# LAKE LEFROY SALT INDUSTRY AGREEMENT.

No. 49 of 1974.

### AN ACT to amend the Lake Lefroy Salt Industry Agreement Act, 1969.

[Assented to 26th November, 1974.]

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

- 1. (1) This Act may be cited as the Lake Lefroy Short title Salt Industry Agreement Act Amendment Act, 1974. citation.
- (2) In this Act the Lake Lefroy Salt Industry Act No. 23 Agreement Act, 1969 is referred to as the principal Act.

(3) The principal Act as amended by this Act may be cited as the Lake Lefroy Salt Industry Agreement Act, 1969-1974.

#### Section 2 amended. (Definition.)

- 2. Section 2 of the principal Act is amended—
  - (a) by adding before the word "Schedule", in line three, the word "First"; and
  - (b) by substituting for the passage "time." at the end of the section a passage as follows—time:

"the variation agreement" means the agreement a copy of which is set forth in the Second Schedule to this Act.

#### Section 3A added.

3. The principal Act is amended by adding after section 3 a section as follows—

#### Approval of the variation agreement.

3A. The variation agreement is approved.

## Heading amended.

4. The heading "SCHEDULE." to the principal Act is deleted and the following headings are substituted—

#### THE SCHEDULES.

#### FIRST SCHEDULE. .

Second Schedule added. 5. The principal Act is amended by adding at the end thereof the following Schedule—

#### SECOND SCHEDULE.

THIS AGREEMENT is made the 14th day of October One thousand nine hundred and seventy four

BETWEEN: THE HONOURABLE SIR CHARLES WALTER MICHAEL COURT O.B.E., M.L.A. Premier of the State of Western Australia acting for and on behalf of the Government of the said State and instrumentalities thereof from time to time (hereinafter referred to as "the State") of the one part, and LEFROY SALT PTY. LTD. a Company duly incorporated in the State of Western Australia and having its registered office and principal place of business in such State at 2nd Floor, Titanium House, 643 Murray Street, West Perth aforesaid (hereinafter called "the Company" which term shall include where the context so admits the assignees and appointees of the Company under Clause 37 of the Agreement referred to in recital (a) hereof) of the other part.

#### WHEREAS:

- (a) By Agreement under seal made the 25th day of March 1969 (hereinafter called "the principal Agreement") made between The Honourable David Brand M.L.A. the then Premier and Treasurer of the State of Western Australia acting for and on behalf of the Government of the said State and instrumentalities thereof from time to time (therein referred to as "the State") of the one part AND NORSEMAN GOLD MINES NO LIABILITY (therein called "the Company" which term included its successors and assigns including where the context so admits its assignees and appointees under Clause 37 thereof and herein called "Norseman Gold") of the other part the State and Norseman Gold entered into the principal Agreement with the object of the establishment and carrying on at Lake Lefroy in the vicinity of Widgiemooltha in the said State of an industry for the mining and sale of salt and other allied mining and ancillary industries as might conveniently be carried on in conjunction therewith AND to do all acts matters and things to attain and to facilitate the abovementioned objects:
- (b) Clause 37 of the principal Agreement provides (inter alia) that Norseman Gold may at any time with the prior written consent of the Minister for Industrial Development assign to or dispose of to any company the whole or any part of the rights of Norseman Gold under the principal Agreement (including its rights to or as the holder of any lease licence easement grant or other title) and of the obligations of Norseman Gold thereunder subject

however to the assignee executing in favour of the State a deed of covenant in a form to be approved by the Minister to comply with observe and performed the provisions thereof on the part of Norseman Gold to be complied with observed or performed in regard to the matters so assigned:

- (c) To carry into effect the provisions of the second recital in the principal Agreement Norseman Gold by deed dated the 15th day of February 1971 assigned to the Company-
  - (i) the whole of its rights under the principal Agreement to hold to the Company absolutely subject to the proviso that Norseman Gold retained its rights under Clause 24 of the said Agreement, and
  - (ii) its obligations under the principal Agreement except the obligations imposed on Norseman Gold by Clause 15 of the said Agreement:
- (d) The Minister for Industrial Development consented to the provisions of the deed of assignment and the Company executed a deed of covenant in a form approved by the Minister;
- (e) The Company pursuant to and in compliance with its obligations in subclauses (1), (2) and (3) of Clause 6 of the principal Agreement and at its own expense in all things constructed the spurline with necessary loops crossings sidings and other facilities therein referred to:
- (f) The Railways Commission in the construction of the West Kalgoorlie-Esperance standard gauge railway (hereinafter called "the standard gauge railway") has incorporated therein part of the said spurline and in consequence that part of the said spurline will form an integral part of the standard gauge railway;
- (g) It has been agreed by and between the parties hereto that the Company will sell to the State the part of the spurline so incorporated for the consideration hereinafter mentioned which is payable at the time and on the conditions hereinafter set out:

- (h) The operation of the standard gauge railway between the Company's stockpile site and Esperance will enable wagons with heavier axle loading to be used between those points and so permit the gross loaded weight of the wagons to be increased;
- (i) The Railways Commission has from time to time hired from the Company locomotives and certain of the rolling stock which the Company pursuant to the principal Agreement has provided for the transport of salt and the Railways Commission now wish to ratify those hirings and to provide for further hirings;
- (j) To carry into effect the premises the State and the Company desire to add to and amend the principal Agreement as hereinafter provided.

