



Railways Act 1921

1921 CHAPTER 55

PART I

REORGANISATION OF RAILWAY SYSTEM.

1 Grouping of railways.

- (1) With a view to the reorganisation and more efficient and economical working of the railway system of Great Britain railways shall be formed into groups in accordance with the provisions of this Act, and the principal railway companies in each group shall be amalgamated, and other companies absorbed in manner provided by this Act.
- (2) The groups to be formed shall be those specified in the first column of the First Schedule to this Act, and as respects the several groups the railway companies to be amalgamated (in this Act referred to as " constituent companies") shall be those set out in relation to each group in the second column of that schedule, and the companies to be absorbed (in this Act referred to as " subsidiary companies ") shall be those set out in relation to each group in the third column of that schedule, and the companies constituted by such amalgamation are in this Act referred to as amalgamated companies :

2 Preparation and settlement of amalgamation schemes.

- (1) The constituent companies in any group may on or before the first day of January, nineteen hundred and twenty-three, submit to the Minister of Transport (hereinafter referred to as " the Minister ") an amalgamation scheme framed in accordance with the provisions of this Act which has been agreed to by all those companies.
- (2) The Minister shall refer to the amalgamation tribunal hereinafter constituted any scheme so submitted to him, and the tribunal, unless it appears to them that the scheme does not conform with the requirements of this Act or that the provisions of this Act relating to the procedure preliminary to the submission of an agreed scheme have not been complied with, shall confirm the scheme.

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- (3) If the constituent companies in any group fail to submit an agreed amalgamation scheme framed in accordance with the provisions of this Act on or before the said date, a scheme for the amalgamation of the constituent companies in that group shall be prepared and settled in accordance with this Act by the amalgamation tribunal.

3 Provisions to be contained in amalgamation schemes.

- (1) An amalgamation scheme under this Act—
- (a) shall provide for the incorporation of the amalgamated company under an appropriate name, with power to hold land for the purposes of the company, and make such provisions as appear necessary or expedient with regard to the share and loan capital of the amalgamated company and the vesting of the property, rights, powers, duties, and liabilities, whether statutory or otherwise, of the constituent companies ; and
 - (b) shall provide generally as to the terms and conditions of amalgamation and for the winding-up of the constituent companies, including the allocation to holders of securities of the constituent companies in substitution therefor and in satisfaction of all claims arising thereunder, of such securities of the amalgamated company, and of such amounts, as may be specified in the scheme; and
 - (c) shall incorporate Part V. of the Railways Clauses Act, 1863, subject to the provisions of this Act; and may incorporate with or without modification any of the provisions of the Companies Clauses Consolidation Act, 1845, and the Acts amending that Act, and such modifications may provide that any committees appointed under section ninety-five of the Companies Clauses Consolidation Act, 1845, may comprise persons who, though not directors of the company, are proprietors and possess such other qualifications (if any) as may be provided by the scheme; and
 - (d) shall give effect to the provisions contained in the Second Schedule to this Act with respect to the direction of the amalgamated company, and may, with the consent of the proprietors, provide for the payment of compensation out of the assets of a constituent company to the directors of the company who suffer loss by abolition of office; and
 - (e) shall contain such provisions with respect to the management of any superannuation, pension, provident, widows' and orphans' and other benefit fund or funds established by any constituent company as may be necessary in consequence of amalgamation, so, however, as to preserve in all other respects the management of such funds unaltered until other provision is made by Parliament; and
 - (f) shall incorporate the provisions contained in the Third Schedule to this Act with respect to existing officers and servants ; and
 - (g) may make such incidental and supplemental provisions as appear necessary or expedient in order to give full effect to the provisions of the scheme and the purposes of this Act:

Provided that the scheme may provide for the postponement for a period not exceeding five years, or, if for special reasons the amalgamation tribunal think fit, ten years, of the winding up of a constituent company with or without any change in the name of the company in order to enable such company to continue to exist for the purpose of receiving and holding any securities of the amalgamated company for the benefit of any class or classes of the holders of any loan or share capital of the constituent

company or of any company the interest or dividends of which are guaranteed by or secured on the revenues of the constituent company, according to their respective rights and interests in pursuance of and in accordance with any arrangement which may be approved by the amalgamation tribunal and included in the scheme, and during such postponement of winding up a constituent company shall cease to be a railway company within the meaning of section two hundred and sixty-seven of the Companies (Consolidation) Act, 1908, but any securities of the constituent company, which are at the date of amalgamation securities in which trustees are by law entitled to invest trust funds, shall continue to be such securities.

- (2) With respect to the Western group the following provision shall have effect:—
- (a) The amalgamation scheme shall provide for constituting the Great Western Railway Company the amalgamated company, and for amalgamating therewith the other constituent companies in the group;
 - (b) For the purposes aforesaid, the scheme may provide for increasing all or any of the existing classes of loan and share capital of the Great Western Railway Company, or creating new classes of loan or share capital of that company, with such rights, priorities, and conditions as may be specified in the scheme, and for allocating to the holders of the loan and share capital of the other constituent companies additional and new capital of the Great Western Railway Company so created to such amounts and in such manner as may be provided by the scheme;
 - (c) Notwithstanding anything in any special Act affecting the Great Western Railway Company, or the holders of any class of loan or share capital in that company, the additional capital of each class shall form part of, and rank *pari passu* with, the existing capital of that class, and any new class of capital may, with the consent of the majority in value of the holders of any class of security affected, rank before any existing class of capital;
 - (d) Paragraph (a) of the foregoing subsection, so far as it relates to the incorporation of the amalgamated company, shall not apply, and paragraph (b) thereof, so far as it relates to the winding up of the constituent companies, shall not apply, to the Great Western Railway Company.

4 Preparation and approval of absorption schemes.

- (1) The constituent companies in any group may, on or before the first day of January, nineteen hundred and twenty-three, submit to the Minister a scheme or schemes framed in accordance with the provisions of this Act for the absorption by the amalgamated company to be formed by the amalgamation of those constituent companies of the subsidiary companies which, under this Act, are to be absorbed by that amalgamated company, or any of those subsidiary companies, on terms agreed to by the subsidiary companies to which the scheme or schemes may relate.
- (2) The Minister shall refer to the amalgamation tribunal any scheme so submitted to him, and the tribunal, unless it appears to them that the scheme does not conform with the requirements of this Act, or that the provisions of this Act relating to the procedure preliminary to the submission of an agreed scheme have not been complied with, shall confirm the scheme.
- (3) If the constituent companies in any group fail on or before the said date to submit one or more agreed schemes framed in accordance with the provisions of this Act for the absorption of all the subsidiary companies which are to be absorbed by

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the amalgamated company to be formed by the amalgamation of those constituent companies, a scheme for the absorption of any subsidiary company with respect to which an agreed absorption scheme framed in accordance with the provisions of this Act has not been made shall be prepared and settled in accordance with this Act by the amalgamation tribunal.

5 Provisions to be contained in absorption schemes.

An absorption scheme under this Act—

- (a) shall provide in such manner as appears necessary or expedient for the transfer to the amalgamated company of all the property, rights, powers, duties, and liabilities, whether statutory or otherwise, of any subsidiary company to which the scheme relates; and
- (b) shall provide for the consideration to be given to the subsidiary company or companies, and generally as to the terms and conditions of the transfer, and may provide for the consideration consisting in whole or in part of securities of the amalgamated company; and
- (c) shall provide for the winding up of the subsidiary company or companies, and may provide on any such winding up for the holder of any securities of the subsidiary company receiving in substitution therefor and in satisfaction of all claims arising thereunder such securities of the amalgamated company forming part of the consideration for the transfer of the undertaking, and of such amounts, as may be specified in the scheme, and may, with the consent of the proprietors, provide for the payment of compensation out of the assets of a subsidiary company to the directors of the company who suffer loss by abolition of office; and
- (d) shall incorporate the provisions of Part V. of the Railways Clauses Act, 1863, subject to the provisions of this Act; and
- (e) shall contain such provisions with respect to the management of any superannuation, pension, provident, widows' and orphans' and other benefit fund or funds established by any subsidiary -company as may be necessary in consequence of absorption, so, however, as to preserve in all other respects the management of such funds unaltered until other provision is made by Parliament; and
- (f) shall incorporate the provisions contained in the Third Schedule to this Act with respect to existing officers and servants; and
- (g) may make such incidental and supplemental provisions as appear necessary or expedient in order to give full effect to the provisions of the scheme and the purposes of this Act.

6 Provisions as to determination of terms and conditions of amalgamation or transfer.

For the purpose of determining the terms and conditions of amalgamation between any constituent companies or of the transfer of the undertaking of any subsidiary company, the amalgamation tribunal shall take into consideration all the circumstances of the case, and in particular the value on a net revenue earning basis of each of the constituent and subsidiary companies as a separate company, and its value as a component part of the amalgamated company: so, however, that regard shall not be had to economies or accretions of traffic or other circumstances tending to enhance its

value as such component part attributable solely to the provisions of this Act relating to amalgamation and absorption :

Provided that, in the case of the line of one company being worked by another company under an arrangement whereby a percentage of the gross receipts of the line so worked is payable to the owning company, the amalgamation tribunal in determining the terms and conditions of transfer shall not take into account any higher charging powers than those authorised in respect of the line under the statutory provisions in force in the year nineteen hundred and thirteen.

7 Supplementary provisions as to schemes.

- (1) Every amalgamation scheme and every absorption scheme shall be so framed as to come into operation on the first day of July, nineteen hundred and twenty-three, or such earlier or later date, as the amalgamation tribunal, after consultation with the Minister, may fix:

Provided that each amalgamation scheme shall be deemed to come into operation immediately before the absorption scheme or schemes by which subsidiary companies are absorbed by the amalgamated company formed by the amalgamation scheme.

- (2) Before an agreed amalgamation or absorption scheme is referred to the amalgamation tribunal, the scheme shall be submitted to the proprietors and debenture stock-holders of each constituent and subsidiary company affected thereby in the manner provided in order sixty-two of the standing orders relative to private business in the House of Commons, and that order shall apply accordingly as if the scheme were a Bill, and any statement required by the order to be deposited at the Private Bill Office shall be deposited with the amalgamation tribunal.
- (3) A scheme under this Part of this Act shall, when confirmed or settled by the amalgamation tribunal, be binding on all persons and have effect as if enacted in this Act, and where any such scheme provides for the substitution of any securities of an amalgamated company for securities of a constituent or subsidiary company any trustee or other person acting in a fiduciary capacity who at the date of the amalgamation or absorption held and was entitled to hold any securities of the constituent or subsidiary company shall be entitled to hold the securities of the amalgamated company which may be substituted therefor.
- (4) No stamp duty shall be payable in respect of any amalgamation or absorption scheme.
- (5) Printed copies of every proposed amalgamation scheme and absorption scheme submitted to the Minister or prepared by the amalgamation tribunal in accordance with the provisions of sections two and four of this Act, respectively, shall be placed on sale at such places and at such price as the Minister may direct, and notice that such copies are on sale and the places where they may be obtained shall be published in the London and Edinburgh Gazettes, and no such scheme shall be confirmed or settled by the amalgamation tribunal until the expiration of twenty-one days after the publication of such notice.
- (6) Every amalgamation and absorption scheme shall be deemed to be statutory rules within the meaning of the Rules Publication Act, 1893; but nothing in this provision shall be construed as making any such scheme statutory rules to which section one of that Act applies.

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- (7) If as respects any group the amalgamation tribunal postpones the date on which the amalgamation and absorption schemes relating to the group are to come into operation to a date later than the said first day of July, then, during the period of postponement, the undertakings of all the constituent and subsidiary companies in the group may, and shall if the amalgamation tribunal so direct, be used, worked, managed, maintained and repaired as one joint undertaking, and the net receipts of the joint undertaking shall be distributed amongst the constituent and subsidiary companies upon such terms and subject to such conditions and in such proportions as may be agreed upon by the several companies with the approval of the amalgamation tribunal or in default of agreement as may be determined by the amalgamation tribunal, and the following provisions of this Act relating to amalgamated companies shall apply as if such joint undertaking were the undertaking of an amalgamated company and as if the governing body of the joint undertaking were an amalgamated company.

8 Preliminary scheme.

- (1) Any two or more constituent companies in any group may, at any time after the passing of this Act, submit to the Minister for reference to the amalgamation tribunal a preliminary scheme for the amalgamation of those companies, or for the absorption by one of such companies of the other or others of them.
- (2) A constituent company may, at any time after the passing of this Act, submit to the Minister for reference to the amalgamation tribunal a preliminary scheme for the absorption by that constituent company of any subsidiary company or companies in the same group upon such terms as may be agreed between those companies.
- (3) The amalgamation tribunal shall approve any such preliminary scheme so referred to them unless it appears to them that the provisions of this Act relating to the procedure preliminary to the submission of a scheme have not been complied with, or unless, after hearing such of the other constituent companies in the group as desire to be heard, the tribunal consider the scheme to be inconsistent with or prejudicial to an amalgamation scheme for the whole group made in accordance with the provisions of this Act.
- (4) Every such preliminary scheme shall, subject to such provisions in that behalf as may be contained therein, come into operation forthwith after it is approved.
- (5) Subject to the provisions of this section, all the provisions of this Part of this Act relating to amalgamation and- absorption schemes shall, with the necessary adaptations, apply respectively to preliminary amalgamation and absorption schemes except that a preliminary amalgamation scheme shall, instead of giving effect to the provisions contained in the Second Schedule to this Act with respect to the direction of the company, make such alternative provision in that respect as may be agreed between the companies to be amalgamated.
- (6) In the confirmation or preparation and settlement of the amalgamation scheme for the group the amalgamation tribunal shall give effect to any preliminary scheme approved by them, but so that the interests of the other constituent companies in the group shall not be prejudiced thereby.
- (7) Any company formed by a preliminary amalgamation scheme shall be deemed to be a constituent company for the purposes of this Act in lieu of the companies amalgamated by the scheme, and shall not be deemed to be an amalgamated company within the meaning of this Act.

