



TASMANIA

RURAL ADJUSTMENT ACT 1990

No. 9 of 1990

TABLE OF PROVISIONS

PART 1

PRELIMINARY

1. Short title
2. Commencement
3. Interpretation
4. Application of Act
5. Ratification and effect of Agreement

PART 2

RURAL ADJUSTMENT SCHEME

6. Rural Adjustment Scheme
7. Functions of Authority
8. Powers of Authority
9. Application for assistance under Scheme
10. Grant of financial assistance
11. Security for loans

PART 3

OFFENCES

12. False or misleading statements
13. Failure to comply with requirements, terms and conditions

PART 4

MISCELLANEOUS

14. Fees and charges
15. Costs and expenses
16. Accounts
17. Exemption from stamp duty
18. Regulations
19. Transitional and savings provisions
20. Validation
21. Repeal

SCHEDULE 1

THE AGREEMENT

SCHEDULE 2

SAVINGS AND TRANSITIONAL PROVISIONS



RURAL ADJUSTMENT ACT 1990

No. 9 of 1990

AN ACT to give effect to a scheme for the assistance of persons engaged in rural industries

[Royal Assent 6 July 1990]

BE it enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

PART 1

PRELIMINARY

Short title

1—This Act may be cited as the *Rural Adjustment Act 1990*.

Commencement

2—This Act commences on the day on which it receives the Royal Assent.

Interpretation

3—(1) In this Act, unless the contrary intention appears—

“**Agreement**” means the agreement, a copy of which is set out in Schedule 1;

“**Authority**” means the Tasmanian Development Authority established under the *Tasmanian Development Act 1983*;

“**farmer**” means—

(a) a natural person who being a resident of the State and an owner, lessee or occupier of land in the State is personally engaged, otherwise than as an employee, in rural industry on his own account or under a share farming agreement; or

(b) a personal representative of any such person; or

(c) a body corporate registered in this State that is an owner, lessee or occupier of land in the State and that is principally engaged in the rural industry;

“**financial assistance**” includes financial assistance by way of agreement or a loan;

“**Scheme**” means the Rural Adjustment Scheme continued under section 6.

(2) A reference to the Agreement includes—

(a) a reference to the Agreement as amended from time to time by virtue of clause 27 (2) of the Agreement; and

(b) any other agreement authorized, approved or ratified by Parliament for the operation of the Scheme.

(3) Where any word or expression used in this Act is defined in the Agreement, that word or expression shall, unless the contrary intention appears, have the same meaning as ascribed to that word or expression in the Agreement.

Application of Act

4—(1) This Act applies to the Agreement and any other agreements that Parliament may authorize, approve or ratify in connection with the operation of the Scheme.

(2) This Act binds the Crown in the right of Tasmania and in all its other capacities.

Ratification and effect of Agreement

5—(1) The execution of the Agreement is ratified.

(2) The provisions of the Agreement shall have the force of law as if the Agreement were enacted by this Act.

(3) The Minister, relevant statutory authorities and agencies, on behalf of the State—

- (a) are empowered and required to do all things necessary to implement and enforce the Agreement; and
 - (b) are empowered to exercise all powers, rights and discretions conferred on them respectively under the Agreement; and
 - (c) are required to perform all obligations imposed on them respectively under the Agreement.
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PART 2**RURAL ADJUSTMENT SCHEME****Rural Adjustment Scheme**

6—(1) The Rural Adjustment Scheme established under section 5 of the *Rural Adjustment Act 1977* and continued under section 6 of the *Rural Adjustment Act 1988* to provide financial assistance to persons engaged in rural industries is continued.

(2) The Authority shall continue to administer and operate the Scheme on behalf of the State.

Functions of Authority

7—The functions of the Authority are—

- (a) the operation of the Scheme; and
- (b) such other functions as the Minister may determine.

Powers of Authority

8—(1) For the purpose of enabling it to carry out the functions referred to in section 7, the Authority may exercise all powers, rights, privileges and discretions as are necessary to carry out these functions.

(2) For the purpose of meeting the objectives of the Scheme and the Agreement, the Authority may trade in or otherwise deal with land.

