

Right Hon. Sir J. G. Ward.

WELLINGTON AND MANAWATU RAILWAY PURCHASE.

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A BILL INTITULED

ACT to carry into Effect the Purchase of the Wellington and Manawatu Railway by the Crown. Title.

WHEREAS by virtue of the Railways Construction and Land Act, Preamble
5 1908, the Crown is entitled to purchase the railway and undertaking of the Wellington and Manawatu Railway Company (Limited), (hereinafter called the Company): And whereas the terms and conditions of the purchase have been settled by a provisional agreement entered into between the Company and the Minister of
10 Railways: And whereas on the thirty-first day of August, nineteen hundred and eight, in pursuance of the said agreement the sum of

five hundred thousand pounds was expended by the Minister of Finance in the purchase of certain debentures theretofore issued by the Company, and the said debentures are now held by the Crown : And whereas it is expedient to make legislative provision for the confirmation of the said agreement, and for carrying the same into effect in manner hereinafter appearing :

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. This Act may be cited as the Wellington and Manawatu Railway Purchase Act, 1908. 10
- Vesting of railway, &c., in Crown. 2. On the commencement of the seventh day of December, nineteen hundred and eight, the railway of the Company, together with all the land and other property described in the Schedule hereto, shall, without conveyance or other assurance, become absolutely vested in His Majesty the King, free (except so far as otherwise expressly provided in this Act) from any right, title, estate, or interest vested in any other person, and His Majesty shall thereupon be entitled to the possession of the said railway, land, and property. 15
- Purchase-money. 3. The Crown shall pay to the Company, by way of purchase-money for the railway, land, and property so transferred, the sum of nine hundred thousand pounds, together with such additional amount as is payable under the provisions contained in section *nine* of this Act. 20
- Purchase-money to include sum expended in purchase of debentures. 4. The sum of five hundred thousand pounds so expended as aforesaid in the purchase of the debentures of the Company shall be deemed and taken to be part of the said purchase-money of the railway, land, and property of the Company, and the debentures so purchased and held by the Crown are hereby cancelled and released accordingly. 25
- Payment of residue of purchase-money. 5. The residue of the said purchase-money, after deducting the said sum of five hundred thousand pounds, shall be paid by the Crown to the Company on the twenty-seventh day of February, nineteen hundred and nine. 30
- Payment of interest by Company. 6. (1.) The Company shall pay interest to the Crown on the said sum of five hundred thousand pounds at the rate of four per centum per annum, computed from the said thirty-first day of August, nineteen hundred and eight, to the seventh day of December, nineteen hundred and eight, as if the said sum had been advanced by the Crown to the Company by way of loan. 35
- Payment of interest by Crown. (2.) The Company shall be entitled to receive from the Crown interest on the residue of the purchase-money (after deducting the said sum of five hundred thousand pounds), or on such part thereof as is for the time being unpaid, at the rate of four per centum per annum, computed from the seventh day of December, nineteen hundred and eight, to the twenty-seventh day of February, nineteen hundred and nine, or until the purchase-money is fully paid. 40
- (3.) The several sums of interest payable by and to the Company respectively under the provisions of this section shall be set off against each other, and the balance shall be payable by or to the Company, as the case may be, on the said twenty-seventh day of February, nineteen hundred and nine. 45
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7. In consideration of the delivery by the Company to the Crown of possession of the said railway on the seventh day of December, nineteen hundred and eight, in accordance with the foregoing provisions of this Act, the Crown shall pay to the Company on the **5** twenty-seventh day of February, nineteen hundred and nine, the sum of fifteen thousand pounds in addition to the purchase-money hereinbefore provided for.

Additional payment of £15,000 for possession of railway on 7th December, 1908.

10 8. (1.) The residue of the said purchase-money, after deducting the said sum of five hundred thousand pounds, shall, together with the said sum of fifteen thousand pounds, be payable on the date hereinbefore provided for the payment thereof, either in cash or, at the option of the Company, in debentures issued by the Crown, or partly in cash and partly in such debentures.

Residue of purchase-money to be paid in cash or debentures at option of Company.