#### NOW THIS AGREEMENT WITNESSETH:-

- 1. In this Agreement subject to the context words and phrases to which meanings are given under Clause 1 of the principal Agreement (other than words and phrases to which meanings are given herein) shall have the same respective meanings in this Agreement as are given to them under Clause 1 of the principal Agreement.
- 2. (1) The provisions of this Agreement other than subclause (2) of this Clause shall not come into operation until the Bill referred to in that subclause has been passed by the Parliament of Western Australia and comes into operation as an Act.
- (2) The State shall forthwith introduce and sponsor a Bill in the Parliament of Western Australia to ratify this Agreement and endeavour to secure its passage as an Act as soon as possible.
- (3) If the said Bill is not passed this Agreement shall then cease and determine and neither of the parties hereto shall have any claim against the other of them with respect to any matter or thing arising out of, done, performed, or omitted to be done or performed under this Agreement.
- (4) When the Bill to ratify this Agreement is passed as an Act the following provisions of this subclause shall notwithstanding the provisions of any Act or law operate and take effect retrospectively where the occasion requires—

- (a) the provisions of subclauses (3a), (3b) and (3c) of Clause 6. Clauses 21A and 21B shall take effect as though the same had been brought into force and had been enacted by the Act ratifying this Agreement;
- (b) subject to paragraph (a) of this subclause the State the Minister for Transport and the Railways Commission respectively shall have all the powers discretions and authorities necessary or requisite to enable them to carry and perform the powers discretions obligations conferred authorities and imposed upon them respectively hereunder.
- 3. The principal Agreement is hereby varied as follows:-
  - (1) Clause 6 of the principal Agreement is amended—
    - (a) in subclause (2) by substituting for paragraph (ii) thereof a new paragraph as follows:—
      - (ii) grant or cause to be granted to the Company a lease at a peppercorn rental of the land on which constructed that part of the spurline extending for a distance of 3.772 kilometres or thereabouts from the terminus thereof. The lease will include the land within twenty (20) metres of both sides of the centre line of that part of the spurline and such other land as is reasonably required for loops crossings sidings and other railway facilities in respect of that part of the spurline. The lease will be for the same term and subject to the same rights of renewal as apply with regard to the production site lease.;

#### (b) in subclause (3)—

- (i) by substituting for the passage "Upon the granting of the lease referred to in subclause (2) of this Clause", in lines one and two, the passage "Upon the passing of the Bill referred to in subclause (1) of this Clause as an Act";
- (ii) by adding after the word "things", in line six, the passage "but subject to subclause (3c) of this Clause";

- (c) by adding after subclause (3) three new subclauses as follows:-
  - (3a) Subject to the provisions subclause (3b) of this Clause for the consideration expressed in Clause 21A (1) of this Agreement the Company shall be deemed to have sold and to have given possession of and the State shall be deemed to have purchased and to have taken possession of that part of the said spurline described in the Schedule hereto and the appurtenances thereto (which part of the said spurline and appurtenances thereto are hereinafter called "the State's Railway") on and from midnight on the 8th day of September 1974 (hereinafter called "the acquisition time").
  - (3b) The provisions of subclause (3a) shall not operate until the State has paid to or on behalf of the Company the sum of THREE HUNDRED THOUSAND DOLLARS (\$300,000) referred to in Clause 21A(1) hereof whereupon the State's Railway shall on and from midnight on the 8th day of September 1974 be deemed to have vested in the Minister for Transport on behalf of Her Majesty and be a Government Railway within the meaning of and for the purposes of and be subject to the provisions of the Government Railways Act, 1904.
  - (3c) On and from the acquisition time the Company shall not be required to maintain the State's railway.;

#### (d) in subclause (4)-

- (i) by adding after the word "doing", in line four, "prior to the acquisition time";
- (ii) by adding after the word "Company", in line five, the passage "and thereafter in respect of the part retained by the Company shall be borne and paid by the Company.";

#### (e) in subclause (5)—

(i) by substituting for the words "said spurline", in line one, the words "part of the said spurline retained by the Company";

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- (ii) by adding after the word "lease", in line three, the words "referred to in paragraph (ii) of subclause (2) of this Clause":
- (iii) by substituting for the words "spurline and appurtenances", in line four, the words "part of the spurline and appurtenances so retained".
- (2) Clause 11 of the principal Agreement is amended by adding after the word "facilities", in line five, the passage "(other than the State's railway)".
- (3) Subclause (2) of Clause 12 of the principal Agreement is amended by substituting for the words "the preceding subclause", in line one, the words "this Agreement".
  - (4) Clause 13 of the principal Agreement is amended—
    (a) in paragraph (6)—
    - (i) by adding after word "wagons", in line three, the passage "until acquisition time and thereafter two thousand two hundred and fifty (2 250) tons";
    - (ii) by adding after the word "wagons", in line six, the passage "until acquisition time and thereafter eleven hundred and twenty (1 120) tons";

