

**FINANCIAL AGREEMENT
(RETURNED SOLDIERS SETTLE-
MENT) RATIFICATION ACT.**

Act No. 1, 1935.

An Act to ratify, authorise and approve a certain agreement made pursuant to section 105A of the Commonwealth Constitution on the third day of July, one thousand nine hundred and thirty-four, between the Commonwealth of Australia and the States of New South Wales, Victoria, Queensland, South Australia, Western Australia and Tasmania, relating to advances made by the Commonwealth to the States for the purposes of settling on the land returned soldiers, their dependants, and certain other persons; to authorise a certain transfer in the accounts of the Colonial Treasurer; and for purposes connected therewith. [Assented to, 20th February, 1935.]

**George V.
No. 1, 1935.**

BE it enacted by the King'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:—

1. (1) This Act may be cited as the "Financial Agreement (Returned Soldiers Settlement) Ratification Act, 1935." **Short title.**

(2) This Act shall commence on a date to be appointed by the Governor, and notified by proclamation published in the Gazette.

2. The Agreement, a copy of which is set out in the Schedule to this Act, is hereby ratified, authorised and approved. **Ratification
of Agree-
ment.**

**2 Financial Agreement (Returned Soldiers Settlement)
Ratification Act.**

No. 1, 1935.

Appropriation.

3. The Consolidated Revenue Fund is hereby appropriated for the purposes of this Act to the extent necessary for the purpose of carrying out the Agreement, a copy of which is set out in the Schedule to this Act, on the part of the State of New South Wales.

Certain transfer in Treasury accounts authorised.

4. The Colonial Treasurer may transfer, in his accounts, from the Account in Special Deposits Account entitled " Commonwealth Government Advances to State re Settlement of Returned Soldiers " to the General Loan Account, such sum as is equivalent to the amount of the net liability of the State to the Commonwealth in accordance with the said Agreement.

THE SCHEDULE.

AGREEMENT made the third day of July, one thousand nine hundred and thirty-four, 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 South Australia of the fifth part, the State of Western Australia of the sixth part, and the State of Tasmania of the seventh part (each of the parties of the second, third, fourth, fifth, sixth and seventh part being in this Agreement referred to as a "State" and the expression "the States" hereinafter used meaning where the context so permits or requires all of such parties).

WHEREAS this Agreement is supplemental to an Agreement (hereinafter referred to as the "Financial Agreement") made the twelfth day of December, one thousand nine hundred and twenty-seven, between the same parties as are parties hereto with respect to the public debts of the States including—

- (a) the taking over of such debts by the Commonwealth; and
- (b) the payment of interest and the provision of Sinking Funds in respect of such debts;

which Agreement has been approved by the Parliaments of the Commonwealth and of the States;

And whereas the Commonwealth has lent to each of the States certain sums for the purposes of settling on the land returned soldiers and their dependants and other persons being settlers as defined in this Agreement and has received from each of the States certain sums as repayment in part of the said sums lent as aforesaid particulars of the sums so lent and so repaid being set forth in the Schedule hereto;

And

**Financial Agreement (Returned Soldiers Settlement)
Ratification Act.**

3

No. 1, 1965

And whereas the balances of the said several sums lent by the Commonwealth to each State after deducting from such sums respectively the said several sums repaid by that State to the Commonwealth are included in the amount of the net public debt of that State existing on the thirtieth day of June, one thousand nine hundred and twenty-seven, as set forth in the said Financial Agreement;

And whereas the Commonwealth and the States have agreed pursuant to section 105A of the Commonwealth Constitution that the provisions hereinafter contained shall apply to the aforesaid portion of the said Public Debt of each State, and that the Financial Agreement as altered by the two several Agreements made the twenty-first day of July, one thousand nine hundred and thirty-one, and the twenty-second day of October, one thousand nine hundred and thirty-one, between the parties hereto shall be varied accordingly.

Now it is hereby agreed as follows:—

1. This Agreement shall have no force or effect and shall not be binding on any party unless and until it is authorised or approved by the Parliaments of the Commonwealth and of the States.