Application for assistance under Scheme

9—(1) A farmer may apply to the Authority for financial assistance under the Scheme.

(2) An application under subsection (1) shall be made in such form and manner as the Authority may determine.

(3) For the purpose of considering an application, the Authority may require—

- (a) the applicant to make a statutory declaration in relation to any statement made in that application; and
- (b) the applicant and the spouse and creditor of the applicant to produce such information, accounts and documents as the Authority may determine.

Grant of financial assistance

10—(1) Subject to the Agreement, the Authority may—

- (a) grant financial assistance subject to such terms and conditions as it determines; or
- (b) refuse to grant financial assistance.

(2) Where the Authority grants financial assistance it shall, in addition to any other term or condition, grant financial assistance on condition that the applicant shall work and manage the land in respect of which the financial assistance is granted to the satisfaction of the Authority.

(3) The Authority may alter, revoke or substitute a term or condition determined by it under subsection (1).

Security for loans

11—(1) The repayment of any loan made under the Scheme together with the interest on the loan shall be secured in such manner as the Authority determines.

(2) The Authority may, in the interests of a farmer, consent to the postponement of any security given by the farmer in favour of another person if—

- (a) that other person agrees in writing with the Authority to lend money to the farmer in consideration of the postponement; and

- (b) the money is lent to the farmer for such purposes as the Authority may determine.
- (3) Where a security taken by or on behalf of the Authority—
- (a) is in respect of any chattels or land, the chattels or land shall not be disposed of or otherwise dealt with without the consent of the Authority; and
- (b) is a mortgage in respect of land under the *Land Titles Act 1980*, the mortgage operates as provided in this section from the date of its lodgment for registration.
- (4) Where a loan has been made under the Scheme—
- (a) the money lent; or
- (b) any right of the borrower to the loan under any instrument or by reason of a deposit; or
- (c) any property bought with the loan—
- shall not be affected by, or taken under, any process of execution of any judgment or order against the borrower obtained by a person other than the Authority.

PART 3

OFFENCES

False or misleading statements

12—A person shall not make a statement or representation knowing or believing that the statement or representation is false or misleading—

- (a) in relation to an application under this Act; or
- (b) with respect to the amount or nature of any assets or any debt due or any claim against the person or the person's estate.

Penalty: Fine not exceeding 50 penalty units.

Failure to comply with requirements, terms and conditions

13—A person shall not, without reasonable cause, fail or neglect to comply—

- (a) with a lawful requirement of the Authority; or

(b) with any terms and conditions determined by the Authority under section 10.

Penalty: Fine not exceeding 50 penalty units.

PART 4

MISCELLANEOUS

Fees and charges

14—The Authority may—

(a) impose a fee for any of its services provided under this Act; and

(b) make a charge in respect of any legal costs incurred by it in relation to the granting of financial assistance under this Act.

Costs and expenses

15—(1) The costs and expenses incurred in the administration of this Act shall be defrayed out of money to be provided by Parliament for that purpose.

(2) All money received by the Authority shall be paid into the Treasury and applied as the Treasurer may direct.

Accounts

16—(1) The Authority shall cause to be kept accounts of its transactions under this Act in such manner as the Treasurer may direct.

(2) The accounts kept pursuant to subsection (1) are subject to the *Audit Act 1918*.

Exemption from stamp duty

17—Any instrument made by the Authority for the purposes of this Act is exempt from stamp duty and may be filed, recorded or registered without payment of any fee.

Regulations

18—(1) The Governor may make regulations for the purposes of this Act.

(2) Without limiting subsection (1), regulations may be made with respect to—

- (a) the fees payable in respect of any matter under this Act; and
- (b) the procedure in respect of any application or proceeding; and
- (c) the duties and conduct of applicants for financial assistance under the Scheme; and
- (d) the verification of any matter or thing.

(3) Regulations under this section may provide that it is an offence, punishable on summary conviction, for a person to contravene or fail to comply with any of the regulations and may provide in respect of any such offence for the imposition of a penalty not exceeding 10 penalty units and in the case of a continuing offence, a further penalty not exceeding 1 penalty unit for each day during which the offence continues.

