

[Act No. 1510, July 07, 1906]

AN ACT GRANTING TO THE MANILA RAILROAD COMPANY A CONCESSION FOR RAILWAY LINES IN THE ISLAND OF LUZON, AND PROVIDING IN RESPECT OF PROCEEDINGS FOR CONDEMNATION OF LAND BY PUBLIC SERVICE CORPORATIONS.

By authority of the United States, be It enacted by the Philippine Commission, that:

SECTION 1. Authority is hereby granted and given to The Manila Railroad Company, a corporation duly organized and existing under and by virtue of the law of the State of New Jersey, and to its successors and assigns, to locate, construct, equip, maintain, and operate certain railways in the Island of Luzon, in the Philippine Archipelago, on terms and conditions set out in the following concessionary grant, or contract:

This instrument, made, executed, and entered into this..... day of....., anno Domini nineteen hundred and six, by and between the Philippine Government, by the Governor-General of the Philippine Islands, of the one part, and The Manila Railroad Company, a corporation duly organized and existing under and by virtue of the laws of the State of New Jersey, of the other part, witnesseth that:

Whereas, under and by virtue of section seventy-four (74) of the Act of the Congress of the United States, approved July 1, 1902, the Government of the Philippine Islands was authorized and empowered, among other things, to grant franchises, privileges, and concessions for the construction and operation of works of public utility and service, as by reference thereto will more fully appear; and

Whereas, under and by virtue of section four (4) and five (5) of the Act of the Congress of the United States, approved February 6, 1905, the Government of the Philippine Islands was empowered, among other things, to enter into a contract of guaranty with any railroad company organized pursuant to the laws of said Government, or of the United States or any State thereof, undertaking to construct, equip, operate, and maintain any railroad in said Islands which should be specifically authorized by said Government, under terms, conditions, and restrictions therein fully recited, as by reference thereto will appear: and

Whereas, pursuant to said power and authority so conferred, the Philippine Government, by William H. Taff, as Secretary of War of the United States, did, upon June 12, 1905, issue an invitation for proposals or bids for concessionary contracts or grants in aid of the construction, equipment, maintenance, and operation of certain lines of railway in said Philippine Islands, therein designated and specified, which said invitation for proposals or bids, as above, was modified and amended by

the circular of the Secretary of War dated December 22, 1905;
and

Whereas, under the provisions and conditions of said invitation. as amended, Speyer and Company, a partnership, upon January 20, 1906, made a proposal and bid for a concessionary contract for the construction, equipment, maintenance, and operation of certain lines of railway as in the proposal of said Speyer and Company contained; and

Whereas the said Speyer and Company were the sole bidders for certain lines of railway in the Island of Luzon; and

Whereas their said bid was not in all respects satisfactory to the Philippine Government, but by negotiation between the Secretary of War, on behalf of the Philippine Government, and Speyer and Company the differences between the parties have been settled and accommodated by the award, concurred in by the Philippine Commission, to said Speyer and Company of a concession and grant upon the terms embodied in this instrument; and

Whereas said invitation for proposals did, among other things, provide that if the award thereunder be to any individual or co-partnership, he or it should, within thirty (30) days thereafter, duly assign and transfer the same to a corporation of the character and qualifications therein specified, namely, a railroad corporation duly organized and existing under the laws of a State of the United States, or of the United States or the Philippine Islands, and legally competent in every respect to enter into and to perform all the terms, conditions, and obligations of such proposal or bid, and the concessionary contract or grant; and

Whereas said grantee is a corporation of the character and qualifications in said invitation specified, and pursuant to the provisions of said invitation, the bidders to whom said award was made did on....., 1906, duly assign said award to the grantee, and cause the same to be by the grantee duly accepted and assumed to the satisfaction of the Philippine Government;

In consideration thereof, it is conceded and granted by the Government of the Philippine Islands (hereinafter referred to as the Government), of the one part, and contracted and agreed by the party of the second part (hereinafter referred to as the grantee), for itself, and for its successors and assigns, of the other part, as follows:

The grantee, and its successors and assigns, are hereby granted by the Government concessions in perpetuity for lines of railway in the Philippine Islands, generally and approximately as follows and subject to such variations as may be approved by the

Governor-General and ratified by the Secretary of War as hereinafter provided:

- (a) A concession for the existing lines of the Manila Railway Company, Limited, and branches therefrom, as follows: From Manila or from a point on the Manila-Antipolo line to Cavite and Naic, 29 miles; from San Fernando to Florida Blanca, 14 miles; from Dau to San Pedro Magalang, 9 miles; from San Miguel to La Paz, 10-miles; from Panique to Tayog, 28 miles, and to complete, maintain, and operate the branches of the Manila-Dagupan line, now in course of construction, to Antipolo and Cabanatuan.
- (b) A concession for a branch from the Manila-Antipolo line, now under construction, to continue the line, now authorized to Mariquina, from Mariquina to Montalban, an estimated distance of 8 miles.
- (c) A concession for a line from Manila, or from a point on the Manila-Antipolo line, to Batangas and Bauan, an estimated distance of 73 miles, and for a branch therefrom from Calamba to Santa Cruz, an estimated distances of 22 miles, with the right to extend such branch for a farther distance of about 5 miles for the purpose of extending the line to or building via Magdalena and Pagsanjan, and for a branch from Santo Tomas to Lucena, an estimated distance of 39 miles, with the right to extend the same from Lucena a farther distance of about 8 mil's to a point on the coast at which the Government may decide to construct a harbor.
- (d) A concession for a line from Pasacan mated distance of 72 miles, and for branches from such line from Ligao to Tabaco, an estimated distance of 21 miles.
- (e) A concession for a line from a point near Dagupan to Camp No. 1, in the direction of Baguio, an estimated distance of 25 miles.
- (f) A concession for a line northward from Dagupan to San Fernando, an estimated distance of 35 mile.;

1. It is understood that the routes of the respective line above mentioned are intended to be approximate only and the grantee shall furnish the Governor-General with detailed plans showing the exact routes, after the surveys have been completed.

The grantee may, with the consent of the Governor-General in writing, ratified by the Secretary of War. construct any branch lines, in its judgment desirable, for the purpose of reaching traffic points within a reasonable distance from the main lines of said railways above described.

Surveys on and along the several proposed lines shall be commenced by the grantee within sixty (00) days after written demand therefor shall be made to the grantee by the Governor-General; detailed reports of the definite plans, sunevs. and specifications, accompanied by complete maps and profiles of the character and kind in respect of such sonstruction and equipment directed by the Governor-General, shall, in writing, be submitted to the Governor-Geral within twelve (12) months after the said demand, or at such later time as may be permitted by the Governor-General or the Secretary of War; and within two (2) months after the submission thereof to the Governor-General the latter shall fix and determine the final route, substantially in accordance with the routes as above generally described.

2. Under and by virtue hereof the right way through the public lands of the Philippine Government is hereby given and granted to the grantee for the construction, operation, and maintenance of the railroad or railroads as herein authorized to the extent of one hundred (100) feet in width where it may pass through the public domain, including all necessary ground for depots, machine shops, station buildings, workshops, water stations, warehouses, terminals—including wharves and dock fronts, switches, side tracks, and turntables—and also such extra lands beyond such one hundred (100) feet as may be found necessary for said purposes: *Provided*, That the same be approved by the Governor-General as a part of the definite plans hereinbefore provided for; and the right, power, and authority shall thereunder be given to said grantee, with the written approval of the Governor-General, to open and work quarries and gravel pits upon any public lands and to take from such lands earth, stone, timber, and other materials, for the construction of such railway; but the provisions of this paragraph shall only apply to public lands available for homestead settlement or for sale under the Public Land Act, or to timber lands of the Philippine Government, and shall not apply to lands used and assigned for other public purposes, or to the lands known as the friars' lands.

