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Hon. Mr. Richardson.

DISTRICT RAILWAYS PURCHASING ACT 1885
EXTENSION AND AMENDMENT.

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A BILL INTITULED

AN ACT to authorize Her Majesty to purchase the Waimea Plains Railway, being a Railway constructed under the District Railways Act. Title.

5 WHEREAS on the thirtieth day of October, one thousand eight hundred and eighty-four, the House of Representatives resolved, "That the Government be requested to come to the best arrangements they can with the district railway companies with a view to the acquisition of the lines by the colony; such arrangements to be subject to the ratification of Parliament:" And whereas the Waimea Plains Railway Company (Limited), being the owners of one of the district railways referred to, is desirous of selling its railway to the Government of New Zealand: And whereas it is expedient that the Governor should be empowered, on behalf of Her Majesty, to purchase the said railway in the manner provided by this Act, and on the terms contained in a certain draft agreement, setting forth the proposed conditions of sale and purchase, copies whereof have been presented to Parliament in its present session, and are included in a parliamentary paper, lettered 1886, D.—6A. Preamble.

20 BE IT THEREFORE ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

1. The Short Title of this Act is "The District Railways Purchasing Act 1885 Extension and Amendment Act, 1886." Short Title.

Interpretation.

2. In this Act, if not inconsistent with the context,—
“Company” means the Waimea Plains Railway Company (Limited):
“Association” means the “New Zealand Government Life Insurance Association,” incorporated under “The New Zealand Government Insurance Association Act, 1884:” 5
“Railway” means the Waimea Plains Railway, and includes the land upon which the said railway is constructed, and any land or interest therein taken, purchased, agreed to be purchased, or acquired and used for the purposes of the said railway, and all buildings and erections of every kind thereon, or used therewith, and all permanent works and buildings, rolling-stock, machinery, and plant of every kind used for the purposes of or in connection with the said railway: 10
“The District Railways Acts” means “The District Railways Act, 1877,” together with all Acts passed in amendment thereof: 15
“Railway District” means the Waimea Plains Railway District as defined by *Gazette* notice under “The District Railways Act, 1877,” and “The District Railways Act 1877 Amendment Act, 1878,” published in the *New Zealand Gazette*, 27th December, 1878: 20
“Ratepayer” means a ratepayer of the Waimea Plains Railway District. 25

Governor may purchase railway in terms of provisional agreement.

3. The Governor, in the name and on behalf of Her Majesty the Queen, may enter into a contract with the company to purchase the railway upon the terms and conditions of the draft agreement hereinbefore mentioned.

And may issue debenture-bonds sufficient to realize purchase-money.

4. The Colonial Treasurer may, under the authority of an Order in Council, from time to time issue debenture-bonds to such amounts as may be necessary in order to raise sums for the following purposes:— 30

- (1.) To pay the sum of thirty-five thousand pounds agreed to be paid to the company in cash. 35
(2.) To redeem and pay off either or both of the mortgages mentioned in the Schedule which are now held by the Association over the property of the company, on such terms as may be certified by the Controller and Auditor-General to be fair and reasonable, or to pay off such mortgages at their maturity. 40

The Colonial Treasurer may sell all or any of the debenture-bonds hereby authorized to be issued in order to realize the amounts required for the purposes hereinbefore set forth, provided that none of the said debentures shall be sold at a lower price than seven per centum below par. 45

Form of bonds, &c.

5. Every such debenture-bond—
(1.) Shall be for a sum of not less than one hundred pounds, and shall bear interest at a rate not exceeding four pounds per centum per annum: 50
(2.) Shall be payable at a date of not more than twenty years from the date of the issue thereof:

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(3.) Shall be numbered consecutively, so that no two bonds shall at any time bear the same number :

(4.) Shall be payable, both as to principal and interest, at a place, within or without the colony, named in the bond :

5 (5.) Subject to the foregoing provisions, shall be in such form and shall contain such other provisions as the Governor in Council may from time to time approve.

6. All such debenture bonds and the interest thereon shall be a charge upon and shall be paid out of the Consolidated Fund. Bonds a charge on Consolidated Fund.

10 7. The Colonial Treasurer may, without further appropriation, pay out of the Public Account all such moneys as may under the contract for the purchase of the railway become payable to the company in cash, and may at any time pay out of the same account whatever sum is agreed upon, subject to the certificate before Treasurer may make payments in cash.

15 mentioned, between the Government and the Association as the amount to be paid to the Association for the redemption of the mortgages aforesaid ; and may also, without further appropriation, pay out of the same account from time to time whatever sums become due as interest on the said mortgages after the thirty-first day of 20 March, one thousand eight hundred and eighty-six.

8. Upon the payment to the company of the sum of thirty-five thousand pounds in cash, as herein provided for, all the estate, property, and interest of the company in the railway, and every- thing appurtenant thereto, shall absolutely cease, and shall become 25 and is hereby declared to be vested in Her Majesty. On purchase of railway all estate and property therein to vest in Queen.