Transitional and savings provisions

19—The provisions set out in Schedule 2 have effect with respect to transitional and savings provisions.

Validation

20—The exercise of any power and duties by the Authority before the commencement of this Act to give effect to the objectives of the Agreement shall be deemed to have been exercised as validly and effectually as if this Act had commenced.

Repeal

21—The *Rural Adjustment Act 1988* is repealed.

SCHEDULE 1
THE AGREEMENT

Section 3

AGREEMENT made between—

THE COMMONWEALTH OF AUSTRALIA (in this agreement called “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 WESTERN AUSTRALIA of the fifth part,
 THE STATE OF SOUTH AUSTRALIA of the sixth part,
 THE STATE OF TASMANIA of the seventh part,
 THE NORTHERN TERRITORY OF AUSTRALIA of the eighth part,
 WHEREAS—

- (A) The Commonwealth, the States and the Northern Territory of Australia entered into an Agreement dated 26 September 1985 and an Amending Agreement dated 8 December 1986 relating to rural adjustment (“the amended Agreement”);
- (B) The recommendations of a review, undertaken on behalf of those governments, of the amended Agreement are that the scheme for which it provides be redirected towards enabling rural industries to better contribute to the national economy by an increased efficiency and consequent international competitiveness and to this end to enhance the role and thereby the responsibility of the States and the Northern Territory in relation to the scheme;
- (C) It has been decided to adopt these recommendations by continuing the payment of financial assistance to the States and the Northern Territory under this agreement; and
- (D) The Parliament of the Commonwealth has authorized the execution of this agreement by and on behalf of the Commonwealth and the provision of financial assistance to the States and the Northern Territory of Australia as provided in this agreement.

NOW IT IS HEREBY AGREED as follows:

I—INTRODUCTION

Operation of Agreement

- 1.(1) In this agreement, each State and the Northern Territory of Australia in respect of which the agreement has come into force is referred to as a “State”, and the expression “the States” means, except where the context otherwise requires, all of the States and the Northern Territory of Australia in respect of which for the time being the agreement is in force.

SCHEDULE 1—(continued)

- (2) This agreement shall, as between the Commonwealth and a State executing this agreement on or before 1 January 1989, come into force on that date, or if executed thereafter, on that later date and the amended Agreement shall thereupon cease as between the Commonwealth and that State.
- (3) Notwithstanding that in this agreement all the States of New South Wales, Victoria, Queensland, South Australia, Western Australia and Tasmania and the Northern Territory of Australia are named as parties, this agreement shall operate as an agreement between the Commonwealth and the party or parties in respect of which it comes into force as fully and effectually as if the party or parties in respect of which it comes into force were the only party or parties so named other than the Commonwealth.
- (4) In the event that a State ceases to be a party this agreement shall nevertheless continue in force with respect to the Commonwealth and the States which are parties when the cessation takes effect.

Performance of Agreement

2. The Commonwealth will provide for or secure the performance by it and its authorities of the obligations of the Commonwealth under this agreement and each of the States will provide for or secure the performance by the State and its authorities and instrumentalities of the obligations of the State under this agreement.

Interpretation

- 3.(1) In this agreement, unless the contrary intention appears—
 - “aquaculture” means industries which conduct systematic farming of plants and animals in water involving the use of man-made infrastructure on or adjacent to land, but excludes harvesting-type industries where farming or cultivating is not an integral part of the operation;
 - “authority” means an authority of a State which has from time to time the administration of the Scheme on behalf of the State;
 - “farm enterprise” means an enterprise carried on by a primary producer within any rural industry in a State or in the Northern Territory;

SCHEDULE 1—(continued)

“farmer” means a person engaged in a rural industry in a State or in the Northern Territory;

“financial year” means:

(a) where the agreement does not come into force with a State on 1 July, in relation to that State the period from the date it comes into force up to and including 30 June which next occurs after this agreement comes into force and thereafter each succeeding period of twelve months; and

(b) where this agreement does so come into force, a period of twelve months ending on 30 June;

“the Minister” means the Minister for Primary Industries and Energy;

“rural industry” means any of the agricultural, horticultural, pastoral, apicultural and aquacultural industries; and

“the Scheme” means the scheme of assistance to be established and operated by a State in accordance with clause 9.