2. In this Agreement—

(a) Any person who was at any time after the fourth day of August, one thousand nine hundred and fourteen, and before the thirty-first day of August, one thousand nine hundred and twenty-one—

(i) a member of the Naval or Military Forces enlisted or appointed for or employed on active service outside Australia or employed in a ship of war; or

(ii) a member of the Army Medical Corps Nursing service accepted or appointed by the Director-General of Medical Services for services outside Australia; or

(iii) serving in the Naval or Military Forces of any part of the King's Dominions other than the Commonwealth on proof to the satisfaction of the State concerned that he had before his enlistment or appointment for service resided in the Commonwealth; or

(iv) a member of the Army Medical Corps Nursing service of any part of the King's Dominions other than the Commonwealth on proof to the satisfaction of the State concerned that she had before her acceptance by or appointment to that service resided in Australia;

shall be deemed to be a member of the Forces within the meaning of this Agreement;

(b) "Dependant" means a widow or mother or child (including an ex-nuptial child) of a deceased member of the Forces who was wholly or in part dependent upon the earnings of or upon the member of the Forces at any time during the period of twelve months prior to his becoming a member of the Forces;

(c)

**Financial Agreement (Returned Soldiers Settlement)
Ratification Act.**

No. 1, 1935.

- (c) "Munition worker" means a person who during the continuance of the war between His Majesty the King and the German Emperor and between His Majesty the King and the Emperor of Austria King of Hungary—
- (i) entered into an agreement with the Commonwealth or the Minister of State for Defence to proceed to Great Britain for the purpose of—
 - (1) engaging in the work of producing munitions for the Imperial Government or otherwise; or
 - (2) serving under the Imperial Government in the Ministry of Munitions; and
 - (ii) engaged or served as aforesaid and whose agreement with the Commonwealth or the Minister of State for Defence was not determined by reason of his failure to observe and perform in all respects the terms and conditions contained in the Agreement and on his part to be observed and performed or by reason of his dismissal from any work in Great Britain during the continuance of the Agreement because of any conduct of the worker which in the opinion of the said Minister was such as to justify the determination of the Agreement;
- (d) "War worker" means a person who during the continuance of the war between His Majesty the King and the German Emperor and between His Majesty the King and the Emperor of Austria King of Hungary entered into an agreement with the Commonwealth or the Minister of State for Defence to proceed to Great Britain for the purpose of engaging in work as a labourer fettle or navy for the Imperial Government or otherwise and engaged in such work and whose agreement with the Commonwealth or the Minister of State for Defence was not determined by reason of his failure to observe and perform any term or condition contained in the Agreement and on his part to be observed and performed or by reason of his dismissal from any work in Great Britain during the continuance of the Agreement because of any conduct of the worker which in the opinion of the said Minister was such as to justify the determination of the Agreement;
- (e) "Settler" means a person approved by a State as suitable for settlement upon the land in that State and who was at any time after the fourth day of August, one thousand nine hundred and fourteen, and before the thirty-first day of August, one thousand nine hundred and twenty-one—
- (i) a member of the Forces; or
 - (ii) a munition worker; or
 - (iii) a war worker; or
- who is a dependant; and includes—
- (1) any other person who was a soldier of the Imperial Reserve Forces called up for active service during the war

**Financial Agreement (Returned Soldiers Settlement)
Ratification Act.**

5

No. 1, 1935.

war between His Majesty the King and the German Emperor and between His Majesty the King and the Emperor of Austria King of Hungary; and

- (2) any other person who served during the said war in the Naval or Military Forces of any part of the King's Dominions other than the Commonwealth on active service outside that Dominion;

and who was settled on the land by that State or lodged with that State an application for land on or before the thirtieth day of October, one thousand nine hundred and twenty;

- (f) "Home maintenance area" means such an area as when worked by an industrious settler will under average seasons and circumstances return him sufficient to meet his commitments to the State and to maintain himself and family in reasonable comfort.

3. Each State acknowledges to have received on loan from the Commonwealth for the purpose of settling on the land returned soldiers and their dependants and other persons being settlers as defined in this Agreement the several sums set forth with respect to that State in column 2 of the Schedule hereto.

4. The Commonwealth acknowledges to have received from each State in part repayment of the said moneys lent to that State the several sums set forth with respect to that State in column 3 of the Schedule hereto.

