



Western Australia.

ANNO QUINQUAGESIMO SEXTO

VICTORIÆ REGINÆ.

\*\*\*\*\*

No. XIX.

AN ACT to authorise the Colonial Treasurer to guarantee the payment of a Loan to be raised by the Midland Railway Company of Western Australia (Limited), for the purpose of completing a line of Railway from Guildford to Walkaway, on the Greenough Flats.

[Assented to, 13th January, 1893.]

WHEREAS "The Midland Railway Company of Western Australia (Limited)" (hereinafter referred to as "the Company") have represented to the Government of Western Australia that it would greatly facilitate the completion of the Midland Railway from Guildford to Walkaway, on the Greenough Flats (hereinafter referred to as "the Railway"), if the payment of the moneys required to be raised by the Company for the completion of the Railway, and the interest thereon, were guaranteed under the authority of the Parliament of Western Australia: And whereas Parliament having recognised that the early completion of the Railway would conduce to the welfare and promote the interests of Western Australia, has approved of the giving of such guarantee upon the execution of an agreement by the Company and all

Preamble.

## 56° VICTORIÆ, No. 19.

---

### *The Midland Railway Loan Act, 1893.*

---

necessary parties, based upon the following resolutions of Parliament:—

1. That the Government shall guarantee the payment of the principal and interest of £500,000 4 per cent. Bonds, to be created and issued by the Midland Railway Company, Limited, for the purpose of providing moneys for the completion of its contract with the Government; the minimum price of Bonds to be fixed by the Government.
2. That the said Bonds shall be redeemable at the rate of £20,000 a year, the redemption to begin 1904.
3. That the Government shall be secured against all liability under the said guarantee by a first charge on the Railway and everything appertaining thereto, including the lands on which it is constructed, and also on 2,400,000 acres of land to be selected by the Government—the whole free from encumbrances.
4. That until the Government is released from the guarantee on the said Bonds, the Company not to sell any part of the said 2,400,000 acres without the consent in writing of the Government. All purchase moneys and rents arising from such land, less 5 per cent., to be lodged with the Government, in trust for the payment of interest on and redemption of the said bonds.
5. That the said bonds and the interest thereon shall be paid by the Company; and in case of default by the Company and as soon as the Government shall have paid under the guarantee £20,000, then after giving three calendar months' notice of its intention, and the Company continuing in default, the Government may enter and take possession of the whole of the railway, lands, rolling stock, and everything appertaining to the Railway, together with any lands remaining unsold of the said 2,400,000 acres; and they shall all become the absolute property of the Government, freed from all rights of redemption claims or interest of the Company, the debenture-holders, and all other persons whomsoever.
6. That upon such entry and taking of possession as aforesaid the deposit of £10,000, deposited under the original agreement of 27th February, 1886, and all accrued interest thereon, together with the balance of any moneys held in trust for the payment of interest and capital as aforesaid, shall be forfeited by the Company, and become the absolute property of the Government, freed from all rights as aforesaid.

## 56° VICTORIÆ, No. 19.

---

### *The Midland Railway Loan Act, 1893.*

---

The said sum of £10,000, together with all interest accrued and accruing, shall be available at the option of the Government at any time for the payment of any moneys the Government may be called upon to pay.

The said Company shall not be entitled to claim any refund of the said deposit and accrued interest under Clause 64 of the Contract dated 27th February, 1886, so long as any liability of the Government under the said guarantee shall continue, or so long as any moneys paid in respect of such guarantee shall remain owing to the Government.

7. That the sum of £482,000, out of the proceeds of the said bonds, shall be deposited with the Government, to be applied in manner following:—
  - (a.) The repayment of £60,000, already guaranteed to the National Bank of Australasia, by the Government on behalf of the Company, together with all interest accrued thereon.
  - (b.) £309,000, or so much thereof as may be required to complete and equip the Railway according to the original contract, to be expended under the sole control of the Government in payment of the contractor on a revised schedule of rates to be approved by the Government and on certificates to be passed by the Government.
  - (c.) The payment of £95,000 to the National Bank.
  - (d.) The payment of £18,000 to the London Joint Stock Bank.
  - (e.) The provision of additional rolling stock, wayside stations, telegraphs, and sidings, and the discharge of such other obligations of the Company as the Government may approve.
  - (f.) The balance of the said sum of £482,000, after satisfaction of the above-named obligations, to be invested by the Government, and to be available for the redemption of the said bonds.
8. That the 200,000 acres now held by the Government as security for the £60,000 guarantee to the National Bank shall form part of the proposed security of 2,400,000 acres.
9. That the Company shall, before the first day of March next, select and supply plans of the whole of the land to which the Company would be entitled were the railway completed.

