

GAS (AMENDMENT) ACT.

Act No. 3, 1918.

An Act to amend the Gas Act, 1912, and to amend George V,
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an Act passed in the eighth year of His late Majesty King William the Fourth, intituled "An Act for lighting with gas the town of Sydney in the Colony of New South Wales, and to enable certain persons associated under the name, style, and firm of the Australian Gaslight Company to sue and be sued in the name of the secretary for the time being of the company, and for other purposes therein mentioned." [Assented to, 12th March, 1918.]

BE it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the "Gas (Amendment) Short title.
Act, 1918," and shall be construed as one with the Gas Act, 1912, hereinafter in this Act called the Principal Act.

2. Sections four and seven of this Act shall not apply Application
of ss. 4 and 7.
to the City of Newcastle Gas and Coke Company, Limited, if within three months from the commencement of this Act that company gives written notice to the Minister that such company desires that such sections shall not apply to it.

3. Section three of the Principal Act is amended by Amendment
of s. 3.
substituting for the word "twenty" the words "twenty-one".

4.

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 Amendment
 of s. 15.

4. Section fifteen of the Principal Act is amended by omitting all the words from and including "on the original capital" in the first paragraph of the section down to and including the words "preference capital" at the end of such paragraph, and inserting in lieu thereof the following:—"On the ordinary capital of the company at the rate of eight pounds in respect of every one hundred pounds actually paid up or issued as paid up of such capital, and on the preference capital of the company at the rate of seven pounds ten shillings in respect of every one hundred pounds actually paid up or issued as paid up of such capital; and as from the first day of January, one thousand nine hundred and eighteen, there shall be no difference in the rate of dividend payable on the ordinary share capital issued prior to the date of the commencement of the Gas (Amendment) Act, 1918, but all such ordinary share capital shall be deemed to have been issued upon the terms that it shall carry and be entitled to the standard rate of dividend mentioned above if earned in respect of the moneys paid up or deemed to have been paid up on or in respect of such shares."

Amendment
 of s. 16.

5. Section sixteen of the Principal Act is amended—

- (a) by omitting all words in the first subsection from and including "two per centum" and substituting therefor the words "three and one-half per centum of the amount expended out of borrowed and share capital, on the buildings, and manufacturing and distributing plant belonging to and in use by the company, to a fund to be called the Special Purposes and Depreciation Fund";
- (b) by inserting the words "and depreciation" after the words "special purposes" wherever they occur in the section;
- (c) by inserting after the word "replacement" in subsection two, paragraph (b), the word "renewal" and by substituting for the word "renewal" in the same paragraph the word "repairs";
- (d) by substituting the words "borrowed and share" for the words "paid up" in subsection three;

(c)

- (e) by adding at the end of the section the following new subsection :— George V,
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(6) If the public accountant aforesaid shall certify that the total amount which has, since the passing of this Act, been charged against revenue on account of depreciation exceeds the sum of the amounts which, calculated at the thirty-first day of December of each year since the passing of this Act, are equivalent to three and one-half per centum of the amount expended at those dates out of borrowed and share capital on buildings and manufacturing and distributing plant belonging to and in use by the company, such excess amount shall be transferred to the Special Purposes and Depreciation Fund, and shall form part of the said Fund.

- 6.** Section nineteen of the Principal Act is amended Amendment
of s. 19. by inserting after the words "special purposes" the words "and depreciation."

- 7.** Section twenty of the Principal Act is amended— Amendment
of s. 20.

(a) by omitting from and inclusive of the first proviso down to the commencement of the second proviso and inserting in lieu thereof the following :—"Provided that if at any time after the first day of January, one thousand nine hundred and thirteen, the cost of production and distribution of gas sold is increased above the average cost of production and distribution of gas sold during the year one thousand nine hundred and twelve, the gas company whose cost of production and distribution is so increased shall be entitled to have the standard price of its gas increased by proclamation in manner hereinafter provided by one penny per thousand cubic feet for every penny by which the cost of production and distribution per thousand cubic feet of gas sold is increased as aforesaid. In ascertaining the amount by which the cost of production and distribution has been so increased, there shall be included all increases in wages, freight, coal, oil, rates, and other expenses which under this Act are properly chargeable to