15 (2.) All debentures so issued shall bear interest at the rate of four per centum per annum, and shall have a currency of seven years.

(3.) All such debentures shall be charged on the public revenues of New Zealand, and shall be issued under and subject to the provisions of the New Zealand Loans Act, 1908.

20 (4.) All such debentures shall (if the Company so requires) be issued on terms conferring upon the holders thereof the right to convert the same into inscribed stock under the provisions of the New Zealand Loans Act, 1908.

25 (5.) All such inscribed stock shall be issued at the rate of one hundred and one pounds of the capital amount of such stock for every hundred pounds of the capital amount of the debentures exchanged therefor, and the said stock shall bear interest at the rate of three and a half per centum per annum, and shall be redeemable at the same time and in the same manner as the three-and-a-half-per-cent. inscribed stock heretofore issued by the Government of **30** New Zealand and current at the time of the passing of this Act.

35 9. (1.) All railway stores which are held by the Company in connection with its said railway on the sixth day of December, nineteen hundred and eight, shall be paid for by the Crown at the rate at which those stores are valued in the books of the Company at the date of the passing of this Act; or, in the case of any stores which are not so valued in the said books, then at a rate to be agreed upon between the Company and the Crown, or in default of any such agreement, at a rate to be determined by arbitration in manner hereinafter provided in respect of disputes.

Payment by Crown for railway stores.

40 (2.) The amount so payable shall be deemed to be part of the purchase-money hereinbefore referred to, in addition to the said sum of nine hundred thousand pounds, and all the foregoing provisions as to the payment of purchase-money shall apply thereto accordingly.

To be included in purchase-money.

45 10. All plans, specifications, title-deeds, and other documents (other than books of account) belonging to the Company, and having any reference to the land or other property hereby vested in the Crown shall, on the seventh day of December, nineteen hundred and eight, become the property of His Majesty the King, but the Company shall at all reasonable times thereafter be entitled to the **50** inspection thereof for all purposes connected with the rights, liabilities, or obligations of the Company or its shareholders.

Transfer of documents, &c., to Crown.

11. (1.) In the interval between the passing of this Act and the seventh day of December, nineteen hundred and eight, the Company

Prior to vesting of railway in Crown, authorised

Government officials to have right of entry upon railway, &c.

shall at all times permit the officers of the Government Railways Department and any other persons authorised in that behalf by the Minister of Railways to enter upon any part of the said railway and of the lands appurtenant thereto, and there to do all acts and things which the said Minister deems requisite or expedient for the efficient working of the railway as a Government railway on and after the said seventh day of December. 5

(2.) The powers conferred by this section on the aforesaid officers and persons shall not be exercisable in such a manner as to obstruct or interfere with the safe and convenient working of the railway by the Company in the manner in which the same has customarily been worked by the Company before the passing of this Act. 10

Assignment of contracts by Company.

12. All contracts entered into by the Company for the carriage of goods or passengers upon the said railway and subsisting on the seventh day of December, nineteen hundred and eight, shall, by virtue of this Act, be deemed to be assigned to the Crown on that day, and all rights and liabilities which arise out of any such contract in respect of the performance or breach thereof on or after the said seventh day of December, and which would otherwise be vested in or imposed upon the Company, shall be vested in or imposed upon the Crown exclusively. 15 20

Company to maintain property in good repair prior to vesting in Crown.

13. The Company shall at all times after the passing of this Act and before the seventh day of December, nineteen hundred and eight, maintain all the land, rolling-stock, stores, and other property referred to in the Schedule hereto, and all buildings, fences, and other structures on the said land in the same good order and condition in which they are at the passing of this Act, fair wear and tear only excepted, and will not remove, consume, destroy, or dispose of any such property save in the ordinary course of the management of the railway. 25 30

Company not to create incumbrance over property after passing of Act.

14. After the passing of this Act it shall not be lawful for the Company to create any charge or incumbrance over any of the land or other property mentioned in the Schedule hereto, or to vest in any person any right, title, estate, or interest therein, nor shall any such charge or incumbrance arise by operation of law by reason of any event which happens before the vesting of the said land and property in the Crown by virtue of this Act. 35

Company to maintain policies of fire insurance until property vested in Crown.

