

*Hon. Mr. Sullivan.*

## IRON AND STEEL INDUSTRY.

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### A BILL INTITULED

AN ACT to make Provision for the Establishment by **Title.**  
His Majesty's Government in New Zealand of Iron  
and Steel Works and Subsidiary Undertakings, and  
5 for Matters incidental thereto.

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

1. This Act may be cited as the Iron and Steel **Short Title.**  
10 Industry Act, 1937.

Interpretation.

2. In this Act,—

“ Commissioners ” means the Commissioners appointed for the purposes of this Act:

“ Iron-ore ” includes ironsands:

“ Mining ”, “ mining operations ”, and “ to mine ” have the same meanings respectively as in the Mining Act, 1926: 5

“ Minister ” means the Minister of Industries and Commerce.

See Reprint of Statutes, Vol. V, p. 943

Appointment of Commissioners.

3. (1) For the purposes of this Act the Governor-General may from time to time appoint not more than three Commissioners, who, under the direction of the Minister, shall exercise the powers and carry out the duties conferred and imposed on them by this Act. 10

(2) Every Commissioner appointed under this section shall hold office as such during the pleasure of the Governor-General, but no Commissioner shall hold office continuously for more than *seven* years without reappointment. 15

(3) The Commissioners shall be required to devote the whole of their time to the duties of their office, and, in particular, they shall not engage in any business on their own account or as the agents or servants of any other person. 20

Sole right to mine for iron-ore vested in Commissioners.

4. No person or authority other than the Commissioner appointed under this Act shall be entitled, after the passing of this Act, to mine for iron-ore on any lands in New Zealand. 25

Functions of Commissioners. Ibid., p. 943

5. (1) Notwithstanding anything to the contrary in the Mining Act, 1926, or in any other Act, the Commissioners may, without further authority than this Act, carry on mining operations for iron-ore on any lands in New Zealand, and may on the same or on any other lands establish and maintain works for the smelting of iron-ore derived from such operations, and for the manufacture therefrom, for use by the Government or for sale, of iron and steel, and of goods consisting wholly or substantially of iron or steel. 30 35

(2) In addition to the powers conferred on the Commissioners by the *last preceding* subsection, but subject to the provisions of subsection *four* hereof, the Commissioners may carry on any other business, undertaking, or operations which in their opinion are ancillary 40

to or are necessary or convenient for the effective and economic exercise of their powers under the *last preceding* subsection.

5 (3) Without limiting the generality of the authority conferred by the *last preceding* subsection, the Commissioners may, as and whenever they think fit so to do for the purposes of this Act—

10 (a) Carry on coal-mining operations, or any mining operations under the Mining Act, 1926, for any minerals required in connection with the production or manufacture of iron or steel:

15 (b) Construct, erect, or acquire (by purchase, lease, or otherwise) any buildings, plant, machinery, tramways, ships, and other fixed or movable appliances or works of any description:

20 (c) Purchase or otherwise acquire, on behalf of the Crown, any patents, licenses, concessions, or privileges conferring an exclusive or non-exclusive or limited right to use any information or process.

25 (4) Where by virtue of any Act any operations of the Commissioners can be lawfully carried on only pursuant to a license or other special authority, the Commissioners, or any one or more of the Commissioners, may apply for and be granted and may hold such license or other authority in the same manner in all respects as if they were private persons.

30 6. Subject to any regulations made under this Act, the provisions of the Mining Act, 1926, shall apply with respect to the Commissioners and to their mining operations for iron-ore as if the Commissioners were the holders of a mining privilege under that Act in respect of iron-ore, and as if the mining operations of the Commissioners were carried on pursuant to the  
35 authority conferred by such a mining privilege.

Mining operations of Commissioners to be carried on in conformity with the Mining Act, 1926.

40 7. (1) Any lands required for the purposes of this Act may be taken under the provisions of the Public Works Act, 1928, as for a public work within the meaning of that Act.

Lands may be taken under Public Works Act for purposes of this Act.

(2) Land may be taken under the authority of this section for all or any of the following purposes, namely:—

See Reprint of Statutes, Vol. VII, p. 622

45 (a) For the purposes of any mining operations or of any other works whatsoever undertaken or proposed to be undertaken by the Commissioners:

- (b) For the purpose of providing homes for workmen and other persons employed by the Commissioners in the conduct of their mining or other operations under this Act:
- (c) For the purpose of providing sites for shops, libraries, public halls, or other public buildings which in the opinion of the Commissioners are required for the convenience of the workmen employed by Commissioners and their families or to afford social and other amenities for the benefit of such persons: 5
- (d) For the purpose of providing sites for premises to be used for commercial or industrial purposes in the vicinity of any works carried on by Commissioners. 10
- (3) Any land acquired under this section and not required by the Commissioners for the purposes of their operations under this Act may be disposed of by sale or lease or otherwise in accordance with regulations in that behalf made under this Act. 20
- (4) Compensation for land taken in accordance with this section shall be computed in accordance with the provisions of section twenty-eight of the Finance Act (No. 2), 1936: 25
- Provided that in computing the amount of compensation payable in respect of lands taken for any of the purposes mentioned in paragraphs (b), (c), and (d) of subsection *two* hereof, there shall be deducted from the amount of compensation that would otherwise be payable any increase caused or likely to be caused in the value of the land by any works carried on or proposed to be carried on by the Commissioners under the authority of this Act. 30
- (5) The provisions of the *last preceding* subsection shall apply with respect to the computation of the compensation payable in respect of any lands taken as for a public work under the authority of any Act other than this Act, if the value of such lands is affected by any works carried on or proposed to be carried on by the Commissioners under the authority of this Act. 35
- (6) The provisions of this section are in addition to and not in derogation of the provisions of any other Act authorizing the acquisition or disposal of land by the Crown. 40

8. (1) In order to provide funds for the establishment and carrying on of works authorized by this Act, or otherwise for the purposes of this Act, the Minister of Finance is hereby empowered to borrow, on the security of and charged upon the public revenues of New Zealand, such sums of money as he thinks fit, not exceeding in the aggregate the sum of *five* million pounds.

Minister of Finance may borrow moneys for purposes of this Act.

(2) The sums so borrowed shall bear interest at such rate as the Minister of Finance prescribes.

(3) This section shall be deemed to be an authorizing Act within the meaning of the New Zealand Loans Act, 1932, and all moneys herein authorized to be borrowed shall be borrowed under and subject to the provisions of that Act accordingly.

1932, No. 23

9. (1) For the purposes of this Act there shall be established at the Reserve Bank of New Zealand an account, to be known as the Iron and Steel Industry Account.

Iron and Steel Industry Account.  
See Reprint of Statutes, Vol. VII, p. 46

(2) Part X of the Public Revenues Act, 1926, shall apply with respect to the Iron and Steel Industry Account in the same manner as it applies to the several accounts mentioned therein.

(3) The Iron and Steel Industry Account shall be operated on only by cheque signed by one of the Commissioners and countersigned by the Audit Office.

10. For the purposes of the Iron and Steel Industry Account there may be opened at the Reserve Bank or at any other bank in New Zealand, or elsewhere, such imprest or other subsidiary accounts as may from time to time be authorized in accordance with the Public Revenues Act, 1926.

Subsidiary Accounts.

11. (1) There shall from time to time be paid into the Iron and Steel Industry Account all moneys borrowed by the Minister of Finance under the authority of this Act and all moneys received by or on behalf of the Commissioners in respect of their operations under this Act.

Moneys payable into or out of the Iron and Steel Industry Account.

(2) All expenditure incurred for the purposes of this Act shall, subject to the provisions of section *fifteen* hereof, be paid out of the Iron and Steel Industry Account in accordance with the appropriation of Parliament.

(3) Any moneys which by the foregoing provisions of this section are made payable into or out of the Iron and Steel Industry Account may, with the authority of the Minister of Finance and in accordance with such directions as he may from time to time give in that behalf, be paid into or out of any subsidiary account established in accordance with the last preceding section. 5

Revocation of certain existing mining privileges.

12. The several mining privileges specified in the *First* Schedule hereto (being rights held by the Onakaka Iron and Steel Company, Limited (in liquidation), and registered in the Warden's Court at Collingwood, in the Provincial District of Nelson), are hereby declared to be revoked. 10

Warden's Court, on application, to determine whether the mining privileges revoked by this Act would have been forfeited if proceedings for forfeiture had been duly taken.

13. (1) On application made by any officer referred to in paragraph (a) of section one hundred and ninety-three of the Mining Act, 1926, acting by direction of the Minister, or on application made by the former holder of any mining privilege revoked by the *last preceding* section, the appropriate Warden's Court shall determine, with respect to all or any of those privileges, whether, on the day immediately preceding the commencement of this Act, they were liable to forfeiture and whether they would in fact have been forfeited if appropriate proceedings for their forfeiture had been duly taken by an officer referred to in the said paragraph (a) of section one hundred and ninety-three of the Mining Act, 1926. 15

(2) In determining whether or not any such mining privileges were liable to forfeiture or would in fact have been forfeited as aforesaid, the following provisions shall apply:— 20

(a) The Court shall assume that an application for forfeiture had been duly made at the instance of the Government of New Zealand for the purpose of enabling it forthwith to proceed with the establishment of iron and steel works in accordance with this Act on the lands comprised in the mining privileges affected: 25

(b) The liability of any such privileges to forfeiture shall not be deemed to have been affected by the fact that proceedings for forfeiture had not been taken, notwithstanding any default by the holders in complying with the terms of those privileges, or notwithstanding any loans, 30 35 40

concessions, bounties, privileges, or other rights that may have been extended to them by the Government of New Zealand or by the operation of any Act after such default had been made:

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(c) The provisions of paragraph (a) of section three hundred and ninety of the Mining Act, 1926, shall not be taken into account.