(2) A reference in this agreement to a Minister of the Commonwealth or of a State shall include a reference to a Minister for the time being acting for or on behalf of the Minister referred to or to a Minister who has taken over the responsibilities of the Minister under this agreement.

(3) A reference in this agreement to a State shall include a reference to an authority or authorities of a State that has or have the administration of the Scheme on behalf of the State.

(4) In this agreement, except where the context otherwise requires—

(a) a reference to a clause refers to the relevant clause of this agreement; and

(b) a reference to a sub-clause refers to the relevant sub-clause of the clause in which the reference appears.

II—THE SCHEME

Purpose of Scheme

4.(1) The purpose of the Scheme is to assist in maintaining and improving the efficiency of Australian rural industry and so better place the industry to meet international competition and contribute to the national economy.

SCHEDULE 1—(continued)

- (2) In this context the Scheme is to contribute to the process of promoting an efficient and competitive rural sector through providing assistance and services to help farmers adjust to changing technical, economic and institutional circumstances by:
 - (a) promoting, facilitating and encouraging better financial and technical performance and structure of rural industry to meet emerging needs;
 - (b) assisting those farmers whose farm enterprises have the capacity to become profitable in the long-term but which are experiencing financial problems arising from circumstances beyond their control;
 - (c) assisting farmers without prospects in the rural industry to leave it.
- (3) In pursuit of this purpose, it is recognised that:
 - (a) structural adjustment encompasses the longer-term and more permanent ways in which farmers respond to change in the economic, technical and institutional environment;
 - (b) the appropriate response for assistance from the Scheme will vary from time to time according to the particular circumstances facing rural industries; and
 - (c) the Authorities administering the Scheme will need to identify problems and trends in rural industry, regions and on individual farms to provide the appropriate assistance measures so that farmers become financially independent of the assistance within a reasonable period.

Objectives

5. The objectives of the Scheme are to provide incentives, in the form of funds and services, in an efficient and effective manner, to enable farmers to:
 - (a) overcome financial difficulties arising from causes beyond their control;
 - (b) improve their performance by changing the size of their farms, improving managerial and financial skills, or by the adoption of improved practices and technology;
 - (c) make an orderly exit if, after all options have been considered, the farmers are without prospects in the rural industry.

SCHEDULE 1—(continued)

Strategies

- 6.(1) The strategies to be adopted to overcome financial difficulties arising from causes beyond a farmer's control shall be to facilitate:
 - (a) carry-on finance; and
 - (b) capital restructuring.
- (2) The strategies to be adopted to improve farm performance shall be to facilitate:
 - (a) the acquisition of improved skill levels;
 - (b) the adoption of technological developments;
 - (c) increase in farm size or capital intensity;
 - (d) farm program changes; and
 - (e) access to information on technological developments and their application, training needs and opportunities and appropriate farm programs.
- (3) The strategies to be adopted to permit farmers to make an orderly exit from rural industry if, after all options have been considered, the farmers are without prospects in the rural industry, shall be to:
 - (a) alleviate personal hardship prior to departure;
 - (b) assist farmers to realise farm assets in an orderly manner; and
 - (c) assist farmers to re-establish post-farming.
- (4) For the purposes of sub-clauses 6 (2) and 6 (3) trading in land by a State is permissible only where:
 - (a) the trading does not distort the market for land;
 - (b) large land stocks are not accumulated by the State; and
 - (c) proceeds of transactions are retained for use in the operation of the Scheme.
- (5) From time to time it may be necessary to develop other strategies to meet changing circumstances.

Operations

- 7.(1) Given the nature of the assistance to be provided and that the application of funds provided under the Scheme will be most effective when the operations of States are responsive to the specific circumstances pertaining to the recipient, decisions on the form of assistance to be provided to an applicant will be taken at the State level, with full knowledge of local and regional situations.