5. The Commonwealth acknowledges to have received from each State interest up to the first day of October, one thousand nine hundred and twenty-five, on the several sums set forth with respect to that State in column 4 of the Schedule hereto (being the balances of the several sums set forth with respect to that State in column 2 of the said Schedule after deducting from such sums respectively the several sums set forth with respect to that State in column 3 of the said Schedule), and on the sums set forth in column 3 up to the date of their repayment at the rates of interest per annum set forth in column 1 of the said Schedule opposite such balances respectively.

6. The Commonwealth agrees to write off and reduce as at the first day of October, one thousand nine hundred and twenty-five, the indebtedness of each State in respect of the several sums set forth with respect to that State in column 4 of the Schedule hereto by the several sums set forth with respect to that State in column 5 of the said Schedule.

7. Each State agrees to complete as far as practicable the satisfactory settlement of those persons being settlers as defined in this Agreement who are now on the land in that State, particularly with respect to the provisions of home maintenance areas.

8. In addition to the reduction effected by clause 6 the Commonwealth agrees to write off and reduce as at the thirtieth day of June, one thousand nine hundred and twenty-seven, the indebtedness of each State in respect of the several sums set forth with respect to that State in Column 4 of the Schedule hereto by the several further
sums

**Financial Agreement (Returned Soldiers Settlement)
Ratification Act.**

No. 1, 1935.

sums set forth with respect to that State in column 7 of the said Schedule and the Commonwealth acknowledges that from the thirtieth day of June, one thousand nine hundred and twenty-seven, the sums set forth in column 8 of the said Schedule with respect to each State are the only amounts owing by that State in respect of the sums set out with respect to that State in column 2 of the said Schedule.

9. Each State acknowledges—

- (a) That after its indebtedness to the Commonwealth in respect of the several sums set forth with respect to that State in column 4 of the Schedule hereto has been written off and reduced by the several sums set forth with respect to that State in column 5 of the said Schedule as mentioned in clause 6 it will then (but without prejudice to clause 8) be indebted to the Commonwealth in the several sums set forth with respect to that State in column 6 of the said Schedule; and
- (b) That after its indebtedness to the Commonwealth in respect of the several sums set forth with respect to that State in column 4 of the Schedule hereto has been written off and reduced by the several further sums set forth with respect to that State in column 7 of the said Schedule as mentioned in clause 8 it will then be indebted to the Commonwealth in the several sums set forth with respect to that State in column 8 of the said Schedule.

10. The Commonwealth acknowledges that each State has paid to the Commonwealth—

- (a) From the first day of October, one thousand nine hundred and twenty-five, to the thirtieth day of June, one thousand nine hundred and twenty-seven, interest on the amount for the time being unrepaid of each of the several sums set forth with respect to that State in column 6 of the Schedule hereto; and
- (b) From the first day of July, one thousand nine hundred and twenty-seven, to the thirty-first day of December, one thousand nine hundred and thirty, interest on the amount for the time being unrepaid of each of the several sums set forth with respect to that State in column 8 of the Schedule hereto

at the rates of interest per annum set forth in column 1 of the said Schedule opposite the said sums respectively; and

- (c) From the first day of January, one thousand nine hundred and thirty-one, to the thirty-first day of July, one thousand nine hundred and thirty-one, interest on the amount for the time being unrepaid of each of the several sums set forth with respect to that State in column 8 of the Schedule hereto at the rate of five pounds per centum
per

**Financial Agreement (Returned Soldiers Settlement)
Ratification Act.**

7

No. 1, 1935.

per annum in lieu of the interest at the rates set forth in column 1 of the said Schedule opposite the said sums respectively; and

- (d) From the first day of August, one thousand nine hundred and thirty-one, to the first day of July, one thousand nine hundred and thirty-three, interest on the amount for the time being unrepaid of each of the several sums set forth with respect to that State in column 8 of the Schedule hereto at the rate of four pounds per centum per annum in lieu of the interest at the rates set forth in column 1 of the said Schedule opposite the said sums respectively.

