

Hon. Sir J. Vogel.

DISTRICT RAILWAYS PURCHASING.

ANALYSIS.

Title.	13. Rates payable in two instalments.
Preamble.	14. Of properties lying in two districts.
1. Short Title.	15. Where only portion of railway completed.
2. Interpretation.	16. Property-Tax Commissioner may delegate powers.
3. Governor may purchase district railways in terms of provisional agreements.	17. Classification of land.
4. And may issue debenture bonds for amount of purchase money.	18. Amount in pound of rate to vary according to original amounts fixed for rate.
5. Form of bonds, &c.	19. After purchase of railway, half rates remitted.
6. Bonds a charge on Consolidation Fund.	20. Railway to be subject to Public Works Acts.
7. Treasurer may make certain payments in cash.	21. Powers, &c, of company to vest in Governor.
8. Colonial Treasurer to prepare receipts and payments on account of each railway.	22. On purchase of property railways to vest in the Queen. Outstanding mortgages. Outstanding purchase-money of lands, &c.
9. Property-Tax Commissioner to raise rate on railway district.	23.
10. Rates to form part of Consolidated Fund.	24. No new district railway to be authorized.
11. Property-Tax Commissioner to be a local body.	KAIHU VALLEY RAILWAY.
12. To prepare valuation-rolls and rate-books.	25. Guarantee for £50,000 of debentures for Kaihu Railway. Schedule.

A BILL INTITULED

AN ACT to authorize Her Majesty to purchase certain Railways within the Colony constructed under the District Railways Acts and the Railways Construction and Land Acts.

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
10 subject to the ratification of Parliament:"

And whereas the companies owners of the railways mentioned in the Schedule to this Act are desirous of selling their railways to the Government of New Zealand: And whereas it is expedient that
15 the Governor should be empowered on behalf of Her Majesty to purchase the said railways in the manner provided by this Act, and on the terms contained in a certain provisional agreement and certain

draft agreements 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 1885, D. No. 5B.

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

Short Title.

1. The Short Title of this Act is "The District Railways Purchasing Act, 1885."

Interpretation.

2. In this Act, if not inconsistent with the context,— 10

"The District Railways Acts" means "The District Railways Act, 1877," together with all Acts passed in amendment thereof:

"The Railways Construction and Land Acts" means "The Railways Construction and Land Act, 1881," together with all Acts passed in amendment thereof: 15

"The said Acts" means the District Railways Acts and the Railways Construction and Land Acts as herein defined:

"Railway" means a railway constructed under any of the said Acts, and includes the land upon which the railway is constructed, and any land or interest therein taken, purchased, agreed to be purchased, or acquired and used for the purposes of the 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 such railway: 20

"Railway district" means a railway district declared to be such under any of the said Acts: 25

"Company" means a company as defined by "The District Railways Act, 1877," being the owner of any railway mentioned in the Schedule hereto, and includes the Official Liquidator of any such company. 30

Governor may purchase district railways in terms of provisional agreements.

3. The Governor, in the name and on behalf of Her Majesty the Queen, may enter into a contract with any company to purchase the railway of any such company upon the terms and conditions of the provisional agreement or draft agreements above mentioned. 35

And may issue debenture bonds for amount of purchase money.

4. The Governor in Council may authorize the Colonial Treasurer from time to time to issue to the company, or the holders of the bonds of the company, debenture bonds for any sum not exceeding the total sum agreed to be paid, in terms of any contract entered into under the authority of the *last-preceding* section; or may authorize any one or more persons, either within or beyond the colony, to be agents for the issue of such debenture bonds. 40

Form of bonds, &c.

5. Every such debenture bond— 45

(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;

(2.) Shall be payable at a date of not more than twenty years from the date of the issue thereof; 50

(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.) Subject to the foregoing provisions, shall be in such form and shall contain such other provisions as the Governor in Council or the agents aforesaid 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 Consolidation Fund.

7. The Colonial Treasurer may, without further appropriation, pay out of the Public Account all such moneys as may, under any such contract, become payable in cash ; and may issue debenture-bonds under the provisions of the foregoing sections to an amount sufficient to provide for such payments.

Treasurer may make certain payments in cash.

8. 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 for nineteen years thereafter, the Colonial Treasurer shall cause an account to be prepared in respect of each railway constructed under the District Railways Acts and purchased under this Act, so far as the same is from time to time open for traffic, setting forth the total receipts and expenditure from and on account of the same during such year, including in such expenditure the cost of working and maintaining the railway and the annual interest payable on the debenture bonds issued for the purchase of the same, 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.

