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## COMMONWEALTH SHIPPING.

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No. 3 of 1923.

An Act to provide for the Establishment of the Commonwealth Shipping Line and for other purposes.

[Assented to 31st July, 1923.]

**B**E it enacted by the King's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows :—

1. This Act may be cited as the *Commonwealth Shipping Act* 1923. Short title.
2. This Act shall commence on a date to be fixed by Proclamation. Commencement.

## Definitions.

3. In this Act, unless the contrary intention appears—

“the Board” means the Board of Directors appointed under this Act; and

“the Line” means the Australian Commonwealth Line of Steamers.

## Establishment of Line.

4. A shipping line to be called the Australian Commonwealth Line of Steamers is hereby established.

## Head office.

5. The head office of the Line shall be at such place in the Commonwealth as the Governor-General, by notice in the *Gazette*, directs.

## Board of Directors.

6.—(1.) For the purposes of this Act there shall be a Board of Directors consisting of not less than three nor more than five members.

(2.) The members of the Board shall be appointed by the Governor-General and shall hold office during good behaviour for the period for which they were appointed, and shall be eligible for re-appointment.

(3.) Of the persons first appointed as members of the Board, one shall be appointed for a term of five years, one shall be appointed for a term of four years, and the remainder shall be appointed for a term not exceeding three years.

(4.) Thereafter each appointment of a member of the Board shall be for a term not exceeding three years.

(5.) The Governor-General may appoint one of the members of the Board to be Chairman.

(6.) In the case of the illness or absence from the head office of the Line of any Director the Governor-General may appoint a person to perform the functions of that Director during the illness or absence.

(7.) If the number of members of the Board is not less than five, three members shall form a quorum, and if the number of members of the Board is less than five, two members shall form a quorum.

(8.) At meetings of the Board the Chairman shall have a deliberative vote, and, in the event of an equality of voting, a second or casting vote.

(9.) In the absence of the Chairman from any meeting the members of the Board present at the meeting shall elect one of their number to act as Chairman at the meeting.

## Incorporation of Board.

7. The Board shall be a body corporate, under the name of the Australian Commonwealth Shipping Board, with perpetual succession and a common seal, with power to hold property, and capable of suing and being sued in its corporate name.

## Remuneration of Directors.

8. There shall be paid to each Director such remuneration and travelling allowance as the Governor-General fixes.

## Offices, how vacated.

9. A Director shall be deemed to have vacated his office—

(a) if he becomes insolvent or bankrupt or compounds with his creditors or makes any assignment of his salary for their benefit or takes advantage of any provisions of any Act of the Commonwealth or a State relating to insolvency or bankruptcy; or

- (b) if he resigns his office by writing under his hand addressed to the Governor-General and the resignation is accepted by the Governor-General.

**10.** The Board shall, in addition to any other powers conferred by this Act, have power— Powers of Board.

- (a) to carry on the general business of a ship-owner, and any business incidental thereto ;
- (b) to acquire and hold ships ;
- (c) to acquire and hold on any tenure any land, offices, ship-yards, wharfs or other premises and any gear or equipment necessary for the purposes of carrying on the business of the Board :
- (d) subject to the consent of the Treasurer, to dispose of any ships, land, offices, ship-yards, wharfs, or other premises acquired by or vested in the Board in pursuance of this Act ;
- (e) to act as agents for ship-owners ;
- (f) to establish offices and local boards, and appoint agents, in such places as it thinks fit ; and
- (g) to do anything incidental to any of its powers.

**11.** The Board may appoint such officers and servants as it thinks necessary for efficiently conducting its business. Appointment of officers.

**12** The management of the Line is vested in the Board. Management of Line.

**13.—(1.)** All the right, title and interest of the Commonwealth in and to— Transfer of ships, &c., to Board.

- (a) the merchant ships specified in the Schedule of this Act, together with their tackle, apparel, gear, spare gear, furniture, stores and equipment, and office furniture and fittings ; and
- (b) the stores or other property owned by the Commonwealth, which are on hand at the commencement of this Act and are used for the purposes of those ships,

are by force of this Act transferred to and vested in the Board :

Provided that, in the case of the four steamers in course of construction, the transfer and vesting shall not take effect until they are completed and taken over by the Board.

(2.) The transfer shall, in the case of the ships and other property specified in paragraph (a) of the last preceding sub-section, be at the valuation specified in the Schedule, and in the case of the stores and other property specified in paragraph (b) of that sub-section, be at a valuation to be mutually agreed.

