

FIRST PRINT

PUBLIC WORKS (INTEREST) AMENDMENT BILL 1986

NEW SOUTH WALES



EXPLANATORY NOTE

(This Explanatory Note relates to this Bill as introduced into Parliament)

The object of this Bill is to amend the Public Works Act 1912 to remove the provision which restricts the interest rate on land resumption compensation to 4 per cent for the first 12 months after resumption. The Act will now provide for the rate to be fixed by the Treasurer from time to time, as is currently the case for periods after that first 12 months.

Clause 1 specifies the short title of the proposed Act.

Clause 2 is a formal provision that gives effect to the Schedule of amendments.

Schedule 1 (1) inserts a provision into the Principal Act which gives effect to the Schedule of savings and transitional provisions inserted by Schedule 1 (3).

Schedule 1 (2) (a) substitutes a provision of the Principal Act which deals with the interest rate applicable to unpaid compensation for land resumed under the Principal Act. Currently, the rate is fixed by the provision at 4 per cent for the first 12 months after resumption and thereafter is fixed by the Treasurer. Under the provision as proposed to be substituted, the rate for that first 12 months will also be fixed by the Treasurer. Certain historical provisions are also repealed with any current operation that they may have being saved by Schedule 1 (3).

Schedule 1 (2) (b) repeals a spent provision of the Principal Act which fixed the rate of interest payable after the first 12 months following resumption until determination of the rate by the Treasurer.

Schedule 1 (3) inserts a Schedule of savings and transitional provisions into the Principal Act. Clause 1 of the Schedule makes it clear that the new interest rate arrangements only apply to periods after the commencement of the proposed Act with the previous arrangements continuing to apply to periods before that commencement. Clause 2 of the Schedule sets the rate applicable under the new arrangements (pending determination of the rate by the Treasurer) at 12 per cent per annum for amounts of less than \$50,000 and 12.5 per cent per annum for amounts of \$50,000 or more. Those rates are the rates currently set by the Treasurer for a period commencing more than 12 months after resumption.