15. (1.) The Company shall at all times, and from time to time after the passing of this Act and before the seventh day of December, nineteen hundred and eight, maintain and renew all policies of fire insurance which exist at the passing of this Act in respect of any of the land or property included in the Schedule hereto. 40

(2.) All such policies and all policies obtained in renewal thereof shall until the said seventh day of December (save so far as they relate to railway stores) be deemed by virtue of this Act to be held by the Company in trust for His Majesty the King, and thereafter shall be deemed to be held by the Company on its own behalf. 45

Company to have use of head office for one year after passing of Act.

16. For a period of one year after the passing of this Act the Company shall be entitled at all reasonable times to use for the purposes of the winding-up of the Company the buildings now occupied as the head office of the Company in the City of Wellington, but those buildings shall remain in the occupation of the Crown and 50

may be used by the Crown for the purposes of the said railway so far as such use is consistent with the use thereof by the Company for the purposes aforesaid.

17. All sums payable by the Crown to the Company under this Act shall at the option of the directors of the Company be payable either in London or in New Zealand, or partly in London and partly in New Zealand.
18. The provisions of this Act shall be deemed to constitute a contract lawfully and with due authority made between the Company, through the agency of its directors, of the one part, and His Majesty the King in respect of the Government of New Zealand of the other part, and shall be enforceable by and against either party accordingly.
19. If any dispute arises between His Majesty the King and the Company as to the interpretation of this Act, or as to any matter arising out of this Act, or as to any matter not provided for by this Act but connected with the transfer of the railway, land, and other property of the Company to the Crown, the dispute shall be referred to arbitration under the provisions of the Arbitration Act, 1908, and shall be determined by two arbitrators, one to be appointed by the Minister of Railways and the other by the directors of the Company; and this Act shall be deemed to be a submission within the meaning and for the purposes of the said Act.
20. (1.) On and after the seventh day of December, nineteen hundred and eight, the said railway shall be deemed to be a Government railway duly constructed under the authority of a special Act and of the Public Works Act, 1908, and duly opened for traffic under the Government Railways Act, 1908.
- (2.) All by-laws and regulations in force on the seventh day of December, nineteen hundred and eight, under the Government Railways Act, 1903, and applicable generally to Government railways, shall thereupon become applicable to the said railway.
21. (1.) If by reason of any want or defect of title in the Company to any part of the railway or other land vested by this Act in the Crown, and by reason of the vesting thereof in the Crown, any person is deprived of any right, title, estate, or interest therein which could at the time of the passing of this Act have been enforced or recovered as against the Company if this Act had not been passed, he shall be entitled to recover compensation from the Crown in respect of that right, title, estate, or interest in the same manner as if the land in respect whereof that right, title, estate, or interest exists had been taken for the purposes of a Government railway under the Public Works Act, 1908, by a Proclamation bearing date the seventh day of December, nineteen hundred and eight, and no other proceedings shall be taken by him in respect of that right, title, estate, or interest against the Crown or the Company or any other person.
- (2.) The Company shall be under no liability to the Crown in respect of any compensation so paid by the Crown.
22. (1.) If on the passing of this Act any person has any right then enforceable against the Company to recover compensation in respect of any land included in the Schedule hereto and heretofore compulsorily taken by the Company under the authority of any Act,

Purchase-money, &c., payable either in London or in New Zealand.

Act deemed to constitute a contract.

Disputes as to interpretation to be settled by arbitration.

On date of vesting railway deemed to be a Government railway opened for traffic.

Application of by-laws and regulations.

Compensation may be paid to persons deprived of property by virtue of this Act.

Liability to pay compensation for land, transferred from Company to Crown.

such right of compensation shall be enforceable by that person against the Crown in the same manner, *mutatis mutandis*, in which it might have been enforced against the Company had this Act not been passed.

(2.) No proceedings for the recovery of such compensation shall be taken against the Company, nor shall the Company be under any liability to the Crown in respect of any compensation so paid by the Crown. 5

Outstanding debentures of Company to be paid by the Crown.

