

Return to be
laid before
Parliament.

11. A return setting forth—

- (a) the names of all persons to whom bounty is paid under this Act ;
- (b) the amounts of all such bounty ; and
- (c) such other particulars as are prescribed,

shall be laid before both Houses of the Parliament within thirty days after the expiration of the present financial year, if the Parliament is then sitting, and, if not, then within thirty days after the next meeting of the Parliament.

Regulations.

12. The Governor-General may make regulations, not inconsistent with this Act, prescribing all matters which by this Act are required or permitted to be prescribed, or which are necessary or convenient to be prescribed, for carrying out or giving effect to this Act, and in particular for prescribing penalties not exceeding Fifty pounds or imprisonment for a period not exceeding three months for any breach of the regulations.

NATIONAL DEBT SINKING FUND.

No. 5 of 1923.

An Act to make provision for the Redemption of the National Debt and for other purposes.

[Assented to 11th August, 1923.]

BE it enacted by the King's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows :—

Short title.

1. This Act may be cited as the *National Debt Sinking Fund Act* 1923.

Repeal of
Act No. 6,
1918.

Amendment
of *Loan Act*
1913-1914.

2. The *Loans Sinking Fund Act* 1918 is hereby repealed.

3.—(1.) The *Loan Act* 1913-1914 is amended by omitting the proviso to section two.

(2.) The *Loan Act* 1913-1914, as amended by this Act, may be cited as the *Loan Act* 1913-1923.

4. In this Act, unless the contrary intention appears—

Definitions.

“Commissioner” means a member of the Commission;

“Debt” means the National Debt of the Government of the Commonwealth of Australia;

“the Commission” means the National Debt Commission appointed under this Act;

“the financial year 1923-1924” means the financial year terminating on the thirtieth day of June One thousand nine hundred and twenty-four;

“the National Debt Sinking Fund” means the Sinking-Fund established under this Act.

5.—(1.) For the purposes of this Act there shall be a National Debt Commission, which shall be charged with the general control of all Sinking Fund moneys, and shall, subject to this Act, decide when and how those moneys shall be invested or used for the redemption of the Debt.

Commission.

(2.) The Commission shall be a body corporate with perpetual succession and a common seal, and capable of suing and being sued.

(3.) All courts, judges and persons acting judicially shall take judicial notice of the seal of the Commission affixed to any document or notice, and shall deem that it was duly affixed.

6.—(1.) The Commission shall consist of the Treasurer of the Commonwealth, the Chief Justice of the High Court, the Governor of the Commonwealth Bank, the Secretary to the Treasury, and the Solicitor-General.

Constitution of Commission.

(2.) The Treasurer shall be Chairman of the Commission.

(3.) In the case of the illness or absence from Australia of a Commissioner, the Governor-General may appoint a person to act during the illness or absence, as the case may be, and the person so acting shall have all the powers and perform all the duties of a Commissioner.

(4.) At any meeting of the Commission, three Commissioners shall form a quorum.

7. The Commission shall exercise such powers and perform such duties as are conferred upon it by this Act or as are prescribed.

Powers of Commission.

8. The provisions of this Act shall not apply to the indebtedness of the Commonwealth of Australia to the Government of the United Kingdom under the *Funding Arrangements Act 1921*.

Limitation of operation of Act.

9.—(1.) The Treasurer shall pay into the Trust Fund, under the head of the National Debt Sinking Fund—

National Debt Sinking Fund.

(a) in each financial year for a period of fifty years, commencing with the financial year 1923-1924, a sum of One million, two hundred and fifty thousand pounds;

- (b) in each financial year for the said period of fifty years, a sum equal to ten shillings per centum of the net debt created in that financial year and in any financial year prior thereto and after the thirtieth day of June One thousand nine hundred and twenty-three ;
- (c) in each financial year for the said period of fifty years, a sum equal to Five pounds per centum of the total amount of debt which has up to the time of payment been redeemed and cancelled by the Commission in pursuance of this Act :

Provided that the payment to be made under this paragraph in respect of any part of the debt cancelled in the financial year in which the payment is made shall be calculated at Five pounds per centum per annum from the date of the cancellation of that part of the debt to the thirtieth day of June in that financial year :

Provided further that the provisions of this paragraph shall not apply in relation to so much of the debt as is redeemed and cancelled out of moneys paid into the National Debt Sinking Fund under paragraph (d), (e) or (f) of this sub-section ;

- (d) all repayments to the Government of the Commonwealth of loans or advances made out of the Loan Fund—
 - (i) to States and to Territories under the authority of the Commonwealth ;
 - (ii) for the erection of wheat silos ;
 - (iii) under the Nauru Island Agreement ; and
 - (iv) for such purposes as are prescribed ;
- (e) all moneys credited, after the commencement of this Act, to the War Service Homes Trust Account in accordance with section thirty-nine of the *War Service Homes Act* 1918–1920 in respect of purchase money and repayments of advances ; and
- (f) all unexpended balances standing to the credit of the Loan Fund which are no longer required.

