



THE
CEYLON GOVERNMENT
GAZETTE

EXTRAORDINARY.

No. 7,740—THURSDAY, OCTOBER 17, 1929.

Published by Authority.

PART II.—LEGAL.

(Separate paging is given to each Part in order that it may be filed separately.)

DRAFT ORDINANCE.

F 888/29.

MINUTE.

The following Draft of a proposed Ordinance is published for general information:—

An Ordinance to make provision for certain loans for the construction of certain public works and other purposes.

BE it enacted by the Governor of Ceylon, by and with the advice and consent of the Legislative Council thereof, as follows:—

1 This Ordinance may be cited as the Public Works Loan Ordinance, 1929. Short title.

Authority to Governor to borrow for certain purposes.

2 The Governor is hereby authorized to raise by a loan or loans—

- (a) A total sum not exceeding thirty-eight million eight hundred and forty thousand rupees to be appropriated and applied in accordance with the provisions of sections 8 and 11 of this Ordinance and for the purposes specified in the Schedule hereto, and, in addition to such sum as aforesaid, such further sum as may be necessary to defray the expenses of the raising of the loan.
- (b) Such sum or sums not exceeding a total of forty-two million rupees as may be approved by resolution of the Legislative Council to be appropriated and applied for the purposes specified in such resolution, and, in addition to the sum specified in any such resolution, such further sum as may be necessary to defray the expenses of the raising of the loan: Provided that no such resolution shall be submitted to the Legislative Council without the prior approval of the Secretary of State.

Loans to be a charge upon general revenue and assets.

3 The principal monies and interest subscribed or payable in respect of a loan authorized by this Ordinance are hereby charged upon and shall be payable out of the general revenue and assets of the Colony.

Method of issuing loans.

4 A loan authorized by this Ordinance may be raised by such instalments, at such time or times, and by such of the following methods as the Governor may direct:—

II. 174.

(a) By the issue of stock under the provisions of the Ceylon Inscribed Rupee Stock Ordinance, 1892;

II. 167.

(b) By the issue of stock or debentures or both under the provisions of the General Loan and Inscribed Stock Ordinance, No. 5 of 1921;

(c) By any other method or methods approved by the Secretary of State and by a resolution of the Legislative Council.

Rate of exchange in calculation of amount of sterling loan.

5 For the purpose of calculating the total sum which may be borrowed under the authority of this Ordinance any sum borrowed in sterling currency shall be converted into rupees at the rate of one shilling and six pence to the rupee.

Transfer of sums from an item of Schedule to another purpose.

6 It shall be lawful for the Governor to direct that any sum provided under any item of the Schedule hereto which may not be required for the purpose indicated in that item may be appropriated and applied to any other purpose, whether indicated in the Schedule or not:

Provided that no such transfer of money from any one purpose to any other purpose shall be made unless such transfer shall first have been approved by the Secretary of State and by a resolution of the Legislative Council.

Transfer of sums from a purpose indicated in a resolution of the Legislative Council to another purpose.

7 It shall be lawful for the Governor to direct that any sum provided for a purpose indicated in a resolution of the Legislative Council passed in accordance with section 2 (b) which may not be required for that purpose may be appropriated and applied to any other purpose, whether indicated in such resolution or not:

Provided that no such transfer of money from a purpose indicated in any such resolution to any other purpose shall be made unless such transfer shall first have been approved by the Secretary of State and by a resolution of the Legislative Council.

Refund from loan to general revenue.

8 There shall be refunded out of the proceeds of the loan or loans raised in accordance with section 2 (a) to the general revenue of the Colony:—

- (a) all sums expended therefrom prior to the first day of October, 1929, not exceeding a total of twenty-five million rupees, in respect of any of the items mentioned in the Schedule hereto;
- (b) all sums which may have been or may be expended therefrom after the first day of October, 1929, in respect of any of the said items.

9 Notwithstanding the proviso to section 2 of the Ceylon Inscribed Rupee Stock Ordinance, 1892, any stock issued under the provisions of that Ordinance for a purpose authorized by or under this Ordinance may bear interest at a rate not exceeding six per cent. per annum.

10 If a loan or any part thereof authorized by this Ordinance shall be issued under the provisions of the Ceylon Inscribed Rupee Stock Ordinance, 1892, or under the provisions of the General Loan and Inscribed Stock Ordinance, No. 5 of 1921, the date from which contributions to the sinking fund in respect of any stock or debentures so issued shall commence shall be such date, not later than three years after the date from which interest on such stock or debentures shall be payable, as the Governor shall determine.

11 (1) In anticipation of the issue of the whole or any portion of any loan authorized by this Ordinance, the Governor may, if he shall think fit, raise such instalments of any such loan as he may deem to be required by the issue of Treasury Bills under the Colonial Treasury Bills Ordinance, No. 7 of 1923, or the Colonial Treasury Bills Ordinance, No. 8 of 1923.