**14.—(1.)** All the right, title and interest of the Commonwealth in and to— Transfer of Cockatoo and Schnapper Islands to Board.

- (a) the Islands situated in the Harbour of Port Jackson, in the State of New South Wales, and known as Cockatoo

Island and Schnapper Island, and in and to all improvements, buildings, structures, erections, dockyards, machinery, tools, plant, craft, furniture, and fittings on those Islands respectively; and

(b) all stock on hand which at the commencement of this Act is the property of the Ship Construction Board,

are by force of this Act transferred to and vested in the Board.

(2.) The transfer shall, in the case of the Islands and other property specified in paragraph (a) of the last preceding sub-section, be at the valuation of Four hundred thousand pounds, and, in the case of the stock specified in paragraph (b) of that sub-section, be at a valuation to be mutually agreed.

(3.) The management of the works and establishments on the said Islands is vested in the Board.

(4.) The Board shall have power to carry on in respect of those Islands the business of manufacturer, engineer, dock-owner, ship-builder and repairer, and any other business incidental thereto or to the said works and establishments.

Debentures in respect of transferred property.

15. Where ships and other property are transferred to the Board under either of the last two preceding sections, the Board shall issue to the Commonwealth debentures in the prescribed form for the amount of the valuation specified in relation to the ships and property so transferred.

Raising of working capital.

16.—(1.) For the purpose of enabling the Board to defray any expenses incidental to the establishment and working of the Line, and of any works and establishments transferred to the Board in pursuance of this Act, the Treasurer, at the request of the Board—

(a) may, out of the Consolidated Revenue Fund, which is hereby appropriated accordingly, make advances to the Board to such amount as he determines is requisite in order to provide a reasonable amount of working capital for the Board; and

(b) may guarantee to any banking corporation the settlement of any overdraft which the Board may require, and which does not exceed the amount determined by the Treasurer under paragraph (a) of this sub-section:

Provided that the total of the advances made under paragraph (a), and the amount of overdraft guaranteed under paragraph (b), shall not at any time together exceed twenty-five per centum of the amount of the debentures issued and not redeemed.

(2.) The Treasurer may pay, out of moneys appropriated by the Parliament for the purpose, any amounts which may become due and payable under any guarantee given by him in pursuance of this section.

(3.) The Board shall issue to the Commonwealth debentures in the prescribed form for any amount advanced under sub-section (1.), or paid under a guarantee under sub-section (2.), of this section.

**17.—**(1.) Any debentures issued under this Act by the Board to the Commonwealth shall, except as provided in this section, be interminable and shall bear interest at the rate of five per centum per annum payable half-yearly. Conditions of debentures.

(2.) The debentures shall be subject to the right of the Board, with the consent of the Treasurer, to apply towards their redemption any amounts received from the realization of capital assets of the Line.

**18.** Subject to the approval by resolution of both Houses of the Parliament, the Board shall have power to raise additional capital by the issue of debentures, or in such other manner, and subject to such conditions, as are prescribed. Additional capital.

**19 —**(1.) The Board may pay any or all of the profits of the Line to a Reserve Fund until the amount at credit of that Fund reaches a sum equivalent to twenty-five per centum of the amount of the debentures issued and not redeemed, or whenever the amount at credit of that Fund falls below that sum. Application of profits.

(2.) Whenever the amount at credit of the Reserve Fund reaches the sum referred to in the last preceding sub-section, not more than fifty per centum of the profits shall be paid to the Reserve Fund and the balance shall be paid to the Treasurer of the Commonwealth.

(3.) Any amounts received by the Treasurer under this section shall be paid to a Trust Account.

(4.) The Treasurer may apply any amount standing to the credit of the Trust Account towards the redemption of debentures issued by the Board to the Commonwealth, or may pay any such amount to the Consolidated Revenue Fund.

(5.) Any Insurance Fund created by the Board shall not be included in the amount of the Reserve Fund specified in this section.

(6.) Subject to this Act, the Board shall have power to invest any of its accumulated reserves or other moneys, in securities of the Commonwealth or a State, or on fixed deposit in a bank.

**20.** The income, property and operations of the Board shall be subject to the like rates, taxes and charges that would be payable under the laws of the Commonwealth or a State if the Board were carrying on business as a trading corporation formed by private individuals. Operations of Board subject to rates and taxes.

