

Softwood Forestry Agreements

No. 89 of 1972

An Act relating to Agreements between the Commonwealth and the States in connexion with Softwood Forestry.

[Assented to 18 October 1972]

BE it enacted by the Queen's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows:—

- Short title.** 1. This Act may be cited as the *Softwood Forestry Agreements Act 1972*.
- Commencement.** 2. This Act shall come into operation on the day on which it receives the Royal Assent.
- Execution of agreements authorized.** 3. The execution, on behalf of the Commonwealth, of an agreement between the Commonwealth and a State substantially in accordance with the form contained in the Schedule to this Act is authorized.
- Payments and advances under agreements.** 4. The payments and advances by the Commonwealth to a State provided for in an agreement referred to in the last preceding section may be made to that State, by way of financial assistance, on the terms and conditions contained in that agreement, out of the Consolidated Revenue Fund, which is appropriated accordingly.
-

THE SCHEDULE

Section 3.

AN AGREEMENT made the _____ day of _____ One thousand nine hundred and seventy-two between THE COMMONWEALTH OF AUSTRALIA (in this agreement called "the Commonwealth") of the one part and THE STATE OF _____ (in this agreement called "the State") of the other part.

WHEREAS—

- (a) the Australian Forestry Council constituted by the Ministers of the Commonwealth and of the States concerned with forestry has recommended that the rate of softwood planting in Australia should be increased above the level which the States had been planting prior to the first day of July, 1966;
- (b) by an agreement authorized by the Softwood Forestry Agreements Act 1967 of the Commonwealth and made between the Commonwealth and the State the _____ day of _____ 1967 (in this agreement referred to as "the principal agreement") the Commonwealth agreed to provide financial assistance to the State to assist the State to meet the cost of planting softwoods in accordance with the programme set out in the Schedule to the principal agreement in respect of the State for a period of five years commencing on the first day of July, 1966;
- (c) the Commonwealth and the States have agreed to implement the further programme referred to in this agreement showing the proposed annual planting that, subject to funds being available, might be made by each State during the five years commencing on the first day of July, 1971;
- (d) the State is desirous of undertaking the proposed annual planting specified in respect of the State in that second five-year programme;
- (e) the Commonwealth has agreed to request the Parliament of the Commonwealth to authorize the grant of financial assistance under section 96 of the Commonwealth of Australia Constitution for the purpose of assisting the State in carrying out its part of the second five-year programme consisting of amounts which represent a part of the cost incurred by the State in respect of planting during each year of that programme and which would be repayable as provided in this agreement; and
- (f) the Parliament of the Commonwealth has authorized the grant of the financial assistance requested and the execution on behalf of the Commonwealth of this agreement.

NOW IT IS HEREBY AGREED as follows:—

1. In this agreement, unless the contrary intention appears—

- "additional planting" means the area by which the net area of planting carried out by the State in a year of the second five-year programme exceeds base year planting; Definitions.
- "base year planting" means the net area of base year planting specified in the second five-year programme in respect of the State;
- "cost of planting" means those costs incurred by or on behalf of the State and calculated in a manner approved by the Treasurer which, in the opinion of the Treasurer, are directly attributable to—
 - (a) planting;
 - (b) tending planting;
 - (c) re-planting failed planting,
 and includes costs approved by the Treasurer in the acquisition of land and execution of works (including road works and land clearing) after the thirtieth day of June, 1966, for the purposes of planting;
- "financial year" and "year" means a period of twelve months ending on the thirtieth day of June;
- "net" means, in relation to an area of planting, the area of the planting excluding roads, firebreaks, and other facilities;
- "planting" means planting of softwoods carried out by or on behalf of the State for the purpose of establishing softwood plantations not established or planted with softwoods before the first day of July, 1966;
- "programmed increased planting" means the area by which, in respect of any year of the second five-year programme, the programmed planting exceeds base year planting;
- "programmed planting" means, in relation to a year of the second five-year programme; the net area of proposed annual planting specified in that programme in respect of the State and of that year;

THE SCHEDULE—*continued*

“The Commonwealth Minister” means the Minister for National Development of the Commonwealth and includes such other Minister of State of the Commonwealth or member of the Federal Executive Council as is for the time being acting for and on behalf of that Minister;

“the first five-year programme” means the programme set out in the Schedule to the principal agreement;

“the second five-year programme” means the programme set out in the Schedule to this agreement;

“the State Treasurer” means the Treasurer of the State and includes such other Minister of the Crown as is for the time being acting for and on behalf of the Treasurer of the State;

“the Treasurer” means the Treasurer of the Commonwealth and includes such other Minister of State of the Commonwealth or member of the Federal Executive Council as is for the time being acting for and on behalf of the Treasurer;

“year of the second five-year programme” means a year in respect of which a proposed annual planting is specified in respect of the State in the second five-year programme.

Financial assistance.

2.—(1.) Subject to compliance by the State with the provisions of this agreement, the Commonwealth will, in accordance with and subject to the provisions of this agreement, provide financial assistance to the State of amounts calculated in accordance with this clause to assist the State in meeting the cost of planting incurred during each year of the second five-year programme.