9 Constitution and procedure of amalgamation tribunal.

- (1) For the purposes of dealing, in accordance with the foregoing provisions of this Part of this Act, with schemes of amalgamation and schemes of absorption, there shall be constituted a tribunal, to be called the Railways Amalgamation Tribunal (in this Act referred to as "the amalgamation tribunal") consisting of three commissioners, who shall hold office until all matters with respect to which they have jurisdiction under this Part of this Act have been settled.
- (2) The first commissioners shall be Sir Henry Babington Smith, G.B.E. (who shall be president), Sir William Plender, G.B.E., and George John Talbot, Esquire, K.C., and in the event of any vacancy occurring amongst the commissioners for the time being by death, resignation, or otherwise, before the expiration of the term of office of the commissioners, His Majesty may appoint a person to fill the vacancy.
- (3) The amalgamation tribunal shall be a court of record, and have an official seal, which shall be officially and judicially noticed, and may act notwithstanding any vacancy in their number, and two shall be a quorum.
- (4) Any commissioner and any person authorised by the amalgamation tribunal may hold such local or other inquiries as appear necessary to the amalgamation tribunal for the purpose of the proper execution of their duties under this Act, and before any such inquiry is held the amalgamation tribunal shall give such public notice as they think best adapted for informing persons affected of the date when and the place where the inquiry will be held.
- (5) The provisions of the Arbitration Act, 1889, with respect to—
 - (a) the administration of oaths and the taking of affirmations; and
 - (b) the correction in awards of mistakes and errors; and
 - (c) the summoning, attendance, and examination of witnesses and the production of documents; and
 - (d) the costs of the reference and award;shall apply in respect of any proceedings before the amalgamation tribunal, and (except with regard to the correction of mistakes and errors in awards) at any inquiry under this section; but, save as aforesaid, the Arbitration Act, 1889, shall not apply to proceedings before the amalgamation tribunal or at any inquiry under this section.
- (6) The amalgamation tribunal or person holding an inquiry under this section shall take into consideration all objections to an amalgamation or absorption scheme, or in respect of the subject matter of the inquiry, which may have been lodged by any class or body of persons within the prescribed time and in the prescribed manner and, where any objections have been so lodged, shall hear any objectors whom the tribunal consider entitled to appear.
- (7) The amalgamation tribunal may, and if so ordered by the Court of Appeal or Court of Session shall, state in the form of a special case for determination by the Court of Appeal or Court of Session as the case may require, any question of law which may arise before them, and the decision of the Court of Appeal or Court of Session shall be final unless that court give leave to appeal to the House of Lords, which leave may be given on such terms as to costs or otherwise as the Court of Appeal or Court of Session may determine.
- (8) Subject as aforesaid, the amalgamation tribunal may, with the approval of the Lord Chancellor and the Lord President of the Court of Session, make rules regulating their own procedure and the procedure at any inquiry under this section.

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10 Staff and expenses of tribunal.

- (1) The amalgamation tribunal may appoint a clerk and, subject to the consent of the Treasury as to numbers, such other officers and servants as they consider necessary for assisting them in the proper execution of their duties.
- (2) There shall be paid to the commissioners and to any such clerk, officer or servant as aforesaid such remuneration as the Minister, with the approval of the Treasury, may determine, not exceeding in the aggregate thirty-five thousand pounds.
- (3) Any such remuneration, and any other expenses of the amalgamation tribunal shall be defrayed in the first instance by the Minister out of moneys provided by Parliament, but on the coming into operation of the amalgamation schemes under this Part of this Act the amount thereof with interest at such rate as the Treasury may appoint shall on demand be repaid to the Minister by the amalgamated companies in such proportions as the amalgamation tribunal may determine.

11 Composition of claims in respect of Government possession of railways.

- (1) The Minister shall, out of moneys to be provided by Parliament, place on deposit with Messrs. Glyn, Mills, Currie and Company, bankers in the city of London, the sum of sixty million pounds to the credit of a deposit account entitled " The Railways Compensation Account," and that sum shall be payable by two equal instalments of thirty million pounds each, of which the first instalment shall become due on the thirty-first day of December, nineteen hundred and twenty-one, and the second instalment shall become due on the thirty-first day of Decembel, nineteen hundred and twenty-two, and each such instalment shall be paid within fifteen days after it so becomes due.
- (2) The payment of the said sum shall be a full discharge and in satisfaction of all claims which might otherwise have been made by any railway company in Great Britain to which this section applies for compensation under the Regulation of the Forces Act, 1871, the Ministry of Transport Act, 1919, or otherwise arising out of or in respect of the possession by the Crown of the undertaking, railroad, or plant of such railway company or the exercise of the powers conferred by those Acts :

Provided that the rights and liabilities of the Crown or the Minister on the one hand, and of the railway companies on the other hand, under the terms of the agreements or arrangements relating to the possession by the Crown of the railways, shall, so far as regards the making good of any deficiency in the net receipts of the companies (including the payment of interest) up to the end of the period of possession, and in relation to any sums expended and liabilities incurred by the companies in respect of repairs and renewals effected before the end of that period in accordance with the said agreements and arrangements, subsist and continue.

- (3) The moneys so placed to the credit of the said account in accordance with the provisions of this section, together with any interest which may accrue thereon, shall, subject to the provisions of the next succeeding section, be distributed amongst the railway companies in Great Britain to which this section applies, in accordance with such scheme or schemes of allocation as may be agreed to by such companies, or, failing agreement, as may be settled from time to time by the amalgamation tribunal, and the amalgamation tribunal shall on request issue under their seal a certificate authenticating any such scheme or schemes as may have been agreed or settled, and Messrs. Glyn, Mills, Currie and Company shall pay to each of the said companies forthwith the amount or amounts allocated to such company in accordance with any such scheme bearing the seal of the amalgamation tribunal, and any sum allocated to

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any company under any such scheme shall be deemed to become, or to have become, due to the company on the date on which the instalment out of which the sum is payable becomes or became due.

- (4) All moneys received by any of the said railway companies in pursuance of any such scheme of allocation may be applied in such manner and in such proportions and at such time or times as the directors of the company may determine as a reserve fund for meeting contingencies, or for repairing improving or maintaining any of the property of the company, or for payment of interest or dividend, or for any other purpose for which the earnings of the company may be properly applied.
- (5) Notwithstanding anything in the Income Tax Acts, any sum received by a railway company out of the said account shall not be charged to income tax except so far as any part thereof may, at any time, be applied for the payment of interest or dividends, and the amount so applied shall be assessed and charged to income tax for the year of assessment next following the end of the year or period in respect of which such interest or dividends were paid:

Provided that, if the total amount so applied by the railway companies for the payment of interest and dividends in respect of the three years nineteen hundred and twenty-one, nineteen hundred and twenty-two, and nineteen hundred and twenty-three is less than thirty million pounds, the deficiency (that is to say, the amount representing the difference between the said total amount and the sum of thirty million pounds) shall be assessed and charged to income tax for the year 1924-25.

- (6) For the purpose of such assessment, the deficiency shall be apportioned in manner hereinafter mentioned amongst such of the railway companies as have applied for the payment of interest and dividends in respect of the said three years less than one-half of the amount received by them out of the said account, and each such company shall be assessed and charged to income tax on the amount so apportioned to it:

Provided that, where any company so assessed applies for the payment- of interest or dividends in respect of any year subsequent to the year nineteen hundred and twenty-three any part of the sums received by it from the said account, so much of the amount so applied as is equal to the amount for which the company was assessed under the foregoing provisions of this subsection shall not be charged to income tax.

- (7) For the purposes of such apportionment, there shall, in the case of each of the companies amongst which the deficiency is to be apportioned, be deducted from one-half of the sum received by the company out of the said account the amount applied by that company for the payment of interest and dividends in respect of the said three years; and the deficiency shall be apportioned amongst the several companies in proportion to the amounts of the several residues so obtained.
- (8) After an amalgamation scheme comes into operation, any sums received out of the said account, and any amounts applied for the payment of interest or dividends, by a constituent or subsidiary company in the group to which the scheme relates, shall, for the purposes of this section, be treated as having been so received or applied by the amalgamated company formed by the scheme.
- (9) All assessments to income tax in respect of sums applied for the payment of interest or dividends, or in respect of an apportioned share of the deficiency under this section, shall be made by the special commissioners of income tax; and the amount of any such assessment shall be paid, collected, and levied in like manner as any other assessment made by the special commissioners.

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- (10) The railway companies to which this section applies are the railway companies of whose undertakings possession is retained under the Ministry of Transport Act, 1919, up to the end of the period of possession; that is to say, the period, ending on the fifteenth day of August, nineteen hundred and twenty-one, during which possession of those undertakings is under the said Act authorised to be retained by the Minister.

12 Allocation of compensation under railway agreements.

- (1) Out of the first instalment of thirty million pounds referred to in the last preceding section—
- (a) the sum of twenty-four million five hundred thousand pounds shall be forthwith distributed amongst the companies to which the said section applies (other than the companies referred to in subsection (3) of this section) in proportion to the net receipts of those companies, respectively, during the year nineteen hundred and thirteen, covered by the first seven items in account No. 8 of the First Schedule to the Railway Companies (Accounts and Returns) Act, 1911, as already agreed for the purpose of the compensation accounts between the Government and the railway companies (but excluding any receipts classified as miscellaneous receipts (net) in the said Account No. 8), supplemented by—
 - (i) the inclusion in such net receipts of any sums placed to the credit of a suspense account in respect of the four per cent. increase in rates out of the revenue of nineteen hundred and thirteen; and
 - (ii) the addition of any sums payable by the Government to the said companies respectively for the year nineteen hundred and twenty under the agreements or arrangements aforesaid in respect of interest on capital expenditure; and
 - (b) The sum of five hundred thousand pounds shall be set aside for the payment thereof of such compensation as may be awarded by the amalgamation tribunal to any of the companies referred to in subsection (3) of this section; and
 - (c) the sum of five million pounds shall be set aside for distribution subject as hereinafter provided amongst those railway companies to whom the said section applies (other than the companies referred to in subsection (3) of this section) and who are able to show to the satisfaction of the amalgamation tribunal that they have suffered abnormally by the standardisation of rates of pay, hours of duty, and other conditions of service. For the purpose of determining the basis of compensation owing to abnormal increase in working expenses due to such standardisation, the cost of salaries and wages for the last four months of the year nineteen hundred and twenty-one of the railways to which the said section applies compared with the cost of salaries and wages of the same railways for the same four months of the year nineteen hundred and thirteen shall be ascertained and the average percentage increase shall be deemed to be the normal ratio of increase for the purpose of this section. Any company whose ratio of increase is above such normal ratio shall make out a claim showing the extent above the normal ratio of increase to which it has suffered by standardisation during the said four months. The claims of all the companies presenting such claims shall be considered by the amalgamation tribunal, who shall allocate amongst such last-mentioned companies in proportion to the claim which they may establish to the satisfaction of the amalgamation tribunal, the said sum of five million

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- pounds or such lesser sum as may be sufficient to satisfy such claims as so established; and
- (d) any sum remaining out of the two said sums of five hundred thousand pounds, and five million pounds after payment to the various railway companies to whom the said section applies (other than the companies referred to in subsection (3) of this section), under the two last preceding paragraphs and including any interest which may have accrued, shall be distributed between the whole of the companies entitled to participate in the said sum of twenty-four million five hundred thousand pounds as if such sums and the interest thereon had been added to the twenty-four million five hundred thousand pounds.
- (2) Out of the second instalment of thirty million pounds payable under the said section of" this Act—
- (a) the sum of twenty-five million pounds shall be distributed amongst those companies to whom the said section applies (other than the companies referred to in subsection (3) of this section), and who on the thirty-first day of December, nineteen hundred and twenty, were in arrear in respect of the maintenance and renewal of way and works and/or rolling stock (abstracts A and B set out in the form of accounts scheduled to the Railway Companies (Accounts and Returns) Act, 1911) in proportion to the extent to which they were so in arrear. The amount of such arrear shall be ascertained in accordance with the arrangements agreed between His Majesty's Government and the railway companies in Great Britain in respect of arrears of maintenance and renewal work, as set out in addendum 2 of Command Paper 654 (1920).
- (b) The sum of five million pounds shall be set aside for distribution subject as hereinafter provided amongst those railway companies who shall have established or shall establish to the satisfaction of the amalgamation tribunal their right to participate in the distribution of the sum of five million pounds mentioned in subsection (1)(b) of this section in accordance with the provisions of that subsection except that the words " the year nineteen hundred and twenty-two" shall be deemed to be substituted for the words " last four months of the year nineteen hundred and twenty-one " and the words "year nineteen hundred and thirteen" shall be deemed to be substituted for the words " same four months of the year nineteen hundred and thirteen " in the said subsection;
- (c) Any sum remaining out of the five million pounds after payment to the various railway companies under the preceding paragraph, including any interest which may have accrued, shall be divided between the whole of the companies to whom the said section applies (other than the companies referred to in subsection (3) of this section) as if such sum and the interest thereon had been added to the twenty-four million five hundred thousand pounds referred to in subsection (1) paragraph (a).
- (3) No portion of the sum of sixty million pounds referred to in the said section of this Act or the interest thereon shall be allocated to any company which is neither itself conducting its traffic nor maintaining its undertaking unless the tribunal shall determine, on the application of such company, that such company would, but for the provisions of the last preceding section, be entitled to receive compensation from the Minister of the Crown under the Regulation of the Forces Act, 1871, the Ministry of Transport Act, 1919, or otherwise arising out of or in respect of possession of their undertaking by the Crown, but no such application shall be made after the thirtieth day of April, nineteen hundred and twenty-two. The amount of such compensation shall

be determined by the tribunal and shall be paid out of the said sum of five hundred thousand pounds.

