



ANNO DECIMO QUINTO

GEORGII V REGIS.

A D. 1924.

No. 1652.

An Act to prescribe Standards of Quality and Pressure for Gas and to regulate the Price of Gas, and for other purposes.

[Assented to, December 24th, 1924.]

BE it Enacted by the Governor of the State of South Australia, with the advice and consent of the Parliament thereof, as follows:

1. This Act may be cited as the "Gas Act, 1924." Short title.
2. This Act shall come into operation on the first day of January, nineteen hundred and twenty-five. Commencement.
3. Sections 37 and 38 of The South Australian Gas Company's Act are repealed. Repeal.
4. After the commencement of this Act nothing in the Meters and Gas Act, 1881, shall apply to the South Australian Gas Company. Act No. 233 of 1881 not to apply to South Australian Gas Company.
5. In this Act, unless inconsistent with the context or subject-matter— Interpretation.
 - "Calorific value" of gas means the number of British thermal units (gross) produced by the combustion of one cubic foot of the gas measured at sixty degrees Fahrenheit under a pressure of thirty inches of mercury and saturated with water vapour: Cf. 10 & 11 Geo. V, c. 28, s. 1 (7).
 - "Director of Chemistry" means the Director for the time being of the Department of Chemistry in the Public Service of the State:

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“Prescribed” means prescribed by or under this Act or the regulations or by or under any proclamation made under this Act :

“President” means the President of the Industrial Court, and includes any Deputy President appointed by the Governor to hold any public inquiry under this Act :

“Standard price” means the price fixed by the President which the Company is authorised to charge for gas supplied by it to private consumers by meter, and which is for the time being in force in the particular locality concerned :

“The Company” means The South Australian Gas Company.

Administration of Act.

6. The Director of Chemistry is hereby charged with the administration of this Act, subject to the control of the Minister.

Gas examiners and inspectors of meters.

7. The Governor, on the recommendation of the Public Service Commissioner, may appoint so many competent and impartial persons as are necessary to be—

(a) gas examiners to test, in accordance with this Act, the gas supplied by the Company and the pressure at which the gas is supplied ; and

(b) inspectors of meters.

Places and times of testing.

8. Subject to this Act, the Governor, on the recommendation of the Director of Chemistry, may make regulations for or with respect to—

(a) prescribing the places and times at which and the apparatus and method by which tests, whether continuous or intermittent, shall be made for testing the calorific value, purity, and pressure of the gas supplied by the Company and the method of recording such tests ; and

(b) prescribing the method by which any such apparatus shall be verified.

Powers of Director of Chemistry to inspect works, &c.
Cf. *ibid.*, s. 5. (5).

9. The Director of Chemistry may, at any time when it appears to him necessary for the proper execution of his duties under this Act, enter upon and inspect any of the works of the Company ; and the Company shall afford him and his assistants full facilities for this purpose, and shall furnish the Director of Chemistry with such information with regard to the position of the mains and pipes of the Company, and with regard to any other matter appertaining to the calorific value, purity, or pressure of gas supplied by the Company, or the inspection or testing of meters, as the Director of Chemistry may reasonably require.

Director of Chemistry to have powers of gas examiners.

10. In addition to any other powers conferred upon him by or under this Act the Director of Chemistry shall have and may exercise all or any of the powers conferred upon gas examiners by or under this Act.

11. The

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General power to make recommendations.

(a) in addition to making any other recommendations provided for in this Act, may make recommendations to the Minister with respect to any matters relating to gas or the supply thereof or the interests of consumers thereof; and

(b) shall investigate and report to the Minister upon any of such matters referred to him by the Minister for report.

Reports.

12. The quality of the gas supplied by the Company shall, with respect to its calorific value and its purity, be as prescribed in the First Schedule, or in the First Schedule as altered pursuant to this Act.

Quality of gas.

13. (1) The gas supplied by the Company shall (in addition to conforming to any other prescribed conditions and requirements) be supplied at the pressure prescribed in the First Schedule.

Pressure of gas.
Cf. 10 & 11 Geo. V,
c. 28, s. 2.

(2) The pressure of gas supplied by the Company may be tested at any testing place under this Act or at any outlet from a gas meter.

(3) Notwithstanding anything in the First Schedule, in the case where the Company supplies gas—

Provision for lower pressure in special cases.

(a) in any district or portion thereof in which the Company has not theretofore supplied gas; or

(b) in any district or portion thereof in which the Company supplies gas, but in which the mains are insufficient to meet the increased demand for gas—

the Governor, on the recommendation of the Director of Chemistry, may, by proclamation, authorise the Company to supply gas in any such district or portion thereof specified in the order at such less pressure and for such time as is fixed in the proclamation; and the Company may supply gas in accordance with the proclamation.

14. (1) The Governor may from time to time by proclamation vary or revoke any of the provisions of the First Schedule: Provided that no such proclamation shall be made unless a resolution has been passed by both Houses of Parliament approving the making thereof.

Alteration of provisions of First Schedule.

(2) On the date of the publication in the *Government Gazette* of any proclamation under this section (or on a later date specified therein) the First Schedule shall be deemed to be altered according to the tenor of the proclamation, and as so altered shall have the same effect as if such alteration were enacted in this Act.

15. The Company shall provide and maintain to the satisfaction of the Director of Chemistry the prescribed testing places and apparatus, and shall give any gas examiner access to any testing place for the proper execution of his duty.

The Company to provide and maintain places and apparatus.
Cf. *ibid.*, s. 5 (3).**16.** (1) A

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Making of tests, &c.
Cf *ibid.*, s. 5 (4).

16. (1) A representative of the Company may be present on any occasion on which a gas examiner inspects or alters, adjusts, or replaces the testing apparatus or tests the gas, but shall not interfere with the inspection, alteration, adjustment or replacement, or test.

(2) For the purposes of this section the gas examiner shall, in cases where the testing place or other prescribed place is situated elsewhere than on the works of the Company, give to the Company reasonable notice of the time at which he will attend at such place.

Report of gas
examiner.

17. A gas examiner, after testing the calorific value, purity, or pressure of the gas supplied by the Company, shall make and deliver to the Director of Chemistry and to the Company, with as little delay as possible, a report of the results of every such test, and such report shall be receivable in evidence.