11. Each State acknowledges that for the period of five years from the date of payment of each instalment of the moneys set forth with respect to that State in column 2 of the Schedule hereto the Commonwealth has made to that State a rebate of interest equal to two and one-half per centum (2½%) per annum calculated on the full amount of the instalment.

12. Each State (other than the State of Queensland) acknowledges that the Commonwealth has allowed to that State interest at the rate of two and one-half per centum (2½%) per annum for the period of five years on such amount of the bonds of that State issued by that State for the purpose of placing settlers on the land as is set forth hereunder with respect to that State, namely—

				£	s.	d.
New South Wales	..	..		348,900	0	0
Victoria	..	..	..	2,199,631	19	3
South Australia	..	..	..	194,827	0	10
Western Australia	..	..	..	106,603	0	0
Tasmania	..	..	..	11,936	8	1

13. On advances made by a State out of the moneys specified with respect to that State in column 2 of the said Schedule to settlers as defined in this Agreement for the purpose of effecting improvements on the land or for purchasing implements, stock and things necessary for the successful cultivation of the land the settlers shall pay to the State interest—

- (a) for the period commencing on the first day of July, one thousand nine hundred and twenty-five, and ending on the thirty-first day of July, one thousand nine hundred and thirty-one, at a reasonable rate not exceeding 3½ per centum in the first year and not exceeding in any subsequent year 3½ per centum plus ½ per centum in respect of each subsequent year after the first year, but not exceeding in any case the full rate of interest payable by the State to the Commonwealth upon the money lent plus working expenses; and
- (b) on and after the first day of August, one thousand nine hundred and thirty-one, at any rate, but not exceeding in any case the rate of five per centum per annum.

14.

**Financial Agreement (Returned Soldiers Settlement)
Ratification Act.**

9

No. 1, 1935.

Commonwealth included in the amount of the "net public debt of a State existing on 30th June, 1927," as set forth in the Financial Agreement and not included in the sums set forth in the Schedule to this Agreement.

17. Any notice or communication to be given or made by the Commonwealth to a State under this Agreement shall be deemed to have been duly given or made if signed by or on behalf of the Treasurer of the Commonwealth and sent by prepaid post addressed to the Treasurer of that State and any notice or communication to be given or made by a State to the Commonwealth under this Agreement shall be deemed to have been duly given or made if signed by or on behalf of the Treasurer of that State and sent by prepaid post addressed to the Treasurer of the Commonwealth.

18. And whereas certain doubts have been raised concerning the interpretation of subclause (a) of clause 3 of Part I of the Financial Agreement in relation to the appointment of Ministers of State to represent the Commonwealth and the States as members of the Loan Council, and it is desirable to remove such doubts.

Now it is agreed that clause 3 of Part I of the Financial Agreement is hereby varied by omitting subclause (a) and inserting in its stead the following subclause:—

(a) There shall be an Australian Loan Council which shall consist of one representative of the Commonwealth who shall be—

(a) the Prime Minister of the Commonwealth; or

(b) in the absence of the Prime Minister at any time from a meeting of the Council—a Minister nominated in writing by the Prime Minister, and

one representative of each State who shall be—

(a) the Premier of that State; or

(b) in the absence of the Premier at any time from a meeting of the Council—a Minister nominated in writing by the Premier of that State.

Provided that if, in the opinion of the Prime Minister or of any Premier of a State, special circumstances exist at any time which make it desirable so to do, the Prime Minister or the Premier, as the case may be, may nominate some other person to represent the Commonwealth or the State (as the case may be) as a member of the Loan Council.

Any nomination of a representative of a State shall be notified in writing by the Premier of the State to the Prime Minister.

And it is further agreed that the Financial Agreement shall be read and construed as if the amendments to clause 3 of Part I of that Agreement, insofar as they authorize the Prime Minister and
the

**Financial Agreement (Returned Soldiers Settlement)
Ratification Act.**

No. 1, 1935.

the Premier of a State to represent respectively the Commonwealth or a State on the Australian Loan Council, had been incorporated in that Agreement at the date of the making thereof.

In witness whereof the parties hereto have executed this Agreement the day and year first before written.

Signed by the Treasurer of the Commonwealth for and on behalf of the Commonwealth in the presence of—
F. J. MCKENNA. } J. A. LYONS.