(2) Sums raised under this section shall be applied in the manner authorized for the loan in anticipation of which they are raised, and upon the raising of such loan the Governor may—

- (a) expend from such loan such sums as may from time to time be necessary to meet the liabilities of the Colony in respect of any such Treasury Bill; and
- (b) refund from such loan to the general revenue of the Colony a sum equal to the amount which shall have been or may be expended therefrom in respect of such liabilities.

By His Excellency's command,
Colonial Secretary's Office, F. G. TYRRELL,
Colombo, October 16, 1929. Acting Colonial Secretary.

SCHEDULE.

Purposes to which the Loan is applicable.

<i>Railway.</i>	Rs.
1. Completion of the Batticaloa-Trincomalee Light Railway, including improvements to permanent way ...	2,498,010
2. Ratmalana carriage and locomotive workshops ...	6,685,920
3. Additional rolling stock (1927-28 and 1928-29 programmes) ...	5,008,395
4. Maradana station enlargement and new carriage sidings	2,500,000
5. Coal stacking ground: Dematagoda ...	850,000
6. New stations: Kondavil, Tellipallai, and Egoda Uyana	194,000
7. Additions and improvements to, and remodelling of stations: Fort, Moratuwa, Panadure, Kalutara South, Anuradhapura, Manampitiya, and Trincomalee ...	2,606,825
8. Bungalows and workmen's dwellings ...	359,000
9. Duplication of parts of Coast and Kelani Valley lines...	1,160,000
10. New engine shed and yard: Nawalapitiya ...	958,500
11. Additional crossing stations and additional areas, accommodation and equipment for goods traffic at various stations, including Colombo Goods, Puliyan-kulam, Moragollagamuwa, Welikanda, Tampalakamam, Hatton, and Jaffna ...	750,100
12. Additional signalling at stations ...	53,000
13. Track circuiting: Kelaniya, Hunupitiya, and Veyangoda ...	42,000
14. Coal stage, crane, and turntable: Galle ...	28,700
15. Better yard accommodation and lining drain: Kandy...	118,000
16. Washing out plant for engines: Anuradhapura ...	45,000
17. Extension of water supply: Fort and Vavuniya ...	34,500
18. Safety measures and repairs of slips and washaways on Main, Northern, and Puttalam lines ...	129,800

Enlargement of limitation of interest imposed by section 2 of Ordinance No. 8 of 1892. — II. 167.

Date of commencement of contributions to sinking fund under Ordinances Nos. 8 of 1892 and 5 of 1921. II. 167, 174.

Power to issue Treasury Bills and to repay expenditure in respect thereof from money borrowed under this Ordinance. III. 1023, 1024.

Electrical Undertakings.

	Rs.
19. Purchase of the Colombo Electric Tramways and Lighting Co.'s plant, land, buildings, and goodwill ...	3,452,667
20. Stanley power station and new distribution system ...	5,488,970
21. Changing over the existing voltage and supply of the Colombo distribution system to 230 volts ...	500,000
22. Extensions of the Colombo Electricity Supply to adjacent areas ...	1,191,163

Telephones.

23. Extension and development of the telephone system ...	2,499,740
24. Underground cable : Colombo-Kalutara...	710,000

General.

25. Loan to Tea Research Institute of Ceylon ...	980,710
	38,840,000

Objects and Reasons.

THE object of the Bill is to authorize the raising of loans.

2. Clause 2 (a) authorizes a loan or loans not exceeding thirty-eight million eight hundred and forty thousand rupees for purposes specified in the Schedule. Clause 8 provides for repayment to the general revenue of the Colony of sums already expended from revenue on these purposes. The sum to be refunded in respect of expenditure prior to October 1, 1929, is limited to a maximum of twenty-five million rupees, and there is provision for the refund of expenditure actually incurred between that date and the date when the loan funds become available.

3. All the objects of expenditure indicated in the Schedule have been approved by the Legislative Council in connection with the Annual Estimates of the Colony.

4. Clause 2 (b) provides for the raising of a loan or loans not exceeding forty-two million rupees, in addition to the sum authorized by clause 2 (a), but this further sum can only be raised with the prior consent of the Secretary of State and the Legislative Council. The objects for which this additional sum is provided include the completion of the Hydro-Electric Scheme, development of the Government's Electrical Undertakings, the construction of the Tangalla Railway Extension, and other works of development not yet sanctioned.

5. The Bill provides for the transfer of funds from one purpose to another, subject to the approval of the Secretary of State and the Legislative Council.

6. It is provided in clause 4 that the loan may be raised either in accordance with existing laws regulating the issue of loans in the form of stock or debentures issued in Ceylon or in England or by any other method approved by the Secretary of State and the Legislative Council. This last provision has been included to meet the possibility that it may be found desirable to issue part of the loan in the form of Bonds or Promissory Notes of a short currency.

7. Provision is also made for anticipating the issue of the whole or a part of the loan by the issue of Colonial Treasury Bills either in Ceylon or in England.

Attorney-General's Chambers,
Colombo, October 8, 1929.

E. ST. J. JACKSON,
Attorney-General.