(2.) Notwithstanding the provisions of paragraph (b) of sub-section (1.) of section thirty of the *Commonwealth Bank Act* 1911–1920, one half of the net profits derived by the Commonwealth Bank of Australia on or after the first day of July, One thousand nine hundred and twenty-three, shall be paid to the National Debt Sinking Fund.

(3.) The payment prescribed by the last preceding sub-section shall be made as soon as practicable after the preparation of each balance-sheet.

(4.) Notwithstanding the provisions of section thirty-nine of the *War Service Homes Act* 1918–1920, the moneys specified in paragraph (e) of sub-section (1.) of this section shall, after being credited to the War Service Homes Trust Account, be dealt with in the manner directed in this section.

10. For the purposes of the last preceding section, the net debt created in any financial year shall be ascertained—

(a) by taking the sum of—

- (i) the unexpended loan moneys at the beginning of that year,
- (ii) the total of loans raised during that year, and
- (iii) the subscriptions received during that year in respect of loans raised in previous years; and

(b) by deducting from the total thus ascertained the sum of—

- (i) the unexpended loan moneys remaining at the close of that year,
- (ii) the outstanding instalments of new loans raised during that year,
- (iii) the debt redeemed during that year out of the proceeds of any loan, and
- (iv) the expenditure during that year for the purpose of making advances or loans which are repayable in cash to the Commonwealth.

11. All moneys payable into the National Debt Sinking Fund in accordance with paragraphs (a), (b) and (c) of section nine of this Act shall be paid out of the Consolidated Revenue Fund, which is hereby appropriated for the purpose.

Appropriation of moneys.

12. Payments to be made by the Treasurer to the National Debt Sinking Fund in any financial year may be made at such time or times during that financial year as the Treasurer determines.

Time for making payments.

13. Any prospectus in relation to a loan issued after the commencement of this Act shall contain a provision that, in respect of the loan referred to in the prospectus, Sinking Fund contributions shall be paid into the National Debt Sinking Fund in accordance with section nine of this Act.

Reference to Sinking Fund contributions to be made in prospectuses of new loans.

14.—(1.) The Loans Sinking Fund established under the *Loans Sinking Fund Act* 1918 and the Northern Territory Sinking Fund and the Port Augusta Railway Sinking Fund established under section sixty-two A of the *Audit Act* 1901-1920, shall be merged into the National Debt Sinking Fund.

Merging of Loans Sinking Fund into National Debt Sinking Fund.

(2.) References in any Act to the Loans Sinking Fund shall be construed as references to the National Debt Sinking Fund.

15.—(1.) All moneys standing at the credit of the Loans Sinking Fund, the Northern Territory Sinking Fund and the Port Augusta Railway Sinking Fund, shall be transferred to the credit of the National Debt Sinking Fund, and all investments of these Funds shall be deemed to be investments of the National Debt Sinking Fund.

Closing of Loans Sinking Fund.

(2.) All sums received as interest in respect of such investments or from the sale of such securities shall be paid into the National Debt Sinking Fund.

Commission
to purchase
certain Stock
and Bonds.

16. The Commission shall purchase at par all Commonwealth Stock and Bonds accepted at par by the Treasurer in payment of Probate Succession and Estate Duty, and, if surrendered before the date of maturity, all Commonwealth Stock inscribed in the name of the Public Trustee.

Application of
National
Debt Sinking
Fund.

17.—(1.) The Commission may apply the National Debt Sinking Fund in repurchasing or redeeming any Commonwealth securities, or in redeeming any other portion of the debt.

(2.) Repurchased or redeemed securities shall not be reissued, but shall be cancelled, and the amount of the debt shall be reduced accordingly.

Investment
of National
Debt Sinking
Fund.

18.—(1.) Subject to this section, the Commission may invest any moneys standing at the credit of the National Debt Sinking Fund in the purchase of any securities of, or guaranteed by, the Government of the United Kingdom, or the Government of the Commonwealth, or the Government of any State, and may at any time sell such securities.

(2.) The Commission shall not purchase any securities of, or guaranteed by, the Government of the United Kingdom, or the Government of any State, except within three years of the date of their maturity.

(3.) The Commission may invest any moneys standing at the credit of the National Debt Sinking Fund by placing such moneys on deposit in any Bank.

(4.) All sums received by the Commission as interest in respect of any investments or on the realization of any investments in pursuance of this section shall be paid into the National Debt Sinking Fund.

(5.) The Commission shall not invest moneys in accordance with this section unless it is satisfied that greater benefit will accrue to the National Debt Sinking Fund by so doing than would be the case if the Commission were to repurchase or redeem Commonwealth securities, or to redeem any other portion of the debt, in accordance with section seventeen of this Act.

Annual report
to Parliament.

19. The Commission shall, in the month of August in each year, furnish to the Treasurer, for presentation to the Parliament, a report on the operations of the Commission in relation to the National Debt Sinking Fund.

Regulations.

20. The Governor-General may make regulations, not inconsistent with this Act, prescribing all matters which are necessary or convenient to be prescribed for carrying out or giving effect to this Act.