13 Power of constituent companies to issue redeemable debenture stock.

- (1) It shall be lawful for any constituent company and, with the consent of the constituent companies in the group, for any subsidiary company, prior to amalgamation under this Act, with the sanction of the Minister, and notwithstanding any limitation on the powers of borrowing of the company, to borrow on mortgage of its undertaking by means of terminable securities to such amount, at such rate of interest, redeemable within such period, and subject to such conditions as the Minister may sanction, with the consent of the majority in amount of the proprietors and of the holders of the existing mortgage securities of the company, at special meetings called for the purpose, but the amount so borrowed shall in no case exceed one-eighth of the existing mortgage securities of that company.
- (2) The constituent companies in any group may, in like manner and subject to the like conditions, guarantee any such securities issued by any one or more of them, or by any one or more subsidiary companies in the group.
- (3) Where a scheme of amalgamation or absorption has been referred to or is being prepared or has been confirmed or settled by the amalgamation tribunal, the powers under this section shall not be exercised by any constituent or subsidiary company affected by the scheme without the consent of the amalgamation tribunal.

14 Railway Clearing House.

- (1) An amalgamated company shall, for the purposes of the Railway Clearing House and the Acts relating thereto, be deemed to be a party to the clearing system in place of the constituent and subsidiary companies from which it was formed.
- (2) The Railway Clearing House may submit to the amalgamation tribunal and the amalgamation tribunal shall settle a scheme to effect such alterations of the Acts and regulations applicable to the Railway Clearing House as may be rendered necessary by reason of the constitution of amalgamated companies.
- (3) The provisions of this Part of this Act applicable to an amalgamation scheme when settled by the amalgamation tribunal shall apply to a scheme under this section.
- (4) The provisions of the Third Schedule to this Act shall apply to persons who were at the date of the introduction of the Bill for this Act officers and servants of the Railway Clearing House as if the Railway Clearing House were an amalgamated company and those officers and servants were officers and servants of a constituent company.

15 Power of trustees to invest in securities of amalgamated companies.

For the purposes of the provisions of the Trustee Act, 1893, and the Trusts (Scotland) Acts, 1861 to 1910, relating to the securities in which trustees are authorised to invest trust funds, an amalgamated company or a company constituted by a preliminary amalgamation scheme shall be treated as if it were a railway company in Great Britain incorporated by special Act of Parliament and had, in each of the ten years immediately before the date of amalgamation, paid a dividend at the rate of not less than three per centum per annum on its ordinary stock.

PART II

REGULATION OF RAILWAYS.

16 Power to make orders as to working of railway companies.

- (1) With a view to securing and promoting the public safety, or the interests of the public, or of trade, or of any particular locality, the Railway and Canal Commission may, on the application of any body of persons representing any such interests, by order require any railway company or companies, or the Minister may, on the application of any such company or companies, by order authorise the company or companies, to afford such reasonable railway services, facilities, and conveniences upon and in connection with its undertaking or their undertakings (including the provision of such minor alterations and extensions and improvements of existing works as will not involve in any one case an expenditure exceeding one hundred thousand pounds) as" may be specified in the order:

Provided that, if on any such application a company satisfies the Railway and Canal Commission that under all the circumstances the capital required for the purpose cannot be provided or expended as proposed without prejudicially affecting the interests of the then existing stockholders, the order shall not be made :

Provided further that the powers under this subsection shall be in addition to and not in derogation of any other existing powers of requiring measures for securing the safety of the public or the provision of reasonable facilities.

- (2) The Minister may, after such reference as is hereinafter mentioned, by order require or authorise any railway company or any two or more railway companies on such terms and subject to such conditions as may be specified in the order—
- (a) to Conform gradually to measures of general standardisation of ways, plant and equipment (including methods of electrical operation, type, frequency, and pressure of current) ;
 - (b) to adopt schemes for the co-operative working or common user of rolling stock, workshops, manufactories, plant and other facilities :

Provided that—

- (i) it shall not be necessary to make such a reference as aforesaid if the company or all the companies affected by the order consent thereto; and
 - (ii) if on any such application to enforce the order as is hereinafter mentioned any company satisfies the Railway and Canal Commission that the order is such that the capital expenditure involved cannot be provided or expended without prejudicially affecting the interests of the then existing stockholders, the order shall not be enforceable as against that company.
- (3) Before making any order under the last foregoing subsection the Minister shall (except as hereinbefore provided) refer the draft order to a committee consisting of a representative of each of the amalgamated companies (each of which companies shall, on being so required by the Minister, nominate a representative), and three persons of experience in the subject-matter of the proposed order selected by the Minister from the panel set up under section twenty-three of the Ministry of Transport Act, 1919, as extended by this Act, and the committee before reporting or advising shall, if they see fit, give public notice and permit any persons affected or likely to be affected and any authority or body of persons authorised to make applications under this Act to place their views before them, either in writing or orally.

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- (4) Any order of the Minister under this section shall be complied with by any railway company to which the order relates, and in the event of non-compliance shall (subject as hereinbefore provided) be enforceable by order of the Railway and Canal Commission on the application of the Minister in any of the ways referred to in section three of the Railway and Canal Traffic Act, 1854, or section six of the Regulation of Railways Act, 1873.

17 Power to make orders as to acquisition of land, &c.

For enabling railway companies to effect alterations, extensions, and improvements of existing works in pursuance of an order of the Railway and Canal Commission or the Minister under this Part of this Act, the Minister may make any such order authorising the acquisition of land or easements and the construction of works as could have been made under paragraph (d) of subsection (1) of section three of the Ministry of Transport Act, 1919, for the purposes specified in that paragraph, and that paragraph and section twenty-nine of the same Act, other than the proviso to subsection (3) of that section and the rules made under that section, and the regulations contained in the Second Schedule to the same Act shall, so far as they relate to railways, apply accordingly.

18 Power to confirm agreements for the purchase, lease, or working of railways.

Where an agreement has been or may hereafter be entered into for the purchase, lease, or working by one railway company of any part of the system of another railway company, the Minister may, by order, confirm the agreement, and where any such agreement has been so confirmed it shall be lawful for the companies to carry the agreement into effect:

Provided that, before confirming any such agreement, the Minister shall comply with the provisions of section twenty-nine of, and the Second Schedule to, the Ministry of Transport Act, 1919, including any rules made under the said section; and the said section, schedule, and rules shall apply to the confirmation of any such agreement in like manner as they apply to the making of an order under paragraph (d) of subsection (1) of section three of the said Act.

19 Restrictions on combination.

- (1) Save as in this Act expressly provided, nothing in this Act shall prejudice or affect the rights or liabilities of any constituent or subsidiary company under any Act or agreement or arrangement (whether made under statutory powers or otherwise) in existence at the passing of this Act, but from and after the passing of this Act it shall not be lawful for any constituent or subsidiary company or for any amalgamated company without the consent of the Minister to enter into agreements with any constituent or subsidiary company in another group or with any other amalgamated company, as the case may be, for the allocation of traffic or the pooling of receipts or otherwise for effecting a combination which would contravene the purposes of this Act:

Provided that it shall be lawful for any two or more amalgamated companies to make and carry into effect, with the consent of the Minister, agreements for the joint working of the undertakings of subsidiary companies acquired by one of such amalgamated companies under the provisions of this Act.

- (2) Before giving his consent under this section the Minister shall, unless it appears to him that the matter is one of such small importance that it is unnecessary to do so, refer the matter for consideration and report to a committee selected from the panel set up under section twenty-three of the Ministry of Transport Act, 1919, as extended by this Act.
- (3) Schedules of all agreements and arrangements in existence at the passing of this Act (whether made under statutory powers or otherwise) in which provision is made for the allocation of traffic or the pooling of receipts therefrom on any railways which will become railways of different amalgamated companies, giving particulars of the dates of such agreements or arrangements, and the parties thereto, shall, on request by the Minister, be furnished to him and such further particulars as the Minister may require in regard to such agreements or arrangements shall be furnished to him by the companies affected thereby if and when demanded.

PART III

RAILWAY CHARGES.

Constitution and Procedure of Rates Tribunal.

20 Rates tribunal.

- (1) There shall be established a court styled the Railway Rates Tribunal (in this Act referred to as the "rates tribunal"), consisting of three permanent members, with power to add to their number as hereinafter provided, and the rates tribunal shall be a court of record and have an official seal which shall be judicially noticed, and the rates tribunal may act notwithstanding any vacancy in their number.
- (2) The permanent members of the rates tribunal shall be whole-time officers and shall hold office for such term not exceeding seven years from the date of their appointment as may be determined at the time of appointment and then retire, but a retiring member shall be eligible for reappointment.
- (3) The permanent members of the rates tribunal may be appointed by His Majesty at any time after the passing of this Act, and from time to time as vacancies occur, and shall be so appointed on the joint recommendation of the Lord Chancellor, the President of the Board of Trade, and the Minister.
- (4) Of the permanent members of the rates tribunal one shall be a person of experience in commercial affairs, one a person of experience in railway business, and one, who shall be the president, shall be an experienced lawyer.

21 Appointment of officers and expenses of tribunal.

- (1) The rates tribunal may appoint a clerk and such other officers and servants (subject to the consent of the Treasury as to number and not exceeding ten) as they may consider necessary for assisting them in the proper execution of their duties, and there shall be paid to the permanent members of the rates tribunal and to any such clerk, officer or servant as aforesaid such remuneration (including, in the case of such clerk, officers, and servants, superannuation allowances or gratuities on retirement) as the Minister, with the approval of the Treasury, may determine.

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- (2) Any such remuneration and any other expenses of the rates tribunal incurred in the exercise and performance of their powers and duties shall be defrayed by the Minister out of moneys provided by Parliament, but, so far as the aforesaid expenses are not met out of the amount recovered by way of fees, they shall, on demand, be repaid to the Minister by the amalgamated companies as part of their working expenses in such proportions as the rates tribunal may determine.

22 Procedure.

- (1) The rates tribunal may, from time to time, with the approval of the Lord Chancellor, the Lord President of the Court of Session, and the Minister, make general rules governing their procedure and practice and generally for carrying into effect their duties and powers under this Part of this Act, and such rules may, amongst other things, provide for—

- (a) the awarding of costs by the tribunal, but so that in proceedings before the rates tribunal at the instance of any company or person, other than disputes between two or more railway companies, the tribunal shall not have power to award costs unless they are of opinion that either the application or claim or complaint or defence or objection, as the case may be, is frivolous and vexatious ;
- (b) the reference of any question to a member or officer of the tribunal, or any other person appointed by them, for report after holding a local inquiry;
- (c) the number of members of the tribunal to constitute a quorum;
- (d) enabling the tribunal to dispose of any proceedings before them, notwithstanding that in the course of the proceedings there has been a change in the persons sitting as members of the tribunal;
- (e) the right of audience before the tribunal, provided that any party shall be entitled to be heard in person, or by a representative in the employment of the party duly authorised in Writing, or by counsel or solicitor;

and may, subject to the consent of the Treasury, prescribe a scale of fees for and in connection with the proceedings before the tribunal.

- (2) The Minister shall give to the rates tribunal such assistance as the tribunal may require, and shall place at the disposal of the tribunal any information in his possession which he may think relevant to the matter before the tribunal, and the Minister shall be entitled to appear and be heard in any proceedings before the tribunal.
- (3) The rates tribunal shall annually make a report to the Minister of their proceedings under this Act, which report shall be laid before Parliament.

23 Sittings.

Subject to the provisions of this Part of this Act and to the rules made thereunder, the rates tribunal may hold sittings in any part of Great Britain in such place or places as may be convenient for the determination of the proceedings before them. The central office of the tribunal shall be in London.

24 Additional members of tribunal.

- (1) There shall be constituted two panels, the one (hereinafter referred to as the general panel) consisting of thirty-six persons, "twenty-two being nominated by the President

of the Board of Trade after consultation with such bodies as he may consider to be most representative of trading interests twelve being nominated by the Minister of Labour after consultation with such bodies as he may consider most representative of the interests of labour and of passengers upon the railways, and two being nominated by the Minister of Agriculture and Fisheries after consultation with such bodies as he may consider most representative of agricultural and horticultural interests, and the other (hereinafter referred to as the railway panel) consisting of eleven persons nominated by the Minister after consultation with the Railway Companies' Association, and one person nominated by the Minister to represent railways and light railway companies not parties to the Railway Companies' Association.

