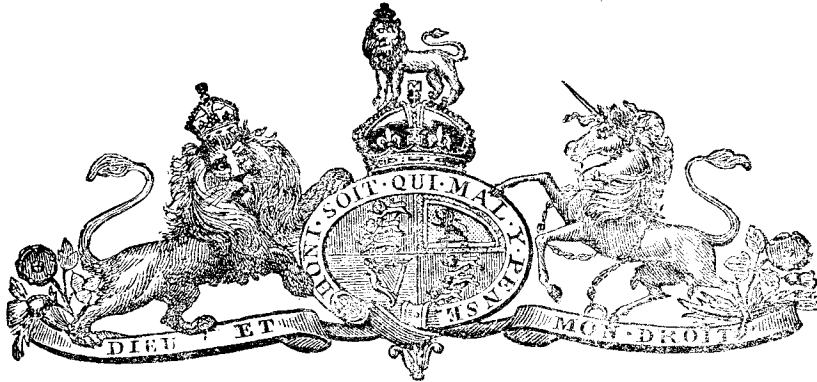


## T A S M A N I A.



1926.

ANNO SEXTO DECIMO

GEORGII V. REGIS.

No. 83.

## ANALYSIS.

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AN ACT to encourage the Manufacture of Tyres and other Rubber-goods in Tasmania, and to authorise the granting to *William Douglas Bauld* and his Assigns of certain concessions for that purpose.

A.D.  
1926.

[9 April, 1926.]

**W**HEREAS *William Douglas Bauld* proposes to form a company to be called "The Rapson Tyre and Rubber Company (Australia) Limited" (in this Act called "the Company"), with a share capital of One million Pounds, having as one of its objects the establishment and carrying on in this State of the manufacture of tyres and other rubber goods : PREAMBLE.

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And whereas it is desirable to facilitate the formation of such Company and to grant to the said *William Douglas Bauld* and his assigns, as Trustees for the Company, the concessions hereinafter contained upon the terms and conditions hereinafter set forth :

Be it therefore enacted by His Excellency the Governor of Tasmania, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows :—

Short title and commencement.

**1**—(1) This Act may be cited as “The Rubber Industry Encouragement Act, 1926.”

(2) This Act shall come into operation on a date to be fixed by proclamation.

Interpretation.

**2** In this Act unless the contrary intention appears —

“Guaranteed shares” means any shares in the Company in respect of which a guarantee has been given by the Treasurer under the provisions of this Act :

“The Company” means The Rapson Tyre Rubber Company (Australia) Limited to be formed and registered as provided by this Act, and its assigns.

Conditions to be fulfilled before Act is proclaimed.

**3** Such proclamation as aforesaid shall be issued when the Treasurer is satisfied that a Company has been formed and is in a position to establish in Tasmania the manufacture of tyres and other rubber goods, and that the following conditions have been fulfilled :—

- i. The nominal capital of such Company shall be not less than One million Pounds sterling, divided into one million shares of One Pound each, of which two hundred thousand shall be cumulative preference shares and eight hundred thousand shall be ordinary shares :
- ii. Of the said nominal capital of such Company the said two hundred thousand cumulative preference shares and at least three hundred thousand ordinary shares shall be offered to the public :
- iii. Any prospectus of such Company shall be submitted to, and any portion thereof relating to guaranteed shares approved by, the Treasurer before being filed or issued by or on behalf of the Company :
- iv. Such Company shall be registered in this State as a limited liability company under the provisions of the Companies Act, 1920, and its head office shall be situate in this State .
- v. Such Company shall be so registered within six months of the passing of this Act :
- vi. The memorandum of association of such Company shall set out as the Company's main object the manufacture of tyres and other rubber goods in this State, and any other objects of such Company shall be subsidiary thereto, and the provisions of this Act shall also be set out in full in the said memorandum :

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- vii. The name of such Company, when so registered, shall be A.D. 1926.  
 "The Rapson Tyre & Rubber Company (Australia)  
 Limited." —

4—(1) Upon the application of the Company in that behalf the Treasurer on behalf of the State shall guarantee the payment of dividends at the rate of Eight Pounds per centum per annum in respect of the said two hundred thousand cumulative preference shares. Power to Treasurer to give guarantee.