SCHEDULE 1—(continued)

- (2) To achieve this the Commonwealth's role will be to:
- (a) provide clear policy guidelines within which the scheme is to operate; and
 - (b) establish an appropriate reporting mechanism to permit the monitoring and assessment of the efficiency and effectiveness with which the Scheme is operating.
- (3) The Commonwealth in consultation with the State will, where appropriate, establish policy guidelines concerning:
- (a) criteria to be adopted in assessing eligibility for assistance;
 - (b) outcomes expected from assistance under the Scheme;
 - (c) requirements for review of assisted farmers; and
 - (d) determination of funding.
- (4) The State's role will be to:
- (a) manage funds provided under the Scheme;
 - (b) be responsible and accountable for the achievement of the objectives of the Scheme.
- (5) With a view to achieving the purposes and objectives of the Scheme the principal functions of the State authorities in administering the Scheme will be to:
- (a) assess the eligibility of farmers for assistance;
 - (b) determine, after full consideration of each individual case, the form of assistance, or combination of forms of assistance, if any, most appropriate to the particular circumstances facing the farmer;
 - (c) deliver funds and services in accordance with policy guidelines established by the Commonwealth from time to time;
 - (d) review the effectiveness of assistance provided to farmers on a periodic basis;
 - (e) account to the Commonwealth at a frequency, and in a manner, determined from time to time by the Commonwealth in consultation with the States, as to the:
 - (i) disbursement of funds in compliance with the purpose for which they were voted;
 - (ii) effectiveness with which the funds have been used to achieve the objectives of the Scheme;
 - (iii) efficiency with which Commonwealth funds have been administered;
 - (f) promote the purpose and scope of the Scheme to the farming and financial communities and other interested persons.

SCHEDULE 1—(continued)

Eligibility

- 8.(1) A person is engaged in a rural industry if under normal circumstances the principal source of income of that person is from a farm enterprise to which the person contributes a significant part of his or her labour and capital.
- (2) The State may decide that in respect of the same farm enterprise more than one member of a family or group is to be considered as being engaged in a rural industry.

III—ADMINISTRATION OF SCHEME

State to Operate Scheme

- 9.(1) Each State will use the financial assistance provided by the Commonwealth in accordance with this agreement, to establish and operate a scheme of assistance to persons engaged in a rural industry in that State.
- (2) The Scheme shall consist of the forms of assistance referred to in clause 10 and shall be operated in conformity with the objectives and other provisions set out in Part II.

Forms of Assistance to those engaged in rural industries

- 10.(1) For the purposes of paragraph (b) of sub-clause 6 (1), sub-clause 6 (2) and paragraph (b) of sub-clause 6 (3), assistance under the Scheme, to be known as Part A assistance, shall be by way of:
 - (a) grants by the State for the purpose of interest subsidies both of interest payable on, and associated costs of, loans, whether the loan is provided by the State or others; and
 - (b) grants or loans by the State for the above purposes other than those of paragraph (a).
- (2) For the purposes of paragraph (a) of sub-clause 6 (1) assistance under the Scheme, to be known as Part B assistance, shall be by way of grants by the State for the purpose of interest subsidies both of interest payable on, and associated costs of, loans, whether by the State or others. Subsidies paid under this sub-clause shall not exceed 50 per cent of the interest payable on, and associated costs of, such loans and the State shall bear half the cost of the subsidies out of its own funds.

SCHEDULE 1—(continued)

- (3) For the purposes of paragraphs (a), (b) and (c) of sub-clause 6 (3), assistance under the Scheme, to be known as Part C assistance, shall be by way of grants or loans by the State.
- (4) Part A assistance may also be used, subject to sub-clause 6 (4), for transactions involving the land of farmers.

Conditions

11. The Minister may from time to time subject to this agreement, and after consultation with the Minister or Ministers of the relevant State or States, determine policy guidelines applying to forms of assistance under the Scheme.