23. (1.) The capital amount of all debentures heretofore issued by the Company and outstanding and unpaid at the passing of this Act in the hands of any person other than the Crown, together with all interest heretofore accrued or hereafter to accrue due in respect thereof, shall be paid by the Crown to the holders of those debentures, and the Crown shall at all times indemnify the Company against all liability in respect of those debentures. 10 15

(2.) In consideration of the aforesaid undertaking and indemnity, all moneys which at the passing of this Act are held by the Bank of New Zealand or by any other bank, whether in New Zealand or elsewhere, on behalf of the Company under any trust or engagement to expend the same in the payment of any such debentures, or any interest accrued or accruing due thereon, are hereby assigned to the Crown, and shall be held by any such bank on behalf of the Crown and in trust for the aforesaid purpose. 20

(3.) The Company hereby guarantees to the Crown that the total amount of all debentures so outstanding and unpaid at the passing of this Act, together with all interest then accrued due thereon, does not exceed the sum of six thousand pounds. 25

Rights of debenture-holders, mortgagees, &c., saved.

24. Nothing in this Act shall take away or prejudice the right of any person who by virtue of any debenture, mortgage, or charge is entitled at the passing of this Act to any security over the property of the Company or any part of that property, but, save as provided in the *last preceding* section, the Company shall indemnify His Majesty the King against all such liabilities. 30

Public roads, &c., not affected.

25. The vesting of the railway and land of the Company in the Crown by virtue of this Act shall not affect the existence of any public road, street, or highway upon any part of that railway or land. 35

Registration of title of Crown.

26. (1.) The District Land Registrar of any land registration district in which is situated any land vested in His Majesty by virtue of this Act shall, at the request of the Minister of Railways, duly register the title of His Majesty to that land, and for that purpose the said Registrar shall call in outstanding instruments of title and do whatever may be necessary in that behalf. 40

(2.) A certificate under the hand of the Minister of Railways that any piece of land is vested in His Majesty by virtue of this Act shall be a sufficient authority to any such Registrar to effect any such registration as aforesaid. 45

Minister of Finance may raise moneys for purposes of Act.

27. (1.) For the purpose of providing funds for the purposes of this Act the Minister of Finance is hereby empowered to raise from time to time, on the security of and charged upon the public revenues of New Zealand, such sums of money not exceeding in the whole the sum of one million pounds, as he thinks fit. 50

(2.) The sums so raised shall bear interest at such rate (not exceeding four and a half per centum per annum) as the Minister of Finance prescribes.

(3.) This Act shall be deemed to be an authorising Act within the meaning of the New Zealand Loans Act, 1908, and the moneys hereby authorised to be raised shall be raised under and subject to the provisions of that Act accordingly.

5 28. (1.) All moneys raised under the authority of the *last preceding* section shall, as and when raised, be paid into the Public Account to the credit of the Public Works Fund, and shall from time to time be applied without further appropriation than this Act to the purposes hereinafter specified in this section.

Moneys raised to be paid to Public Works Fund.

10 (2.) The Minister of Finance shall from time to time expend so much of the moneys so raised as may be required for any such purpose in paying, in accordance with the provisions of this Act, the several sums to which the Company is for the time being entitled under those provisions, and in making any refunds required in connection with the aforesaid expenditure of the sum of five hundred
15 thousand pounds in the purchase of the Company's debentures.

Expenditure of such moneys.

(3.) The residue of the moneys so raised may be expended by the Minister of Railways from time to time, whether before or after the seventh day of December, nineteen hundred and eight, in making
20 such improvements, additions, and alterations in respect of the said railway and the rolling-stock and other appurtenances thereof as he deems necessary or desirable to enable the same to be effectively worked as a Government railway.

(4.) For the purpose of estimating the amount so available for
25 expenditure under the *last preceding* subsection prior to the final payment to the Company on the twenty-seventh day of February, nineteen hundred and nine, the total payments required to be made under subsection *two* of this section shall be provisionally taken and deemed not to exceed the sum of nine hundred and thirty thousand
30 pounds.