- (2) A member of a panel shall hold office for such term, not exceeding three years from the date of his appointment, as "may be determined at the time of appointment, and then retire, but shall be eligible for reappointment.
- (3) If a vacancy occurs amongst the permanent members of the rates tribunal, or if any permanent member of the rates tribunal is incapacitated by prolonged illness or other unavoidable cause from attending meetings of the tribunal, then pending the filling up of such vacancy or during such absence,
 - (a) in the case of the president, the Lord Chancellor may appoint a person to act in his place;
 - (b) in the case of either of the other permanent members, the Minister may appoint a member of a panel to act in his place, the person so appointed being selected from the general panel or the railway panel according to the qualification of the permanent member in question.
- (4) Whenever for the purposes of any particular case or proceeding the rates tribunal either upon application by any of the parties or otherwise so request, or the Minister thinks it expedient, there shall be added to the rates tribunal two additional members nominated by the Minister from the panels, one selected from the general panel and one from the railway panel.

In selecting a member from the general panel, regard shall be had to the particular class of case or proceeding to be heard, so that, as nearly as may be, the person so selected shall be conversant with and have knowledge of the technicalities that may arise in such particular case or proceeding.

- (5) Any person appointed under the provisions of this section shall, for the purposes of any proceedings in respect of which he may be so appointed, be a member of the rates tribunal and shall, subject to the provisions of this Part of this Act and to the general rules made thereunder, exercise all the powers and functions of a permanent member of the rates tribunal.

25 Decisions.

The decisions of the rates tribunal shall be by a majority of the members including the additional members, and shall not be subject to review otherwise than under the provisions of this Part of this Act relative to appeals from the rates tribunal.

26 Appeals.

Section seventeen of the Railway and Canal Traffic Act, 1888, shall apply in respect of appeals from the rates tribunal in like manner as it applies to appeals from the Railway and Canal Commission :

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Provided that, in cases where an appeal lies, the question whether the appeal is to be to the court of appeal or to the Court of Session shall be determined in accordance with general rules made under this Part of this Act.

Jurisdiction of Tribunal.

27 Transfer of powers of Railway and Canal Commission.

Any existing functions of or powers exercisable by the Railway and Canal Commission shall, in so far as they are exercisable by the rates tribunal by virtue of this Act, cease as from the appointed day hereinafter mentioned to be functions of or powers exercisable by that Commission.

28 Functions of tribunal.

- (1) The rates tribunal shall, in addition to any other powers conferred upon them under this Part of this Act, have power to determine any questions that may be brought before them in regard to the following matters:—
- (a) The alteration of the classification of merchandise, or the alteration of the classification of any article, or the classification of any article not at the time classified, or any question as to the class in which any article is classified ;
 - (b) The variation or cancellation of through rates;
 - (c) The institution of new, and the continuance, modification, or cancellation of existing group rates;
 - (d) The variation of any toll payable by a trader;
 - (e) The amount to be allowed for any terminal services not performed at a station, or for accommodation and services in connection with a private siding not provided or performed at that siding;
 - (f) The reasonableness or otherwise of any charge made by a railway company for any services or accommodation for which no authorised charge, is applicable ;
"
 - (g) The reasonableness or otherwise of any conditions as to packing of articles specially liable to damage in transit or liable to cause damage to other merchandise;
 - (h) The articles and things that may be conveyed as passengers' luggage;
 - (i) The constitution of local joint committees and their functions and the centres at which they are to be established.
- (2) The powers of the rates tribunal under paragraphs (b) to (f) of this section shall not be exercisable until the appointed day.

Classification of Merchandise.

29 Classification of merchandise.

- (1) The classification of merchandise for the purposes of this Part of this Act shall, in the first instance, be that determined by the committee appointed under section twenty-one of the Ministry of Transport Act, 1919, and that committee shall have power to settle such classification as if they had been empowered for that purpose by that Act,

and, notwithstanding anything contained in that Act, shall continue in existence until they have settled such classification.

- (2) The classification shall be divided into such number of classes containing such descriptions of merchandise as the committee think fit, and the committee, in determining the class into which any particular merchandise shall be placed, shall, in addition to all other relevant circumstances, have regard to value, to the bulk in comparison to weight, to the risk of damage, to the cost of handling, and to the saving of cost which may result when merchandise is forwarded in large quantities.

Standard Charges.

30 Submission of schedules of charges.

- (1) The constituent companies in each group shall jointly, or with the consent of the rates tribunal any one or more of such companies may, submit to the rates tribunal not later than the thirty-first day of December, nineteen hundred and twenty-two, or such later date as the Minister may allow, a schedule of the standard charges proposed to be made by the amalgamated company into which they are to be formed, according to the classification fixed as aforesaid, and shall (except as hereinafter provided) show in that schedule the rates for the conveyance of merchandise, the amounts of terminal charges, and the fares for the conveyance of passengers and their luggage, and every such schedule shall be published in such manner as the rates tribunal may direct.
- (2) The schedules so submitted shall be divided into the parts and be in the form mentioned in the Fourth Schedule to this Act, or into such other parts or in such other similar form as the rates tribunal may prescribe.

31 Settlement of schedules.

The rates tribunal shall consider the schedules of charges so submitted to them and any objections thereto which may be lodged within, the prescribed time and in the prescribed manner, and, after hearing all parties interested and who are desirous of being heard, shall, in accordance with the provisions hereinafter contained, settle the schedules of charges and appoint a day (hereinafter called "the appointed day") when the same shall come into operation.

32 Obligation to charge standard charges.

On and from the appointed day the charges appearing in the schedule of charges as fixed by the rates tribunal for each amalgamated company (in this Part of this Act referred to as "the standard charges") shall be the charges which that company shall be entitled to make for all services rendered in respect of which charges are fixed, and no variation either upwards or downwards shall be made from such authorised charges unless by way of an exceptional rate or an exceptional fare continued, granted, or fixed under the provisions of this Part of this Act, or in respect of competitive traffic in accordance therewith.

33 Application of schedules to non-amalgamated companies.

As respects railway companies, other than amalgamated companies and light railway companies and railway companies whose powers of charging have, since the

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fourteenth day of August, nineteen hundred and nineteen, been increased by special Act either generally or in relation to any particular class of traffic, the rates tribunal shall apply to each such company the schedule of charges of such one of the amalgamated companies as, after considering any objections thereto which may be lodged within the prescribed time and in the prescribed manner and after giving the company in question and all other parties whom they consider to be entitled to be heard before them an opportunity of being heard, appears to the tribunal to be most appropriate to the case of that company, and may so apply it either without modification or subject to such modifications as the tribunal may think fit ; and, where a schedule has been so applied to any company, the last foregoing section shall apply to the company as if it were an amalgamated company.

34 Repeal of existing provisions.

- (1) As from the appointed day all statutory provisions, and the provisions of all agreements with respect to classification of merchandise and with respect to charges for or in connection with the carriage of merchandise or passengers by any railway which becomes a railway of an amalgamated company, or of a railway company to which a schedule of standard charges is applied, shall to the extent to which those provisions relate to the matters aforesaid be repealed and cease to be operative, except so far as any statutory provision authorises for the purpose of calculation of distance a special mileage to be allotted in respect of any portion of a railway, and except so far as, in the case of any such agreement or in the case of a statutory provision fixing a special charge, it may be continued under the provisions of this Part of this Act Of by an order of the rates tribunal:

Provided that nothing in this Act shall, except as otherwise expressly provided, affect the provisions of section six of the Cheap Trains Act, 1883 (which relates to the conveyance of His Majesty's forces and matters connected therewith).

- (2) In the case of the rates fixed under paragraph (v) of subsection (1) of section six of the Cheap Trains Act, 1883, Or in any case where it is proved to the satisfaction of the rates tribunal that any charge in operation on the fourth day of August, nineteen hundred and fourteen, and fixed under any subsisting agreement or special statutory provision was originally so fixed for valuable consideration, the rates tribunal shall, and in any other case may, by order continue the charge, subject to such adjustment, if any, as to the tribunal may appear fair and equitable, and in making such adjustment, if any, the tribunal shall, as far as practicable, provide that the relative position between persons entitled to the charge and other persons as existing on the said fourth day of August shall not be prejudiced or improved.

35 Subsequent modifications of standard charges.

Any amalgamated company or any railway company to which a schedule of standard charges has been applied, or any representative body of traders or any person who may obtain a certificate from the Board of Trade that he is, in the opinion of the Board of Trade, a proper person for the purpose, shall be entitled at any time to apply to the rates tribunal to modify the standard charges or any of them, or any conditions relative thereto, and, if any such company or body of traders or person, as the case may be, prove to the satisfaction of the rates tribunal that the standard charges or conditions or any of them ought to be modified, the tribunal shall make such modifications as they think fit, and shall fix the date as from which the modified standard charges or conditions shall be effective :

Provided that subsections (3), (4), (5), and (6) of section fifty-nine of this Act shall apply to any application for a general revision or variation of standard charges of an amalgamated company under this section as if such application were a review of standard charges and exceptional charges under that section:

Provided also that, where the schedule of standard charges Of any amalgamated company has been applied to any other company, the tribunal may modify the charges or any of them in the schedule as applied to the amalgamated company without modifying them in the schedule as applied to such other company, or modify them in the schedule as applied to such other company without modifying them in the schedule as applied to the amalgamated company.

Exceptional Charges.

36 Provisions as to existing exceptional rates.

- (1) On and from the appointed day all exceptional rates in operation immediately before the appointed day on the railway of any amalgamated company or any company to which a schedule of standard charges has been applied shall cease to operate, with the exception of such exceptional rates as—
- (a) are not less than five per cent. below the standard rates which would otherwise on and from the appointed day become chargeable; and
 - (b) have been continued by agreement in writing between the railway company and the trader concerned or, failing agreement, have been notified in writing to the secretary of the railway company by the trader with a request that they should be referred to the rates tribunal for determination by them, in which case the rates shall continue until determined by the rates tribunal, and the onus of proving that any such rates should be altered or discontinued shall be upon the railway company;

so nevertheless that no rate which has not been applied to the charging of merchandise actually forwarded within the two years preceding the first day of January, nineteen hundred and twenty-three, shall be continued unless the trader can prove to the satisfaction of the railway company or, failing agreement with the railway company, to the satisfaction of the rates tribunal—

- (i) that its non-application is solely due to abnormal conditions of trade; or
- (ii) that a rate of equal amount to the same destination remains in operation at other stations or sidings in the same group or area :

Provided that, if the trader and the railway company agree to continue any rate which will be more than forty per cent. below the standard rate chargeable as aforesaid, the rate shall, before the appointed day, be referred to the rates tribunal, and, if so referred, shall continue until the tribunal have determined the matter.

- (2) Any such agreement or determination may provide for the continuance of any exceptional rate at the same or any higher figure or charge, not being, in the case of an agreement between a railway company and a trader, less than five per cent. nor more than forty per cent. below the standard rate chargeable, and for a specified period of time.

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37 New exceptional rates.

- (1) On and after the appointed day an amalgamated company or a railway company to which a schedule of standard charges has been applied shall be at liberty to grant new exceptional rates in respect of the carriage of any merchandise, which rates shall within fourteen days, or such longer period as the Minister may allow, be reported to the Minister; so, however, that a new exceptional rate so granted shall not, without the consent of the rates tribunal, be less than five per cent. or more than forty per cent. below the standard rate chargeable.
- (2) If the Minister is of opinion that any company is granting new exceptional rates in such manner as prejudicially to affect any class of users of the railway not benefited by such rates, or so as to jeopardise the realisation of the standard revenue of such company, he may refer the matter to the rates tribunal, who may, after giving all parties interested an opportunity of being heard, take either or both of the following courses:—
 - (a) revise the standard charges of that company or any of them:
 - (b) cancel or modify all or any of such exceptional rates.
- (3) Any trader may, at any time, apply to the rates tribunal to fix a new exceptional rate.

38 Variation of exceptional rates.

- (1) An amalgamated company or a railway company to which a schedule of standard charges has been applied shall not be entitled to increase or cancel any exceptional rate which has been fixed by the rates tribunal without first obtaining the sanction of that tribunal.
- (2) Any such company may, at any time, reduce any exceptional rate, so, however, that the rate shall not, without the consent of the rates tribunal, be reduced so as to be more than forty per cent. below the standard rate which would be chargeable, but any such reduction shall be reported to the Minister in like manner as if it were the grant of a new exceptional rate.
- (3) Any such company may, at any time, increase any exceptional rate which has not been fixed by the rates tribunal on giving thirty days' notice in such manner as the rates tribunal may prescribe of the proposed increase, and on the expiration of such notice may, if no objection be raised by any trader interested, forthwith bring the increased rate into force, provided that it is not less than five per cent below the standard rate chargeable but, if such an objection be raised—or if the rate when increased would be less than five per cent below the standard rate chargeable, the increase shall not have effect unless and until the rates tribunal, after giving the company an opportunity of being heard, so determine :

Provided that no trader shall be entitled to object to an increase of an exceptional rate reduced by a railway company since the appointed day unless the effect of the increase is to make the rate applicable to his traffic higher than the rate applicable thereto immediately before the reduction.

- (4) Any such company may, at any time, cancel any exceptional rate which has not been fixed by the rates tribunal on giving thirty days' notice in such manner as the rates tribunal may prescribe of the proposed cancellation, and on the expiration of such notice may, if no objection be raised by any trader interested, forthwith cancel the rate as proposed, but if any such objection be raised, the cancellation shall not have effect unless and until the rates tribunal, after giving the company an opportunity of being heard, so determine:

Provided that no trader shall be entitled to object to the cancellation of an (Exceptional rate granted by a railway company since the appointed day unless the effect of the cancellation is to make the rate applicable to his traffic higher than the rate applicable thereto at the date when the exceptional rate was granted.