Terms of loans by a State

- 12.(1) The rates of interest at which money is advanced by the State under the Scheme in providing Part A, Part B and Part C assistance, whether from financial assistance provided under this agreement or otherwise shall be as determined by the State authority.
- (2) The length of loans and the period during which an interest subsidy applies in respect of loans shall be as determined by the State authority.
- (3) The State authority shall have the right to review the terms of repayment, including interest rates of individual accounts, at any time and shall exercise this right at regular intervals with the objective of the borrower being encouraged to move to commercial credit as soon as circumstances permit.

IV—FINANCIAL ASSISTANCE

Provision of Financial Assistance

13. Subject to, and to the performance by a State of, the provisions of this agreement, the Commonwealth will make financial assistance available to the States for the purposes of the Scheme.

SCHEDULE 1—(continued)

Amount of Financial Assistance

- 14.(1) Subject to this agreement, the amounts of financial assistance to be made available by the Commonwealth to each State for Part C assistance and, except as to amounts provided for by paragraph 2 (a), Part A assistance during a financial year shall be separately determined for each of those Parts by the Commonwealth after consultation with the States. Before the commencement of the financial year the Minister and State Ministers will consult taking into account such matters as are set out in clauses 4 and 5.
- (2) The amount payable by the Commonwealth in relation to Part A assistance in respect of any financial year shall not be less than—
- (a) in respect of each of the first seven financial years of this agreement as is a financial year within the first six financial years:
- (i) after the first financial year of the amended Agreement, the amount of any Determination or Determinations of Part A assistance made in that first financial year under the amended Agreement;
 - (ii) after the second financial year of the amended Agreement, the incremental part of any Determination or Determinations of Part A assistance made in that second financial year under the amended Agreement; and
 - (iii) after the third or any subsequent financial year of the amended Agreement, the incremental part of any Determination or Determinations of Part A assistance made in that third or subsequent financial year as the case may be under the amended Agreement;
- (b) in respect of each of the first seven financial years of this Agreement the amount of Part A assistance determined under this agreement by the Minister as payable in respect of an immediately preceding financial year of this agreement; and
- (c) in respect of each succeeding period of seven financial years of this agreement:
- (i) as to the first year, the sum of the increments of amounts of Part A assistance determined under this agreement in respect of the second to the seventh inclusive of the immediately preceding seven financial years; and
 - (ii) as to the remaining six years, the sum of the increments of those amounts as determined in respect of the immediately preceding six financial years of this agreement.

SCHEDULE 1—(continued)

- (3) The amount to be made available to a State during a financial year determined under sub-clause (1) may, at any time the Commonwealth so considers fit, after consultation with the other States, be increased by the addition of a supplementary amount determined by the Commonwealth at that time.
- (4) The amount of financial assistance to be made available by the Commonwealth to a State for Part B assistance shall be determined at the time the Commonwealth and the State agree that the provision of such assistance is warranted.

Administration Expenses

15. The Commonwealth will make monthly payments in advance to a State towards administration expenses of the State in providing assistance under the Scheme as agreed, between the Minister and the Minister of each State.

Provision for losses

16. The Commonwealth shall not be liable to reimburse a State for any losses of that State which result from the operation under this agreement of this Scheme but financial assistance made available by the Commonwealth, or income earned on that assistance, may be used by the State to make provision for any losses likely to result from the operation by it of the Scheme.

Payments of Financial Assistance

- 17.(1) The Commonwealth shall, subject to this agreement, make monthly payments to the State of the financial assistance to be provided to it under this agreement.
- (2) The Commonwealth may, at such time and in such amounts as the Minister thinks fit, make advances on account of the payment that may be made by the Commonwealth under sub-clause (1).
- (3) An amount or part of an amount advanced by the Commonwealth under this clause may be deducted by the Commonwealth from an amount that subsequently becomes payable under sub-clause (1) or, if no further amounts will become payable under that sub-clause, shall be refunded by the State to the Commonwealth at the request of the Minister.

