship of war : or

(ii) a member of the Army Medical Corps Nursing Service accepted or appointed by the Director General of Medical Services for services outside Australia ; or

(iii) serving in the Naval or Military Forces of any part of the King's Dominions, other than the Commonwealth, on proof to the satisfaction of the State that he had before his enlistment or appointment for service resided in the Commonwealth ; or

(iv) a member of the Army Medical Corps Nursing Service of any part of the King's Dominions other than the Commonwealth on proof to the satisfaction of the State that she had before her acceptance by or appointment to that service resided in Australia,

shall be deemed to be a member of the Forces within the meaning of this Agreement :

(b) "Dependant" means a widow or mother or child (including an ex-nuptial child) of a deceased member of the Forces who was wholly or in part dependent upon the earnings of the member of the Forces at any time during the period of twelve months prior to his becoming a member of the Forces ;

(c)

- (c) "Munition worker" means a person who, during the continuance of the war between His Majesty the King and the German Emperor and between His Majesty the King and the Emperor of Austria, King of Hungary,
- 5 (i) entered into an agreement with the Commonwealth or the Minister of State for Defence to proceed to Great Britain for the purpose of—
- 10 (1) engaging in the work of producing munitions for the Imperial Government or otherwise; or
- (2) serving under the Imperial Government in the Ministry of Munitions; and
- (ii) engaged or served as aforesaid and whose agreement with the Commonwealth or the Minister of State for Defence was not determined by reason of his failure to observe and perform in all respects the terms and conditions contained in the agreement and on his part to be observed and performed or by reason of his dismissal from any work in Great Britain during the continuance of the agreement because of any conduct of the worker which in the opinion of the said Minister was such as to justify the determination of the agreement:
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- (d) "War worker" means a person who during the continuance of the war between His Majesty the King and the German Emperor and between His Majesty the King and the Emperor of Austria, King of Hungary, entered into an agreement with the Commonwealth or Minister of State for Defence to proceed to Great Britain for the purpose of engaging in work as a labourer, fettle, or navy for the Imperial Government or otherwise and engaged in such work and whose agreement with the Commonwealth or the Minister of State for Defence was not determined by reason of his failure to observe and perform any term or condition contained in the agreement and on his part to be observed and performed or by reason of his dismissal from any work in Great Britain during the continuance of the agreement because of any conduct of the worker which in the opinion of the said Minister was such as to justify the determination of the agreement:
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- (e) "Settler" means a person approved by the State as suitable for settlement upon the land and who was at any time after the fourth day of August One thousand nine hundred and fourteen and before the thirty-first day of August One thousand nine hundred and twenty-one—
- 40 (i) a member of the Forces; or
- (ii) a munition worker; or
- 45 (iii) a war worker; or
- (iv) who is a dependant,
- and includes—
- (1) any other person who was a soldier of the Imperial Reserve Forces called up for active service during the war

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war between His Majesty the King and the German Emperor and between His Majesty the King and the Emperor of Austria, King of Hungary ; and

- (2) any other person who served during the said war in the Naval or Military Forces of any part of the King's Dominions other than the Commonwealth on active service outside that Dominion ;

and who was settled on the land by the State or lodged with the State an application for land on or before the thirtieth day of October One thousand nine hundred and twenty. 10

3. The State acknowledges to have received on loan from the Commonwealth the several sums stated in column 2 of the Schedule hereto.

4. The Commonwealth acknowledges to have received from the State in part repayment of the said moneys lent to the State the several sums stated in column 3 of the Schedule hereto. 15

5. The State agrees to pay to the Commonwealth until the first day of October One thousand nine hundred and twenty-five interest accruing from day to day on the several sums stated in column 4 of the Schedule hereto at the rates of interest stated opposite the said sums in column 1 of the Schedule hereto. 20

6. The Commonwealth agrees to write off and reduce the indebtedness of the State in respect of the several sums stated in column 4 of the Schedule hereto by the several sums stated in column 5 of the said Schedule. 25

7. The State agrees to repay to the Commonwealth in the manner hereinafter set forth the several sums stated in column 6 of the Schedule hereto, and the Commonwealth agrees to accept the said sums in full settlement of the indebtedness of the State under this Agreement.

