

(b.) The amount of interest payable under paragraph (b) of subsection one of section four of the said Act shall be paid forthwith.

2. (a.) The rate of interest payable under paragraph (c) of subsection one of section five of the said Act shall be as follows:—

- (i.) On moneys advanced from the proceeds of Treasury bills: the rate of interest payable by the Government on such bills.
- (ii.) On moneys otherwise advanced from the Consolidated Fund: four per centum per annum.

(b.) The time of payment of the interest payable under paragraph (c) of subsection one of section five of the said Act shall be the dates on which demand is made by the Treasury for the same respectively according to Treasury practice.

3. The rate of interest payable under paragraph (a) of subsection one of section five of the said Act shall be as follows:—

- (a.) On moneys expended out of the Railways Improvement Authorization Account, 1904, and the Railways Improvement Authorization Account, 1914: the actual rate or rates of interest payable by the Government on such moneys.
- (b.) On all other capital moneys heretofore or hereafter expended in respect of the railways: four and one-eighth per centum per annum.

4. (a.) For the purposes of paragraph (a) of subsection one of section five of the said Act, the total amount of capital moneys expended in respect of the railways down to the first day of April, one thousand nine hundred and twenty-five, shall be deemed to be the total amount of capital moneys theretofore expended in respect of lines open for traffic as recorded in the books of the Railway Department.

(b.) For the purposes of paragraph (a) of subsection one of section five of the said Act, the total amount of capital moneys expended in respect of the railways from the first day of April, one thousand nine hundred and twenty-five, onwards shall be deemed to be the aggregate of the following sums:—

- (i.) The moneys expended (including any imprest advances) down to the last day of every month out of "Additions to Open Lines" vote of the Public Works Fund and the Railways Improvement Authorization Account, 1914, as shown by the Treasury Accounts.
- (ii.) The moneys expended down to the last day of every month on new lines of railway as recorded by the Public Works Department as from the date when each such new line becomes a Government railway open for traffic within the meaning of the Government Railways Act, 1908.
- (iii.) The charges and expenses of raising by way of loan any moneys referred to in paragraphs (i) and (ii) of this subclause (subject to apportionment as allocated in the records of the Treasury in the case of loans raised partly for other purposes).
- (iv.) The amount of Public Works administration and supervision charges incurred in respect of construction of railways as allocated in the records of the Treasury or Public Works Department.

5. All moneys that have on and from the first day of April, one thousand nine hundred and twenty-five, down to the date hereof been paid out of the Consolidated Fund on behalf of the Working Railways in excess of receipts from Working Railways to Consolidated Fund shall, *pro tanto*, be deemed to have been repayments of the sum referred to in paragraph (a) of subsection one of section four of the said Act, and the balance of such moneys shall be deemed as from the last day of the month in which they were so paid to have been advances by way of loan to the Working Railways Account within the meaning of paragraph (c) of subsection one of section five of the said Act.

6. Interest payable under paragraph (c) of subsection one of section five of the said Act shall be computed from day to day on the amount of advances outstanding.

7. Interest due to the Consolidated Fund under paragraph (a) of subsection one of section five of the said Act may be paid monthly on or as nearly as conveniently may be to the first day of each month: Provided always that any such interest that may be due and unpaid at the thirtieth day of September and the thirty-first day of March in each year shall be satisfied by an advance by way of loan made on the said respective dates under paragraph (c) of subsection one of section four of the said Act, and the amount of such unpaid interest shall be transferred to the Treasury Advance Account accordingly.

8. Interest on surplus moneys of the Working Railways Account invested in terms of section seven of the said Act shall be paid to the Working Railways Account as and when received by the Treasury.

9. All securities that have, by Order in Council made at any time heretofore and now in force, been declared to be

securities in which any of the balances of the Public Account may be invested under section thirty-eight of the Public Revenues Act, 1910, are hereby declared to be securities in which any moneys in the Working Railways Account may be invested in manner prescribed by section ninety-one of the Public Revenues Act, 1910, pursuant to section seven of the said Act.

10. The portions of the railway lying between (and including) the stations mentioned hereunder in each case shall be deemed to be branch lines or isolated sections (as the case may be) within the meaning of section eight of the said Act:—

BRANCH LINES.

Between	and
Otiria	Okaihau.
Paerata	Waiuku.
Stratford	Tahora.
Longburn	Foxton.
Woodside	Greytown.
Napier	Eskdale.
Rangiora	Sheffield.
Kaiapoi	Bennetts.
Waipara	Parnassus.
Lincoln	Little River.
Hornby	Southbridge.
Darfield	Whitecliffs.
Rakaia	Methven.
Tinwald	Springburn.
Washdyke	Eversley.
Studholme	Waihao Downs.
Pukeuri	Hakataramea.
Waiareka	Ngapara-Tokarahi.
Palmerston	Dunback.
Wingatui	Cromwell.
Milton	Miller's Flat.
Waipahi	Edivale.
McNab	Waikaka.
Riversdale	Switzers.
Edendale	Glenham.
Invercargill	Tokanui.
Tuatapere	Oravia.
Winton	Hedgehope.
Lumsden	Mossburn.
Westport	Omau.

ISOLATED SECTIONS.

Between	and
Dargaville	Donnelly's Crossing.
Gisborne	Motuhora-Ngatapa.
Port Nelson	Glenhope.
Picton	Wharanui.

11. Expenditure in respect of the operation and maintenance of each branch line shall for the purposes of paragraph (d) of subsection one of section four of the said Act be calculated as the aggregate of the following items, namely:—

- (a.) The cost of maintenance of ways and works, including provision for the replacement and renewal of track, bridges, buildings, dwellings, and signalling-apparatus.
- (b.) The cost of working stations, signal-boxes, and trains.
- (c.) The cost of operating and maintaining, including provision for the replacement and renewal of locomotives, rail-motors, and other motive power apportioned between the branch line and other lines in proportion to the engine-mileage run on each line.
- (d.) The cost of maintaining, including provision for the replacement and renewal of carriages, brake-vans, and wagons apportioned between the branch line and other lines in proportion to the revenue earned on each line.
- (e.) The cost of management and supervision and administration apportioned between the branch line and other lines in proportion to the revenue earned on each line.

12. The revenue derived from each branch line shall for the purposes of paragraph (d) of subsection one of section four of the said Act be calculated as the aggregate of the following items, namely:—

- (a.) All fares, freights, rents, and other revenue derived from local traffic on the branch.
- (b.) The revenue derived from the carriage on the branch line of passengers, parcels, and goods traffic from and to other lines, determined by apportioning the total revenue from such traffic between the branch line and other lines in proportion to the mileage such traffic is carried on each.
- (c.) The net revenue derived from the carriage on other lines of passengers, parcels, and goods traffic from and to the branch line.