10 (3) The parties to any proceedings in a Warden's Court under this section shall be the same as if such proceedings were proceedings for the forfeiture of the mining privileges concerned, duly taken by an officer referred to in paragraph (a) of section one hundred and ninety-three of the Mining Act, 1926.

15 All proceedings in a Warden's Court for the purposes of this section shall be heard and determined by a Warden alone.

(4) On the completion of the proceedings under this section in respect of any mining privilege, the Warden's

20 Court shall report its decision to the parties concerned, and thereupon any party to the proceedings may appeal therefrom to the Supreme Court as if such decision were a final order, judgment, or decision of the Warden within the meaning of section three hundred and sixty-six of the Mining Act, 1926.

See Reprint of Statutes, Vol. V, p. 1131

25 14. No compensation shall be payable in respect of the revocation of any mining privileges revoked by this Act if it is determined in accordance with the *last preceding* section that such mining privileges were liable to forfeiture under the Mining Act, 1926, and would in fact have been forfeited if proceedings for their forfeiture had been taken.

No compensation payable for revocation of mining privileges that would have been forfeited if appropriate proceedings had been taken.

35 15. (1) In respect of any other mining privileges which have been revoked by this Act, compensation shall be payable in accordance with this section.

Compensation payable in respect of other mining privileges revoked by this Act.

40 (2) Failing agreement between the Minister and any claimant for compensation under this section, the amount of the compensation payable to such claimant shall be determined by a Compensation Court constituted under the Public Works Act, 1928, in the same manner as nearly as may be as if the claim were a claim for compensation under that Act.

45 (3) In computing the amount of compensation payable under this section in respect of any mining privilege (whether such amount is determined by agreement with the Minister or by a Compensation

Court) regard shall be had to the special matters mentioned in the *next succeeding* subsection, and the amount of the compensation payable shall be computed having due regard to those matters, and to any other relevant considerations. 5

(4) The special matters referred to in the *last preceding* subsection are the following:—

(a) The extent to which the former holders of any mining privileges revoked by this Act or any of their predecessors in title have developed 10 the mineral resources of the lands comprised in their mining privileges, the amount of the profits actually derived from their undertaking, and the estimated amount of the profits (if any) that would have been so derived in the 15 absence of any special concessions, bounties, or privileges granted to them or from which they have received benefit:

(b) The probability or improbability at any time 20 prior to the passing of this Act of any person or persons being able and willing to purchase any such mining privileges or any interest therein, of being able to comply with the conditions attached thereto, and of being able 25 to carry on the undertaking efficiently without the assistance of any special concessions, bounties, or privileges:

(c) The amount (if any) by which the expenses of the future development of the iron-ores 30 contained in the lands comprised in any such mining privileges will be or are likely to be reduced by reason of any works that have been carried out by the former holders of such mining privileges or by any of their 35 predecessors in title.

(5) In computing in accordance with the foregoing provisions of this section the amount of compensation payable in respect of any mining privileges, no account shall be taken of the existence or non-existence of any 40 deposits of iron-ore in any lands in New Zealand other than the lands comprised in such mining privileges, or of any works undertaken or proposed to be undertaken by the Commissioners pursuant to this Act.



(6) All compensation payable in accordance with the foregoing provisions of this section shall be paid, without further appropriation than this section, out of the Iron and Steel Industry Account.

5    **16.** The enactments mentioned in the *Second* **Repeals.**  
Schedule hereto are hereby repealed.

10    **17.** The Governor-General may from time to time, **Regulations.**  
by Order in Council, make all such regulations as in his opinion may be necessary for the administration of this  
Act and for giving full effect to the purposes and intent thereof.

SCHEDULES.

Schedules.

FIRST SCHEDULE.

MINING PRIVILEGES REVOKED BY THIS ACT.

MINERAL Lease, No. 16/12; Mineral Licenses, Nos. 9/23, 12/29; Water-race Licenses, Nos. 29/06, 6/21, 17/27, 7/29; Dam Licenses, Nos. 8/29, 11/29; Tramway Licenses, Nos. 15/25, 16/25.

SECOND SCHEDULE.

ENACTMENTS REPEALED.

Title of Enactment repealed.	Reference to Reprint of Statutes.
1914, No. 58— The Iron and Steel Industries Act, 1914 ..	Vol. VIII, p. 720.
1920, No. 51— The Iron and Steel Industries Amendment Act, 1920	Vol. VIII, p. 723.
1925, No. 3— The Iron and Steel Industries Amendment Act, 1925	Vol. VIII, p. 723.

By Authority: E. V. PAUL, Government Printer, Wellington.—1938.