LOANS SINKING FUND.

**No. 6 of 1918.**

An Act to provide a Sinking Fund for Loans and for other purposes.

[Assented to 28th May, 1918.]

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 and date of commencement.**

**1.** This Act may be cited as the *Loans Sinking Fund Act* 1918, and shall be deemed to have come into operation on the first day of July One thousand nine hundred and sixteen.

**Amendment of Commonwealth Inscribed Stock Act 1911–1915.**

**2.** The *Commonwealth Inscribed Stock Act* 1911–1915 is amended—

(*a*) by omitting from section two the words “Part IV.—The Stock Redemption Fund.”; and

(*b*) by repealing Part IV.

**Loans Sinking Fund.**

**3.** The Treasurer shall, in each financial year commencing after the thirtieth day of June One thousand nine hundred and sixteen, pay out of the Consolidated Revenue Fund, which is hereby appropriated for the purpose, into the Trust Fund, under the head of the Loans Sinking Fund, an amount of not less than Ten shillings per centum per annum on the public debt of the Commonwealth at the thirty-first day of December in that year in respect of—

(*a*) all moneys raised under the *Commonwealth Inscribed Stock Act* 1911–1915; and

(*b*) all moneys borrowed from the Government of the United Kingdom.

**Payment of unexpended balances of Loan Fund into Sinking Fund.**

**4.** The Treasurer shall pay into the Loans Sinking Fund all unexpended balances standing to the credit of the Loan Fund which are no longer required.

**Application of loans Sinking Fund.**

**5.**—(1.) The Treasurer may apply the Loans Sinking Fund in—

(*a*) re-purchasing, purchasing or redeeming any securities issued under the *Commonwealth Inscribed Stock Act* 1911–1915;

(*b*) repaying any moneys borrowed from the Government of the United Kingdom; and

(c) paying any expenses incurred in carrying out the provisions of this section,

and for no other purpose whatever.

(2.) No re-purchased, purchased or redeemed securities shall be re-issued.

**Investment of Loans Sinking Fund.**

**6.**—(1.) The Treasurer may invest any moneys standing at the credit of the Loans 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.) All sums received as interest in respect of such investments, or from the sale of such securities, shall be paid into the Loans Sinking Fund.

**Closing of Stock Redemption Fund.**

**7.**—(1) All moneys standing at the credit of the Stock Redemption Fund shall be transferred to the credit of the Loans Sinking Fund, and all investments of the Stock Redemption Fund shall be deemed to be investments of the 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 Loans Sinking Fund.