PUBLIC WORKS (INTEREST) AMENDMENT BILL 1986

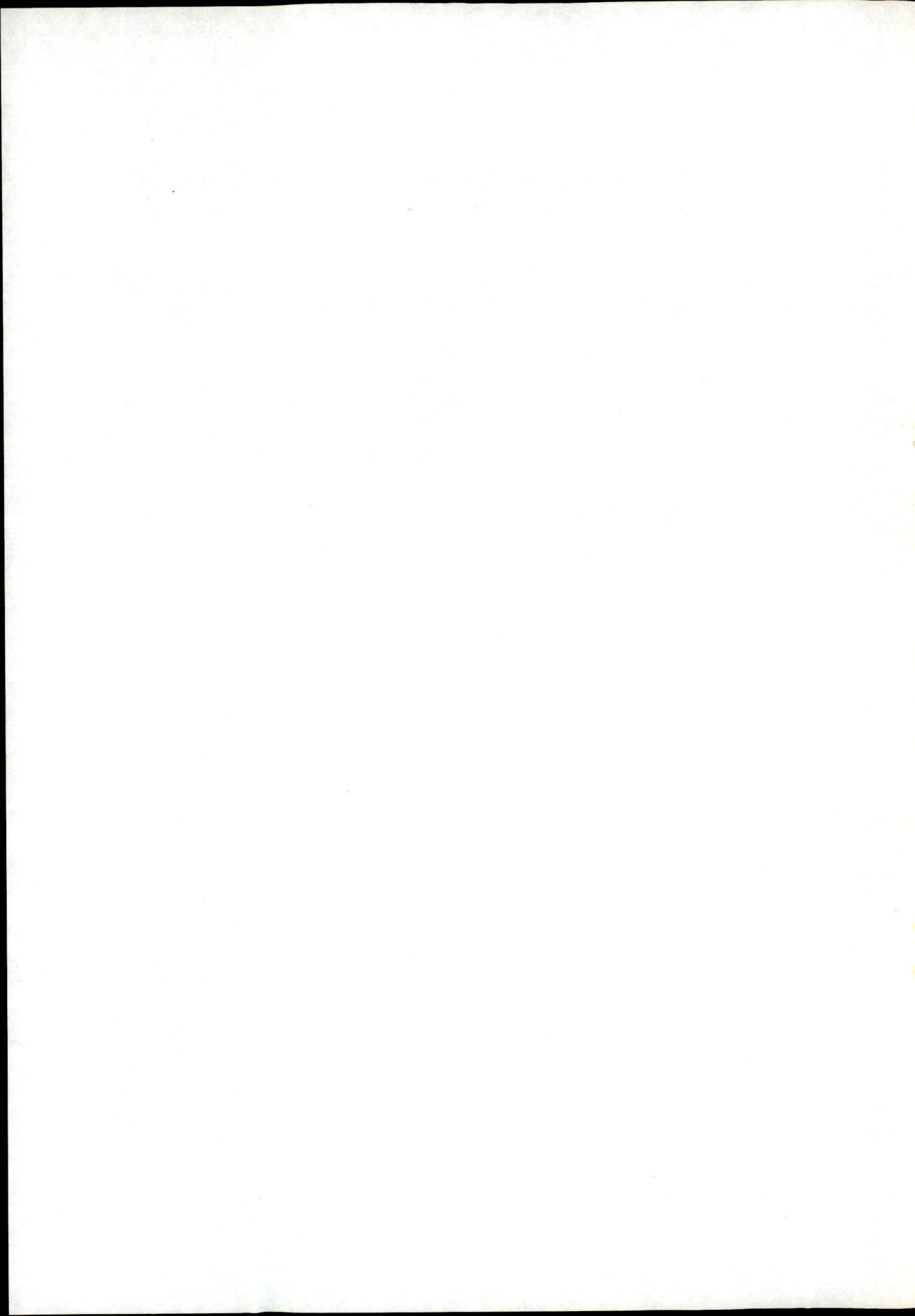
NEW SOUTH WALES



TABLE OF PROVISIONS

1. Short title
2. Amendment of Act No. 45, 1912

SCHEDULE 1—AMENDMENTS TO THE PUBLIC WORKS ACT 1912



PUBLIC WORKS (INTEREST) AMENDMENT BILL 1986

NEW SOUTH WALES



No. , 1986

A BILL FOR

An Act to amend the Public Works Act 1912 to make further provision with respect to the rate of interest payable on compensation for land resumed under that Act.

Public Works (Interest) Amendment 1986

BE it enacted by the Queen'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 the same, as follows:

5 Short title

1. This Act may be cited as the "Public Works (Interest) Amendment Act 1986".

Amendment of Act No. 45, 1912

2. The Public Works Act 1912 is amended in the manner set forth in
10 Schedule 1.

SCHEDULE 1

(Sec. 2)

AMENDMENTS TO THE PUBLIC WORKS ACT 1912

(1) Section 5A—

15 After section 5, insert:

Savings and transitional provisions

5A. The Ninth Schedule has effect.

(2) Section 126A (**Payment of interest on compensation**)—

(a) Section 126A (3)–(4A)—

20 Omit the subsections, insert instead:

(3) On and from the commencement of the Public Works (Interest) Amendment Act 1986, interest is payable under subsection (1) in respect of any period at the rate specified in respect of that period in a notification under subsection (5).

25 (b) Section 126A (9)—

Omit the subsection.

*Public Works (Interest) Amendment 1986*SCHEDULE 1—*continued*AMENDMENTS TO THE PUBLIC WORKS ACT 1912—*continued*

(3) Ninth Schedule—

After the Eighth Schedule, insert:

NINTH SCHEDULE

(Sec. 5A)

5

SAVINGS AND TRANSITIONAL PROVISIONS

*Public Works (Interest) Amendment Act 1986***Previous interest rate under section 126A**

10

1. The interest payable under section 126A (1) in respect of any period before the commencement of the Public Works (Interest) Amendment Act 1986 is payable at the rate at which it would have been payable had that Act not been enacted.