29. (1.) Notwithstanding anything to the contrary contained in any Act or regulations, it shall be lawful for the Governor, within one month after the seventh day of December, nineteen hundred and eight, to appoint as permanent officers in the Government Railways Department any persons who on the sixth day of December,
35 nineteen hundred and eight, were employed in the service of the Company.

Servants of Company may be appointed permanent officers in Government Railways Department.

(2.) Every such appointment shall relate back to and be deemed to have taken effect from the sixth day of December, nineteen
40 hundred and eight, and every person so appointed shall be deemed to have been continuously in the employment of the Government Railways Department from that time.

30. (1.) Every person so appointed who was on the sixth day of December, nineteen hundred and eight, a contributor to the Government Railways Superannuation Fund under the provisions of section
45 ninety-six of the Government Railways Act, 1908, shall continue and be deemed to have continued to be a contributor to that fund, and shall contribute thereto the same proportion of his salary as that which was theretofore contributed by him while in the service of the Company, and shall at all times thereafter be entitled to count for the
50 purpose of all benefits receivable by him from the fund the same period of service with the Company prior to the seventh day of December, nineteen hundred and eight, as he would have been entitled to count had he ceased to be a contributor on that day.

Provisions as to contributors to Government Railways Superannuation Fund who become officers of Government Railways Department.

(2.) Notwithstanding anything contained in section seventy-three of the Government Railways Act, 1908, no person who is appointed to the service of the Government Railways Department in pursuance of the *last preceding* section, and who was not on the sixth day of December, nineteen hundred and eight, a contributor to the said fund, shall be bound to become a contributor thereto as a condition of his appointment to the said service. 5

Provisions as to contributors who do not become officers of Government Railways Department.

31. (1.) With respect to every person who on the sixth day of December, nineteen hundred and eight, is in the service of the Company, and is a contributor to the Government Railways Super-annuation Fund, and who is not appointed as a permanent officer of the Government Railways Department in pursuance of section twenty-nine of this Act, the following provisions shall apply. 10

(2.) If any such person is on the said sixth day of December less than sixty years of age, he shall as from that date be deemed to have ceased to be a contributor to the said fund, and he shall be entitled to a refund of all contributions made by him to that fund. 15

(3.) If any such person is on the said sixth day of December not less than sixty years of age, he shall as from that date be deemed to have ceased to be a contributor to the said fund, and he shall be entitled to the same retiring-allowance or other benefits from the fund as if he had on that date retired from the service of the Company. 20

Schedule.
Section 2.

SCHEDULE.

PROPERTY VESTED IN THE CROWN BY VIRTUE OF THIS ACT.

1. ALL land situated outside the boundaries of the City of Wellington and occupied for railway purposes by the Wellington and Manawatu Railway Company (Limited), at the time of the passing of this Act.

2. All land situated outside the boundaries of the City of Wellington which abuts upon any land so occupied as aforesaid, and which is vested in the Company for an estate in fee-simple, whether legal or equitable, at the time of the passing of this Act, save and except all portions thereof which the Company has agreed to sell to any person under a contract of sale existing at the time of the passing of this Act.

3. All that piece of land situated in the City of Wellington, containing approximately 13 acres 2 roods 21 perches, and occupied for railway purposes by the said Company at the time of the passing of this Act, as shown within red lines on a plan, dated the 25th day of July, 1908, signed by the Minister of Railways and by James Marchbanks, the engineer of the Company, marked with the letters and figures P.W.D. 23933, and deposited in the office of the Minister of Public Works at Wellington.

4. All that piece of land situated in the City of Wellington, and lying between the land described in the aforesaid plan and the point at which the said railway enters the said city, and occupied by the Company as a railway-line at the time of the passing of this Act.

5. All rolling-stock, machinery, appliances, goods, and chattels (other than railway stores) owned by the Company at the time of the passing of this Act, or at any time thereafter acquired by the Company before the 7th day of December, 1908, and used or intended for use in connection with the said railway.

6. All railway stores owned by the Company on the 6th day of December, 1908, and intended for use in connection with the said railway.