Colonial Treasurer to prepare annual account of receipts and payments on account of each railway.

9. It shall be the duty of the Property-Tax Commissioner forthwith, upon the receipt of such account, to raise, by means of rates upon all rateable property within the railway district within which such railway lies, 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 two per cent. on the amount of the debenture bonds issued for the purchase of such railway.

Property-Tax Commissioner to raise rate on railway district.

10. All rates so raised shall be paid into and shall form part of the Consolidated Fund, and all expenses connected with the making and collecting the same shall, without further appropriation, be paid out of the Consolidated Fund.

Rates to form part of Consolidated Fund.

11. For the purpose of making and collecting any such rate, the Property-Tax Commissioner shall be deemed to be a local body within the meaning of " The Rating Act, 1882 " and any Act amending the same or passed in substitution thereof, and the provisions of " The Rating Act, 1882 " and of every other such Act shall apply to the making and collecting any such rate.

Property-Tax Commissioner to be a local body.

12. The Property-Tax Commissioner shall prepare a valuation-roll and rate-book for each railway district in which rates may be levied under this Act, and for such purpose may adopt the valuations in the valuation-rolls of the local bodies for the time being in force in such district ; and in railway districts where a classification of lands has been made under the said Acts, he shall prepare a separate rate-book in respect of each of such classes of land.

To prepare valuation-rolls and rate-books.

Rates payable in two instalments.

13. Each rate shall be made payable in two equal instalments, at such dates respectively, in the year in which it shall be made, as the Governor may from time to time appoint.

Of properties lying in two districts.

14. In any case in which a property lies partly within and partly without a railway district, the Property-Tax Commissioner shall determine the proportionate value of the part lying within such district and shall enter the same in the valuation-roll and rate-book, and shall collect the rate accordingly. 5

Where only portion of railway completed.

15. Where a portion only of a railway is completed and open for traffic, the rates leviable under this Act may be made and collected upon a part only of the railway district; and the part of the railway district so rateable shall, if not already determined, be determined as provided by the second section of "The District Railways Acts Amendment Act, 1883"; and such part shall, for the time being and until such railway is extended or completed, be deemed to be a railway district for the purposes of this Act. 10 15

Property-Tax Commissioner may delegate powers.

16. All acts and things necessary to be done by the Property-Tax-Commissioner for the purpose of giving effect to the provisions of this Act, for making, or collecting a rate, may be done in his name by such person or persons as he may from time to time appoint; and no person shall be entitled to dispute or refuse payment of any such rate on the ground of any informality in the mode of making or collecting the same. 20

Classification of land.

17. The lands comprised in any railway district shall, unless reclassified as hereinafter provided, be deemed to be classified for the purposes of this Act according to the gazetted notice of the classification thereof, under section nine of "The District Railways Act, 1877," or under the fourth subsection of the second section of "The District Railways Acts Amendment Act, 1883," or under the seventy-seventh section of "The Railways Construction and Land Act, 1881," as the case may be. 25 30

If a numerical majority of the ratepayers in the railway district apply to the Property-Tax Commissioner complaining that their land is not fairly classified the Governor may appoint an assessor or assessors to hear and determine upon the merits of such complaint, and to recommend such revision of the classification of the lands in the railway district as shall seem just. 35

Upon the report of such assessor or assessors, the Governor may, by notice in the *Gazette*, reclassify any of such land or any part thereof, and may remove the same or any part thereof out of either of the classes in which the same is then classified, and place it in any other of such classes, or in any new class, or altogether omit it from any of the classes. But no such reclassification shall be made at intervals of less than *five* years. 40

Every such reclassification of land shall, except as above provided, be final, and shall supersede any previous classification of the same. The separate rate-books in respect of the original classification of lands in the district shall be amended in accordance with such reclassification, and every ratepayer shall be liable in respect of any rate levied upon his land under such reclassification in the same way as he would have been liable for a rate levied upon such land under the previous classification. 45 50

148

18. When the lands in a railway district have been classified under the said Acts or under this Act, the amounts in the pound of the rates on the lands in the several classes shall be in the same proportion as the rates proposed in the original specification provided for in the fifth subsection of the eleventh section of "The District Railways Act, 1877."

Amount in pound of rate to vary according to original amounts fixed for rate.

