



Loan Act 1986

No. 95 of 1986

An Act to authorise the borrowing and expending of money for certain purposes

[Assented to 13 October 1986]

BE IT ENACTED by the Queen, and the Senate and the House of Representatives of the Commonwealth of Australia, as follows:

PART I—PRELIMINARY

Short title

1. This Act may be cited as the *Loan Act 1986*.

Commencement

2. This Act shall come into operation on the day on which it receives the Royal Assent.

Interpretation

3. In this Act, unless the contrary intention appears—
“defence service”, in relation to the financial year, means a service specified under the heading “DEPARTMENT OF DEFENCE” in a relevant appropriation Act for the financial year;
“financial year” means the year ending on 30 June 1987;

“relevant appropriation Act”, in relation to the financial year, means—

- (a) the *Supply Act (No. 1) 1986-87*; or
- (b) an Act, whether passed before or after the commencement of this Act, appropriating the Consolidated Revenue Fund for the service of the financial year ending on 30 June 1987, being an Act that is expressed to have effect subject to this Act.

PART II—BORROWING AND EXPENDING OF MONEY FOR DEFENCE PURPOSES

Authority to borrow

4. The Treasurer may, from time to time during the financial year, in accordance with the provisions of the *Commonwealth Inscribed Stock Act 1911* or an Act authorising the issue of Treasury Bills, borrow money that, together with any money previously borrowed under this section during the financial year, does not exceed the sum of—

- (a) the total of the amounts authorised to be expended after the commencement of this Act and before the end of the financial year for defence services for the financial year; and
- (b) the expenses of borrowing.

Application of money borrowed under section 4

5. Money borrowed under section 4 in the financial year may be issued and expended for—

- (a) defence services for the financial year; and
 - (b) the expenses of borrowing,
- and not otherwise.

PART III—SUPPLEMENTATION OF THE CONSOLIDATED REVENUE FUND

Authority to borrow

6. The Treasurer may, from time to time during the financial year, in accordance with the provisions of the *Commonwealth Inscribed Stock Act 1911* or an Act authorising the issue of Treasury Bills, borrow money that, together with any money previously borrowed under this section during the financial year, does not exceed the sum of—

- (a) the amount that, at the time of the borrowing, the Treasurer considers to be the greatest amount by which the money lawfully available, apart from this Part, for expenditure from the Consolidated Revenue Fund in the financial year is likely to be less than the amount of the expenditure made, and to be made, from the Consolidated Revenue Fund in the financial year; and
- (b) the amount that, at that time, the Treasurer considers will be the expenses of the borrowing.

Application of money borrowed under section 6

7. Money borrowed under section 6 may be issued and expended—

(a) in making payments to the credit of the Consolidated Revenue Fund; and

(b) for the expenses of borrowing, and not otherwise.

PART IV—MISCELLANEOUS

Appropriation

8. The Loan Fund is appropriated to the extent necessary for the purposes of this Act.

Limitation of expenditure

9. (1) Nothing in this Act, or in a relevant appropriation Act for the financial year, shall be taken to authorise the expenditure for a defence service for the financial year of an amount the expenditure of which would result in the total expenditure for that service under this Act and the relevant appropriation Acts for the financial year exceeding the total of the amounts authorised by the relevant appropriation Acts for the financial year to be expended in respect of that service.

(2) Sub-section (1) does not affect the expenditure of money appropriated under the heading "ADVANCE TO THE MINISTER FOR FINANCE" in a relevant appropriation Act for the financial year.

(3) Nothing in this Act shall be taken to authorise expenditure (otherwise than for the expenses of borrowing) after 30 June 1987.

*[Minister's second reading speech made in—
House of Representatives on 19 August 1986
Senate on 18 September 1986]*