SCHEDULE 1—(continued)

Use of Advances and Other Moneys

- 18.(1) A State shall ensure that an amount or any part of an amount advanced to the State and not refunded under the last preceding clause is used or applied for the operation of the Scheme.
- (2) A State shall ensure that:
- (a) any financial assistance paid by the Commonwealth under the Scheme is used or applied for the operation of the Scheme;
 - (b) any money earned by it under the Scheme on financial assistance provided by the Commonwealth to the State under this agreement is used or applied for the operation of the Scheme; and
 - (c) any repayment of, or payment of interest on, loans made by the State funded from paragraph (a) or (b) are used or applied in the operation of the Scheme.

Pre-commitment of Assistance

- 19.(1) Where the Minister has, upon the State establishing to the Minister's satisfaction that the circumstances so warrant, authorized the State during a financial year to commit to the Scheme financial assistance to be received under this agreement during the next succeeding financial year, the State may approve the provision of assistance under the Scheme to the extent of the amount or amounts that have been so authorized by the Minister.
- (2) Any amounts that are approved by the State under sub-clause (1) shall be included in the amount of financial assistance to be made available by the Commonwealth to the State for the purposes of the Scheme as determined under clause 14 in respect of that next financial year.

Supporting Financial Evidence

- 20.(1) A State shall furnish to the Minister such documents and other evidence to justify payment of any moneys to the State under the Scheme as the Minister may from time to time reasonably request, whether the request by the Minister is made before or after the Commonwealth has made the advance or a payment pursuant to the request by the State.

SCHEDULE 1—(continued)

- (2) Information furnished by a State pursuant to sub-clause (1) shall include details of accounts of borrowers from the State or otherwise under the Scheme, but not so as to identify borrowers, in a format agreed from time to time by Commonwealth and State Ministers.

Repayments of Part C Assistance

21. Each State shall, by way of repayment of Part C assistance, pay to the Commonwealth so much of that assistance and interest thereon as is recouped by the State in any year from the recipients of that assistance, such payments to be made on each 15th day of January and July next succeeding the receipt of those moneys by the State.

Audit

- 22.(1) The accounts, books, vouchers, documents and other records of a State relating to the operation of the Scheme shall be subject to audit carried out in accordance with Australian auditing standards by a registered company auditor or, if required by the State, the Auditor-General of the State or his or her appointee.
- (2) A report on the audits in respect of each financial year shall be furnished to the Minister by that auditor or Auditor-General of the State, as the case may be, as soon as possible after the completion of the financial year and no later than 31 December of the succeeding financial year.

Other Financial Arrangements

23. Financial arrangements in connection with the Scheme, other than those provided for in this agreement, shall be carried out as agreed from time to time between the relevant Commonwealth and State Ministers responsible for such financial arrangements.

SCHEDULE 1—(continued)

V—FINANCIAL ASSISTANCE FOR RELATED PURPOSES

Conditions

24. Subject to clause 25, the Commonwealth will provide, on conditions determined by the Commonwealth Minister but outside the Scheme, financial assistance to the States for expenditure by them in causing the Scheme to be the more effective.

Provisions Applicable

- 25.(1) The amount of financial assistance to be made available by the Commonwealth to each State for expenditure under clause 24 during a financial year shall be determined by the Commonwealth after consultation with the States.
- (2) Clauses 17, 18, 20, 22, 27, 28 and 29 shall apply in relation to this Part as if it formed part of the Scheme.

VI—TRANSITIONAL

- 26.(1) Funds provided to the State by the Commonwealth under the amended Agreement which:
- (a) are held by the State on the date on which this agreement comes into force; or
- (b) become subsequently available to it
- together with interest earned on the funds referred to in paragraphs (a) and (b) whether before or after that date and not disbursed are to be used by the State for the purposes of this agreement.
- (2) The State hereby foregoes any accrued right existing at the date at which this agreement comes into force:
- (a) to a contribution from the Commonwealth for any losses; and
- (b) to a payment by the Commonwealth of administration expenses
- in relation to the Scheme established under the amended Agreement but the Commonwealth shall pay those administration expenses as if they arose under this agreement.

SCHEDULE 1—(continued)

- (3) Where the amended Agreement ceases prior to 30 June, action taken under the provisions of this agreement equivalent to clauses 19 and 25 and sub-clause 20 (2) of the amended Agreement shall be considered to satisfy also those clauses and that sub-clause if that action is taken in relation to the financial year ending on the date which, otherwise than for its cessation, would be the date on which a financial year of the amended Agreement would end.