19. On completion of the contract for the purchase of any railway under this Act, one-half of all rates payable for the period prior to the *thirty-first* day of *March*, one thousand eight hundred and *eighty-five*, under any authority given by the Minister for Public Works for the levying of such rates, shall be remitted.

After purchase of railway, half rates remitted.

If any ratepayer has paid more than such one-half the company shall repay such excess to the ratepayer.

If any ratepayer has paid less than such half, he shall become and is hereby declared to be absolutely liable for such deficiency, and the company may recover the same in a summary way.

Upon the payment by any ratepayer of the half rates for which he is hereby made liable, any proceedings against him for the recovery of rates pending at the passing of this Act shall cease, and each of the parties to such proceedings shall pay their own costs.

After the completion of any such contract for the purchase of a railway, no rates in respect thereof shall be levied except as provided by this Act.

20. Every railway purchased by the Governor under this Act shall be deemed to be a railway within the meaning of "The Public Works Act, 1882," and its amendments, and of any Act for the time being affecting any railway the property of Her Majesty the Queen, and all the provisions of such Acts, and all by-laws and regulations from time to time in force thereunder, shall apply to railways purchased under this Act; and this Act shall be deemed to be a Special Act within the meaning of "The Public Works Act, 1882."

Railway to be subject to Public Works Acts.

21. All powers and authorities conferred by the said Acts upon any company mentioned in the Schedule hereto, in respect of the construction, maintenance, and working of such railway, and otherwise in connection therewith, shall, upon the purchase of such railway under this Act or otherwise, cease to be exercisable by such company, and shall vest in, and be exercisable by, the Governor.

Powers, &c., of company to vest in Governor.

22. Upon the purchase of any railway under this Act, all the estate, property, and interest of the company in the said railway, and everything appurtenant thereto, shall absolutely cease, and shall become and is hereby declared to be vested in Her Majesty.

On purchase of property railways to vest in the Queen.

If the railway and property of the company is subject to any mortgage such mortgage shall, upon the mortgagee being paid his principal and interest, be deemed to be and is hereby declared to be absolutely discharged. But in the event of the mortgagee refusing to accept the principal moneys until maturity, then the company shall, on the completion of such contract, deposit with the Governor sufficient securities to provide for the payment of such principal moneys when due.

Outstanding mortgages.

If upon the completion of the contract for the purchase of any 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

Outstanding purchase-money of lands, &c.

account, the Governor may retain so much of the debenture-bonds payable to the company as may be sufficient for the payment of any such moneys, and may sell or otherwise dispose of the debenture-bonds so retained for the purpose of such payment; but such debenture-bonds shall be deemed to have been delivered to the company for the purpose of this section. 5

23. The Governor may, if he thinks fit, agree with any company to redeem the debenture-bonds issued to it under this Act, by payment in cash, at a price not exceeding ninety-seven pounds ten shillings for each hundred pounds, within two months after the *thirty-first* day of *March*, in the year one thousand eight hundred and eighty-seven. 10

This section shall not apply to debentures issued under the *twenty-fourth* section of this Act.

24. After the passing of this Act no railway shall be authorized to be constructed under the District Railways Acts, or any of them, or under the Railways Construction and Land Acts, or any of them. 15

KAIHU VALLEY RAILWAY.

25. On receiving from the company owner of the Kaihu Valley Railway such security as he shall think sufficient to insure repayment, the Governor by Order in Council may authorize the said company to issue debentures for any amount not exceeding fifty thousand pounds, to be applied towards the continuation and completion of the said railway. 20

All such debentures shall be issued in such form, and be subject to such conditions and other provisions as the Governor in Council shall prescribe, and shall, to any amount not exceeding the aforesaid sum of fifty thousand pounds, be deemed to be guaranteed under this Act, together with interest thereon, until paid, at any rate not exceeding five pounds per centum per annum. 25

All such debentures shall, both as to principal and interest, be made payable in New Zealand.

SCHEDULE.

RAILWAYS CONSTRUCTED UNDER THE DISTRICT RAILWAYS ACTS.

The Rakaia and Ashburton Forks Railway.

The Waimate Railway.

The Duntroon and Hakateramea Railway (Official Liquidator of).

The Thames Valley and Rotorua Railway, from Morrinsville to Lichfield.

RAILWAYS CONSTRUCTED UNDER THE RAILWAYS CONSTRUCTION AND LAND ACTS.

The Thames Valley and Rotorua Railway, from Lichfield to Rotorua.

No new district railway to be authorized.

Guarantee for £50,000 of debentures for Kaihu Railway.

Schedule.