#### (b) in paragraph (7)—

- (i) by adding after the word "wagon", in line two, the words "prior to acquisition time":
- (ii) by substituting for the word "prior", in line three, the passage "and thereafter exceed seventy four (74) tons sixteen (16) hundred weight. Prior".
- (5) Subclause (4) of Clause 17 of the principal Agreement is amended by adding after the word "salt", in line five, the passage "until such time as the carrying capacity of the wagon is increased by the Railways Commission whereupon the gross loaded weight will not be greater than seventy four (74) tons and no wagon will contain less than fifty eight (58) tons of salt.".

- (6) The principal Agreement is amended by adding after Clause 21 two new clauses as follows—
  - 21A. (1) The consideration agreed to between the parties hereto for the purchase of the State's railway is FOUR HUNDRED AND TWENTY FIVE THOUSAND DOLLARS (\$425,000) payable at the times and on the terms and conditions as follows:—
    - (a) subject to the provisions of subclause (2) of this Clause the sum of THREE HUNDRED THOUSAND DOLLARS (\$300,000) when the Company has:
      - (i) in an efficient and workmanlike manner to the satisfaction of the State upgraded its washing plant and facilities associated therewith to a capacity to enable it to treat not less than three hundred and fifty thousand (350,000) tons of salt per annum and not less than one hundred and twenty (120) tons per hour;
      - (ii) submitted evidence satisfactory to and acceptable by the State of marketing arrangements for the sale of salt at a rate not less than three hundred and fifty thousand (350,000) tons per annum;
      - (iii) complied with its obligations to the satisfaction of the State under and subject to the requirements of subclause (4) of Clause 13 of this Agreement to provide (inter alia) a brakevan; and
      - (iv) completed arrangements to the satisfaction of the State for the rectification of the structural defects in the Company's rolling stock provided by the Company to the State pursuant to subclause (4) of Clause 13;

(b) the sum of ONE HUNDRED AND TWENTY FIVE THOUSAND DOLLARS (\$125,000) (being the balance of the purchase price) within the six (6) months next following the day when the State signifies to the Company that it is satisfied from the evidence adduced to it by the Company that the Company has exported in any year commencing on the 1st day of April through the port of Esperance not less than four hundred thousand (400,000) tons of salt.

#### (2) Where the Company—

- (a) in an efficient and workmanlike manner to the satisfaction of the State has completed the upgrading referred to in sub-paragraph (i) of paragraph (a) of subclause (1) of this Clause of the washing plant and associated facilities or in the opinion of the State has substantially completed same, and
- (b) has complied with the requirements of sub-paragraphs (ii), (iii) and (iv) of paragraph (a) of subclause (1) of this Clause

then the State will pay the instalment of THREE HUNDRED THOUSAND DOLLARS (\$300,000) on or before the last day of September 1974 in lieu as provided for in paragraph (a) of subclause (1) of this Clause.

21B. Notwithstanding any Act or law to the contrary the Railways Commission may hire and shall on and from the day the Lake Lefroy Salt Industry Act 1969 was assented to be deemed to have had at all times thereafter the right to hire from the Company all or any one or more of the locomotives and rolling stock provided or to be provided by the Company to the State pursuant to the provisions of this Agreement for such period or periods at such rental or rentals and on such terms and conditions as it from time to time agrees with the Company.

(7) Subclause (1) of Clause 32 of the principal Agreement is amended by adding after the word "facilities", in line five, the passage "(other than the State's railway)". IN WITNESS whereof this Agreement has been executed as a deed the day and year first hereinbefore written.

#### SCHEDULE:

Commencing on the Coolgardie-Norseman Railway at a point 650.175 kilometres or thereabouts from Perth and proceeding thence on a bearing of 330° 42′ for a distance of 544 metres or thereabouts thence on a bearing of 28° 34′ for a distance of 968 metres or thereabouts thence on a bearing of 93° 19′ for a distance of 498 metres or thereabouts thence on a bearing of 70° 15′ for a distance of 1960 metres or thereabouts thence on a bearing of 0° 0′ for a distance of 7181 metres or thereabouts. A total distance of 11.151 kilometres and terminating at a point 733.197 kilometres or thereabouts from Perth via the West Kalgoorlie Lake Lefroy Railway Act No. 110 of 1970.

SIGNED by the HONOURABLE SIR CHARLES WALTER MICHAEL COURT O.B.E., M.L.A. in the presence of—

CHARLES COURT

ANDREW MENSAROS.

Minister for Industrial Development.

The COMMON SEAL OF LEFROY SALT PTY. LTD. was hereunto affixed by the Directors in the presence of—

(C.S.)

P. A. CHARSLEY, Director.

M. KUSHIBE, Secretary.