The grantee shall have the right, with the approval of the Governor-General, to cross or occupy such parts of public roads, alleys, avenues, and squares, and to acquire title to such other municipal or provincial lands, as may be necessary, on terms to be agreed upon by the grantee and the proper provincial or municipal authorities, as the case may be, and in case of failure to agree upon the terms thereof, such terms shall be fixed by the Governor-General.

Lands or rights of use and occupation of lands granted under the foregoing provisions of this paragraph shall revert to the governments by which they were respectively granted, upon the termination of this franchise or concession, or upon its revocation or repeal.

The grantee shall also have the right to acquire from corporations, or private individuals, by purchase, contract, lease, grant, or donation, any lands which may be necessary or useful for the construction, maintenance, and operation of the said lines of railway, or any of them.

The grantee shall also have the right to acquire by condemnation the lands necessary for the right of way, for bridges, for terminals, including wharves and docks at harbor points and elsewhere, for sidings, stations, engine houses, water stations, and other appropriate buildings and structures for the proper and convenient construction, operation, and maintenance of the lines of railway herein authorized; but no lands within the boundaries of any province, city, town, or municipality shall be occupied by the grantee if the same are in actual use for provincial, governmental, or municipal purposes, nor shall any land within the boundaries of any city, town, or municipality be so occupied without the consent of the proper authorities of such city, town, or municipality, unless the Governor-General shall consent to the same. The right of condemnation or eminent domain shall be exercised by the grantee in accordance with the laws of the Philippine Islands at the time being in force.

The grantee shall have the right to construct and maintain for operation of said

railways any and all tracts (single, double, or more), bridges, viaducts, culverts, fences, and other structures; and all depots, station houses, engine houses, car houses, freight houses, wood houses, and other buildings; and all machine shops and other shops, water tanks, turntables, superstructures, erections, and fixtures ; and all elevators, warehouses, wharves, piers, and other facilities—terminal or otherwise—for operating said railroads, and also any hotels or restaurants at any station or terminal.

3. By the acceptance hereof the grantee stipulates and agrees to construct said railways herein described in accordance with the terms and conditions herein imposed, and in perpetuity properly to maintain and operate them as commercial railways and common carriers in a manner suitable to the local conditions.

4. All tracks of all the said lines of railways shall be of the gauge of 3 feet 6 inches, so that when completed the gauge of all lines covered hereby shall be uniform. All materials employed construction and all equipment shall be of good class and quality and designed to fully meet the requirements of local traffic and local conditions. This specification as to gauge may be modified with the approval of the Governor-General. And the said grantee construction. yearly hereby agrees to construct ready for operation not less than one hundred and fifty (150) miles of main track, including main branch lines hut not sidings, at the end of two (2) years, after the approval of the final plans for the same, and not less than seventy-five (75) miles annually thereafter, until said lines are fully constructed and equipped ready for operation; any excess construction during any period shall be credited on account of the construction during the succeeding periods. Such time for construction and equipment may be extended by the Governor-General when in Ins judgment the grantee has been prevented from construction work by reason of unforeseen labor difficulties, earthquakes, action of the elements, rebellion, ladronisin, or other causes beyond the control of the grantee.

The said railways shall be operated as commercial railways for the transportation of freight, passengers, express, and mail, and, on demand of the Governor-General, preference of carriage shall be given over said lines of railway, or any part thereof, to business offered by the Government of the United States or of the Philippine Islands.

5. The motive power of said railways shall be steam ; except that, with the consent of the Governor-General, any of said lines may be operated by electricity or other power.

6. The grantee, in respect of any of said railways, shall permit (and the right is reserved the Philippine Government to grant permission to) any other railway now constructed or hereafter to be constructed in the Philippine Islands to form and establish traffic connections or arrangements with it on fair and equitable terms, to be determined, in case of: disagreement, by the Governor-General of the Philippine Islands upon petition by either party and upon appeal by the Secretary of War.

7. The grantee and its contractors and subcontractors shall, so; far as possible, give preference to such satisfactory laborers as may be found along the lines of railway.

8. The grantee shall have the right to construct and operate telegraph, telephone,