Penalties for
deficiency in calorific
value, purity, or
pressure.
Cf. *ibid.*, s. 9.

18. (1) If on any day for a period of two hours or upwards the calorific value of gas supplied by the Company, ascertained in accordance with this Act, is more than five per centum below the prescribed calorific value, the Company shall be liable to a penalty of not more than Five Pounds for every complete one per centum by which the calorific value is deficient in excess of such five per centum: Provided that, where there is no continuous record of the calorific value of the gas supplied by the Company, if on any occasion of testing the calorific value at any testing place is found to be more than five per centum below the prescribed calorific value a second testing shall be made on the same day after an interval of not less than one hour and the mean of the two testings shall be deemed, for the purposes of this subsection, to be the calorific value of the gas supplied by the Company at that testing place for a period of two hours ascertained as aforesaid.

(2) If on any occasion the gas supplied by the Company does not conform to the requirements of this Act as to purity or pressure the Company shall be liable to a penalty of not more than Fifty Pounds.

(3) The Company shall not be liable to any penalty under this section in any case where it shows that the deficiency or failure was due to circumstances not within its control, nor shall the Company be liable for more than one penalty in respect of any one day for any deficiency in calorific value, purity, or pressure of gas supplied from any one works.

(4) Proceedings against the Company in respect of any penalty imposed under this section may be commenced at any time within three months after the date of the report of the gas examiner.

All meters to be
tested and stamped.

19. (1) After the commencement of this Act no meter shall be issued for the use of any consumer by the Company until the meter has been first tested and stamped as prescribed.

(2) Every

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(2) Every meter issued by the Company and in use on the premises of any consumer at the commencement of this Act shall, within seven years thereafter, be tested as prescribed, and, if found accurate, be stamped as prescribed, and shall be again tested at intervals of not more than seven years and, if found accurate, restamped.

(3) If the Company issues for the use of any consumer, or supplies gas by means of, any meter not tested and stamped in accordance with this section, it shall be liable to a penalty of not more than Ten Pounds.

20. (1) Any inspector of meters, on application made at any time by any consumer of gas supplied by the Company and on payment of the prescribed fee, may inspect and test any meter issued by the Company and in use on the premises of the consumer.

Inspection and testing of meters on application by consumer.

(2) The inspector shall give to the Company forty-eight hours' notice of such intended inspection and testing.

21. All meters issued by the Company which are in use on the premises of any consumer and after testing are found to be inaccurate shall be removed at the expense of the Company.

Removal of meters found to be inaccurate.

22. The fees for the testing (with or without stamping) of meters shall be such as are prescribed; and all such fees shall be paid as prescribed, and shall be appropriated as prescribed towards defraying any costs and expenses properly incurred in carrying this Act into execution.

Fees for testing meters.

Cf. 10 & 11 Geo. V, c. 28, s. 11.

23. If the Company, without reasonable excuse, fails, neglects, or refuses to comply with any of the provisions of this Act or of any proclamation or regulation made under this Act, or to provide or maintain any prescribed testing place, apparatus, or materials, or other matter or thing, or to afford to the Director of Chemistry or any gas examiner access to any testing place or works in accordance with the requirements of this Act, or to afford or furnish any facilities or information in accordance with the requirements of this Act, the Company shall (if no other penalty is expressly imposed by or under this Act) be liable to a penalty of not more than Twenty-five Pounds, and in the case of a continuing offence to a further penalty of Twenty-five Pounds for each day after conviction during which the offence continues.

General penalties
Ibid., s. 8.

24. (1) Any person who forges or counterfeits, or causes or procures to be forged or counterfeited, or knowingly acts or assists in the forging or counterfeiting of any stamp which may be used for the stamping of any meter under this Act shall be liable to a penalty of not less than Ten Pounds or more than Fifty Pounds.

Forging and counterfeiting stamps.

(2) Any person who knowingly sells, utters, disposes of, lets, lends, or exposes for sale any meter with any such forged stamp thereon shall be liable to a penalty of not less than Two Pounds or more than Ten Pounds.

(3) All

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(3) All meters having forged or counterfeited stamps thereon shall be forfeited and destroyed.

General power to make regulations.

25. (1) The Governor, on the recommendation of the Director of Chemistry, may make regulations for or with respect to—

- (a) the powers and duties of gas examiners and inspectors of meters ;
- (b) the installation and the supervision by the Company of gas fittings on the premises of consumers of gas supplied by the Company ;
- (c) the testing and stamping of meters ; and
- (d) fees for the testing (with or without stamping) of meters and the payment thereof and the appropriation thereof.

(2) The Governor may make regulations for or with respect to any other matter or thing authorised or required to be prescribed, or any matter or thing necessary or convenient to be prescribed, for carrying this Act into execution.

(3) Any regulations under this section may prescribe penalties of not more than Twenty Pounds for any breach thereof.

Power in emergencies to regulate or prohibit the supply or use of gas.

26. (1) Whenever it appears to the Governor that from any cause the available supply of gas is or is likely to become less than is sufficient for the reasonable requirements of the community, the Governor may from time to time exercise all or any of the powers conferred on him by or under this section, and do and perform all such acts, matters, and things as are necessary or expedient for carrying into effect the purposes of this section.

(2) The Governor may from time to time by proclamation declare that on and after the date of the publication of the proclamation or a later date specified therein the provisions of this section shall have effect.

Regulations.

(3) So long as any such proclamation remains unrevoked the Governor may make such regulations as he thinks fit for or with respect to—

- (a) regulating or prohibiting the sale, supply, use, or consumption of gas, whether generally or for any purpose or purposes specified in such regulations ;
- (b) providing for the appointment of any person or body of persons to exercise such functions as are prescribed for the purposes of this section and such regulations ;
- (c) conferring or imposing upon such person or body of persons so appointed such powers and duties as appear necessary or expedient to carry into effect the purposes of this section or such regulations ; and

(d) generally

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(d) generally, prescribing all such matters or things as are necessary or expedient to be prescribed for carrying into effect the purposes of this section or such regulations.

(4) Any such regulations—

Application of regulations.