- (5) No such increase or cancellation shall take effect in the case of any exceptional rate referred to the rates tribunal under paragraph (b) of subsection (1) of section thirty-six of this Act pending the decision of the tribunal with reference thereto, and any exceptional rate agreed under the said section thirty-six shall not be increased or cancelled for a period of twelve months after the appointed day except as part of a general increase under this Part of this Act or to abate an undue preference.
- (6) Any trader or representative body of traders interested in the rate, or any such company, shall be entitled to apply to the rates tribunal at anytime to cancel or vary any exceptional rate.
- (7) Any such company may cancel any exceptional rate existing after the appointed day which for a period of two years shall not have been applied to the charging of merchandise actually forwarded by railway.

39 Review of competitive exceptional rates.

If and whenever representations are made to the Minister by any body of persons who, in the opinion of the Board of Trade, are properly representative of the interests of shipping or canals, that exceptional rates are being charged which are competitive with coastwise shipping or canals in such a manner as to be detrimental to the public interest, and which are inadequate having regard to the cost of affording the service or services in respect of which the rates are charged, the Minister shall (if satisfied that a prima facie case has been made out) refer the matter to the rates tribunal for review, and the rates tribunal may, after hearing all parties whose interests are affected, vary or cancel such rates or make such other order as may seem to them expedient.

40 Disintegration of exceptional rates.

- (1) Where application is made to the rates tribunal to fix or sanction any exceptional rate for the carriage of merchandise between two stations, or between a station and a siding, or between two sidings, or between either a station or a siding and a junction, the rates tribunal in fixing or sanctioning the exceptional rate shall determine the amounts (if any) to be included in the rate for the following services:—
 - (a) conveyance;
 - (b) station terminals;
 - (c) service terminals;
 - (d) accommodation provided and services rendered at or in connection with a private siding.
- (2) Where an amalgamated company or a railway company to which a schedule of standard charges has been applied grants an exceptional rate for the carriage of merchandise between two stations, or between a station and a siding, or between two sidings, or between either a station or a siding and a junction, without referring to the rates tribunal, and the company shows in the quotation for the rate and in the rate book the amount (if any) included therein for such several services as aforesaid, the disintegration of the exceptional rate as so shown shall be conclusive unless a trader

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interested in the rate complains that the amount allocated to any particular service is unreasonable, in which event the onus of proof shall be on the railway company.

- (3) Where any such company in granting such an exceptional rate has not distinguished in the quotation for the rate or in the rate book the amounts included therein for such several services as aforesaid—
 - (a) the rate, in the case of a station-to-station rate, shall be deemed to be composed of conveyance rate and terminal charges in proportion to the amounts included in the corresponding standard rate for the same service and -accommodation in respect of similar goods between the same stations; and
 - (b) in the case of any other rate, the company shall, within fourteen days after application in writing by any person interested in the disintegration of the rate, afford that person information of the amounts (if any) included in the rate for the several services aforesaid.
- (4) Any dispute as to the disintegration of any such exceptional rate shall be determined by the rates tribunal at the instance of either a trader or the railway company.
- (5) For the purposes of determining any question of an alleged undue or unreasonable preference or advantage, the Railway and Canal Commission shall not have regard to the separate component parts of any rate as shown in the rate book or as determined by this section, but shall, unless in any case in which an application has been made for the purpose it is proved to the satisfaction of the Commission that a consideration of the component parts of the rate would be fair and reasonable, determine the question in reference to the total rate for carriage applicable to the merchandise in respect of which such undue or unreasonable preference or advantage is alleged to arise and the conditions under which the rate applies.

41 Exceptional fares.

- (1) Any amalgamated company or railway company to which a schedule of standard charges has been applied may charge fares below the standard fares in such circumstances as the company may think fit, but the circumstances in which such exceptional fares, if below ordinary fares, may be charged, and the amount of reduction below the standard fare, shall be reported to the Minister within fourteen days, or such longer period as the Minister may allow, after the decision has been arrived at.
- (2) If the Minister is of opinion that any company has granted exceptional fares in such a manner as prejudicially to affect any other class of users of the railway, or so as to jeopardise the realisation of the standard revenue of the company, he may refer the matter to the rates tribunal, who may, after giving the parties interested an opportunity of being heard, cancel or modify all or any of the exceptional fares so granted.

Conditions of Carriage.

42 Submission of proposed conditions.

Within six months from the passing of this Act, or within such further time as the rates tribunal may permit, the constituent companies in all the groups shall jointly submit to, and publish in such manner as may be prescribed by, the rates tribunal—

- (a) the terms and conditions (hereinafter called " company's risk conditions ") on and subject to which merchandise other than live stock, and live stock, will .respectively be carried if carried at ordinary rates;

- (b) the terms and conditions (hereinafter called "owner's risk conditions") on and subject to which merchandise other than live stock, and, subject as hereinafter provided, live stock, will respectively be carried if carried at owner's risk rates;
- (c) the terms and conditions on and subject to which damageable goods not properly protected by packing will be carried.

43 Settlement by tribunal.

- (1) The rates tribunal shall consider the terms and conditions so submitted, or, if the companies fail to submit terms and conditions within the time so allowed, shall themselves prepare and publish provisional terms and conditions, and after hearing any representative body of traders who may desire to be heard or any person who may obtain a certificate from the Board of Trade that he is, in the opinion of the Board of Trade, a proper person for the purpose, and any other party whom they consider entitled to be heard, shall settle, and when settled publish in the London and Edinburgh Gazettes the terms and conditions which they consider just and reasonable, and shall fix a date, not earlier than two months after such publication, upon which those terms and conditions are to come into force.
- (2) When the terms and conditions so settled come into force they shall be the standard terms and conditions of carriage for all railway companies and shall be deemed to be reasonable.

44 Conditions on which merchandise to be carried.

- (1) On and after the date so fixed as aforesaid the terms and conditions upon and subject to which merchandise is apart from special contract to be carried by a railway company shall be company's risk conditions, and those conditions shall apply without any special contract in writing to the carriage of merchandise at ordinary rates:

Provided that, in any case where an owner's risk rate is in operation and the company has been requested in writing to carry at that rate, the terms and conditions upon and subject to which such goods shall be carried shall be owner's risk conditions.
- (2) The terms and conditions upon and subject to which damageable goods not properly protected by packing (if accepted by the company for carriage) shall be carried by a railway company shall be the conditions settled by the rates tribunal as aforesaid, but the company shall not be under any obligation to carry damageable goods not properly protected by packing.
- (3) Subject to the provisions of the Railway and Canal Traffic Acts, 1854 and 1888, nothing in this Act shall preclude a company and a trader from agreeing in writing to any terms and conditions they think fit for the carriage of merchandise, live stock or damageable goods not properly protected by packing, or dangerous goods.

45 Alteration of conditions.

At any time after the date when the terms and conditions so settled as aforesaid come into force a railway company or any representative body of traders may apply to the rates tribunal to amend, alter or add to those terms and conditions, and the tribunal may, after hearing all parties whom they consider entitled to be heard, make such amendments, alterations, or additions of or to such terms and conditions as the tribunal think just and reasonable, and fix a date as from which they are to come into operation.

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Miscellaneous Provisions as to Charges.

46 Owner's risk rates.

- (1) When settling a schedule of charges, or within twelve months or such longer period thereafter as in any case the Minister may allow, the rates tribunal shall determine what reductions shall be made from the standard charges where damageable merchandise is carried by railway under owner's risk conditions, and such reductions shall be shown or indicated in the schedules in such manner as the tribunal prescribe.
- (2) Where an exceptional rate is in operation and the conditions applicable to that rate are the company's risk conditions, or, as the case may be, the owner's risk conditions, and the difference in the company's liability under the two sets of conditions in respect of the merchandise in question is not insignificant, the company shall, on request in writing by a trader, quote a corresponding rate under the other conditions, and, if within twenty-eight days from such request the company fails to quote such a rate to the satisfaction of the trader, the trader may apply to the rates tribunal, and the tribunal shall settle such corresponding rate and determine the date as from which it is to come into operation.
- (3) The difference between an ordinary rate and an owner's risk rate shall be such as in the opinion of the rates tribunal is fairly equivalent to the amount by which the risk of the company in the case of the merchandise in question differs under the two sets of conditions.
- (4) A railway company shall be under no obligation to carry livestock at owner's risk rates in cases in which livestock is not at the date of the passing of this Act carried at reduced rates under owner's risk conditions.

47 Through rates and fares.

- (1) Where on or after the appointed day in pursuance of section twenty-five of the Railway and Canal Traffic Act, 1888, a railway company or person requires traffic to be forwarded at through rates or fares the company or person shall give written notice of the proposed through rate or fare to each company owning any part of the through route (hereinafter called "the forwarding company") stating both its amount and the route by which the traffic is proposed to be forwarded, and, where a company gives such notice, it shall also state the apportionment of the through rate or fare.

Each forwarding company shall, within ten days or such longer period as the rates tribunal prescribe after the receipt of such notice, by written notice inform the company or person requiring the through rate or fare whether it agrees to the rate or fare and the route, and, if it objects to either, the grounds of the objection.

- (2) The rate or fare shall come into operation at the expiration of the said ten days or other prescribed period:

Provided that, if before that expiration any such objection as aforesaid has been sent, or if, in the case of a rate, the rate is less than five per cent. or more than forty per cent. below the combined standard charges of all the forwarding companies, the matter shall be referred to the rates tribunal for their decision.

- (3) If an objection is made to the granting of the rate or fare or to the, route, the rates tribunal shall consider whether the granting of the rate or fare is a due and reasonable facility in the interest of the public, and, whether, having regard to the circumstances,

the route proposed is a reasonable route, and shall allow or refuse the rate or fare accordingly or fix such other rate or fare as may seem to the rates tribunal just and reasonable.

- (4) Where upon the application of a railway company or person requiring traffic to be forwarded a through rate or fare is agreed to by the forwarding companies or is made by order of the rates tribunal, the apportionment of such through rate or fare, if not agreed upon between the forwarding companies, shall be determined by the rates tribunal.
- (5) If there is no objection except as to the apportionment of the rate or fare, the rate or fare shall come into operation as provided by subsection (2) of this section in the case where no objection has been sent by a forwarding company, but the decision of the rates tribunal as to its apportionment shall be retrospective; in any other case the operation of the rate or fare shall be suspended until the decision is given.
- (6) In apportioning a through rate or fare between the railway companies concerned the rates tribunal shall take all the circumstances into account, including any special charges, fixed allowances, and minimum mileage amounts, which any company may have been entitled to make or receive in respect of the route or any part of the route over which such through rate or fare applies.
- (7) For the purpose of calculating the through rate or fare, the standard charge for each portion of the through route shall be that which would have been applicable to such portion had the conveyance for the entire distance of the through route been upon the railway of the company owning such portion, and as if throughout the through route the mileage had been continuously upon one railway, and shall be calculated on the shortest working distance between the two points over the railways of the forwarding companies :

Provided that in such a calculation effect shall be given to any statutory provision whereby a special mileage is allotted in respect of any portion of railway.
- (8) The rates tribunal shall have power to decide that any proposed through rate or fare is just and reasonable, notwithstanding that a less amount may be allotted to any forwarding company out of the through rate or fare than the standard rate or fare which the company is entitled to charge, and to allow and apportion the through rate or fare accordingly.
- (9) Where a railway company uses, maintains, or works, or is a party to an arrangement for using, maintaining, or working, vessels for the purpose of carrying on a communication between any towns or ports, the provisions of this section shall extend to such vessels and to the traffic carried thereby.
- (10) Where part of the through route is over a railway of a light railway company or of a railway company to which no schedule of standard charges applies, or is by sea, this section shall have effect as if the ordinary rate or fare for the time being chargeable for the conveyance of the traffic over that railway or by the sea route were the standard charge.
- (11) This section shall not apply where part of the through route is over a canal.

48 Minimum rates.

An amalgamated company or a railway company to which a schedule of standard charges has been applied shall be entitled to charge for the conveyance of merchandise as for a minimum distance of such number of miles as the rates tribunal may determine,

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or such minimum sum as the rates tribunal may determine, and the rates tribunal may fix greater minimum distances or higher minimum sums where the conveyance is over the railways of two or more such companies, but such minimum distances shall not vary according to whether charges for station terminals are or are not made.

49 Collection and delivery charges.

- (1) On and after the appointed day a railway company may collect and deliver by road any merchandise which is to be or has been carried by railway and may make reasonable charges therefor in addition to the charges for carriage by railway, and shall publish in the rate book kept at the station where it undertakes the services of collection and delivery the charges in force for the collection and delivery of merchandise ordinarily collected and delivered.
- (2) Any such company may, and upon being required to do so and upon payment of the proper charges shall, at any place where the company holds itself out to collect and deliver merchandise, perform the services of collection and delivery in respect of such merchandise as is for the time being ordinarily collected and delivered by the company at that place:

Provided that the company shall not be required to make delivery to any person who is unwilling to enter into an agreement terminable by him on reasonable notice for the delivery by the company at the charges included in the rate book of the whole of his traffic, or the whole of his perishable traffic, from the station at which those charges apply.