**21.—**(1.) The accounts of the Board shall be subject to inspection and audit by the Auditor-General for the Commonwealth. Audit.

(2.) The inspection and audit shall be conducted not less often than yearly, and the Auditor-General shall report to the Treasurer the result of each inspection and audit.

**22.** The Board shall, as soon as possible after the thirtieth day of June in each year, prepare a balance-sheet in the prescribed form and submit it to the Auditor-General for report, and shall forward the balance-sheet and report to the Minister, who shall lay them before both Houses of the Parliament. Balance-sheet.

Regulations.

23. The Governor-General may make regulations, not inconsistent with this Act, prescribing all matters which are required or permitted to be prescribed, or which are necessary or convenient to be prescribed, for carrying out or giving effect to this Act.

## THE SCHEDULE.

### PARTICULARS OF VESSELS TRANSFERRED UNDER SECTION 13 OF THE ACT.

<i>Steamer.</i>	<i>Tonnage.</i>	
	<i>Gross.</i>	<i>Net.</i>
AUSTRALBROOK .. ..	4,336	2,802
AUSTRALCRAG .. ..	4,503	2,855
AUSTRALFORD .. ..	4,518	2,883
AUSTRALGLEN .. ..	4,506	2,815
AUSTRALMEAD .. ..	4,151	2,476
AUSTRALMOUNT .. ..	4,338	2,808
AUSTRALPEAK .. ..	4,432	2,852
AUSTRALPLAIN .. ..	4,607	3,327
AUSTRALPOOL .. ..	4,326	2,783
AUSTRALPORT .. ..	3,687	2,312
AUSTRALRANGE .. ..	4,533	2,842
ARALUEN .. ..	5,519	3,485
BAKARA .. ..	5,970	3,687
BARAMBAH .. ..	6,016	3,681
BOONAH .. ..	6,147	3,801
BOORAL .. ..	4,359	2,724
BOORARA .. ..	6,570	4,016
BULGA .. ..	1,449	907
BULLA .. ..	5,262	3,219
CALULU .. ..	4,265	2,631
CARINA .. ..	5,486	3,437
COOEE .. ..	4,328	2,652
DONGARRA .. ..	5,601	3,539
GILGAI .. ..	5,512	3,536
PARATTAH .. ..	4,229	2,605
TALAWA .. ..	3,834	2,408
TOROME0 .. ..	4,149	2,703
MAWATTA .. ..	1,096	539
DELUNGRA .. ..	3,346	1,934
DILGA .. ..	3,308	1,949
DINOQA .. ..	3,341	1,939
DROMANA .. ..	3,350	1,934
DUMOSA .. ..	3,351	1,941
DUNDULA .. ..	3,344	1,936
EMITA .. ..	3,347	1,919
ENOGGERA .. ..	3,359	1,922
EURELIA .. ..	3,351	1,921
EROMANGA .. ..	3,359	1,922
ECHUCA .. ..	3,362	1,924
ECHUNGA .. ..	3,362	1,923
ERRIBA .. ..	3,345	1,919
EUDUNDA .. ..	3,352	1,922
ETGOWRA .. ..	3,344	1,908
EUWARRA .. ..	3,349	1,907
EURIMBLA .. ..	3,351	1,916
MORETON BAY .. ..	13,850	8,447
HOBSONS BAY .. ..	13,837	8,440
JERVIS BAY .. ..	13,837	8,440
LARGS BAY .. ..	13,851	8,457
ESPERANCE BAY .. ..	13,851	8,457

## THE SCHEDULE—continued.

Also the four undermentioned steamers now in course of construction and which will be taken over as soon as completed in every detail with all workmanship and material guaranteed to be first-class in every respect and the vessels and their machinery, tackle, gear, furniture and appliances conforming in all ways with the rules and requirements for classification in the highest class granted at Lloyds Registry of Shipping.

All necessary certificates from Lloyds Registry to be procured and delivered with the steamers.

			<i>Tonnage</i>	
			<i>Gross.</i>	<i>Net.</i>
ELOUERA ..	..	about	3,353	about 1,921
EUROA ..	..	„	3,353	„ 1,921
FORDSDALE ..	..	„	9,700	„ 5,800
FERNDAL	..	„	9,700	„ 5,800

## VALUATION.

The whole of the foregoing, together with their tackle, apparel, gear, spare gear, furniture, stores and equipment .. .. .					£4,718,150
Office furniture and fittings. .. .. .					7,500
Total .. .. .					<u>£4,725,650</u>