(a) may be made so as to apply to or have operation throughout the whole or any part of South Australia or throughout the whole or any part of any Municipality or District Council District ;

(b) may be made so as to operate for any period or periods or for any time or times or for any occasion or occasions specified therein ;

(c) may be of general operation, or of specially limited operation according to any specified times, places, circumstances, conditions, or restrictions ;

(d) may impose a penalty of not more than Fifty Pounds for any offence against such regulations ; and in the case of a continuing offence a further penalty of not more than Five Pounds for each day on which any offence is continued after notice has been given to the offender or after conviction or order of any Court (as the case may be) ; and

(e) shall take effect on the date of the publication thereof or on a later date specified therein.

(5) A body corporate shall be liable for any offence against any regulation under this section as if it were a private person, and shall be subject to the same penalties as if it were a private person ; and if any chairman, member of the governing body, director, manager, secretary, or officer of such body corporate knowingly authorises or permits the commission of any such offence, he shall also be liable therefor.

Liability of body corporate.

(6) Every such regulation shall continue in operation until the proclamation under the authority of which it was made is revoked ; but the expiration of any such regulation shall not affect any penalty, forfeiture, or punishment incurred in respect of any offence committed against such regulation or affect any investigation, legal proceeding, or remedy in respect of any such penalty, forfeiture, or punishment ; and any such investigation, legal proceeding, or remedy may be instituted, continued, or enforced, and any such penalty, forfeiture, or punishment may be imposed, as if such regulation had not expired.

Continuance of operation of regulations.

(7) Every proclamation under this section—

Proclamations.

(a) may be varied or revoked by a later proclamation ; and

(b) shall be judicially noticed, and until revoked shall have the same force and effect as if enacted in this Act.

(8) This section shall have effect notwithstanding anything to the contrary, whether expressed or implied, in any Act, law, proclamation,

Effect of section.

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proclamation, Order-in-Council, rule, or regulation, or in any judgment or order or in any contract or agreement, whether oral or written, or in any deed, document, security, or writing whatsoever.

Powers to be in aid of other powers.

(9) All powers given by or under this section or any proclamation or regulation thereunder shall be in aid and not in derogation of any other powers exercisable apart from this section.

Exemption from liability of Crown, etc.

(10) No action, claim, or demand whatsoever shall lie or be made or allowed by or in favor of any person whomsoever against His Majesty or any responsible Minister of the Crown or any officer or person acting in the execution of this section, or any proclamation or regulation thereunder, for or in respect of any damage, loss, or injury sustained or alleged to be sustained by reason of the passing of this section or of its operation or of anything done or purporting to be done under this section or any proclamation or regulation thereunder.

Standard rate of dividend.
Cf. N.S.W., 71, 1912,
3, 15.

27. (1) Except as provided in this Act, the profits of the Company to be divided among the members in any year shall not exceed the following rate (which is in this Act referred to as "the standard rate" of dividend), that is to say: Eight Pounds per centum on the paid-up capital of the Company for the time being: Provided that this subsection shall not apply to any dividend paid by the Company within three months from the commencement of this Act.

(2) The interest paid by the Company on any money borrowed by the Company, after the commencement of this Act, by the issue of bonds, mortgages, debentures, or any other form of security shall not exceed the rate of Seven Pounds per centum per annum.

£52,500 of existing reserves may be capitalised.

28. (1) Notwithstanding anything in this Act, the Company is hereby authorised and empowered, within six months from the commencement of this Act, by a resolution of the shareholders in general meeting, to capitalise out of the reserves of the Company existing at the time of the passing of this Act any sum not exceeding Fifty-two Thousand Five Hundred Pounds.

(2) The Company may, pursuant to such resolution as aforesaid, distribute the whole or any portion of the sum so capitalised in the form of fully paid shares amongst the shareholders in proportion to the shares respectively held by them, and create and issue as fully paid amongst its shareholders in the like proportion new shares to the nominal value of the sum to be distributed.

Future premiums not to be capitalised.

29. All sums of money hereafter received by the Company as premiums on the creation and issue of shares shall be applied only to purposes to which capital is properly applicable, and shall not be considered as part of the paid-up capital of the Company entitled to dividend.

Standard price of gas.

30. (1) Subject to this Act the standard price to be charged by the Company for gas supplied by it to private consumers by meter shall be such price per thousand cubic feet of gas sold as is fixed by the President of the Industrial Court after a public inquiry. (2) In

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(2) In determining such standard price the President shall include all charges for wages, freight, coal, oil, rates, and all other expenses which under this Act are properly chargeable to revenue, and such a sum as is necessary to enable the Company to pay interest on its bonds, mortgages, debentures, and other like securities and dividends on its preference shares, and to maintain a dividend on its ordinary paid-up capital at the rate of Eight Pounds per annum on every One Hundred Pounds of such capital.

31. (1) If, at any time after the standard price has been fixed under section 30, the cost of production and distribution of gas supplied by the Company to private consumers by meter is so increased that the net profit remaining to the Company after defraying all expenses which under this Act are properly chargeable to revenue, and after providing for the payment of interest on its bonds, mortgages, debentures, and other like securities and dividends on its preference shares, would be insufficient to provide a dividend at the rate of Eight Pounds per annum on every One Hundred Pounds of the ordinary paid-up capital of the Company, the Company shall be entitled to have the standard price of gas increased as hereinafter provided by such sum per thousand cubic feet of gas sold as is necessary to enable the Company to maintain a dividend on its ordinary paid-up capital at the rate aforesaid.

Standard price may be increased if the cost of production of gas increases.

(2) The Secretary of the Company may, from time to time as occasion arises, apply in writing to the Minister on behalf of the Company to have the standard price of gas increased as aforesaid, and shall furnish to the Minister statements and estimates verified by statutory declaration made by the Secretary, showing that the cost of production and distribution of gas sold as aforesaid has been so increased as aforesaid.

(3) Upon receipt of any such application the Minister shall, with all reasonable despatch, cause a public inquiry to be held by the President of the Industrial Court as hereinafter provided for the purpose of fixing the standard price at such sum as is necessary to enable the Company to maintain a dividend on its ordinary shares at the rate aforesaid.

32. The following provisions shall have effect with regard to every public inquiry to be held under this Act:—

Provisions as to inquiries.

