



1850.

No. 4.

Private Act.

ORDINANCE Enacted by the Governor of South Australia, with the advice and consent of the Legislative Council thereof.

To Guarantee to the Adelaide City and Port Railway Company, during a limited time, certain divisible profits.

[5th March, 1850.]

*Repealed by
No. 1. 1854.*

WHEREAS it is desirable to encourage the investment of capital in Railway undertakings in South Australia by guaranteeing, on certain terms, a reasonable amount of annual profits: And Whereas an Ordinance of the Governor of South Australia, with the advice and consent of the Legislative Council thereof, was passed on the nineteenth day of February, one thousand eight hundred and fifty, intituled "The Adelaide City and Port Railway Act:"

Preamble.

No. 1 of 1850.

Be it therefore Enacted, by the Governor of South Australia, with the advice and consent of the Legislative Council thereof— That when and so soon as the Railway authorised by the said recited Ordinance,

Credit of the Province pledged for deficiency of 5 per centum on annual profits of Railway Company.

Ordinance, shall be completed and in efficient operation, with substantial and sufficient locomotive cars, carriages, and other vehicles propelled by steam, for the accommodation of passengers, and the transport of goods, and opened for traffic, with a sufficient establishment for working the same, and all pre-requisites shall be fulfilled according to the provisions of the recited Ordinance, to the satisfaction of the Governor, the Faith and Credit of this Province shall stand pledged, and the same is hereby pledged to the Company authorised by the recited Ordinance, to make up and pay any deficiency of the clear profits arising from the traffic of goods and passengers on such Railway, and the several branches thereof, whereby such Company may realise a less annual profit or interest than five per *centum* on such portion of the prescribed capital as shall then be actually expended for the purposes of the undertaking.

Authority for the Treasury to pay on a certificate of deficiency.

II. And be it Enacted, That when it shall be certified, by persons appointed for that purpose by the Governor, that such Railway has been in efficient operation for the period of one year from the date of its being opened, as aforesaid, or from the date of the next previous certificate in each year after the first year, and that for the year for which the certificate is granted, the whole nett proceeds and earning of such Company, from the traffic on the Railway, after all actual and necessary contingent and annual expenses, and any previous surplus profits as after mentioned, have been deducted, are insufficient to cover and pay the said annual profit or interest of five per *centum* on such portion of the prescribed capital as shall then be actually expended for the purposes of the undertaking, and are deficient in a certain sum to be specified in the said certificate, it shall and may be lawful for the Governor to authorise the Colonial Treasurer to make payment to such person as shall be empowered to receive the same on the part of such Company, of the sum so certified to be deficient, which payment such Treasurer is hereby required to make out of the General Revenues of the Province, in the regular course, or as payments may usually be made at the Treasury.

Provided deficiency does not arise from undue expenditure.

III. Provided always, and be it Enacted, That no such payments shall be claimable on account of any such alleged deficiency except in so far as the Governor shall be satisfied, after due investigation, that such deficiency does not arise from any excessive or undue expenditure, or irregular accounting, on the part of such Company; but such payments shall be claimable only to the extent to which it shall be made to appear that such Company, according to the usual course of management, have failed to realise a *bona fide* net profit of five per *centum* per annum on such capital as aforesaid; it being the true intent

intent and meaning of this Ordinance, to guarantee to such Company from the *bona fide* net profits, or jointly from such profits, and the sums to be paid by the Province, a rate of interest or annual return equal to five per *centum* on such capital as aforesaid.

IV. Provided also, and be it Enacted, That if in any year within the period hereby limited, the Company shall realise a rate of profits exceeding the rate hereby guaranteed, then the amount of such excess shall be taken into account as a credit in calculating the profits of any future year for the purposes of this Ordinance, and payment shall be made thereafter only in so far as, after deducting such excess, there shall be a deficiency in the guaranteed profits, so always as to make good to the Company out of the General Public Revenues of the Province the same rate of profit on an average of one year with another during the period so limited.

Surplus profits to be taken into account in reckoning deficiencies, and guaranteed rate to be made good according to an average of years.

V. And be it Enacted, That the guarantee secured by this Ordinance shall continue in force for and during the term of ten years from the first day of January last, and no longer; Provided such Company shall duly maintain the Railway in good and efficient repair and active operation, and observe and fulfil the provisions of Law: Provided also, that in case of forfeiture, or other transfer to the Crown, of such undertaking, the said guarantee shall cease and determine, except as to all payments then previously due.

Duration of this Ordinance.

H. E. F. YOUNG,

Lieutenant-Governor.

*Passed the Legislative Council, this }
Fifth day of March, One Thou- }
sand Eight Hundred and Fifty. }*

W. L. O'HALLORAN,

Clerk of Council.