

(4) All sums of money raised by a temporary advance under this section during a financial year for the purposes of paragraph (b) of subsection (1) of this section shall be issued and applied solely for purposes for which the moneys in the Loan Fund may lawfully be issued and applied.

**14** The Governor may make regulations under this Act. Regulations.  
Vict., s. 24.

---

## FLINDERS ISLAND SHIPPING COMPANY LOAN GUARANTEE.

---

No. 18 of 1957.

AN ACT to authorize the Treasurer to guarantee the repayment of a loan proposed to be made to Flinders Island Shipping Company Proprietary Limited by the Commonwealth Trading Bank of Australia and the payment of the interest payable in respect thereof, and to provide for matters incidental thereto. [11 April 1957.]

**W**HEREAS certain residents of Flinders Island have Preamble. formed a company that has been registered under the *Companies Act* 1920 under the style or name of Flinders Island Shipping Company Proprietary Limited:

AND WHEREAS the company has purchased the auxiliary ketches "Sheerwater" and "Prion" at a cost of £28,000 and proposes to use those vessels in trading between Flinders Island and Launceston:

AND WHEREAS the company requires a further sum to cover working expenses but the purchase of the two vessels has placed a heavy burden on the company's shareholders and it is desirable that any further sum required by the company be secured from other sources:

AND WHEREAS the Commonwealth Trading Bank of Australia has agreed to lend the company the sum of £5,000 subject to the repayment of that sum and the payment of the interest payable thereon being guaranteed by the State:

*Flinders Island Shipping Company  
Loan Guarantee.*

AND WHEREAS it is desirable that the State guarantee the repayment of the sum proposed to be so lent to the company in order that the company shall have sufficient working capital to ensure the proper and most profitable use of those vessels:

Be it therefore enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

Short title.

**1** This Act may be cited as the *Flinders Island Shipping Company Loan Guarantee Act 1957*.

Interpretation.

Cf. No. 21 of 1955, s. 2.

**2** In this Act—

“bank” means the Commonwealth Trading Bank of Australia;

“company” means Flinders Island Shipping Company Proprietary Limited.

Power of Treasurer to guarantee the repayment of a certain loan.  
*Ibid.*, s. 3.

**3**—(1) Subject to this section, the Treasurer may, on behalf of the State, guarantee the repayment by the company to the bank of a loan proposed to be made by the bank to the company and the payment of the interest payable in respect thereof.

(2) The Treasurer shall not, in pursuance of this section, guarantee the repayment of any principal moneys in excess of the sum of five thousand pounds or the payment of interest on any principal moneys in excess of that sum.

(3) Before a guarantee is given by the Treasurer under this section, the company shall give to the Treasurer such security as the Treasurer may require and shall execute all such instruments as may be necessary for that purpose.

Payments to bank under the guarantee.  
*Ibid.*, s. 4.

**4**—(1) If the Treasurer is called upon to make a payment to the bank in consequence of giving a guarantee under section three the Treasurer shall, upon the demand of the bank and without any authority other than this section, make that payment to the bank out of the Consolidated Revenue (which, to the necessary extent, is appropriated accordingly).

(2) The company shall, upon demand being made on it by the Treasurer, pay to the Treasurer any amount paid to the bank by the Treasurer under this section, together with interest thereon at the rate of five per cent per annum calculated from the day of payment by the Treasurer to the bank until repayment to him by the company.

(3) All moneys received by the Treasurer from the company under subsection (2) of this section shall be paid by the Treasurer into the Consolidated Revenue.