(2) Such guarantee shall be in respect of a total period of seven years, and shall be in such form as the Treasurer may approve, and shall set forth and be subject to the conditions following :—

- i. That in the event of the Company going into liquidation the guarantee shall forthwith cease :
- ii. That the guarantee shall not take effect until the Company satisfies the Treasurer that it has manufactured at its works in Tasmania at least two thousand motor tyres, and the said period of seven years shall commence on the day upon which the Treasurer certifies, by notice in the Gazette, that he is so satisfied :
- iii. That if at any time during the currency of the guarantee the Company shall cease, in the opinion of the Treasurer, to carry on substantial operations in this State, such cessation not being caused by industrial dispute or other cause which, in the opinion of the Treasurer, is beyond the control of the Company, the operation of the guarantee may be suspended by the Treasurer, by notice in the Gazette, during any such period of cessation .
- iv. That no such period during which the guarantee is so suspended shall be calculated in the said period of seven years, provided that such last mentioned period is not thereby increased by more than twelve months in all :
- v. That the form of any scrip to be issued by the Company in respect of the guaranteed shares shall be submitted to the Treasurer, and no such scrip shall be issued by the Company unless the form thereof shall have first been approved by the Treasurer :
- vi. That no dividends upon or in respect of any of its shares, other than guaranteed shares, shall be paid by the Company in any year, and no amount exceeding Five thousand Pounds shall be transferred to reserve in any one year unless—
  - (a) All dividends, whether accumulated or not, shall have been paid on the guaranteed shares ; and
  - (b) Any amounts paid by the Treasurer under the guarantee shall have been refunded to him by the Company :

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- vii. That during the continuance of the guarantee any dividend paid in any year by the Company in respect of guaranteed shares shall be deemed to have been paid as the dividend payable in respect of that year, and shall, to the extent of such payment or of the guaranteed interest for that year, whichever shall be the less, be deemed to be the interest so guaranteed :
- viii. That the guarantee shall apply only to preference shares which are fully paid up :
- ix. That every guarantee given under this Act, if not sooner determined, shall expire on the thirty-first day of December, one thousand nine hundred and thirty-six.

Conditions to be  
observed by  
Company.

**5** The Company shall—

- i. Not proceed to allotment until at least two hundred thousand shares, exclusive of any vendors' or promoters' shares, have been applied for or underwritten :
- ii. Not allot a greater number of cumulative preference shares than ordinary shares :
- iii. Within thirty days after proceeding to allotment, deposit with the Treasurer the sum of Twenty-five thousand Pounds, to be applied as provided by this Act :
- iv. Upon the Treasurer giving such guarantee as aforesaid, execute and give to him a debenture by way of mortgage over all the assets, property, and undertakings of the Company to secure as well the amount, if any, then owing by the Company to the Treasurer, as any moneys which the Treasurer may at any time be called upon to pay in pursuance of any such guarantee as aforesaid and interest as hereinafter in this Act provided, such debenture to be in such form as the Treasurer may approve and to take priority over all claims whatsoever against the Company :
- v. Commence operations in connection with the installation in this State of its plant for the purposes aforesaid within nine months from the date of proceeding to allotment, and shall complete the same without any delay which, in the opinion of the Treasurer, is unnecessary or avoidable :
- vi. Within a period of two years from the date of proceeding to allotment, or within such further period as the Treasurer may allow, expend the sum of not less than Two hundred thousand Pounds in the purchase of its plant and in the erection of its works and installation in this State of its plant for the purposes aforesaid, including any money spent in the purchase of land for that purpose.

Power to  
terminate  
guarantee in  
certain cases.

**6** In the event of the Company not complying with any provision of Section Five hereof, the Treasurer may give notice in writing to the Company to comply with such provision within a period of thirty days from the date of such notice, and in the event of the Company not

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complying with such provision accordingly, the Treasurer, by notice in writing to the Company, may forthwith terminate the said guarantee, and thereupon such guarantee shall cease and determine, and the Treasurer shall be liable under the said guarantee up to the date of such termination and no longer.