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to revenue, and such a sum as the judge hereinafter mentioned may determine will ensure a reasonable return upon the moneys expended on buildings and manufacturing and distributing plant since the first day of January, one thousand nine hundred and thirteen. Upon the auditor of any gas company certifying to the Minister that the cost of production and distribution of the gas sold of such company has been increased as aforesaid to the extent of at least one penny per thousand cubic feet, the Minister shall with all reasonable despatch cause an inquiry at which the Minister and the gas company may be represented to be held by a Supreme Court judge, and if such judge shall certify that the cost of production and distribution has been so increased, the Governor shall forthwith by proclamation in the Gazette increase the standard price by one penny per thousand cubic feet in respect of every penny by which the said judge shall certify that the cost of production and distribution per thousand cubic feet of gas sold has been so increased; and such increased standard price shall be substituted for the standard price mentioned in Schedule One; and further, provided that where the standard price has been increased as aforesaid with respect to any gas company, the Minister may cause a further inquiry to be held in the manner aforesaid, and if such judge shall certify that such increased standard price, after providing for all expenses properly chargeable to revenue, and allowing a reasonable margin for contingencies, is in excess of the amount required to pay the standard rates of dividend authorised by this Act, then the Governor shall forthwith by proclamation in the Gazette decrease the standard price in respect of the said company by one penny per thousand cubic feet for every penny by which the judge shall certify such increased standard price to be in excess. No proclamation under
either

either of the above provisos shall be made with respect to any company within six months after the date of the last of such proclamations affecting such company.” George V,
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- (b) by inserting the word “ordinary” before the words “paid-up capital” wherever such words occur.

8. Section twenty-one of the Principal Act is amended— Amendment
of s. 21.

- (a) by inserting at the end of paragraph (a) the words “and may be sold at above or below par.”
- (b) by omitting the words “be placed to the Special Purposes Fund and shall” in paragraph (j).

9. Section twenty-two of the Principal Act is amended— Amendment
of s. 22.

- (a) by inserting after the words “an annual statement of accounts” the words “and list of shareholders”;
- (b) by inserting after the word “statement” in the second paragraph the words “and list.”

10. Section twenty-five of the Principal Act is amended by adding at the end of the section the following words:—“If either House of Parliament passes a resolution disallowing any such regulation of which notice has been given at any time within thirty sitting days of such House after such regulation has been laid before it, such regulation shall thereupon cease to have effect but without prejudice to the validity of anything done in the meantime.” Amendment
of s. 25.

11. Add the following section at the end of the Principal Act:— New section.

30. Notwithstanding the provisions of the Act passed in the eighth year of the reign of His late Majesty King William the Fourth, intituled “An Act for lighting with gas the town of Sydney in the colony of New South Wales, and to enable certain persons associated under the name, style, and firm of the Australian Gas-light Company to sue and be sued in the name of the secretary for the time being of the company, and for other purposes therein mentioned,”

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mentioned," it shall be lawful for the proprietors of the Australian Gas-light Company by resolution passed at any general meeting of the company to—

- (a) alter the number of directors of the company, but so that by the thirty-first day of December, one thousand nine hundred and eighteen, at the latest the number of directors shall not exceed seven ;
- (b) provide for the election, retirement, qualification, and disqualification of directors ;
- (c) provide for the remuneration of directors.

Pending any alteration by the proprietors in the number of the directors of the company it shall be lawful for a majority of the directors of the company, by resolution, to reduce the number of directors to any number not less than seven, and upon any reduction being so made the directors to retire shall be those agreed upon by a majority of two-thirds of the directors, and, failing such an agreement, as shall be decided by ballot to be taken at such time and in such manner as a majority of the directors shall decide.

Amendment
of Schedule
Five.

12. (1) Schedule Five (D.—Revenue Account) is amended—

- (a) by omitting "20. Depreciation Fund for works and leasehold lands (if any)";
- (b) by inserting after the words "Special Purposes" the words "and Depreciation";
- (c) by inserting the word "sixteen" after the word "section."

(2) Schedule Five (G.—Special Purposes Fund Account) is amended—

- (a) by inserting in the short heading after the words "Special Purposes" the words "and Depreciation";
- (b) by omitting "renewal" and inserting "repair";
- (c) by inserting after the words "To Removal of plant" the words "To Renewal of plant and works";
- (d) by inserting in the blank after the words "under section" the numerals "16";
- (e) by omitting the words "Like Accounts must be given for Depreciation Fund for Works and Leaseholds (if any)."

(3)

(3) Schedule Five (J.—General Balance-sheet) is amended— **George V,
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- (a) by inserting after “ 4. To Special Purposes ” the words “ and Depreciation ” ;
- (b) by omitting “ 5. To Depreciation Fund (for works and Leasehold Lands)—Balance at credit thereof (Account). ”

(4) Schedule Five (Final Balance-sheet) is amended—

- (a) by inserting before “ Balance-sheet of the Company ” the letter “ K. ”
- (b) by inserting after the words “ Special Purposes ” the words “ and Depreciation ” ;
- (c) by omitting the words “ Depreciation Fund. The amount set aside from profits ” ;
- (d) by omitting all words from and including “ The cost to be stated ” down to and including “ Profit and Loss. ”

(5) The following is added at the end of Schedule Five of the Principal Act :—

L.—LIST OF SHAREHOLDERS.

Name of Shareholder.	Address.	Occupation.	Number of Shares held.	Class of Shares.	Date of purchase or allotment.