AUSTRALIAN SHIPPING COMMISSION AMENDMENT BILL 1980

Date Introduced: 20 March 1980
House: House of Representatives
Presented by: Hon. R.J. Hunt, M.P., Minister for Transport

Short Digest of Bill

Purpose

To amend the Australian Shipping Commission Act 1956 to enable the Commission, with the approval of the Treasurer, to borrow by means of the issue of Commonwealth guaranteed securities.

Background

Past borrowings of the Shipping Commission have been in the form of

(i) advances from the Commonwealth Budget;
(ii) borrowings overseas undertaken by the Commonwealth Government and on-lent to the Commission; or
(iii) trade credit facilities made available overseas.

Trade credit arrangements have been the principal form of borrowings in recent years.

The provisions of this Bill will enable the Commission to finance its approved capital expenditure program by issuing its own securities, as do Telecom, the Australian Wheat Board and the A.C.T. Electricity Authority at present. Similar amendments are proposed to the Australian National Railways Act. (See Digest of the Australian National Railways Amendment Bill 1980, presently before the House).

Main Provisions

A definition of securities is to be inserted into section 4 of the Principal Act (clause 3). Securities are defined to include stocks, debentures, promissory notes and bills of exchange.

The existing borrowing powers of the Commission, which are contained in section 30 of the Principal Act, are
to be repealed and replaced by new sections 30-30E (clause 5).

Section 30B contains the new provisions which will enable the Commission, with the approval of the Treasurer, to borrow money by means of the issue of Commonwealth guaranteed securities.

New sections 30 and 30A restate some existing provisions in s.30 which take account of the separate functions of the Treasurer and the Minister for Finance.

Securities issued by the Commission are to be exempt from stamp duty (clause 6).

Finance, Industries, Trade & Development Group

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LEGISLATIVE RESEARCH SERVICE