

1983 - 84

THE PARLIAMENT OF THE COMMONWEALTH  
OF AUSTRALIA

HOUSE OF REPRESENTATIVES

BASS STRAIT SEA PASSENGER SERVICE  
AGREEMENT BILL 1984

EXPLANATORY MEMORANDUM

(circulated by authority of the  
Minister for Transport the  
Hon. Peter Morris, MHR)

## OUTLINE

The purpose of the Bass Strait Sea Passenger Service Agreement Bill 1984 is to approve an agreement between the Commonwealth and the State of Tasmania relating to the provision of Bass Strait sea passenger services. The agreement forms a Schedule to the Bill.

The agreement covers two matters:

- (1) the terms and conditions of a grant to the State for the purchase and modification of an existing vessel (the "Nils Holgersson") to undertake the service and towards the cost of upgraded terminal facilities in Melbourne and Devonport
- (2) the State accepting financial and operational responsibility for conducting the service, for not less than 10 years.

## NOTES ON CLAUSES

### Clauses 1 and 2 - Short Title and Commencement

1. The first two clauses set out the short title of the Bill and the commencement of the legislation. The provisions of the Bill come into effect on the day it receives Royal Assent.

### Clause 3 - Approval of Agreement

2. This clause approves the agreement which forms the Schedule to the Bill, as required by recital (F) and clause 2 of the agreement.

### Clause 4 - Appropriation

3. Sub-clause 4(1) provides for the payment of the grant to the State in accordance with the terms and conditions set out in the agreement in the Schedule to the Bill.

4. Moneys for the purposes of the Bill were appropriated in Appropriation Bill No. 2 - item 5 of Division 973 in Schedule 2.

### Schedule

5. The agreement between the Commonwealth and the State of Tasmania which was executed on 7 September 1984 forms the Schedule to the Bill.

6. The recital to the agreement sets out the formal parameters of the agreement. As noted in recital (C) the Commonwealth agreed to provide a total of \$26 million to the State towards the purchase and modification of the ship and necessary upgrading of terminal facilities. \$958,073 of this amount was provided to the State on 5 June 1984 to allow the State to enter into a provisional purchase contract for the vessel.

### Schedule - Clause 1

7. The more significant definitions of words and expressions which are set out in clause 1 of the agreement are:

- (1) paragraph 2(b) which indicates that the costs of the positioning voyage of the vessel from Europe to Australia will be regarded as part of the costs of the ship for the purpose of the agreement.

- (2) paragraph 2(c) which defines the modifications to the ship which are covered by the agreement
- (3) paragraph 2(d) which indicates the extent of terminal upgrading works which are covered by the agreement.

Schedule - Clause 2

8. This clause provides that the agreement comes into effect on the approval of the Parliament of the Commonwealth. This approval is given effect by clause 3 of the Bill.

Schedule - Clause 3

9. The basic terms and conditions of the grant of up to \$25,041,927 to the State are set out in this clause.

Schedule - Clauses 4 to 9

10. These clauses detail the formal arrangements relating to requests for payments, provision of information, and payments to the State by the Commonwealth.

Schedule - Clauses 10 and 11

11. Under these clauses the State accepts financial and operational responsibility to provide sea passenger services to Tasmania for a period of not less than 10 years using either the "Nils Holgersson" or any other ship or ships.

Schedule - Clauses 12 and 13

12. The formal requirements for audit of financial statements and issuing of notices are set down in these clauses.