(2.) Subject to sub-clause (3.) of this clause and to clause 3, the amount of financial assistance to be provided by the Commonwealth to the State in respect of each year of the second five-year programme under sub-clause (1.) of this clause shall be the amount that bears to the total cost of planting incurred in the years of the second five-year programme up to and including the year under consideration the same proportion as total additional planting or total programmed increased planting for the years of the second five-year programme up to and including that year, whichever is the less, bears to the net area of all planting in the years of the second five-year programme up to and including that year less the total amount of financial assistance that has been provided by the Commonwealth to the State in respect of planting carried out by the State in the years of the second five-year programme preceding that year.

(3.) If in a year of the second five-year programme the net area of all planting during that year exceeds programmed planting for that year or falls short of programmed planting for that year the State may at any time within a period of one year following the end of the first-mentioned year apply to the Commonwealth Minister for his approval to offset the excess or deficiency, as the case may be, against any deficiency or excess in a subsequent year or years of the second five-year programme.

Offsets from first Five-year Programme.

3.—(1.) If at the thirtieth day of June 1971, the net area of all planting during the period of five years ended on that date exceeds programmed planting during that period or falls short of programmed planting during that period the State may on or before the thirty-first day of December 1972 apply to the Commonwealth Minister for his approval to offset the excess or deficiency, as the case may be, against any deficiency or excess in a year of the second five-year programme.

(2.) If, in any year of the second five-year programme, the net area of all planting up to the end of that year of that programme falls short of programmed planting up to the end of that year of that programme, and the Minister has approved under sub-clause (1.) of this clause the offset of an excess of planting from the first five-year programme then, in that event—

(a) if the net area of planting in the years of the second five-year programme up to the end of the said year of the second five-year programme equals or falls short of base year planting of that programme up to the end of the said year, the amount of financial assistance to be provided by the Commonwealth under sub-clause (1.) of clause 2 in respect of that year shall be the amount that bears to the cost of planting attributable to the year of the first five-year programme in which the excess occurred the same proportion as the net area of excess planting as has not previously been offset against a deficiency in the second five-year programme (less the area, if any, by which the net area of planting falls short of base year planting in the second five-year programme) bears to the net area of all planting in the year of the first five-year programme in which the excess occurred; or

THE SCHEDULE—*continued*

(b) if the net area of planting up to the end of the said year of the second five-year programme exceeds the base year planting of that programme up to the end of the said year, the amount of financial assistance to be provided by the Commonwealth under sub-clause (1.) of clause 2 in respect of that year shall be an amount calculated in accordance with sub-clause (2.) of clause 2 plus the amount that bears to the cost of planting attributable to the year of the first five-year programme in which the excess occurred the same proportion as the net area of excess planting as has not previously been offset against a deficiency in the second five-year programme bears to the net area of all planting in the year of the first five-year programme in which the excess occurred.

(3.) The net area of plantings transferred from the first five-year programme shall not be included in calculations of financial assistance under sub-clause (2.) of clause 2 in respect of years subsequent to the year in respect of which the area of planting transferred from the first five-year programme attracted financial assistance under this clause.

(4.) If, in any year of the second five-year programme, the net area of planting up to the end of that year exceeds programmed planting up to the end of that year, and the Minister has approved under sub-clause (1.) of this clause the offset of a deficiency of planting from the first five-year programme, the deficiency, to the extent that it has not previously been offset against an excess in the second five-year programme, may be applied to that year so as to increase programmed increased planting in respect of that year to the extent of the deficiency so applied for the purpose of calculating in accordance with sub-clause (2.) of clause 2 the financial assistance to be provided by the Commonwealth to the State under sub-clause (1.) of that clause in respect of that year.

4.—(1.) The Commonwealth will, from time to time, at the request of the State and subject to the provisions of this agreement, make payments to the State of amounts of financial assistance to be provided under this agreement.

Payments by
Commonwealth.

(2.) The State will furnish to the Treasurer such documents and other evidence in support of each request by the State for a payment to it by the Commonwealth under the last preceding sub-clause as the Treasurer may from time to time reasonably request, whether the request by the Treasurer is made before or after the Commonwealth has made a payment pursuant to the request by the State.

(3.) Any statement of cost by the State forwarded to the Commonwealth in connexion with a request for payment in accordance with sub-clause (1.) of this clause shall be certified as to its correctness by the Auditor-General of the State.

5.—(1.) The Treasurer may, at such times as he thinks fit, make advances of such amounts as he thinks fit to the State on account of an amount that may become payable to the State under the last preceding clause.

Advances.

(2.) An amount or part of an amount advanced by the Treasurer under this clause may be deducted by the Commonwealth from amounts to be paid subsequently under the last preceding clause, or, if there are no further amounts to be paid under that clause, shall be refunded by the State to the Treasurer at his request.

6. The State shall ensure that an amount, or any part of an amount, paid to the State under this agreement is not used or applied except for the purpose of meeting cost of planting.

Use of
Payments and
Advances.

7.—(1.) Interest shall not accrue or be payable in respect of a payment or advance made to the State under clause 4 or clause 5 of this agreement until the expiration of ten years after the date upon which the payment or the advance was made.