- (a) The President shall hold the first public inquiry within six months from the commencement of this Act:
- (b) At the inquiry the Minister and the Company and every Municipal or District Council within whose Municipality or District the Company supplies any gas shall be entitled to representation:
- (c) The President shall, as a result of the inquiry, fix the standard price to be charged by the Company per thousand cubic feet of gas supplied by it to private consumers by meter:

(d) The

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- (d) The President may fix different standard prices for different localities, and may fix a higher standard price for any particular locality because of additional cost necessarily incurred by the Company in supplying such locality with gas :
- (e) The standard price as fixed by the President shall come into operation on such date as the President determines when fixing such price :
- (f) The Governor shall cause the standard price as so fixed, and the date from which the same is to operate, to be notified by proclamation, and after such date the price to be charged by the Company for gas supplied to private consumers by meter shall be that so notified, subject to this Act :
- (g) For the purposes of the inquiry the President shall have all the powers of and shall be deemed to be a Royal Commission under the Royal Commissions Act, 1917.

Reduction or increase of dividend corresponding with increase or reduction of price of gas.

33. Notwithstanding anything in this Act the Company may increase or reduce the price charged for gas above or below the standard price subject to a reduction or increase in the rate of dividend payable by the Company as follows :—

- (a) In respect of any half-year during any part of which the price charged by the Company has been One Penny or part of a Penny above the standard price, the dividend payable by the Company shall, in respect of each Penny or part of a Penny by which the standard price has been increased, be reduced below the standard rate of dividend by Three Shillings and Four Pence per annum on every One Hundred Pounds of ordinary paid-up capital, and so in proportion for any fraction of One Hundred Pounds ; and
- (b) in respect of any half-year during the whole of which the price charged by the Company has been One Penny or more below the standard price the dividend payable by the Company may, in respect of each Penny by which the price charged has been below the standard price, exceed the standard rate by Three Shillings and Four Pence per annum on every One Hundred Pounds of ordinary paid-up capital, and so in proportion for any fraction of One Hundred Pounds, but shall not in any case be so increased as to be at the rate of more than Ten Pounds per annum on every One Hundred Pounds of paid-up capital.

Penalty for charging excessive price, &c.

34. (1) The Company shall not be entitled to charge for gas supplied to any person by contract at a higher rate than the price charged for gas supplied to private consumers by meter,

(2) If

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(2) If the Company charges any price or rate in excess of that authorised by or under this Act the Company shall not be entitled to receive payment for any gas supplied at such excessive price or rate, and shall be liable to a penalty of not less than Twenty Pounds or more than Fifty Pounds for each day during which such excessive price or rate is charged.

35. Notwithstanding anything in this Act, in any case where—

Company may charge more than standard price under certain circumstances.

(a) a gas main or an extension of a gas main or any service pipe has been laid down by the Company pursuant to a written undertaking given to the Company by consumers or prospective consumers of gas resident in a locality or place to be served by such main or extension or service pipe that each of them will pay monthly to the Company such sum as is specified in the undertaking in addition to whatever amount (calculated at the standard price) may be payable by each of them for gas supplied by meter; and

(b) the quantity of gas likely to be supplied in such locality or place to private consumers by meter by means of such main or extension or service pipe would not be sufficient, if paid for at the standard price, to return to the Company ten per centum per annum on the outlay to be incurred by the Company in laying down such main or extension or service pipe, and in producing and distributing the gas,

there shall be payable to the Company each month from each consumer of gas supplied from such main or extension or service pipe, in addition to the charge for gas supplied to the consumer at the standard price, a sum not exceeding that specified in the undertaking hereinbefore referred to.

36. Notwithstanding anything in this Act, whenever any standby meter has been installed by the Company on the premises of a consumer and it appears by such meter that not more than three hundred cubic feet of gas has been consumed during any particular month, the Company may, in respect of that month, instead of charging the consumer for the gas actually consumed by him, charge the consumer by way of rent for the meter and service installed on his premises a sum calculated at the rate of ten per centum per annum on the capital cost to the Company of providing the meter and the service pipes connected therewith and installing the same on the consumer's premises.

Consumer to pay rent for standby meter in certain cases.

37. (1) In addition to the price charged by the Company for gas supplied by it, the Company may charge for the hire of any prepayment meter and fittings to be used therewith a price calculated at a rate not exceeding Five Pence per thousand cubic feet of gas supplied, such price to include the hire of one meter and the fittings used therewith.

Charge for hire of prepayment meter. N.S.W. 71, 1912, s. 28.

(2) The

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(2) The said price shall include the providing, letting, fixing, repairing, and maintenance of the meter and fittings, and the cost of collection, inspection, and any other cost incurred by the Company in connection with the meter and fittings.

Special Purposes
Fund.
Cf. *ibid.*, s. 16.

38. (1) The directors of the Company may, if they think fit, in any year appropriate out of the revenue of the company as part of the expenditure on revenue account any sum not exceeding an amount equal to Two Pounds Ten Shillings per centum of the combined amount of the paid-up capital of the Company (including for this purpose premiums hereafter received by the Company on the creation and issue of shares) and of the principal moneys owing on the bonds, mortgages, debentures, or other like securities of the Company or otherwise charged or secured upon the undertaking, rates, and other revenues of the Company for the time being to a fund to be called the "Special Purposes Fund."

Application of.

(2) The Special Purposes Fund shall be applicable only—

(a) to meet such charges as the Auditor-General certifies in writing to be—

I. expenses incurred by reason of accidents, strikes, or circumstances which due care and management could not have prevented; or

II. expenses incurred in the replacement, renewal or removal of plant or works other than expenses requisite for maintenance of and repairs to plant and works; and

(b) to provide contributions towards the Superannuation Fund hereinafter provided for.

Maximum amount
of.

(3) The maximum amount standing to the credit of the Special Purposes Fund shall not at any time exceed an amount equal to one-tenth part of the combined amount of the paid-up capital of the Company, including such premiums as mentioned in subsection (1) hereof and of the principal moneys owing on the bonds, mortgages, debentures, or other like securities of the Company or otherwise charged or secured upon the undertaking, rates, and other revenues of the Company for the time being.

Investment of.