- (3) Where any person does not so agree, the company shall not be required to deliver any of his merchandise, but, if such person fails to take delivery of any merchandise within a reasonable time, the company may deliver such merchandise and make such reasonable charges therefor as it thinks fit.
- (4) Any dispute as to whether or not any charge for the services of collection and delivery is reasonable, or whether the length of notice for the termination of an agreement under this section is reasonable, shall be determined by the rates tribunal.

50 Dangerous goods.

- (1) Nothing contained in this Act shall impose any obligation on any railway company to accept dangerous goods for conveyance, or shall prejudice or derogate from the powers of His Majesty in Council, or of any Government department, under the Explosives Act, 1875, or affect the validity or operation of any Order in Council, order, rule, or byelaw made under the powers contained in that Act.
- (2) If on or after the appointed day any such company accepts dangerous goods for conveyance, the goods shall be conveyed subject to such byelaws, regulations and conditions as the company may think fit to make in regard to the conveyance or storage thereof, and the owner or consignor of such goods shall indemnify the company from and against all loss or damage which may result to the company or to which the company may be or become liable owing to non-compliance with the before-mentioned byelaws, regulations, and conditions as to such goods and will pay full compensation for all injury to the company's servants and damage to its property so arising unless it be proved that the injury or damage is due to the wilful misconduct of the company's servants, but, subject as aforesaid, the provisions of this Part of this Act as to ordinary rates and owner's risk rates shall apply,

- (3) Any question as to whether goods are dangerous goods shall be determined by the rates tribunal:

Provided that, where a railway company has declared any article to be dangerous, it shall lie on the person requiring the article to be carried to show that it is not dangerous.

51 Charges on jointly owned lines.

Where a railway is owned jointly by two or more railway companies (being amalgamated companies or railway companies to which a schedule of standard charges has been applied) then, for the purposes of this Part of this Act—

- (a) if the route lies wholly on the railway of one of the owning companies and the jointly owned railway, the charges shall be the charges which would have been chargeable if the whole route had been over the railway of that owning company; and
- (b) in any other case, the charges in respect of the jointly owned railway shall be the charges appearing in the schedule of charges applied to that railway.

52 Charges for competitive traffic.

- (1) Where any two places are connected by routes belonging to or operated by two or more railway companies (being amalgamated companies or railway companies to which a schedule of standard charges has been applied) and the standard rate for the carriage of merchandise by one such route is less than the standard rate by another such route, the standard rate for the carriage of merchandise by the first mentioned route may, subject to the provisions of this section as to circuitous routes, be charged as the standard rate for the carriage of merchandise by such other route.
- (2) For the purposes of this section, a circuitous route means a route which is longer by thirty per cent. or more than the shortest route between the two places.
- (3) Within six months after the date of amalgamation or such longer time as the Minister may allow every amalgamated company and every company liable to have applied to it a schedule of standard charges shall submit to the Minister in such form as he may direct a schedule of the circuitous routes to which it is desired that this section shall be applied. The Minister shall refer to the rates tribunal the schedules so submitted to him, and the tribunal shall, after giving all parties whom they consider entitled to be heard before them an opportunity of being heard, consider whether the routes contained in the said schedules are, having regard to all the circumstances, including the public interest, desirable and adequate, and shall settle the schedules accordingly, and this section shall apply to the circuitous routes contained in the schedules as settled, but, save as hereinafter provided, to no other circuitous routes.
- (4) After the settlement of such schedules any such company may apply this section to a new circuitous route not included in its schedule, but the company shall, within fourteen days, report the route to the Minister in such manner as he may direct, and, if the Minister considers that the proposal involves unreasonable competition or is not in the public interest, he may refer the matter to the rates tribunal who may, after giving all parties whom they consider entitled to be heard before them an opportunity of being heard, cancel the route :

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Provided that, if the proposed circuitous route exceeds by fifty per cent or more the shortest route between the two places, this section shall not be applied thereto without the consent of the rates tribunal.

53 Fares on ships.

As from the appointed day, any amalgamated company or any railway company to which a schedule of standard charges has been applied whose powers of charging in respect of the conveyance of passengers and their luggage in steam or other vessels provided or used by any such company are limited by statute, may demand, take, and recover such reasonable fares as it shall think fit for and in respect of the conveyance of passengers and their luggage in such steam or other vessels, and any question as to the reasonableness of such fares shall be determined by the rates tribunal.

54 Publication of schedules of standard charges, &c.

- (1) The schedules of standard charges and the standard terms and conditions of carriage when settled in accordance with the provisions of this Part of this Act, and any orders of the rates tribunal modifying standard charges or standard terms and conditions shall be deemed to be statutory rules within the meaning of the Rules Publication Act, 1893, but nothing in this provision shall be construed as making any such schedules or orders statutory rules to which section one of that Act applies.
- (2) Printed copies of the general classification of merchandise and schedule of standard charges for the time being in force shall be kept for sale by every railway company to which the same apply at such places and at such reasonable prices as the Minister may direct.
- (3) On and after the appointed day, every railway company shall keep for public inspection at each station at which merchandise is received for conveyance, or, where merchandise is received for conveyance at some other place than a station, then, at the station nearest to such place, a copy of the general classification of merchandise carried on the railway of the company and a book or books stating :—
 - (i) the chargeable distance from that station or place of every place to which they book;
 - (ii) the scales of standard charges applicable to each class of merchandise conveyed on the railway ;
 - (iii) all exceptional rates in operation from such station or place;
 - (iv) any charges in force for the collection and delivery of merchandise at such station or place.

The general classification of merchandise and every such book shall, during all reasonable hours, be open to the inspection of any person without the payment of any fee.

- (4) On and after the appointed day, every railway company shall for a period of ten years keep open for inspection at its head office, the books, schedules, or other papers specifying the rates, charges, and conditions of transport in use on the fourteenth day of January, nineteen hundred and twenty, upon the several railways owned or worked by the company, and shall, upon demand and upon payment of a reasonable charge, supply copies of or extracts from such books, schedules, and papers.

- (5) Where a railway company carries merchandise partly by land and partly by sea all the books, tables and documents touching the rates of charge of the railway company, which are kept by the railway company at any port in Great Britain used by the vessels which carry the sea traffic of the railway company, shall, besides containing all the rates charged for the sea traffic, state what proportion of any rate is appropriated to the conveyance by sea, distinguishing such proportion from that which is appropriated to the conveyance by land on either side of the sea.
- (6) Any company failing to comply with the provisions of this section shall, for each offence and in the case of a continuing offence for every day during which the offence continues, be liable on summary conviction to a fine not exceeding five pounds.

55 Miscellaneous provisions as to rates.

The provisions contained in the Fifth Schedule to this Act (being provisions similar to those now contained in the various railway rates and charges orders) shall, as from the appointed day, apply to the amalgamated companies and the railway companies to which a schedule of standard charges has been applied.

56 Amendments of certain Acts.

- (1) As from the appointed day the Acts mentioned in the first column of the Sixth Schedule to this Act shall, in their application to railway companies, have effect subject to the amendments specified in the second column of that schedule.
- (2) Where any existing special Act relating to any railway company does not incorporate a section of any of the Railways Clauses Acts which is amended or repealed by the said schedule but contains provisions corresponding to such section, the like amendment or repeal shall be made of such corresponding provision as is made by the said schedule of the section of the Railways Clauses Act.

57 Interpretation of Part III.

For the purposes of this Part of this Act, unless the context otherwise requires,—

The expression "charges" includes rates, fares, tolls, dues and other charges.

The expression "rates" means rates and other charges in connexion with the carriage of merchandise.

The expression "fares" means fares and other charges in connexion with the conveyance of passengers and their luggage.

The expression "modifications" in relation to charges includes modifications whether by way of decrease or increase, and "modify" shall be construed accordingly.

The expression "merchandise" includes goods, minerals, live stock, and animals of all descriptions.

The expression "exceptional charges" means charges below the standard charges, including special charges continued subject to adjustment under the provisions of this Part of this Act, and the expressions "exceptional rates" and "exceptional fares" shall be construed accordingly.

The expression "conditions" includes regulations.

The expression "railway rates and charges orders" means the provisional orders fixing maximum rates and charges applicable to the several railway

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companies made and confirmed by Parliament in pursuance of section twenty-four of the Railway and Canal Traffic Act, 1888.

The expression " prescribed " means prescribed by the rates tribunal.

Adjustment of Charges to Revenue.

58 Adjustment of powers of charging to revenue.

- (1) The charges to be fixed in the first instance for each amalgamated company shall be such as will, together with the other sources of revenue, in the opinion of the rates tribunal, so far as practicable yield, with efficient and economical working and management, an annual net revenue (hereinafter referred to as the standard revenue) equivalent to the aggregate net revenues in the year nineteen hundred and thirteen of the constituent companies and the subsidiary companies absorbed by the amalgamated company, together with—
- (a) a sum equal to five per cent. on capital expenditure forming the basis on which interest was allowed at the end of the period during which the constituent companies and subsidiary companies were in the possession of the Government; and
 - (b) such allowance as may be necessary to remunerate adequately any additional capital which may have been raised or provided in respect of expenditure on capital account incurred since the first day of January, nineteen hundred and thirteen, and not included in the expenditure referred to in the last preceding paragraph, unless it can be shown that such expenditure has not enhanced the value of the undertaking; and
 - (c) such allowance as appears to the rates tribunal to be reasonable in respect of capital expenditure (not being less than twenty-five thousand pounds in the case of any work, and not being capital expenditure included in paragraph (a)), on works which enhance the value of the undertaking, but which had not at the beginning of the year nineteen hundred and thirteen become fully remunerative:

Provided that, in determining the sum which charges will, with efficient and economic working and management, yield, the tribunal shall, with a view to encouraging the taking of early steps for effecting economies in working and management expenses rendered possible by or in anticipation of amalgamation, take into consideration the economies effected by such steps already taken, and shall make such allowance in respect thereof as the tribunal may consider fair and equitable to an amount not exceeding thirty-three and one-third per cent. of such economies.

- (2) The tribunal when fixing charges in pursuance of the provisions of this section shall have regard to the means which in their opinion are best calculated to ensure the maximum development and extension in the public interest of the carriage by railway of merchandise and of passengers and their luggage, and shall accordingly ascertain as far as may be practicable the effect which the existing charges, or any of them, have had upon the merchandise or passenger traffic to which they are applicable, and in particular whether the application of such charges has tended or, if continued, would be likely to tend towards causing the increase or diminution of the said traffic.
- (3) If on any such review as is mentioned in the next following section it appears to the rates tribunal that the allowance made under paragraph (c) of subsection (1) of this

section was too high or too low, the tribunal may revise the allowance and make such adjustment in the amount of the standard revenue as may be necessary.

- (4) When fixing the charges necessary to produce the standard revenue, the tribunal shall take into consideration the charges in respect of any business carried on by the company ancillary or subsidiary to its railways, the charges for which are not subject to the jurisdiction of the tribunal, and if in the opinion of the tribunal the company is not making, or has not taken reasonable steps to enable it to make, adequate charges in respect of any such business, the tribunal shall, in fixing the charges under this Part of this Act, take into account the revenue which would be produced by any such business if adequate charges were in operation.

59 Periodical review of standard charges and exceptional rates.

- (1) The rates tribunal shall review the standard charges and exceptional charges of each amalgamated company at the end of the first complete financial year after the appointed day, or, if the appointed day is the first day of January in any year, at the end of that year, and, unless directions are given by the Minister to the contrary in manner hereinafter appearing, at the end of each succeeding year, and the review shall be made on the experience of the operation of those charges for the period during which the standard charges have been in operation, or, if that period is more than three years, then on the experience of the operation of those charges during the preceding three years.
- (2) The Minister may direct as respects any year after the second annual review that a review shall not be held, and the directions may extend either to all the amalgamated companies or to any one or more of those companies:

Provided that no such direction shall extend to any company which has applied to the Minister for a review, or in respect of which the Board of Trade on the application of any representative body of traders have requested that a review shall be held.

- (3) If on any such review the rates tribunal find that the net revenue or the average annual net revenue obtained, or which could, with efficient and economic management, have been obtained, by the company during the period on the experience of which the review is based is substantially in excess of the standard revenue of the company, with such allowance (if any) as appears to the tribunal necessary to remunerate adequately any additional capital which may have been raised or provided in respect of expenditure on capital account incurred since the date upon which the standard charges were fixed in the first instance, the tribunal shall, unless they are of opinion that owing to change in circumstances the excess is not likely to continue, modify all or any of the standard charges and make a corresponding general modification of the exceptional charges of the company so as to effect a reduction of the net revenue of the company in subsequent years to an extent equivalent to eighty per cent. of such excess:

Provided that the tribunal in making such modifications as aforesaid as respects one amalgamated company shall, so far as practicable, avoid making such modifications as would be likely to affect prejudicially the financial position of any other railway company.

- (4) If on any such review the rates tribunal find that the net revenue or the average annual net revenue obtained by the company during the period on the experience of which the review is based is less than the standard revenue of the company, with such allowance (if any) as appears to the tribunal necessary to remunerate adequately any additional capital which may have been raised or provided in respect of expenditure on capital account incurred since the date upon which the standard charges were fixed in the

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first instance, and that the deficiency is not due to lack of efficiency or economy in the management, the tribunal shall, unless in their opinion owing to change of circumstances the deficiency is not likely to continue, make such modifications in all or any of the standard charges and such a corresponding general modification of the exceptional charges of the company as they may think necessary to enable the company to earn the standard revenue with such allowance (if any) as aforesaid.