8. The State agrees to pay to the Commonwealth from the first day of October One thousand nine hundred and twenty-five to the thirty-first day of December One thousand nine hundred and thirty interest accruing from day to day on the amount for the time being unrepaid of the several sums stated in column 6 of the Schedule hereto at the rates of interest shown opposite the said sums in the said Schedule. 35

9. The State agrees to pay to the Commonwealth after the thirty-first day of December One thousand nine hundred and thirty interest accruing from day to day on the amount for the time being unrepaid of the several sums stated in column 6 of the Schedule hereto at the rate of five pounds per centum per annum such rate to remain constant until the whole of the said sums have been repaid. 40

10. Without prejudice to other provisions of this Agreement which require earlier repayments the State shall repay in full to the Commonwealth on the thirty-first day of December One thousand nine hundred and fifty all that portion of the several sums stated in column 6 of the Schedule hereto then remaining unpaid together with all interest due under this Agreement 45

11. All principal moneys repaid to the State during any half-year (after the thirtieth day of September One thousand nine hundred and twenty-seven) ending on the thirty-first day of March or the thirtieth day of September respectively by settlers in respect of advances made to them out of the moneys specified in column 2 of the Schedule hereto and in respect of land purchased or resumed by the State out of the said moneys shall within one month after the end of that half-year be paid by the State to the Commonwealth in repayment of the moneys so lent.

10 The State shall have the option of paying to the Commonwealth within one month after the end of any half-year (before the first day of October One thousand nine hundred and twenty-seven) ending on the thirty-first day of March or the thirtieth day of September respectively any such principal moneys repaid to the State by settlers during that half-year.

For the purposes of this clause repayments to the Commonwealth shall be applied in the reduction of the amount of the indebtedness of the State existing in respect of the several sums stated in column 2 of the Schedule hereto in the proportion which the amounts owing in respect of those several sums respectively bear to the whole amount of the existing indebtedness.

12. The State shall on or before the tenth day of January in each year pay to the Commonwealth the sum of Ten shillings for every One hundred pounds (£100) of the moneys specified in column 2 of the Schedule hereto and expended by the State for any purpose other than advances to settlers or resummptions of land and remaining unrepaid on the first day of January in that year.

The sums so paid shall not be deemed to be moneys repaid by the State to the Commonwealth but they shall be placed by the Commonwealth in a Sinking Fund established by the Commonwealth and shall be deemed to accumulate at compound interest at the rates for the time being payable by the State on the relative loan moneys for the purpose of repaying therewith (so far as the same will suffice) the moneys remaining unrepaid to the Commonwealth on the thirty-first day of December One thousand nine hundred and fifty.

The moneys standing at the credit of the said Sinking Fund shall be dealt with in accordance with the provisions of the laws relating to the said Sinking Fund.

13. If any land purchased or resumed by the State and paid for out of the moneys specified in column 2 of the Schedule hereto is sold to a person other than a settler as defined in this Agreement the purchase money as and when received by the State shall be forthwith paid to the Commonwealth in repayment of the moneys so lent.

14. During the period of five years from the date of payment of each instalment of the moneys specified in column 2 of the Schedule hereto the Commonwealth shall make to the State a rebate of interest equal to $2\frac{1}{2}$ per centum per annum calculated on the full amount of the

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the instalment and that rebate shall be made notwithstanding that the instalment may have been wholly or partially repaid before the end of five years.

This rebate of interest shall be calculated half-yearly up to the first day of April and the first day of October in each year. 5

15. During the period of five years from the date of the issue by the State of its own bonds to the amount of Three hundred and forty-eight thousand nine hundred pounds (£348,900) for the purpose of placing settlers on the land the Commonwealth shall allow to the State interest at the rate of two and a half per centum per annum on the 10 amount of such bonds.

Interest allowable under this clause shall be calculated half-yearly up to the first day of April and the first day of October in each year.

16. Interest due by the State to the Commonwealth shall be calculated half-yearly up to the first day of April and the first day of 15 October in each year.