Interest.

(2.) Interest at the rate provided in this clause shall accrue in respect of each payment or advance made to the State under clause 4 or clause 5 of this agreement calculated from the date which is ten years after the date on which the payment or advance was made on so much of the payment or advance as for the time being has not been repaid by the State under the next succeeding clause or, in the case of an advance, refunded to the Commonwealth under clause 5 of this agreement.

(3.) The amount of the interest that has accrued under this clause shall be calculated as at, and shall become due and payable by the State to the Commonwealth on, the fifteenth day of January and the fifteenth day of July in each year.

THE SCHEDULE—*continued*

(4.) The rate at which interest accrues under this clause shall be the rate that is equivalent to the rate of yield to maturity of the loan of the longer or longest term of the last loan raising by the Commonwealth in Australia for public subscription prior to the date on which the relevant payment or advance was made.

(5.) For the purposes of this clause the expression "the rate of yield to maturity" means the rate per annum, as determined by the Treasurer to the nearest cent in accordance with sound actuarial practice, that the yield from the interest payable by the Commonwealth in respect of the relevant loan represents having regard to the issue price and the period to maturity of the loan.

Repayments by the State.

8.—(1.) Subject to the provisions of this clause, the State shall repay to the Commonwealth each of the payments made to the State under clause 4 of this agreement and of the advances made to the State and not refunded under clause 5 of this agreement by fifty equal half-yearly payments, the first payment to be made on the fifteenth day of July of the eleventh year after the date on which the payment or advance was made by the Commonwealth to the State and subsequent payments to be made on each succeeding fifteenth day of January and fifteenth day of July.

(2.) The State may at any time, after giving to the Treasurer at least one month's notice of its intention so to do, repay to the Commonwealth so much of an amount that is repayable by the State under this clause as remains unrepaid, together with the interest on the amount repaid accrued to the date of repayment in accordance with the last preceding clause.

Execution of Programme.

9. The State shall ensure that planting during each year is carried out efficiently and in conformity with sound forestry and financial practices and shall ensure that environmental factors relating to the planting have been considered.

Annual Estimates.

10. The State shall prepare and furnish to the Treasurer not later than the thirtieth day of April in each year a statement or statements showing the estimated cost of planting in respect of the next succeeding financial year and estimates of the amounts that the State will request the Commonwealth to pay to the State under this agreement during that financial year.

Supply of Information.

11. The State shall from time to time at the request of the Commonwealth Minister furnish to him such information as he may reasonably require for the purposes of or in relation to this agreement.

Financial Statements.

12. The State shall—

- (a) keep full accounts and records of all financial transactions, work done, and plant, stores, materials and equipment used or disposed of, in connexion with the carrying out of the second five-year programme; and
- (b) furnish to the Treasurer, as soon as possible after the completion of each financial year in which there is expenditure on the second five-year programme, financial statements showing expenditure on that programme up to the preceding thirtieth day of June.

Audit.

13.—(1.) The accounts, books, vouchers, plans, documents and other records of the State relating to cost of planting shall be subject to audit by the Auditor-General of the State.

(2.) Until all amounts to be paid by the Commonwealth under this agreement are paid, and supporting evidence to the satisfaction of the Treasurer is furnished by the State in relation to all amounts making up cost of planting, a report on the audits and on the financial statements in respect of each financial year shall be furnished by the Auditor-General of the State to the Treasurer as soon as possible after the completion of the financial year, indicating inter alia—

- (a) whether the financial statements are based on proper accounts and records and are in agreement with those accounts and records; and
- (b) whether the expenditure of moneys was for the purpose of meeting cost of planting, and including reference to such other matters arising out of the audits and financial statements as the Auditor-General of the State considers should be reported to the Treasurer.

Noices, etc.

14. Any notice, request or other communication to be given or made under this agreement by the Commonwealth, the Treasurer or the Commonwealth Minister to the State shall be deemed sufficiently given or made if it is in writing signed by the Treasurer or the Commonwealth Minister, as appropriate, or by any person thereunto authorized in writing by either

THE SCHEDULE—*continued*

of them and any notice, application, request or other communication to be given or made by the State to the Commonwealth, the Treasurer or the Commonwealth Minister shall be deemed sufficiently given or made if it is in writing signed by the State Treasurer or any person thereunto authorized in writing by him.

THE SCHEDULE

THE SECOND FIVE-YEAR PROGRAMME

Clause 1.

State	Base Year Planting (acres net)	Proposed Annual Planting (acres net) Year ending 30 June—				
		1972	1973	1974	1975	1976
New South Wales ..	8,780	18,510	18,510	18,510	18,510	18,510
Victoria ..	6,510	11,580	11,580	11,580	11,580	11,580
Queensland ..	5,640	9,700	9,700	9,700	9,700	9,700
South Australia ..	3,400	4,500	4,500	4,500	4,500	4,500
Western Australia ..	3,250	5,790	5,790	5,790	5,790	5,790
Tasmania ..	2,100	4,600	4,600	4,600	4,600	4,600
Totals ..	29,680	54,680	54,680	54,680	54,680	54,680