(4) The moneys forming the Special Purposes Fund, or any portion thereof, may be invested only in investments in which trustees are authorised by law to invest trust funds or may be applied for the general purposes of the Company to which capital is properly applicable, or may be used partly in one way and partly in the other.

Use of, though less
than maximum.

(5) Resort may from time to time be had to the Special Purposes Fund notwithstanding that the sum standing to the credit of the Fund is for the time being less than the maximum allowed by this section.

(6) The

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(6) The money or investments standing to the credit of the Reserve Fund and of the Meter Renewal Fund of the Company, forthwith after the capitalisation of reserves provided for by section 28 of this Act has been carried out, shall be credited to the Special Purposes Fund. Other Funds credited to.

39. (1) Where in any year the rate of dividend that may be paid exceeds the standard rate by reason of the price charged by the Company for gas in such year being below the standard price, then, out of the amount of the divisible profits of the Company applicable to the payment of such excess of dividend, the directors of the Company may in such year set apart such sum as they think fit by way of a Reserve Fund. Reserve Fund, what may be set apart as. Cf. *ibid.*, s. 17.

(2) The total amount paid in any year by way of such excess dividend and the amount so set apart in such year to the Reserve Fund shall not, when taken together, exceed the total amount permitted to be paid by way of excess dividend under section 33 hereof.

(3) All sums (if any) so set apart may be invested only in investments in which trustees are authorised by law to invest trust funds, and the dividends and interest arising from such securities may also be invested in the like investments in order that the same may accumulate at compound interest. Investment of.

(4) The fund so formed shall be called the "Reserve Fund," and shall be applicable to the payment of dividend in any year in which the clear profits of the Company are insufficient to enable the Company in such year to pay the dividend at the authorised rate; and save as in this Act provided no sum shall in any year be carried by the Company to any Reserve Fund. Application of.

40. If the clear profits of the Company in any year, after providing for all expenses properly chargeable to revenue, amount to a larger sum than is sufficient to pay the authorised dividend on the paid-up capital of the Company, the excess shall be carried to the credit of the divisible profits of the Company for the next following year: Provided that the sum standing to the credit of such divisible profits shall not at any time exceed the amount required to pay one year's dividend at the standard rate. Divisible profits account. Cf. *ibid.*, s. 18.

41. (1) The Company shall, in the months of February and August in each year, publish in two daily newspapers published in Adelaide a half-yearly statement prepared on the basis of each one thousand cubic feet of gas supplied, setting out, for the period to which the statement relates— Half-yearly statement to be published.

(a) the cost of manufacture and distribution of gas and other charges, and specifying particularly—

I. the cost of coal;

II. the cost of other materials;

III. the

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III. the expenditure on wages ; and

IV. the value of residual products ;

- (b) the amount of dividend last paid ;
- (c) the amount of interest paid in respect of moneys borrowed ;
- (d) the amount paid into the Special Purposes Fund, the Reserve Fund, and the Divisible Profits Account respectively ; and
- (e) the price of gas.

(2) Every statement under this section shall be verified by statutory declaration of two of the directors and the secretary of the Company.

(3) A copy of every such statement shall forthwith after publication be transmitted to the Minister and also to the Registrar of Companies, and shall be open to public inspection without fee at the office of the said Registrar.

How fines, &c., to be shown in accounts and dealt with.

42. (1) All fines, forfeitures, or penalties recovered against the Company under The South Australian Gas Company's Act or under any other Act relating to the supply of gas shall be shown as a separate item in the accounts of the Company.

(2) The payment of any such fines, forfeitures, or penalties shall not operate so as to cause any increase in or prevent any decrease in the price or rate charged for gas.

Power to directors to establish Superannuation Fund.

43. (1) Notwithstanding anything in any Act the directors of the Company may—

- (a) establish a fund to be called the " Superannuation Fund " for the purpose of providing sums of money or annuities to officers, servants, and employees of the Company who contribute to the said Fund, and to be payable to them on their retirement from their office, service, or employment under the Company, or on the cessation or abolition of their offices, or, in case of their death, to their widows, surviving children, or relatives ;
- (b) contribute to the said Fund out of the Special Purposes Fund such sums of money as they think fit ;
- (c) deduct from the salary or wages of any of the officers, servants, or employees (as the case may be) of the Company such sums of money (if any) as they think fit for the purpose of paying the same into the said Fund.

Power to directors to contribute to mutual benefit and other funds.

(2) The directors may contribute to any mutual benefit or sick or accident fund for the benefit of officers, servants, or employees of the Company.

Power to pay gratuities, &c.

(3) Notwithstanding anything in this Act, the directors may pay to any of the officers, servants, or employees of the Company on his

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his retirement from his office, service, or employment under the Company, or on the cessation or abolition of his office, or in the case of his death to the widow or any of his surviving children or relatives, such sum or sums by way of gratuity or annuity as the directors think fit.

44. (1) The profits of the Company shall not be utilised in any other way than to provide for a Special Purposes Fund, a Reserve Fund, and a Divisible Profits Account as hereinbefore provided, and for the payment of dividends at the authorised rate.

Distribution of profits.
N.S.W. 71, 1912,
s. 19.

(2) If the Company pays moneys from profits into any other account it shall be liable on conviction to a penalty of One Hundred Pounds, and to a further penalty of Fifty Pounds for every day on which, after such conviction, such moneys are retained in any such account.

45. (1) Notwithstanding the provisions of any Act, or of the deed of settlement of the Company, the issue after the commencement of this Act of any shares in the Company shall be subject to the following provisions:—

Issue of additional shares.
Cf. *ibid.*, s. 21.