- (5) Whenever on any such review such an excess as aforesaid is found, then, for the purposes of subsequent reviews, subsection (3) of this section shall have effect as if for the standard revenue there were substituted a sum (hereinafter referred to as the " increased standard ") equal to the standard revenue with the addition of twenty per cent. of such excess, and whenever on any such subsequent review an excess is found above the increased standard together with the allowance (if any) for additional capital, then, for the purpose of subsequent reviews, the increased standard shall be increased by a sum equal to twenty per cent. of such excess, and so on:

Provided that, if at any time after such an excess has been found, the standard charges and exceptional charges are modified in pursuance of subsection (4) of this section on account of a deficiency, no such substitution shall be made until an excess above the standard revenue together with the allowance (if any) for additional capital is again found.

- (6) The rates tribunal, when modifying charges on any such review, shall have regard to the like considerations as when fixing charges in the first instance :

Provided that the tribunal shall have regard to the financial results obtained from the operation of any ancillary or subsidiary business carried on by the company, and if satisfied that the net revenue resulting therefrom is, having regard to all the circumstances, unduly low, may, for the purpose of such review, make such deductions from the charges which would otherwise have been fixed as they think proper.

- (7) The modifications of standard charges and exceptional charges made in pursuance of this section shall take effect as from the first day of July in the year following the last year under review or such other date as the rates tribunal may fix,

Transitory Provisions.

60 Transitory provisions as to charges generally.

A constituent, subsidiary, or amalgamated company, or any railway company which is liable to have applied to it a schedule of standard charges shall, notwithstanding anything contained in any special or general Act or in any agreement, be entitled till the appointed day to make such charges in connexion with the carriage of merchandise and passengers or otherwise as were in force as respects the railway on the fifteenth day of August, nineteen hundred and twenty-one; or, where no such charges were in force on that date, then such reasonable charges as shall, in case of difference, be determined by the rates tribunal:

Provided that at any time after the said fifteenth day of August, and before the appointed day,

- (i) any representative body of traders may apply to the rates tribunal to reduce the aforesaid charges or any of them;
- (ii) any trader interested in any particular charge may apply to the rates tribunal to reduce that charge;

(iii) any such company may apply to the rates tribunal to increase the aforesaid charges or any of them;

any such application shall be published in such manner as the rates tribunal prescribe and the tribunal after hearing all parties whom they consider entitled to be heard may make such modifications in the said charges or any of them as to the tribunal may seem just, and shall fix a day upon which the modifications are to come into force.

61 Provisions as to charges in connection with private sidings.

(1) Until an agreement has been made, or the rates tribunal have determined any differences that may arise, between the railway company concerned and the owner of or any person using a private siding (in this section called the "siding owner") as to the sum payable (if any) for accommodation and services provided in connexion with the siding, the following provisions shall apply:—

- (1) Where at the passing of this Act an agreement exists between a railway company (being a constituent or subsidiary company or a company which is liable to have applied to it a schedule of standard charges) and a siding owner, under which the siding owner pays either the whole of the station and service terminals or pays such terminals and is allowed a rebate upon a percentage basis, the agreement shall continue to operate for the period fixed by the agreement, and after the expiration of the agreement, or, if the agreement is terminable on notice, then from the expiration of any notice given thereunder, the provisions of the agreement shall be deemed to remain in force notwithstanding any change which may be made in the amount of the terminal charges:
- (2) Where at the passing of this Act an agreement exists between any such railway company and a siding owner whereby the siding owner pays for accommodation and services provided in connexion with the delivery or collection of merchandise at the siding a fixed sum, or pays for such services terminal charges less a rebate of a fixed amount, the agreement shall continue to operate for the period fixed by the agreement, and after the expiration thereof, or, if the agreement is terminable on notice, then from the expiration of any notice given thereunder, the sum so payable or the rebate so allowed shall be increased in proportion to the amount by which the aggregate of the conveyance rate and station and service terminals may have been increased since the date of the agreement:
- (3) Where at the passing of this Act there is no express agreement as to the amount to be paid for such services, but the siding owner in fact pays station terminals and service terminals or any portion thereof or either of them, the siding owner shall hereafter pay for such services as aforesaid the station terminals and service terminals or such portion of the same as he has heretofore paid:
- (4) Where after the passing of this Act a new siding is connected with the railway, or traffic which is not provided for under the foregoing provisions of this section passes to an existing siding, the siding owner shall pay for the aforesaid services the amount of the station and service terminals for the time being in force; provided that the sum thereafter agreed or in default of agreement determined by the rates tribunal to be payable for such services shall be payable from the date of such connection for traffic or of the passing of the traffic as the case may be or for a period of twelve months from the date of application to the tribunal, whichever is shorter:

Provided that nothing contained in this section shall give rise to any presumption as to the value of the aforesaid accommodation and services, and in fixing any sum which

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the siding owner is to pay the rates tribunal shall have regard only to what sum is reasonable in all the circumstances of the case.

- (2) The Railway and Canal Commission shall not, after the passing of this Act, exercise any jurisdiction with respect to the matters to which this section relates.

PART IV

WAGES AND CONDITIONS OF SERVICE.

62 Settlement of disputes as to pay and conditions of service.

As from the date when railways of which possession was taken under the Regulation of the Forces Act, 1871, and retained under the Ministry of Transport Act, 1919, cease to be in possession of the Minister, and until otherwise determined by twelve months' notice on either side (such notice not to be given before the first day of January, nineteen hundred and twenty-three), all questions relating to rates of pay, hours of duty or other conditions of service of employees to whom this Part Of .this Act applies shall, in default of agreement between the railway companies and the railway trade unions, be referred to the Central Wages Board, or, on appeal, the National Wages Board, as reconstituted under this Act.

63 Establishment of councils.

- (1) Arrangements shall be made for establishing for each railway company affected one or more councils, consisting of officers of the railway company and representatives of the men employed by the company elected by those men.
- (2) The constitution and functions of any such council shall be such as may be determined by schemes made in manner hereinafter appearing, it being understood that the functions of the council shall generally be such as are mentioned in paragraph (16) of the Report of the Reconstruction Committee on the Relations between Employers and Employed, dated the eighth day of March, nineteen hundred and seventeen.

64 Reconstitution of Central and National Wages Boards.

- (1) As from the passing of this Act, the Central Wages Board and the National Wages Board shall be reconstituted in the following manner :—
- (a) the Central Wages Board shall be composed of eight representatives of the railway companies and eight representatives of the railway employees. The railway companies' representatives shall be appointed by the" railway companies. The employees' representatives shall be appointed by the railway trade unions, four by the National Union of Railwaymen, two by the Associated Society of Locomotive Engineers and firemen, and two by the Railway Clerks' Association ;
- (b) the National Wages Board shall be composed of six representatives of the railway companies, who shall be appointed by the railway companies, six representatives of the railway employees (two of whom shall be appointed by the National Union of Railwaymen, two by the Associated Society of Locomotive Engineers and Firemen, and two by the Railway Clerks' Association), and four representatives of the users of railways, with an

independent chairman nominated by the Minister of Labour. The four representatives of the users of railways shall be nominated as follows :—

- One by the Parliamentary Committee of the Trades Union Congress ;
- One by the Co-operative Union ;
- One by the Association of British Chambers of Commerce ; and
- One by the Federation of British Industries.

- (2) Nothing in the constitution of either such Board shall be held to prejudice the right of any party to a reference to the Board to raise any point they may consider relevant to the issue, and any point so raised shall be taken into consideration by the Board.

65 Power to make schemes.

For the purpose of giving effect to the foregoing provisions of this Part of this Act, and, in particular for the purpose of defining the constitution and functions of such councils as aforesaid, schemes shall be made and may, from time to time, be varied by a committee consisting of six representatives of the General Managers' Committee of the Railway Clearing House and six representatives of the National Union of Railwaymen, the Associated Society of Locomotive Engineers and Firemen, and the Railway Clerks' Association.

Such schemes may be determined by twelve months' notice by either side of such committee, but such notice shall not be given before the first day of January, nineteen hundred and twenty-three.

66 Application of Part IV.

- (1) The employees to whom this Part of this Act applies are those employed by the railway companies hereinafter mentioned and the Railway Clearing House in the grades of employees included in the several national agreements referred to in the Seventh Schedule to this Act (other than employees who, in accordance with the classification for the time being in force, are in the special class), and such other grades of employees as the parties to such schemes as aforesaid may hereafter agree to include in the schemes.
- (2) The railway companies hereinbefore referred to are, until the amalgamation schemes come into operation, the railway companies mentioned in the second and third columns of the First Schedule to this Act of whose undertakings the Minister was in possession on the fifteenth day of August, nineteen hundred and twenty-one, including, as respects any railways jointly owned or worked by two or more of such companies, a joint committee of those companies, and after those schemes come into operation the amalgamated companies, including, as respects any railways jointly owned or worked by two or more of those companies, a joint committee of those companies.

67 Railway police force conferences.

- (1) Arrangements shall be made for establishing for each railway company affected a conference consisting of an equal number of representatives of the company and of the members of the police force of that company to which all questions relating to rates of pay, hours of duty, and conditions of service of members of the police force of the company shall be referred with an appeal to the central conference established hereunder.

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- (2) A central conference shall be established for the whole of the railways of Great Britain, and shall consist of an equal number of representatives of the railway companies and of the police force, elected from the conferences of the separate railways. In the event of disagreement between the two sides of the central conference, an independent chairman shall be appointed with power to give binding decisions, such chairman to be selected by mutual agreement or, failing agreement, to be nominated by the Minister of Labour.
- (3) From and after the amalgamation under this Act of the constituent companies in each group there shall be one conference only for each amalgamated company, and one central conference for all the amalgamated companies, both such conferences being constituted as in this section provided.

PART V

LIGHT RAILWAYS.

68 Amendment of procedure for making light railway orders.

- (1) Orders under the Light Railways Act, 1896, as amended by any subsequent enactment (which Act as so amended is in this Part of this Act referred to as " the principal Act") shall, instead of being made by the Light Railway Commissioners and confirmed by the Minister of Transport as successor to the Board of Trade in manner provided by the principal Act, be made by the Minister, and accordingly—

- (a) the powers of the Light Railway Commissioners shall be transferred to the Minister ;
- (b) the Minister on considering an application for an order shall take all such matters into consideration and do all such things as he, as successor of the Board of Trade, is under the principal Act required to take into consideration and do on submission of an order to him for confirmation ;

and the principal Act shall have effect as if for references to the Light Railway Commissioners there were substituted references to the Minister, and for references to the confirmation of orders by the Minister, as successor to the Board of Trade, there was substituted references to the making of orders by the Minister :

Provided that any limitation on the duration of the powers of the Light Railway Commissioners contained in the principal Act or in, any Act extending the duration of those powers shall not apply to the Minister.

- (2) If the Minister is of opinion for any of the reasons mentioned in subsection (3) of section nine of the principal Act that the proposals of the promoters ought to be submitted to Parliament he may, if he thinks fit, make an order as a provisional order and submit the proposals to Parliament by bringing in a Bill for the confirmation of the order, and subsections (2) and (3) of section one of the Light Railways Act, 1912, shall apply with respect to such Bill.
- (3) Where an application for an order under the principal Act has been made to the Light Railway-Commissioners before the passing of this Act, those Commissioners may, within the six months next after the passing of this Act, proceed with the application and submit to the Minister for confirmation any order made by them before the expiration of those six months, and in any such case the principal Act shall apply with

respect to the order as if this section had not been passed, but at the end of the said six months the Light Railway Commissioners shall cease to hold office.

Save as aforesaid, any application for an order under the principal Act shall be proceeded with as if it had been made under the principal Act as amended by this section.

69 Provisions as to purchase of land.

Where an order made under the principal Act incorporates the Lands Clauses Acts, it may incorporate those Acts subject to any modifications contained in the order, being modifications of those Acts made or authorised to be made by the Development and Road Improvement Funds Act, 1909.

70 Government advances to light railways.

- (1) Where the Minister, with the approval of the Treasury, agrees to make an advance under section seventeen of the Ministry of Transport Act, 1919, for the purposes of a light railway to be authorised by an order under the principal Act, the order may make such provision with respect to the limitation of the assessment of the light railway to local rates as might under proviso (o) of subsection (1) of section five of the principal Act have been made by such an order had the Treasury agreed to make a special advance under the principal Act as a free grant, and that proviso shall apply accordingly,
- (2) The power of the Treasury under the principal Act to make advances to light railway companies shall cease, and sections four to six of the principal Act, except such of the provisions of section five as are applied by this section, are hereby repealed.

71 Power of councils to give guarantees.

- (1) The council of any county or borough or district may be authorised by an order under the principal Act to guarantee or to join with any council, person, or body of persons in guaranteeing the whole or any part of the interest or dividends on any loan or share capital of a light railway company for such period and on such terms and subject to such conditions as may be approved by the Minister after consultation with the Minister of Health:

Provided that the procedure laid down in the Borough Funds Acts, 1872 and 1903, shall apply when a council propose to give or join in giving such a guarantee in like manner as it applies when a council propose to incur expenditure in opposing a Bill in Parliament.

- (2) Any expenses incurred by the council in satisfying such guarantee shall be defrayed in like manner as expenses incurred by them with reference to an application for an order authorising a light railway under the principal Act.
- (3) Paragraphs (f), (g), and (h) of section eleven of the principal Act shall apply in respect of such guarantee as if the guarantee were an advance by the council.