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**7**—(1) The Treasurer, upon receipt of the said sum of Twenty-five thousand Pounds, shall invest the same, and reinvest the same from time to time if and when occasion requires, in local inscribed stock bearing interest at the rate payable by the Treasurer at the time of such investment or reinvestment on stock then being issued by him.

Application of moneys to be deposited.

(2) Except as provided by Subsection (4) hereof, all interest payable in respect of any stock held by the Treasurer under this Act shall be invested in like manner in local inscribed stock from time to time as such interest becomes payable.

(3) All certificates for such stock shall be issued in the name of the Treasurer on behalf of the Company, and shall be held and dealt with by him as herein provided.

(4) If at any time the amount owing by the Company to the Treasurer for moneys paid by him in pursuance of any such guarantee as aforesaid, together with any interest payable in respect thereof and any other moneys owing by the Company to the Government of this State or to any Government department, shall amount to a sum equal to or greater than the amount represented by all such stock as aforesaid, together with all accrued interest thereon, such stock shall be cancelled by the Treasurer, and the amount represented thereby, with interest up to the date of such cancellation, shall be credited to the Company against the amount owing by it as aforesaid, and shall to the extent thereof constitute a repayment of such amount.

**8** All moneys paid by the Treasurer in pursuance of any such guarantee as aforesaid shall bear interest at the rate of Six Pounds per centum per annum from the date of payment thereof until repayment.

Company to pay interest.

**9**—(1) At all times after the expiration of one year from the date the guarantee commences, and during the remaining period the guarantee continues, the Company shall employ and keep employed in its said business in this State not less than four hundred persons, unless the Treasurer, on cause being shown to him, shall consent to a lesser number being employed.

Obligations of Company.

(2) The Company shall at all times give preference, in the carriage of its goods and materials, to the Tasmanian Government Railways, or any other means of transport controlled by the Government of this State, whenever the same are available for such purpose upon conditions not less favourable to the Company than those of any other carrier engaged in the business of carrying goods between the particular places between which the Company in any particular case requires transport for any such goods or materials.

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Remedies in case  
of default.

**10** If at any time after the cancellation of the stock certificates held by the Treasurer, and the appropriation of the moneys thereby represented, as provided by Section Seven of this Act, the Company shall fail to comply with any of the provisions of this Act, the Treasurer may at any time—

- i. Enforce the provisions of any debenture given by the Company to him as aforesaid, and recover from the Company all moneys thereby secured : or
- ii. By action in the Supreme Court against the Company recover all moneys due to him from the Company, in pursuance of the provisions of this Act, together with such sum as the Treasurer shall reasonably certify to be necessary to provide for all moneys for the payment of which he may become liable under this Act.

Securities to be  
released when  
conditions  
fulfilled.

**11** Upon the expiration of all guarantees given by the Treasurer under this Act, and upon payment by the Company to the person or persons entitled to receive the same of all moneys thereby guaranteed, and of all interest and other moneys, if any, payable to the Treasurer by the Company, the Treasurer shall—

- i. Pay to the Company all moneys represented by any stock certificates held by him as provided by this Act, with interest thereon at the rate or rates respectively payable in respect of each such certificate calculated up to the date of such payment : or
- ii. If such moneys have been applied as provided by Subsection (4) of Section Seven of this Act, execute and give to the Company a release of the debenture, if any, given by it to him as provided by this Act.

Company may  
redeem debenture.

**12—(1)** If at any time during the continuance of any such guarantee as aforesaid the Company shall deposit with the Treasurer a sum sufficient to indemnify the Treasurer against all liability whatsoever in respect of such guarantee, the Treasurer shall, upon receipt of such sum, execute and give to the Company a release of the debenture held by him under the provisions of Section Five hereof.

(2) The sum so deposited shall be invested by the Treasurer as provided by Section Seven hereof and shall be dealt with as therein provided