## 56° VICTORIÆ, No. 19.

---

### *The Midland Railway Loan Act, 1893.*

---

10. That after the selection by the Government of the 2,400,000 acres as security as aforesaid, the balance of the lands (not already granted) to which the Company would be entitled on the due completion and equipment of the line, shall be selected by the Company out of the area from which the Company is entitled now to select in respect of the seven sections of the railway already opened for traffic. The mode of selection shall be arranged with the Government, and be made before the first day of March next. The lands so selected to be granted to the Company as soon as surveys and plans shall be lodged by them.
11. That so soon as an agreement based on these proposals is executed, all Crown lands within the area of selection under the original contract shall be open for sale and occupation under the Land Regulations, notwithstanding Clause 55 of the said contract.
12. That the Company, with the approval of the Government, shall be allowed to exchange any portion of the 2,400,000 acres for land already held in fee simple, and with the like approval to grant land in exchange for improvements made by pastoral lessees upon the land, which have to be paid for by the Company.
13. That Clause 6 of the Agreement of 4th November, 1891, shall be maintained, with the additional provision that the expression, "two miles of the Eastern Railway on either side thereof," shall include two miles on both sides of any deviation thereof, as well as of the original line; the position of such deviation shall be notified to the Company within twelve months from the date of agreement.
14. That any prospectus, or printed or written representation published or made in England, containing any reference to the guarantee, shall be first approved by the Government.
15. That nothing contained in the proposed new agreement, except so far as the same may be expressed therein, shall affect the rights of the Government under the original contract of 27th February, 1886.
16. That the works shall be resumed within one month of the completion of the proposed agreement, and the entire contract for the construction and equipment of the Railway shall be completed within fifteen months from the same date. In default the Government shall be at liberty to enter upon and take possession of, and com-

# 56° VICTORIÆ, No. 19.

## *The Midland Railway Loan Act, 1893.*

plete and equip the Railway by its servants, agents, or contractors, and to expend the moneys deposited as aforesaid, in payment of the cost of such completion and equipment.

17. That the Government shall have the right of purchasing the Railway and the works in connection therewith, at any time on giving 12 months' notice of their intention to exercise such right. The price to be fixed by arbitration.
18. That in the event of the Midland Railway Company failing to execute an agreement with the Government based upon the foregoing resolutions, or if the said Company fail to obtain the money proposed to be raised on or before the 31st day of March, 1893, the Government shall be at liberty to withdraw from the aforesaid guarantee.

Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

1. SUBJECT to the provisions of this Act, the Colonial Treasurer, by the Agent General of the Colony in London, may guarantee, in such manner and form as he may think fit, the payment of the sum of £500,000 and interest at a rate of Four pounds per centum per annum, to be raised by the Company for the completion and equipment of the Railway, in accordance with the contract between John Waddington and the Government of the 27th February, 1886, and other the purposes mentioned in the said resolutions.

Power to Treasury to guarantee loan.

2. THE Colonial Treasurer shall not give any guarantee under this Act, unless and until an agreement, to be approved by him, and based upon the said resolutions, has been executed by the Company and all such other necessary parties as the Colonial Treasurer shall require.

Condition of guarantee.

3. THE Colonial Treasurer may charge upon and issue out of the Consolidated Fund, or the growing Produce thereof, the sums required to fulfil the guarantee under this Act in respect either of principal or interest.

Issue of Consolidated Fund.

4. THE Colonial Treasurer shall lay before both Houses of Parliament an account of all sums issued out of the Consolidated Fund for the purposes of this Act forthwith after the same are paid.

Return to Parliament.

# 56° VICTORIÆ, No. 19.

---

## *The Midland Railway Loan Act, 1893.*

---

Unencumbered title  
to railway, lands, &c.,  
to be vested in event  
of Government  
taking possession.

**5.** IN the event of the Government entering and taking possession of the Railway under the said proposed agreement—

(a.) The Railway, the lands upon which it is constructed, rolling stock, and everything appertaining to the Railway, shall thereupon become absolutely vested in the Commissioner of Railways for and on behalf of Her Majesty, her heirs and successors, to and for the purposes of the Railway Acts for ever, for all the estate, right, title, and interest therein respectively of the Midland Railway Company of Western Australia, Limited, or its assigns, and all other persons whomsoever free and absolutely discharged from all incumbrances whatsoever and from all right or equity of redemption of the said Company or its assigns, or any person, company or corporation; and

(b.) So much of the Two million four hundred thousand acres of subsidy lands mentioned in the said resolutions as then remain unsold shall thereupon be absolutely free and discharged from every claim and interest arising under or out of the said contract of the 27th day of February, 1886, and shall remain vested in Her Majesty as before the making of the said contract.

Short title.

**6.** THIS Act may be cited as “The Midland Railway Loan Act, 1893.”

In the name and on behalf of the Queen I hereby assent  
to this Act.

W. C. F. ROBINSON, Governor.