Signed by the Treasurer of the State of New South Wales for and on behalf of the State in the presence of—
C. R. CHAPMAN. } B. S. STEVENS.

Signed by the Treasurer of the State of Victoria for and on behalf of the State in the presence of—
H. A. PITT. } STANLEY S. ARGYLE.

Signed by the Acting Treasurer of the State of Queensland for and on behalf of the State in the presence of—
H. STANLEY. } P. PEASE.

Signed by the Treasurer of the State of South Australia for and on behalf of the State in the presence of—
R. R. STUCKEY. } R. L. BUTLER.

Signed by the Treasurer of the State of Western Australia for and on behalf of the State in the presence of—
A. BERKELEY. } P. COLLIER.

Signed by the Treasurer of the State of Tasmania for and on behalf of the State in the presence of—
P. J. STRUTT. } E. DWYER GRAY.

THE

**Financial Agreement (Returned Soldiers Settlement)
Ratification Act.**

11

No. 1, 1935.

THE SCHEDULE.
SOLDIER LAND SETTLEMENT.

COLUMN 1.	COLUMN 2.	COLUMN 3.	COLUMN 4.
Rate of interest per annum applicable to the sums shown opposite thereto.	Sums lent to the State by the Commonwealth to 30th June, 1923.	Repayment by the State to the Commonwealth to 30th June, 1925.	Balances being indebtedness of the State to the Commonwealth at 30th June, 1925.
	New South Wales.		
£ s. d.	£ s. d.	£ s. d.	£ s. d.
4 14 3	20,000 0 0	20,000 0 0	.....
5 5 3	85,624 13 9	219 10 9	85,405 3 0
5 6 11	1,874,411 8 2	.....	1,874,411 8 2
6 7 0	4,285,099 0 0	.....	4,285,099 0 0
6 15 2	1,250,000 0 0	.....	1,250,000 0 0
7 5 0	2,311,067 18 0	.....	2,311,067 18 0
Total	9,826,202 19 11	20,219 10 9	9,805,983 9 2
	Victoria.		
4 13 7	20,000 0 0	20,000 0 0	.....
4 13 10	73,247 7 9	73,247 7 9	.....
5 3 10	17,084 13 5	17,084 13 5	.....
5 5 3	1,644,915 3 1	63,768 16 10	1,581,146 6 3
5 6 11	3,553,124 4 9	.....	3,553,124 4 9
6 7 0	5,480,742 14 10	.....	5,480,742 14 10
6 15 2	613,247 18 6	.....	613,247 18 6
7 5 0	565,813 13 10	.....	565,813 13 10
Total	11,968,175 16 2	174,100 18 0	11,794,074 18 2
	Queensland.		
5 5 3	326,843 11 11	17,113 10 4	309,730 1 7
5 6 11	401,240 19 9	.....	401,240 19 9
6 7 0	1,351,366 7 4	.....	1,351,366 7 4
7 5 0	638,245 11 3	.....	638,245 11 3
Total	2,717,696 10 3	17,113 10 4	2,700,582 19 11
	South Australia.		
5 5 3	91,774 16 6	24,774 18 0	66,999 18 6
5 6 11	522,282 19 6	.....	522,282 19 6
6 7 0	1,730,157 12 9	.....	1,730,157 12 9
7 5 0	513,564 8 8	.....	513,564 8 8
Total	2,857,779 17 5	24,774 18 0	2,833,004 19 5
	Western Australia.		
5 5 3	120,538 3 1	32,579 16 11	87,958 6 2
5 6 11	1,045,558 17 9	.....	1,045,558 17 9
6 7 0	1,939,883 3 3	.....	1,939,883 3 3
6 14 0	500,000 0 0	.....	500,000 0 0
6 15 2	477,801 18 11	.....	477,801 18 11
7 5 0	1,380,000 0 0	.....	1,380,000 0 0
Total	5,463,782 3 0	32,579 16 11	5,431,202 6 1
	Tasmania.		
5 5 3	380,374 18 11	38,740 7 10	341,634 11 1
5 6 11	600,000 0 0	.....	600,000 0 0
6 7 0	899,999 13 10	.....	899,999 13 10
6 14 0	19,280 6 9	.....	19,280 6 9
7 5 0	268,648 13 6	.....	268,648 13 6
Total	2,168,303 13 0	38,740 7 10	2,129,563 5 2

**Financial Agreement (Returned Soldiers Settlement)
Ratification Act.**

No. 1, 1935.

