

Rt. Hon. R. J. Seddon.

MANAWATU RAILWAY SALE AND PURCHASE
EMPOWERING.

ANALYSIS.

<p>Title.</p> <p>1. Short Title.</p> <p>2. Governor authorised to purchase railway.</p> <p>3. Company authorised to sell.</p> <p>4. Limit of purchase-money.</p> <p>5. Purchase-money, how paid.</p> <p>6. Basis of agreement.</p> <p>7. Date of completion of sale.</p>	<p>Liability for</p> <p>company's debentures.</p>	<p>8. Provisions when sale completed.</p> <p>9. Power to raise loan.</p> <p>10. "Aid to Public Works and Land Settlement Act, 1901," applied.</p> <p>11. Working-expenses, how paid.</p> <p>12. Company to work the railway until completion of purchase.</p> <p>13. Application of purchase-money among the shareholders.</p> <p>Schedule.</p>
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A BILL INTITULED

AN ACT to authorise the Sale and Purchase of the Wellington and Manawatu Railway. Title.

BE IT 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 Manawatu Railway Sale and Purchase Empowering Act, 1901." Short Title.

2. The Governor is hereby empowered, in the name and on behalf of His Majesty, to enter into an agreement with the Wellington and Manawatu Railway Company (Limited), (hereinafter called "the company"), for the purchase of the railway and other assets of the company mentioned in the Schedule hereto (hereinafter referred to as "the said railway") as a going concern, subject to the terms and conditions hereinafter mentioned. Governor authorised to purchase railway.

3. (1.) Notwithstanding anything in the articles of association of the company, the board of directors of the company (with the consent of the shareholders) is hereby empowered to enter into an agreement for and on behalf of the company for the sale to the Governor, on behalf of His Majesty, of the said railway, subject to the provisions of this Act. Company authorised to sell.

(2.) The consent of the shareholders may be signified by resolution passed at a general meeting called for the purpose, by a majority of the shareholders present or voting by proxy thereat, and representing not less than one-half of the shares of the company.

(3.) A certificate under the hand of the chairman of such meeting that such resolution has been duly passed shall be conclusive evidence of the fact for all purposes.

Limit of purchase-money.

4. The total purchase-money for the said railway shall be such sum, not exceeding nine hundred and fifty-one thousand eight hundred and forty-five pounds, as is agreed on between the Governor and the said board, and shall be payable as hereinafter mentioned.

Purchase-money, how paid.

5. (1.) Out of the purchase-money there shall be paid to the company in cash (or in debentures bearing interest at the rate of three and a half per centum per annum, if the company is willing to accept the same in lieu of cash) such sum, not exceeding two hundred and fifty-five thousand pounds (being at the rate of thirty shillings per share on one hundred and seventy thousand shares), as is agreed on. 5 10

(2.) The Governor shall also out of the purchase-money provide for the payment in cash, or in debentures as aforesaid, of the sum of sixteen thousand eight hundred and forty-five pounds due by the company to various creditors. 15

Liability for company's debentures.

(3.) In satisfaction of the residue of the purchase-money the Governor shall provide for the redemption in London on their due date of debentures issued by the company to an amount not exceeding six hundred and eighty thousand pounds, and in the meantime shall pay the interest thereon, in London, from the date of the completion of the sale and purchase, at the rate provided in such debentures. 20

Basis of agreement.

6. The values specified in the Schedule hereto, which have been represented by the company to be the correct values of the corresponding assets as on the thirtieth day of August, one thousand nine hundred and one, shall be deemed to form the basis of the agreement for sale and purchase, and the purchase-money shall be computed and the rights of the parties under the agreement shall be regulated accordingly. 25

Date of completion of sale.

7. The agreement for sale and purchase shall specify a date as the date on which the sale and purchase shall be deemed to be complete, and a notice in the *Gazette* by the Governor stating that the sale and purchase are complete, and specifying the date of the completion, shall be sufficient evidence of the facts. 30

Provisions when sale completed.

8. On and after the date of the completion of the sale and purchase the following provisions shall have effect:— 35

(1.) Such part of the purchase-money as is payable in cash shall be paid to the company on the date aforesaid, without further appropriation than this Act, and if for any reason it is not duly paid, then, until it is fully paid, interest at the rate of *four* per centum per annum on the amount unpaid shall also be payable. 40

(2.) The debentures which the Governor has agreed to redeem shall be a charge on the public revenues of the colony, and, together with interest thereon computed from the date aforesaid, shall be payable out of the Consolidated Fund without further appropriation than this Act. 45

(3.) The said railway and all the estate, right, title, and interest of the company therein and thereto shall, by force of this Act, and without the necessity of any conveyance, transfer, assignment, or other instrument of assurance, pass to and be absolutely vested in His Majesty as the property of the Crown, nevertheless without affecting the security of the debenture-holders of the company. 50

