

LOAN GUARANTEES (ELECTRICITY GENERATING PLANT).

No. 74 of 1967.

AN ACT to authorize the Treasurer to guarantee the repayment of certain loans to be made to Australian Newsprint Mills Limited, and to the Northwest Iron Co. Ltd. and the Dahlia Mining Co. Ltd., and the payment of the interest payable in respect of those loans, and to provide for matters incidental thereto.

[20 December 1967.]

Preamble.

WHEREAS—

- (a) Australian Newsprint Mills Limited is a company registered in this State and carries on at Boyer, and elsewhere in the State, the industry referred to in the *Florentine Valley Paper Industry Act 1935*; and
- (b) that company desires to borrow money for the purpose of the purchase, and the installation at its works at Boyer, of electricity generating plant, and for purposes ancillary thereto:

And whereas—

- (a) Northwest Iron Co. Ltd. and Dahlia Mining Co. Ltd. are corporations organized and existing under the laws of the State of Delaware in the United States of America and are registered in this State as foreign companies;
- (b) those companies have certain powers, rights, and duties in pursuance of the *Iron Ore (Savage River) Agreement Act 1965* and the agreement approved thereby; and
- (c) it is desired to borrow money from the Australia and New Zealand Bank Limited or some other trading bank for the purpose of the purchase

and installation of electricity generating plant in connection with the operations those companies are authorized to carry on in this State, and for purposes ancillary thereto:

And whereas it is expedient that, in order to enable money to be borrowed as aforesaid, the repayment of the money so borrowed, and the payment of the interest thereon, should be guaranteed by the State in accordance with this Act:

And whereas it is expedient that the other provisions of this Act should be enacted:

Be it therefore 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:—

1 This Act may be cited as the *Loan Guarantees (Electricity Generating Plant) Act 1967*. Short title.

2—(1) In this Act, unless the contrary intention appears— Interpretation.

“ company ” means—

- (a) the Australian Newsprint Mills Limited;
- (b) the Northwest Iron Co. Ltd.;
- (c) the Dahlia Mining Co. Ltd.; or
- (d) any other company referred to in subsection (1) of section four;

“ lending bank ” means a bank that makes a loan in respect of which a guarantee is given under this Act;

“ trading bank ” means a trading bank within the meaning of the *Banking Act 1959* of the Commonwealth, or any Act amending or passed in substitution for that Act.

(2) References in this Act to a body corporate shall be construed as including references to the assigns and successors of that body.

3—(1) Subject to this section, the Treasurer may, on behalf of the State, guarantee the repayment by the Australian Newsprint Mills Limited to a trading bank of money lent by the bank to that company that he is satisfied has been or will be used for the purpose of the purchase by the company, and the installation at its works at Boyer in this State, of electricity generating plant, or for purposes ancillary thereto. Guarantee of loan to Australian Newsprint Mills.

(2) This section does not authorize the guarantee of the repayment of any principal moneys in excess of one million four hundred thousand dollars.

Guarantee of
loans to
Northwest
Iron and
Dahlia
Mining.

4—(1) Subject to this section, the Treasurer may, on behalf of the State, guarantee the repayment of money lent by the Australia and New Zealand Bank Limited or any other trading bank to Northwest Iron Co. Ltd. or Dahlia Mining Co. Ltd. or to a company nominated by either or both of those companies with the approval of the Treasurer, being money that the Treasurer is satisfied has been or will be used for the purpose of the purchase and installation of electricity generating plant that is required for or in connection with the carrying out of the operations that either of the two companies first-mentioned in this section are authorized to carry out in this State, or for purposes ancillary thereto.

(2) This section does not authorize the guarantee of the repayment of principal moneys that, in the aggregate, exceed two million dollars.

Supple-
mentary
provisions
as to
guarantees.

5—(1) The power of the Treasurer under this Act to guarantee the repayment of any principal moneys shall be deemed to include a power to guarantee the payment of the interest payable in respect of those moneys.

(2) Before a guarantee is given by the Treasurer under this Act in respect of a loan the company to which the loan is made shall give to the Treasurer such security (if any) as the Treasurer may require and shall execute all such instruments as may be necessary for the purpose.

Payments to
bank under
guarantee.

6—(1) If the Treasurer is called upon to make a payment to a lending bank in consequence of giving a guarantee under this Act the Treasurer shall, upon the demand of that bank, and without any authority other than this section, make that payment to the bank out of the Consolidated Revenue (which, to the necessary extent, is appropriated accordingly).

(2) Where, in pursuance of a guarantee given under this Act in respect of a loan made to a company, the Treasurer is required under subsection (1) of this section to make a payment to a lending bank, that company shall, upon demand being made on it by the Treasurer, pay to the Treasurer any amount so paid by him to the lending bank, together with interest thereon at the same rate of interest as the rate payable by the company to that bank in respect of the principal moneys lent to the company by the bank in relation to which the payment was made, calculated from the day of payment by the Treasurer to the bank until the repayments to him by the company.

(3) All moneys received by the Treasurer from a company under subsection (2) of this section shall be paid into the Consolidated Revenue.