- I. All shares so to be issued shall be offered for sale by public auction or tender:
- II. Notice of the intended sale shall be given to the Minister at least twenty-eight days before the day of auction or the last day for the reception of tenders, as the case may be, and shall also be advertised once in each of two consecutive weeks in one or more daily newspapers published in Adelaide:
- III. A reserve price shall be fixed and notice thereof shall be sent by the Company in a sealed letter, to be received by the Minister not less than twenty-four hours before, but not to be opened until after, the day of auction, or after the last day for the receipt of tenders, as the case may be:
- IV. No lot offered for sale shall comprise shares of greater nominal value than One Hundred Pounds.
- V. In the case of a sale by tender, no preference shall be given to one of two or more persons tendering the same sum. In the case of a sale by auction a bid shall not be recognised unless it is in advance of the last preceding bid:
- VI. It shall be one of the conditions of sale that the total sum payable by the purchaser shall be paid to the Company on a day to be fixed by the Company, being within three months after the date of the auction, or of the acceptance of the tender, as the case may be:

VII. Any

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VII. Any shares which have been so offered for sale and are not sold may be offered at the reserve price to the holders of shares of the Company, and to the employees of the Company, and to the consumers of gas supplied by the Company, in such proportions as the Company may think fit, or to one or more of these classes of person only: Provided in the case of an offer to holders of shares that, if the aggregate amount of shares applied for exceeds the aggregate amount so offered as aforesaid, the same shall be allotted to and distributed amongst the applicants as nearly as may be in proportion to the amounts applied for by them respectively:

VIII. Any shares which may have been offered for sale in accordance with the foregoing provisions of this section, and are not sold, shall be again offered for sale by public auction or by tender in accordance with the provisions of this section; and any such shares then remaining unsold may be otherwise disposed of at such price and in such manner as the directors of the Company may determine, for the purpose of realising the best price obtainable:

IX. As soon as possible after the conclusion of the sale or sales the Company shall send a report thereof to the Minister, stating the total amount of the respective shares sold, the total amount obtained as premium (if any), and the highest and lowest prices obtained for the respective shares:

x. The amount of premium shall in all cases be treated as non-dividend bearing.

(2) In this section "shares" includes ordinary and preference shares.

Annual statement of accounts.

Ibid., s. 22.

46. (1) The Company shall cause to be filled up and forwarded to the Minister, on or before the thirtieth day of September in each year, an annual statement of accounts, made up to the thirtieth day of June then next preceding, as nearly as may be in the form, and containing the particulars, specified in the Second Schedule, or as near thereto as circumstances permit.

(2) The company shall keep copies of such annual statement at its office, and sell the same to any applicant at a price not exceeding One Shilling for each copy.

(3) If the Company makes default in complying with the provisions of this section, it shall be liable to a penalty not exceeding Two Pounds for each day during which such default continues.

Examination and audit of accounts.

Ibid., 23.

47. (1) The Auditor-General shall, at the request of the Minister, and the Minister on his own initiative or at the request of not less than twelve users of the gas of the Company may, cause the Auditor-General to examine and audit, or cause any officer of the Public Service appointed by the Minister in that behalf

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behalf to examine and audit, the accounts of the Company, and for the purposes of such audit to examine any books and documents relating to such accounts.

(2) If any person obstructs the Auditor-General or any officer appointed by the Minister, in the exercise of his powers or the performance of his duties under this section, or without lawful excuse refuses to produce any book, account, document, writing, paper, or instrument in his possession or under his control, or to answer any question asked by the Auditor-General or such officer for the purpose of the exercise of such powers or the performance of such duties, he shall be liable to a penalty not exceeding Twenty Pounds.

(3) If any person, after conviction of any such offence, still refuses to produce any such book, account, document, writing paper, or instrument, or to answer any such question, he shall be liable to a further penalty not exceeding Twenty Pounds for every day during which such default continues.

48. (1) The obligation existing at the commencement of this Act of each shareholder of the Company to be answerable and liable for or in respect of the losses and demands of or upon the Company to twice the amount of his share or shares in the Company, including the amount of such share or shares, shall cease to exist.

Reserve liability of
Company's share-
holders extinguished.

(2) Neither the provisions of Article 31 of the Deed of Settlement of the Company nor of section 9 of The South Australian Gas Company's Act shall, after the commencement of this Act, apply to any shareholder of the Company or any shares issued by the Company.

49. The Company may, after the commencement of this Act, issue preference shares entitling the holders thereof to such rights and privileges in respect of payment of dividend and repayments of capital or otherwise, in priority to the ordinary shareholders of the Company, as the Company, subject to the provisions of this Act and The South Australian Gas Company's Act, may determine.

Company may issue
preference shares.

50. (1) A trustee may, unless expressly forbidden by the instrument (if any) creating the trust, invest any trust funds in his hands, whether at the time in a state of investment or not, in the bonds, mortgages, debentures, and other like securities of the Company, and may also from time to time vary such investment.

Bonds and
debentures of
Company to be
authorised invest-
ment for trustees.

Cf. Vic. Metro-
politan Gas
Company's Act, s. 4.
Cf. Trustee Act,
1893, s. 8.

(2) This section applies as well to trusts created before as to trusts created after the passing of this Act, and the powers hereby conferred shall be in addition to the powers conferred by the instrument (if any) creating the trust.

51. It shall be lawful for the Governor, by proclamation, to make such alterations in or additions to any of the forms in the Second Schedule, and to prescribe such additional forms, as he may think fit.

Governor may
amend Second
Schedule.

52. Every

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Offences.

52. Every contravention of or failure to observe any provision of this Act shall be an offence against this Act.

Penalty for offences.

53. Every person who commits any offence against this Act for which no penalty is expressly provided shall be liable to a penalty not exceeding One Hundred Pounds.

Summary proceedings for offences.

54. All proceedings in respect of offences against this Act shall be disposed of summarily.

Expenses of administration to be paid by the Company.

55. (1) The moneys required for the purposes of this Act shall be paid in the first instance by the Treasurer of the State out of moneys provided by Parliament for those purposes, but shall be repaid to the Treasurer by the Company as hereinafter provided.

(2) The Treasurer shall, before the thirty-first day of July in every year, deliver to the Company a certificate in writing under his hand stating what moneys have been paid by him for the purposes of this Act during the financial year ended on the preceding thirtieth day of June, and such certificate shall be published in the *Government Gazette*.

(3) The Company shall, before the thirty-first day of August next after the delivery to the Company of the said certificate, pay to the Treasurer the amount mentioned therein.

(4) If such amount is not so paid the same may be recovered by the Treasurer by action in any Court of competent jurisdiction.

In the name and on behalf of His Majesty, I hereby assent to this Bill.

TOM BRIDGES, Governor.

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SCHEDULES.