From the amount of such interest there shall be deducted :—

- (a) Rebates of interest under clause 14; and
- (b) interest allowed under clause 15.

The sum remaining shall be paid by the State to the Commonwealth 20 within ten days after notice has been given to the State by the Commonwealth.

Without prejudice to the rights of the Commonwealth under this clause the total interest may be accepted by the Commonwealth from the State without deduction and in that case the State shall be 25 entitled to receive a payment from the Commonwealth equal to the rebates to be made and interest to be allowed under clauses 14 and 15 respectively.

17. On advances made to settlers as defined in this Agreement for the purpose of effecting improvements on the land or for purchasing 30 implements stock and things necessary for the successful cultivation of the land the settlers shall pay to the State interest on the advance at a reasonable rate not exceeding $3\frac{1}{2}$ per centum in the first year and not exceeding in any subsequent year $3\frac{1}{2}$ per centum plus $\frac{1}{2}$ per centum in respect of each subsequent year after the first year but not exceeding 35 in any case the full rate of interest payable by the State to the Commonwealth upon the money lent plus working expenses.

18. On the principal moneys owing by a settler to the State in respect of land purchased or resumed by the State and paid for out of the moneys specified in column 2 of the Schedule hereto the settler 40 shall pay to the State interest at a rate not exceeding the rate of interest payable by the State to the Commonwealth upon the money lent plus working expenses.

19. Any notice or communication to be given or made by the Commonwealth to the State under this Agreement shall be deemed to 45 have been duly given or made if signed by or on behalf of the

Treasurer

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Treasurer of the Commonwealth and sent by prepaid post addressed to the Treasurer of the State and any notice or communication to be given or made by the State to the Commonwealth under this Agreement shall be deemed to have been duly given or made if signed by or on behalf of the Treasurer of the State and sent by prepaid post addressed to the Treasurer of the Commonwealth.

20. This Agreement shall be deemed to have come into operation on the first day of July One thousand nine hundred and twenty-five.

In witness whereof the parties hereto have executed this Agreement 10 the day and year first before written.

15 Signed by the Treasurer of the
Commonwealth of Australia }
for and on behalf of the } (Sgd.) EARLE PAGE.
Commonwealth in the }
presence of— }
(Sgd.) JAS. R. COLLINS.

20 Signed by the Treasurer of the
State of New South Wales }
for and on behalf of the } (Sgd.) JOHN T. LANG.
State in the presence of— }
(Sgd.) C. R. CHAPMAN.

THE

THE SCHEDULE
SOLDIER LAND SETTLEMENT—NEW SOUTH WALES.

Column 1.	Column 2.	Column 3.	Column 4.	Column 5.	Column 6.
Rate of interest applicable to the amounts shown opposite thereto.	Amounts lent to the State by the Commonwealth to 30th June, 1925.	Repayments by the State to the Commonwealth to 30th June, 1925.	Balances being indebtedness of the State to the Commonwealth to 30th June, 1925.	Amount to be written off on 1st October, 1925, divided in proportion to the amounts owing at the various rates of interest.	Balance representing the indebtedness of the State to the Commonwealth after 1st October, 1925.
£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
4 14 3	20,000 0 0	20,000 0 0	.....	.....	.....
5 5 3	85,624 13 9	219 10 9	85,405 3 0	11,670 14 5	73,734 8 7
5 6 11	1,874,411 8 2	.....	1,874,411 8 2	256,140 13 7	1,618,270 14 7
6 7 0	4,285,099 0 0	.....	4,285,099 0 0	585,564 3 6	3,699,534 16 6
6 15 2	1,250,000 0 0	.....	1,250,000 0 0	170,814 1 6	1,079,185 18 6
7 5 0	2,311,067 18 0	.....	2,311,067 18 0	315,810 7 0	1,995,257 11 0
Total	£9,826,202 19 11	£20,219 10 9	£9,805,983 9 2	£1,340,000 0 0	£8,465,983 9 2

[7d.]

Sydney: Alfred James Kent, Government Printer—1927.

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