THE SCHEDULE—*continued.*SOLDIER LAND SETTLEMENT—*continued.*

	COLUMN 5. Amount to be written off as at 1st October, 1925, divided in proportion to the sums owing at the various rates of interest.	COLUMN 6. Reduced indebtedness of the State to the Commonwealth after 1st October, 1925.	COLUMN 7. Amount to be written off as at 30th June, 1927, divided in proportion to the sums owing at the various rates of interest.	COLUMN 8. Reduced indebtedness of the State to the Commonwealth after 30th June, 1927.
		New South Wales.		
	£ s. d.	£ s. d.	£ s. d.	£ s. d.

	11,670 14 5	73,734 8 7	8,140 19 1	65,593 9 6
	256,140 13 7	1,618,270 14 7	178,671 17 9	1,439,598 16 10
	585,564 3 6	3,699,534 16 6	408,462 9 7	3,291,072 6 11
	170,814 1 6	1,079,185 18 6	119,151 19 11	960,033 18 7
	315,810 7 0	1,995,257 11 0	220,294 13 8	1,774,962 17 4
Total ...	1,340,000 0 0	8,465,983 9 2	934,722 0 0	7,531,261 9 2
		Victoria.		

	209,138 0 0	1,372,008 6 3	80,566 7 1	1,291,441 19 2
	469,971 0 0	3,083,153 4 9	181,047 6 3	2,902,105 18 6
	724,937 0 0	4,755,805 14 10	279,267 18 10	4,476,537 16 0
	81,115 0 0	532,132 18 6	31,247 12 8	500,885 5 10
	74,839 0 0	490,974 13 10	28,830 15 2	462,143 18 8
Total ...	1,560,000 0 0	10,234,074 18 2	600,960 0 0	9,633,114 18 2
		Queensland.		

	54,478 0 0	255,252 1 7	15,739 5 0	239,512 16 7
	70,573 0 0	330,667 19 9	20,389 10 4	310,278 9 5
	237,689 0 0	1,113,677 7 4	68,671 2 6	1,045,006 4 10
	112,260 0 0	525,985 11 3	32,433 2 2	493,552 9 1
Total ...	475,000 0 0	2,225,582 19 11	137,233 0 0	2,088,349 19 11
		South Australia.		

	13,410 0 0	53,589 18 6	19,037 11 7	34,552 6 11
	104,530 0 0	417,752 19 6	148,404 17 0	269,348 2 6
	346,275 0 0	1,383,882 12 9	491,618 0 9	892,264 12 0
	102,785 0 0	410,779 8 8	145,927 10 8	264,851 18 0
Total ...	567,000 0 0	2,266,004 19 5	804,988 0 0	1,461,016 19 5
		Western Australia.		

	12,891 0 0	75,067 6 2	.....	75,067 6 2
	153,238 0 0	892,320 17 9	.....	892,320 17 9
	284,310 0 0	1,655,573 3 3	.....	1,655,573 3 3
	73,280 0 0	426,720 0 0	.....	426,720 0 0
	70,027 0 0	407,774 18 11	.....	407,774 18 11
	202,254 0 0	1,177,746 0 0	.....	1,177,746 0 0
Total ...	796,000 0 0	4,635,202 6 1	.....	4,635,202 6 1
		Tasmania.		

	42,031 0 0	299,603 11 1	19,231 14 8	280,371 16 5
	73,818 0 0	526,182 0 0	33,775 18 9	492,406 1 3
	110,727 0 0	789,272 13 10	50,663 17 8	738,608 16 2
	2,372 0 0	16,908 6 9	1,085 7 1	15,822 19 8
	33,052 0 0	235,596 13 6	15,123 1 10	220,473 11 8
Total ...	262,000 0 0	1,867,563 5 2	119,880 0 0	1,747,683 5 2