THE FIRST SCHEDULE.

Sections 12, 13.

QUALITY AND PRESSURE OF GAS.

PART I.—CALORIFIC VALUE.

1. The quality of gas with respect to its calorific value shall be not less than five hundred and fifty British thermal units (gross).

APPARATUS.

2. The apparatus for testing the calorific value of gas shall be the Simmance-Abady Calorimeter or such other apparatus for determining the calorific value as may be approved by the Director of Chemistry.

PART II.—PURITY.

1. As to its purity, the quality of gas supplied by the Company shall not, when tested as prescribed, exhibit any trace of sulphuretted hydrogen.

2. The apparatus for testing the presence in gas of sulphuretted hydrogen shall consist of a glass vessel containing a strip of bibulous paper moistened with a solution of acetate of lead, containing sixty grains of crystallized acetate of lead dissolved in one fluid ounce of water.

3. The gas shall be passed through the glass vessel containing the strip of bibulous paper moistened with the solution of the acetate of lead for a period of three minutes or such longer period as is prescribed; and if any discoloration of the test paper is found to have taken place this shall be held conclusive of the presence of sulphuretted hydrogen in the gas.

PART III.—PRESSURE.

1. The pressure of gas supplied by the Company shall be not less than that of a column of water fifteen-tenths of an inch high, when measured at the outlet of any gas meter.

2. The pressure of gas shall be tested by a pressure gauge approved by the Director of Chemistry.

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Section 46.

THE SECOND SCHEDULE

FORM OF ANNUAL ACCOUNTS.

SOUTH AUSTRALIAN GAS COMPANY.

Year ended June 30th, 19 .

A.—STATEMENT OF SHARE CAPITAL.

On June 30th, 19 .

| 1 Description of Capital. | 2 Standard Dividend Authorised. | 3 Number of Shares Issued. | 4 Nominal Amount of Shares. | 5 Called up per Share. | 6 Total paid up. | 7 Amount Issued but not paid up. | 8 Remaining to be Issued. | 9 Total Amounts Authorised. |
|------------------------------------|--|-------------------------------------|--------------------------------------|------------------------------|------------------------|---|------------------------------------|--------------------------------------|
| | | | | | | | | |

B.—STATEMENT OF LOAN CAPITAL.

On June 30th, 19 .

| 1 Description of Loan (Mortgage, Bond, Deben- ture Stock, &c.) | 2 Rate per cent of Interest. | 3 Total Amount Borrowed at June 30th, 19 . | 4 Remaining to be Borrowed. | 5 Total Amounts Authorised. |
|---|------------------------------------|--|-----------------------------------|-----------------------------------|
| | | | | |

Total Share Capital paid up (See A.) £
 Do. Loan do. borrowed (See B.) £

Total Capital Received £

SECOND

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SECOND SCHEDULE.—continued.

C.—CAPITAL ACCOUNT.

DR.

For the year ended June 30th, 19

CR.

| | Expendi- ture to June 30th, 19 . | Expended this Year. | Total to June 30th, 19 . | | Certified Receipts, June 30th, 19 . | Received during Year. | Total Receipts to June 30th, 19 |
|---|---|---------------------------|--------------------------------|--|--|-----------------------------|--|
| | £ s. d. | £ s. d. | £ s. d. | | £ s. d. | £ s. d. | £ s. d. |
| 1. To Expenditure to June 30th, 19 | | | | 1. By Ordinary Shares of £ each..... | | | |
| <i>Since that date.</i> | | | | | | | |
| 2. To Lands acquired, including law charges | | | | 2. By Ordinary Shares of £ each | | | |
| 3. To New buildings, manufacturing plant, machines, storage works, and other structures connected with manufacture | | | | 3. By Preference Shares of £ each..... | | | |
| 4. To New and additional mains and service pipes (not being in place of old ones worn out) including laying same, paving, and other works connected with distribution | | | | 4. By Debenture Stock | | | |
| 5. To New and additional meters (not in place of old ones worn out) including fixing..... | | | | 5. By Mortgages and Bonds | | | |
| 5 (a). Do. Stoves .. | | | | 6. By Amount received in anticipation of calls.... | | | |
| 6. To Costs of promoting Special Act..... | | | | 7. By Premium Capital | | | |
| 7. To Special items, if any .. | | | | | | | |
| Total expenditure | | | | | | | |
| To balance of Capital Account | | | | | | | |
| | | | £ | Total .. | | | £ |

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SECOND SCHEDULE—continued.

D.—REVENUE ACCOUNT.

For the Year ended June 30th, 19 .

| DR. | | | | | CR. |
|--|---|-------|--|-------|-----|
| | £ | s. d. | £ | s. d. | |
| To Manufacture of Gas— | | | By Sale of Gas— | | |
| 1. Coals, oil, &c., including dues, carriage, unloading, and all expenses of depositing same on works | | | 1. Private consumers at per thousand cubic feet | | |
| 2. Purifying materials, water, and sundries at works | | | 2. Public lighting and under contracts..... | | |
| 3. Salaries of Engineer and other officers at works | | | 3. Rental of meters | | |
| 4. Wages and gratuities..... | | | | | |
| 5. Repairs and maintenance of works and plant (including renewal of retorts), machines, apparatus, tools, materials, and labor | | | 4. By Sale of Residual Products—Coke and breeze, distilled tar, sulphate of ammonia, &c..... | | |
| Less old material sold ... | | | | | |
| To Distribution of Gas— | | | | | |
| 6. Salaries and wages of officers, including rental clerks | | | | | |
| 7. Repair, maintenance, and renewal of mains and service pipes, including materials, laying and paving, and labor... | | | | | |
| 8. Repairing, renewing, and fixing and refixing meters, stoves, gasfittings, &c..... | | | | | |
| To Public Lamps— | | | | | |
| 9. Lighting and repairing | | | | | |
| To Rents, Rates, and Taxes— | | | | | |
| 10. Rents | | | | | |
| 11. Rates and Taxes | | | | | |
| To Management— | | | | | |
| 12. Directors' allowances | | | | | |
| 13. Salaries of Secretary, accountant and clerks, office keepers, and messengers | | | | | |
| 14. Collectors' commission or salaries..... | | | 5. By rents | | |
| 15. Stationery and printing..... | | | 6. By transfer fees | | |
| 16. General establishment charges and incidentals | | | 7. By other items (if any) | | |
| 17. Auditor | | | | | |
| To Law and Parliamentary Charges— | | | | | |
| 18. Law | | | | | |
| 19. Parliamentary charges | | | | | |
| To General Charges— | | | | | |
| 20. Depreciation Fund for works on leasehold land (if any) ... | | | | | |
| 21. To Bad Debts | | | | | |
| To other items (if any)..... | | | | | |
| To Amount transferred to Special Purposes Fund (G), as authorised under section 38 of the Act | | | | | |
| Total Expenditure £ | | | Total Receipts £ | | |
| Balance carried to Profit and Loss Account (E)..... | | | | | |

Gas Act.—1924.