- (4.) A certificate under the hand of the Minister for
that any real or personal property specified in
such certificate is part of the said railway
property of His Majesty shall be conclusive
the fact for all purposes.
- (5.) The District Land Registrar of the land registrar
in which such part of the said railway as con-
sists situate shall, at the request of the Minister for
duly record the title of His Majesty to the said
for that purpose call in outstanding instruments
and do whatever may be necessary in the premises.
- (6.) All contracts and choses-in-action which under
instrument for sale and purchase pass to His Majesty may be
enforced without any notice of the assignment, and with-
out using the name of the company.
- (7.) The said railway shall be managed and administered in like
manner in all respects as if it had been constructed by
the Governor on behalf of His Majesty under the autho-
rity of a special Act, and the provisions of "The Public
Works Act, 1894," and "The Government Railways Act,
1900," shall extend and apply to the said railway accord-
ingly.
- (8.) All or any of the officers and servants permanently employed
by the company in working the said railway may be brought
under the provisions of "The Government Railways
Department Classification Act, 1901," as members of the
department, and be classified accordingly, in such manner
as the Governor thinks equitable.

9. (1.) For the purpose of providing the funds to give effect to the
agreement for sale and purchase, the Colonial Treasurer, upon being
authorised by the Governor in Council so to do, is hereby empowered to
raise from time to time, in New Zealand or elsewhere, by debentures or
scrip, or by the creation or issue of inscribed stock under "The New
Zealand Consolidated Stock Act, 1877," or otherwise, such sums of
money, not exceeding in the whole the total amount of the purchase-
money, as he thinks fit: Provided that the sum required to be
raised in order to redeem the debentures referred to in section *five*
hereof shall not be raised until such reasonable time before the
debentures fall due as the Governor in Council directs.

Power to raise loan.

10. The provisions of "The Aid to Public Works and Land
Settlement Act, 1901," relating to the raising of the loan authorised
by that Act shall, *mutatis mutandis*, apply to the loan authorised to
be raised by this Act.

"Aid to Public
Works and Land
Settlement Act,
1901," applied.

11. The working-expenses of the said railway from the date of
the completion of the purchase shall be payable out of the moneys
available for working railways; and in order to meet the increased
charges thereby occasioned the following special provisions shall
apply, anything in any Act to the contrary notwithstanding:—

Working-expenses,
how paid.

(1.) The amount of the vote for working railways in the estimates
and Appropriation Act for the financial year in which the
purchase is completed, or, as the case may be, for the
last preceding financial year, shall, by force of this Act,
be deemed to be increased by a sum equal to the estimated
working-expenses of the said railway for such year:

Manawatu Railway Sale and Purchase Empowering.

Provided that for the purposes of this provision so much only of the amount of the increase shall be deemed to remain unexpended as bears the same proportion to the total amount of the increase as the unexpired portion of the financial year bears to the whole year. 5

(2.) The estimated working-expenses of the said railway for the year shall be computed by the Minister for Railways upon the actual expenses for the preceding year as ascertained from the books of the company.

(3.) The provisions of section six of "The Public Revenues Acts Amendment Act, 1900," shall extend and apply to the said railway. 10

Company to work the railway until completion of purchase.

12. Until payment of that part of the purchase-money which is to be paid in cash or debentures, as provided by subsection *one* of section *five* hereof, the railway as a going concern shall remain in the possession of the company, and be managed and worked by the directors for the benefit of the Crown; but the receipts shall be liable to all the like charges and expenses, including the payment to the directors and the expenses of the London office of the company, as are now payable. 15

Application of purchase-money among the shareholders.

13. Immediately after the payment of the purchase-money receivable by them upon such sale the directors of the company shall, after deducting therefrom the necessary cost of carrying the said sale and the provisions of this Act into effect (such cost to be certified by the chairman or any two directors of the company, whose certificate shall be conclusive as to the amount thereof), divide and pay over the net residue thereof between and to the shareholders of the company in proportion to the number of shares held by each at the date of sale; and thereupon such proceedings shall be taken for the dissolution of the company as are provided by sections two hundred and thirty-two to two hundred and thirty-six, both inclusive, of "The Companies Act, 1882," so far as may be necessary for giving effect to this Act. 20 25 30

Schedule.

SCHEDULE.

STATEMENT OF ASSETS OF THE COMPANY AS ON THE 17TH DAY OF AUGUST, 1901.

		£	s.	d.	£	s.	d.
Railway, rolling-stock, &c.	...	952,492	12	6			
Less written off	...	191,255	4	10			
		761,237	7	8			
Freehold lands	...		51,221	16	0		
Balances due by land-purchasers	...		51,819	14	8		
Deposits and accrued interest	...		40,527	13	2		
Railway stores	...		10,181	8	2		
Sundry debtors	...		2,107	19	8		
Cash balances—							
Bank of New Zealand	...	3,479	11	5			
In hand—							
Head office	...	348	15	1			
Stations	...	45	0	0			
Imprest	...	36	10	4			
Petty cash	...	6	16	4			
London agents and in transit	...	33,533	1	9			
		37,269	14	11			
		£954,365	14	3			