72 Powers of charging by light railway companies.

- (1) Where the powers of a light railway company of making any charges are fixed by reference to the powers of charging of another railway company, and the powers of

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charging of that other railway company have been increased under directions issued by the Minister in pursuance of the powers conferred upon him by the Ministry of Transport Act, 1919, the powers of charging of the light railway company shall until the appointed day be, and shall be deemed to have been, proportionately increased.

- (2) On and after the appointed day, any light railway company whose railway connects (whether by means of a junction or of adjacent sidings) with the railway of an amalgamated company, or of a railway company to which a schedule of standard charges has been applied, shall be entitled make charges not exceeding those which such company is for the time being authorised to make, with this qualification that for the purpose of the calculation of mileage rates each mile of a light railway shall be treated as if it were one mile and a quarter.
- (3) The provisions of any light railway order conferring powers of charging shall have effect, subject to" the provisions of this section.
- (4) Part III. of this Act shall not apply to light railways except so far as it relates—
 - (i) to the granting, variation, cancellation, and apportionment of through rates ;
 - (ii) the conditions of carriage of merchandise ;
 - (iii) the determination by the rates tribunal of questions that may be brought before them in respect of the matters mentioned in section twenty-eight of this Act :

Provided that, where a light railway becomes part of the system of an amalgamated company, Part III of this Act shall apply thereto.
- (5) As from the appointed day, the powers of the Railway and Canal Commission under section fourteen of the Regulation of Railways Act, 1873, as extended by any other enactment and as applied to light railways, shall be exercisable by the rates tribunal instead of by the Railway and Canal Commission.

73 Amendment of ss.11 and 24 of principal Act.

- (1) An order made under the principal Act may contain a provision empowering a railway company to acquire the light railway to which the order relates, not being a railway of the nature of a tramway, and paragraph (1) of section eleven of the principal Act shall have effect accordingly as if in that paragraph after the words " railway " there were inserted the words " or, " except in the case of a railway of the nature of a " tramway, empowering a railway company to acquire " the railway."
- (2) Where, after the passing of this Act, an order is made under the principal Act authorising a light railway (other than a light railway of the nature of a tramway), an order amending that order may confer on a railway company power to acquire the light railway, notwithstanding that the owners of the light railway do not consent, and section twenty-four of the principal Act shall have effect accordingly.
- (3) For the "purposes of this section, a light railway of the nature of a tramway means a light railway laid wholly or mainly along a public carriageway, and used wholly or mainly for the carriage of passengers.

74 Construction of Part V.

This Part of this Act shall be construed as one with the principal Act.

PART VI

GENERAL.

75 Facilities.

- (1) In order to facilitate the transmission of traffic passing or intended to pass to, or from places on or beyond the railway of any amalgamated company from or to places on or beyond the railway of any other amalgamated company, every amalgamated company shall, at all times, afford to any such other amalgamated company all reasonable facilities for the convenient working, forwarding, and conveyance of such traffic via proper and convenient points of exchange, including through rates and fares, the efficient working of trains at suitable and convenient times so as to satisfy the reasonable requirements of the public for the reception, forwarding, and delivery of such traffic, and shall, so far as circumstances reasonably admit, accommodate, manage, and forward such traffic as effectually, regularly, and expeditiously as if it were its own proper traffic.
- (2) Except as hereinafter provided, all facilities for the interchange of traffic and the arrangements as to routes and divisions and invoicing of traffic which on the first day of August, nineteen hundred and fourteen, were in operation between any company and any other company who will not form part of the same group shall, unless otherwise mutually agreed between the companies concerned, be continued by and be binding upon the amalgamated company of which any such company shall form part, as if such amalgamated company had been party to the said facilities and arrangements, but not so as to enlarge or diminish the scope or duration of any such facilities or arrangements :

Provided always that no amalgamated company, except with the consent of the other companies concerned, shall alter or discontinue any point of exchange with any other amalgamated company or companies before the expiration of five years from the date when the amalgamation scheme applicable to such first mentioned amalgamated company came into operation, and then only on giving six calendar months' notice in writing of such intention to the other company or companies, and, if the other amalgamated company or companies shall object to such proposed alteration or discontinuance, the matter shall be referred to the rates tribunal, who shall make such order as they shall think just.
- (3) Subject to the provisions of this Act with respect to circuitous routes, in the case of a route competitive with its own by which traffic passes the through rates or fares charged by any amalgamated company shall not, unless the rates tribunal for good cause shown so order, be higher than those charged by its own route.
- (4) No constituent or subsidiary company and no amalgamated company shall be at liberty to refuse to receive, forward, or deliver traffic consigned by a through route on the ground that such traffic can be carried by a route which has, through the operation of this Act, become local to such company.

76 Allocation of receipts on worked railways.

Where under any Act or agreement passed or made before the passing of this Act any railway is maintained and worked on terms based upon the receipts from the traffic on such railway, the amount which shall be payable to the owning company out of such receipts shall be such as would have been payable to them if the rates,

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fares, tolls, dues, and charges in respect of such traffic had been the same as those in operation during the year nineteen hundred and thirteen, but not less than the amount actually paid in that year with the addition of an amount in respect of interest on capital expenditure at the same rate per annum as was payable by the Government to any such company in respect of the year nineteen hundred and twenty under the agreements or arrangements relating to the possession by the Crown of the railway of such company, and the balance of such receipts shall be retained by the company maintaining and working the said railway.

77 Accounts, returns, and statistics.

- (1) The accounts to be rendered under the Railway Companies (Accounts and Returns) Act, 1911, shall be compiled in such manner as may be determined by the Railway Clearing House with the approval of the Minister, or, if the Minister is unable to approve the proposals of the Railway Clearing House, as may be determined by the Minister after reference to, and considering the report thereon by, a committee composed of not less than three or more than six persons nominated by the Railway Companies' Association, and not less than three or more than six expert and impartial persons of wide commercial and trading experience to be chosen by the Minister from the panel set up under section twenty-three of the Ministry of Transport Act, 1919, as extended by this Act.
- (2) It shall be the duty of every railway company to compile and render to the Minister the statistics and returns set out in the Eighth Schedule to this Act, sub-divided in the case of an amalgamated company in accordance with such operating areas as may be agreed between the Minister and the company, subject, nevertheless, to such variation of those statistics and returns as may from time to time be agreed between the Minister and the Railway Companies' Association:

Provided that the Minister may exempt any light railway company from the obligations imposed by this subsection to such extent as he may think fit.
- (3) In the event of non-compliance on the part of any railway company with any requirement of this section, the requirement shall be enforceable by order of the Railway and Canal Commission on the application of the Minister in any of the ways referred to in section three of the Railway and Canal Traffic Act, 1854, or section six of the Regulations of Railways Act, 1873.
- (4) Nothing in this section shall be interpreted to authorise any limitation of or interference with the control of the proprietors of any undertaking over the purposes to which its expenditure is to be applied.

78 Provision for applications by public authorities in certain cases.

- (1) Where under this Act an application may be made by a representative body of traders, or by a body of persons representative of trade or a locality, the application may be made by any of the following authorities or bodies—
 - (a) any harbour board, or conservancy authority, the common council of the City of London, or the council of any county or borough or district; or
 - (b) any such association of traders or freighters, or chamber of commerce, shipping, or agriculture as may obtain a certificate from the Board of Trade that it is, in the opinion of the Board of Trade, a proper body to make such an application.

- (2) Subject as in this section provided, no company, body, or person not directly interested in the subject-matter of any application shall be entitled to make such application.
- (3) Any authority or body as aforesaid may appear in opposition to any application, representation, or submission in any case where such authority, or the persons represented by them, appear to the Board of Trade to be likely to be affected by the decision on any such application, representation, or submission.
- (4) The Board of Trade may, if they think fit, require as a condition of giving a certificate under this section, that security be given in such manner and to such amount as they think necessary, for costs which may be incurred.
- (5) Any certificate granted under this section shall, unless withdrawn, be in force for twelve months from the date on which it was given.
- (6) Any expenses incurred by any such authority in or incidental to any such application or opposition shall be defrayed out of the rate or fund out of which the expenses of the authority in the execution of their Ordinary duties are defrayed, and, in the case of a rural district council in England, shall be defrayed as general expenses unless the Minister of Health directs that they shall be defrayed as special expenses.

79 Provision as to railway officers transferred to Minister.

Paragraph (iii) of subsection (1) of section seven of the Ministry of Transport Act, 1919 (which provides for officers and servants transferred to the Minister remaining full members of railway pension funds and superannuation funds), shall—

- (a) in the case of an officer or servant transferred from any railway company to whom it is applicable at the time when the Minister ceases to be in possession of the undertaking or any part of the undertaking of the company continue to apply as respects that officer or servant or, after such cessation, so long as he remains in the service of the Crown ; and
- (b) apply to any officer or servant of any railway company who, with his consent and the consent of the railway company, may hereafter be transferred to the Minister, so long as the officer or servant in question remains in the service of the Crown;

and accordingly the said paragraph shall have effect as if the words " under this section, then so long as the " Minister remains in possession of that undertaking or " any part or plant thereof " Were omitted therefrom.

80 Provisions as to inquiries.

- (1) The provisions of section twenty of the Ministry of Transport Act, 1919 (relating to local inquiries), shall extend so as to enable the Minister to hold local inquiries for the purposes of this Act in like manner as for the purposes of the said Act.
- (2) Section twenty-three of the Ministry of Transport Act, 1919 (which provides for the establishment of a panel for giving advice and assistance to the Minister in connexion with the exercise and performance of his powers and duties), shall extend to the exercise and performance of the powers and duties of the Minister under this Act; and the Minister may add to the panel persons having special experience in the various matters to which the powers and duties of the Minister under this Act relate.

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- (3) Any expenses incurred by the Minister in relation to, any such local inquiry, or an inquiry by a committee chosen either wholly or partly from such panel as aforesaid, shall be paid by the railway companies and other persons concerned in the inquiry, or by such of them and in such proportions as the Minister may direct; and the Minister may certify the amount of the expenses incurred, and any sum so certified and directed by the Minister to be paid by any railway company or other person shall be a debt to the Crown from such company or person.
- (4) The rates advisory committee constituted under section twenty-one of the Ministry of Transport Act, 1919, shall continue in existence so long as may be necessary for the purposes of references under the Harbours, Docks and Piers (Temporary Increase of Charges) Act, 1920, and after the said committee ceases to exist any functions which under any other enactments are to be discharged by the committee shall be transferred to the rates tribunal.

81 Notices, &c.

Any notice, application, request, or other document authorised or required by this Act to be sent to a railway company may, unless some other manner is prescribed by the rates tribunal, be sent by post in a prepaid letter addressed to the secretary of the company at the principal office of the company.

82 Mode of action by Board of Trade.

Anything by this Act authorised or required to be done by the Board of Trade may be done by the President or a secretary or assistant secretary of the Board, or any person authorised in that behalf by the President.

83 Application to Scotland.

This Act in its application to Scotland shall be subject to the following modifications:

- (a) " Burgh " shall be substituted for " borough, " " servitude " for " easement ", and " Secretary for Scotland " for " Minister of Health ":
- (b) Subsection (5) of the section of this Act, whereof the marginal note is "Constitution and procedure of amalgamation tribunal," shall not apply to proceedings before the amalgamation tribunal in Scotland or to inquiries in Scotland by any Commissioner or other person authorised by the said tribunal, and for the purposes of the summoning and examination of witnesses and the production of documents the tribunal or Commissioner or person authorised as aforesaid shall have the like powers as are conferred upon Commissioners by section ten of the Private Legislation Procedure (Scotland) Act, 1899:
- (c) The expenses incurred by any town or county council in any application or representation authorised by the section of this Act whereof the marginal note is " Provision for applications by public authorities in certain cases," shall be defrayed in the case of a town council out of the burgh general assessment, and in the case of a county council out of the general purposes rate or such other rate as the county council may with the approval of the Secretary for Scotland designate.

84 Provisions as to Irish railways.

- (1) Railway companies in Ireland shall until other provision is made by the Council of Ireland, compile and render such statistics and returns as are at the passing of this Act in pursuance of any statute agreement or otherwise being rendered by such companies.
- (2) Save as aforesaid, the provisions of this Act shall not apply to railway companies in Ireland.

85 Definition of railway company.

for the purposes of this Act, the expression " railway company " includes a joint committee of two or more railway companies and the owners of any railway to which at the passing of this Act a Railways Rates and Charges Order within the meaning of Part III. of this Act applies, and, where a railway is owned by a joint committee of two or more railway companies, it shall, for the purposes of this Act, be deemed to be jointly owned by those companies.

86 Short title and repeal.

- (1) This Act may be cited as the Railways Act, 1921.
- (2) The enactments mentioned in the Ninth Schedule to this Act are, except so far as they relate to Ireland, hereby repealed to the extent specified in the third column of that schedule, but this repeal shall not, as respects the enactments mentioned in Part II. of that schedule, have effect until the appointed day fixed under Part III. of this Act, and nothing in this repeal shall affect the constitution of the Light Railway Commission or the remuneration of any members thereof so long as they continue to perform the duties reserved to them under this Act :

Provided that, for the purpose of the said schedule, the expression " light railway " shall not include a light railway forming part of the system of an amalgamated company, and an amalgamated company owning a light railway shall not, in relation thereto, be deemed to be a light railway company.