SECOND SCHEDULE—*continued.*

E.—PROFIT AND LOSS ACCOUNT (NET REVENUE).

| DR. | <i>For the Year ended June 30th, 19</i> | | CR. |
|--|---|--|--------------------|
| | £ s. d. | | £ s. d. £ s. d. |
| 1. To amount carried to Reserve Fund Account (F) from profit of 19 .. | | 1. By balance of net profit brought from last Account (June 30th, 19) | |
| 2. To Interest on temporary loans, and moneys received in anticipation of calls | | 2. By amount drawn from Reserve Fund <i>Less</i> dividend paid for the half-year ended June 30th, 19 | |
| 3. To Interest on Mortgages and Bonds accrued to June 30th, 19 | | | |
| 4. To Dividend on Debenture Stock to June 30th, 19 | | 3. By balance brought from Revenue Account (D) being profit for year to June, 19 | |
| 5. To Half-year's dividend on preference shares to December 31st, 19 .. | | | |
| 6. To Half-year's dividend on ordinary shares at per cent. to December 31st, 19 | | 4. By interest on moneys deposited | |
| To balance of net profit to be carried to next account, subject to half-year's dividend to June 30th, 19 | | | |
| | £ | | £ |

F.—RESERVE FUND ACCOUNT.

| DR. | <i>For the Year ended June 30th, 19</i> | | CR. |
|--|---|--|---------|
| | £ s. d. | | £ s. d. |
| 1. To amount (if any) carried to Profit and Loss Account (E) to make up deficiencies of dividends to June 30th, 19 | | 1. By balance brought forward from last account | |
| 2. To amount of balance to be carried to next account | | 2. By balance brought from Profit and Loss Account (E) | |
| | | 3. By interest on amounts invested .. | |
| | £ | | £ |

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SECOND SCHEDULE.—*continued.*

G.—SPECIAL PURPOSES FUND ACCOUNT.

| DR. | <i>For year ended June 30th, 19 .</i> | | | CR. | | |
|---|---------------------------------------|----|----|--|----|----|
| | £ | s. | d. | £ | s. | d. |
| 1. To Expenses incurred by reason of accidents, or circumstances which due care and management could not have prevented or by reason of strikes— | | | | 1. By Balance brought from last Account | | |
| To Accident | | | | 2. By Amount appropriated from Revenue Account (D) under section 29 of the Act | | |
| To Strikes | | | | 3. By Interest on Amounts invested | | |
| To other items (if any) | | | | | | |
| 2. To Expenses incurred in the replacement, renewal or removal of plant or works (other than expenses requisite for maintenance of and repairs to plant and works)— | | | | | | |
| To Replacement of plant or works ... | | | | | | |
| To Renewal of plant or works | | | | | | |
| To Removal of plant or works | | | | | | |
| To other items (if any) | | | | | | |
| 3. To Contributions to Superannuation Fund for Employees..... | | | | | | |
| 4. To Amount of Balance to be carried to next Account | | | | | | |
| | £ | | | | £ | |

Like accounts must be given for Depreciation Fund for works on leaseholds (if any).

H.—STATEMENT OF COAL.

For the Year ending June 30th, 19 .

| Description. | In Store, June 30th, 19 . | Received during Year. | Carbonised or used during Year. | In Store, June 30th, 19 . |
|--------------|---------------------------------|--------------------------|---------------------------------------|---------------------------------|
| | Tons. | Tons. | Tons. | Tons. |
| Coal | | | | |

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SECOND SCHEDULE—*continued.*

I.—STATEMENT OF RESIDUAL PRODUCTS.

For the Year ended June 30th, 19 .

| Description of Residual. | In Store, June 30th, 19 . Estimated. | Made during Year. Estimated. | Used in Manufacturing during Year. Estimated. | Sold during Year. | In Store, June 30th, 19 . Estimated. |
|-----------------------------------|--------------------------------------|------------------------------|---|-------------------|--------------------------------------|
| Coke and breeze | | | | | |
| Crude tar | | | | | |
| Distilled tar | | | | | |
| Sulphate of ammonia | | | | | |
| Other residual products | | | | | |

J.—GENERAL BALANCE-SHEET.

On June 30th, 19 .

| | £ s. d. | | £ s. d. |
|---|---------|--|---------|
| 1. Capital Account— Balance at credit thereof (Account C) | | 1. Cash at bankers | |
| 2. Profit and Loss Account— Balance at credit thereof (Account E) | | 2. Cash on deposit at interest | |
| 3. Reserve Fund— Balance at credit thereof (Account F) | | 3. Coals for stock on hand, June 30th, 19 | |
| 4. Special Purposes Fund— Balance at credit thereof (Account G) | | 4. Residual Products | |
| 5. Depreciation Fund (for works on leasehold land)— Balance at credit thereof (Account) | | 5. Sundry Stores | |
| 6. Unpaid Dividends | | 6. Gas and Meter Rental; balance of this account due to the Company on June 30th, 19 , less deposits and prepayments | |
| 7. Interest accrued and unpaid on mortgages, bonds, and debenture stock, and other loans to June 30th, 19 | | 7. Sundry accounts | |
| 8. Sundry Tradesmen and others, for amounts due for coals, stores, &c., to June 30th, 19 | | 8. Special items (if any), including investments | |
| 9. Wages and contingencies, amounts due to June 30th, 19 | | | |
| Other items (if any) | | | |
| | £ | | £ |