VII—GENERAL

Review

- 27.(1) The operation of the Scheme in relation to all of the States will be reviewed from time to time as appropriate by the Commonwealth and the States in the light of experience in its administration.
- (2) Where on a review of the operation of the Scheme the Ministers of the Commonwealth and of the States consider an amendment to the agreement should be made the Commonwealth Minister will seek to have the agreement so amended.

Exchange of Information

28. State and Commonwealth Officers associated with the Scheme will meet together as appropriate and at least once in each year and exchange information on any matters pertinent to the Scheme, including trends in adjustment assistance being provided to persons in rural industries having regard to the outlook for those industries.

Provision of Information and Review

29. The State will supply to the Commonwealth from time to time such information regarding the operation of the Scheme by the State for purposes of monitoring and accountability as agreed by the Commonwealth and the State.

Report to Parliament

30. The Minister shall on the basis of the information supplied by the States no later than 31 December of each financial year submit an annual report to the Parliament of the Commonwealth relating to the operation and effectiveness of the Scheme.

SCHEDULE 1—(continued)

Loan Council

31. In the event that the Loan Council decides to include borrowings by the State for the purposes of Parts A and B assistance in borrowings subject to Loan Council control or oversight on terms which a State considered unacceptable, the Commonwealth and the States shall consult to determine whether any amendments should be made to this agreement.

Cessation of Agreement by a State

32. A State may, on giving at least a period of sixty days notice in writing to the Commonwealth, cease, subject to its performance thereafter of any outstanding obligation, to be a party to this agreement at the expiry of that period of notice.

IN WITNESS WHEREOF this agreement has been respectively signed for and on behalf of the parties hereto

SIGNED by the Honourable
JOHN CHARLES KERIN,
Minister for Primary Industries
and Energy, for the Commonwealth
of Australia on the 22nd day of
December 1988 in the
presence of—

SIGNED by the Honourable
IAN MORTON ARMSTRONG,
Minister for Agriculture and
Rural Affairs, for the State of
New South Wales on the 25th day of
January 1989 in the presence of—

SIGNED by the Honourable
ROBERT ALLEN JOLLY, Treasurer,
for the State of Victoria on the
23rd day of January 1989
in the presence of—

SCHEDULE 1—(continued)

SIGNED by the Honourable
BRIAN DOUGLAS AUSTIN, Minister
for Finance and Minister
assisting the Premier and
Treasurer, for the State of
Queensland on the 9th day of
January 1989 in the
presence of—

SIGNED by the Honourable
JULIAN FLETCHER GRILL, Minister
for Agriculture, for the State
of Western Australia on the
29th day of December 1988 in the
presence of—

SIGNED by the Honourable
MILTON KYM MAYES, Minister
for Agriculture, for the State
of South Australia on the 1st
day of January 1989 in the
presence of—

SIGNED by the Honourable
NICHOLAS CLIVE KURT
EVERS, Minister for Primary Industry,
for the State of Tasmania on the
24th day of December 1988
in the presence of—

SIGNED by the Honourable
BARRY FRANCIS COULTER, Minister
for Industries and Development,
for the Northern Territory on the
30th day of December 1988 in the
presence of—

SCHEDULE 2
SAVINGS AND TRANSITIONAL PROVISIONS

Interpretation

1—In this Schedule, “repealed Act” means the *Rural Adjustment Act 1988*.

Applications for financial assistance

2—Any application for financial assistance under the Scheme made under section 9 of the repealed Act which has not been dealt with immediately before the commencement of this Act are taken to have been made under section 9 of this Act.

Advances and securities

3—Any financial assistance given by the Authority and any security given in respect of such assistance under the repealed Act and in force immediately before the commencement of this Act, continues to have effect as if the assistance were given and the security given under this Act.

Funds of Authority

4—Any money held by or on behalf of the Authority and payable to the Authority under the repealed Act shall be deemed to be held by or on behalf of, and payable to, the Authority under this Act.