Interest rate pending Treasurer's notification

15

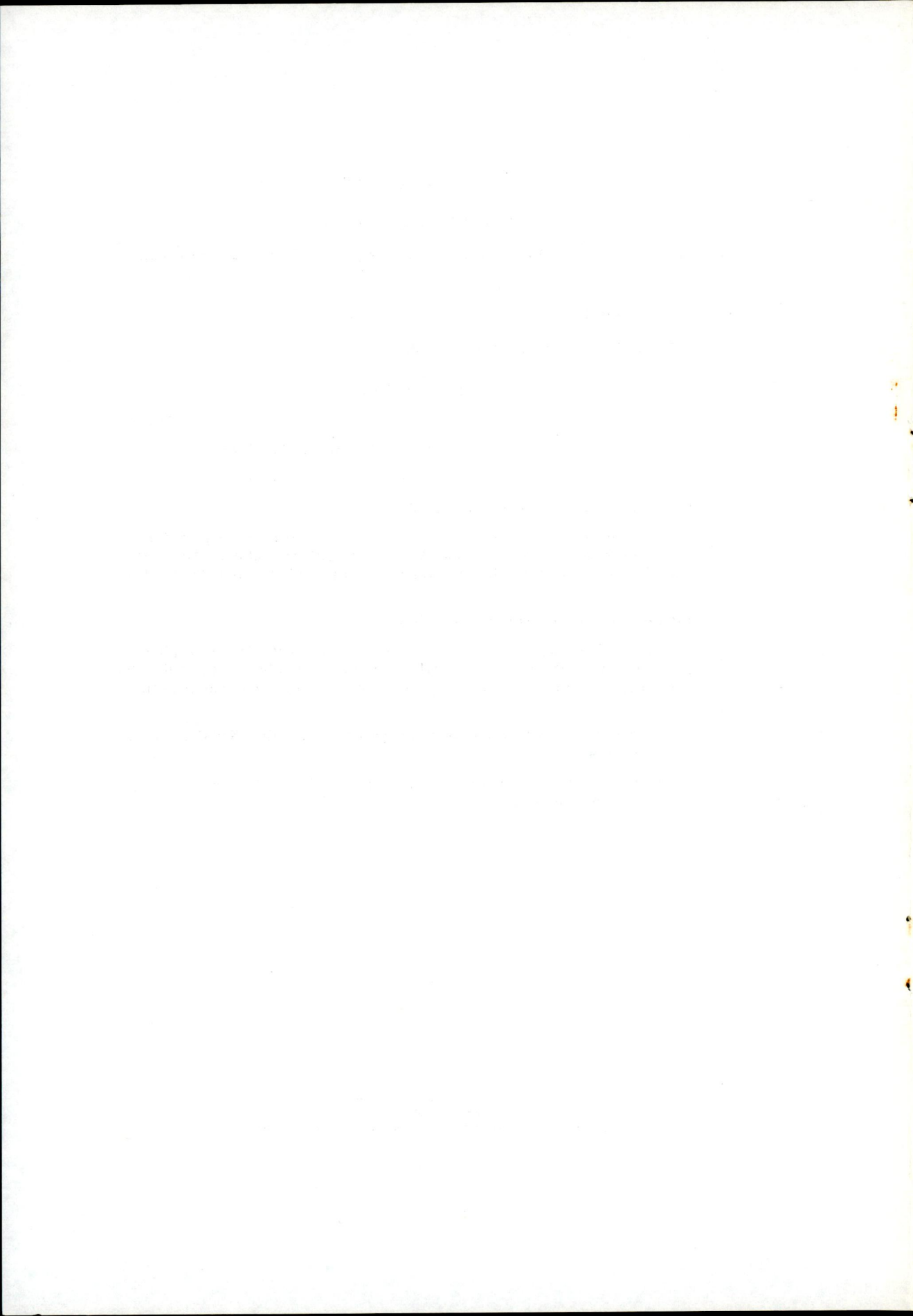
2. Until a notification is published under section 126A (5) on or after the commencement of the Public Works (Interest) Amendment Act 1986, the interest rate payable under section 126A (1) on and from that commencement is—

20

- (a) where the total amount of compensation is less than \$50,000—12 per cent per annum; or
- (b) where the total amount of compensation is \$50,000 or more—12.5 per cent per annum.

BY AUTHORITY

D. WEST, GOVERNMENT PRINTER, NEW SOUTH WALES—1986



PUBLIC WORKS (INTEREST) AMENDMENT ACT 1986
No. 136

NEW SOUTH WALES



TABLE OF PROVISIONS

1. Short title
2. Amendment of Act No. 45, 1912

SCHEDULE 1—AMENDMENTS TO THE PUBLIC WORKS ACT 1912

PUBLIC WORKS (INTEREST) AMENDMENT ACT 1986 No. 136

NEW SOUTH WALES



Act No. 136, 1986

An Act to amend the Public Works Act 1912 to make further provision with respect to the rate of interest payable on compensation for land resumed under that Act. [Assented to, 4 December 1986]

Public Works (Interest) Amendment 1986

BE it enacted by the Queen'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 the same, as follows:

Short title

1. This Act may be cited as the "Public Works (Interest) Amendment Act 1986".

Amendment of Act No. 45, 1912

2. The Public Works Act 1912 is amended in the manner set forth in Schedule 1.

SCHEDULE 1

(Sec. 2)

AMENDMENTS TO THE PUBLIC WORKS ACT 1912

(1) Section 5A—

After section 5, insert:

Savings and transitional provisions

5A. The Ninth Schedule has effect.

(2) Section 126A (**Payment of interest on compensation**)—

(a) Section 126A (3)–(4A)—

Omit the subsections, insert instead:

(3) On and from the commencement of the Public Works (Interest) Amendment Act 1986, interest is payable under subsection (1) in respect of any period at the rate specified in respect of that period in a notification under subsection (5).

(b) Section 126A (9)—

Omit the subsection.

Public Works (Interest) Amendment 1986

SCHEDULE 1—*continued*

AMENDMENTS TO THE PUBLIC WORKS ACT 1912—*continued*

(3) Ninth Schedule—

After the Eighth Schedule, insert:

NINTH SCHEDULE

(Sec. 5A)

SAVINGS AND TRANSITIONAL PROVISIONS

Public Works (Interest) Amendment Act 1986

Previous interest rate under section 126A

1. The interest payable under section 126A (1) in respect of any period before the commencement of the Public Works (Interest) Amendment Act 1986 is payable at the rate at which it would have been payable had that Act not been enacted.

Interest rate pending Treasurer's notification

2. Until a notification is published under section 126A (5) on or after the commencement of the Public Works (Interest) Amendment Act 1986, the interest rate payable under section 126A (1) on and from that commencement is—

- (a) where the total amount of compensation is less than \$50,000—12 per cent per annum; or
- (b) where the total amount of compensation is \$50,000 or more—12.5 per cent per annum.

BY AUTHORITY

D. WEST, GOVERNMENT PRINTER, NEW SOUTH WALES—1986