The mortgages held by the Association over the railway and other property of the company, and which are specified in the Schedule hereto, shall, upon the principal and interest being paid, be deemed to be and are hereby declared to be absolutely 30 discharged ; but if the Association declines to accept the principal moneys until maturity, then the Government shall pay the interest due on the said mortgages from the thirty-first day of March, one thousand eight hundred and eighty-six, until they mature. Outstanding mortgages.

If upon the completion of the contract for the purchase of the 35 railway any moneys are still unpaid by the company on account of the purchase of any land hereby vested in Her Majesty, or on account of any contract made or to be made by the company, or on any other account, the Governor may retain so much of the money herein authorized to be paid to the company in cash as may be sufficient 40 to pay for all such lands, or contracts, or other accounts ; but so much of such purchase-money as may be so retained shall be deemed to have been paid to the company for the purpose of this section. Money due by company on account of lands, contracts, &c.

9. Within six months after the thirty-first day of March, in the year one thousand eight hundred and eighty-seven, and within the same 45 period in each succeeding year for nineteen years thereafter, the Colonial Treasurer shall cause an account to be prepared setting forth the total receipts and expenditure from and on account of the railway during the preceding twelve months, including in such annual expenditure the cost of working and maintaining the 50 railway and the annual interest payable by the Government on account of the purchase of the railway, whether upon the mortgages men- Colonial Treasurer to prepare annual account of receipts and payments on account of the railway.

tioned in the Schedule or upon debenture-bonds issued under the provisions of this Act, and showing the deficiency, if any, of the receipts to meet such expenditure; and in case any such deficiency shall appear therein, the Colonial Treasurer shall send such account, when certified by the Controller and Auditor-General, to the Property-tax Commissioner. 5

Property-tax Commissioner to raise rate on railway district.

10. It shall be the duty of the Property-tax Commissioner forthwith, upon the receipt of the account hereinbefore mentioned to raise, by means of rates upon all rateable property within the railway district, a sum equal to one-half of the amount of such deficiency, together with the amount of the estimated cost of making and collecting such rate: Provided that the amount so to be raised shall not in any case exceed half the amount of the interest payable as set forth in the ninth section, and the liability of the ratepayers in the Waimea Plains Railway District in respect of rates after the thirty-first day of March, one thousand eight hundred and eighty-six, shall extend to amount above provided for, notwithstanding anything to the contrary which may be contained in "The Waimea Plains Railway Rating Act, 1885," or in any other Act. It is also hereby provided that it shall not be incumbent on the Property-tax Commissioner to collect rates of less than two shillings in amount. 10 15 20

Incorporating sections 10 to 14, and 16 to 21 of "The District Railways Purchasing Act, 1885."

11. The provisions of sections ten to fourteen and sixteen to twenty-one, inclusive, of "The District Railways Purchasing Act, 1885," are hereby incorporated with this Act, and shall, *mutatis mutandis*, extend to the Waimea Plains Railway, and shall be applicable for all purposes as effectually as if the said railway had been one of the railways authorized to be purchased under "The District Railways Purchasing Act, 1885," aforesaid: Provided that the words "thirty-first day of March, one thousand eight hundred and eighty-five," in clause nineteen of the last-mentioned Act, shall be read as "thirty-first day of March, one thousand eight hundred and eighty-six:" And also provided that the lands in the railway district shall, unless reclassified as provided for under section seventeen of the last-mentioned Act, be deemed to be classified for the purposes of this Act, according to the gazetted notice of the classification thereof under "The Waimea Plains Railway Rating Act, 1885," published in the *New Zealand Gazette* dated 15th April, 1886. 25 30 35

Amending section 8 of "The District Railways Purchasing Act, 1885."

12. Section eight of "The District Railways Purchasing Act, 1885," shall be read as if the words "within six months after the thirty-first day of March in the year one thousand eight hundred and eighty-six, and within the same period in each succeeding year" had originally been inserted in the place of the words "within forty days after the thirty-first day of March in the year one thousand eight hundred and eighty-six, and on the same day in each succeeding year"; and such section and every part thereof shall be construed as if the alterations hereby made had been originally enacted by the said Act. 40 45

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SCHEDULE.

Date of Mortgage.	Amount.	Rate of Interest.	When Interest payable.	When principal repayable.
1 July, 1879 ¹	£ 40,000	Six per cent. per annum	1 April and 1 October in each year	1 July, 1909 ² .
22 Sept., 1883 ³	35,000	Six and a quarter per cent. per annum	1 April and 1 October in each year	1 Oct., 1896 ⁴ .

¹This is the date of the mortgage debentures which in this case have been purchased by Insurance Association, but the Association is also further secured by a general mortgage deed bearing date 17th June, 1880.

²This is the date of special mortgage deed securing to the Insurance Association repayment of loan to company to that extent, and Association is also additionally secured in this instance by holding company's debentures to extent of £35,000.

³This is date at which the mortgage debentures mature.

⁴This is date at which the special mortgage matures. The mortgage debentures held as collateral security have currency for much longer term, but Insurance Association cannot claim right to hold them beyond date fixed in special mortgage deed.