



ANALYSIS

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| <p>Title.</p> <p>1. Short Title.</p> <p>2. Reserve Bank to take steps to stabilize internal price level.</p> |  | <p>3. Reserve Bank to give effect to resolutions of House of Representatives. Repeal.</p> <p>4. Amending provisions as to maintenance of reserve. Repeal.</p> |
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1950, No. 5

Title.                    AN ACT to Amend the Reserve Bank of New Zealand Act, 1933. [25th August, 1950

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

Short Title.            1. This Act may be cited as the Reserve Bank of New Zealand Amendment Act, 1950, and shall be read together with and deemed part of the Reserve Bank of New Zealand Act, 1933 (hereinafter referred to as the principal Act).

1933, No. 11

Reserve Bank to take steps to stabilize internal price level. 1936, No. 1

2. Section ten of the Reserve Bank of New Zealand Amendment Act, 1936, is hereby amended by adding to subsection one the words “ and shall do all such things within the limits of its powers as it deems necessary or desirable to promote and safeguard a stable internal price level and the highest degree of production, trade, and employment that can be achieved by monetary action ”.

Reserve Bank to give effect to resolutions of House of Representatives.

3. (1) In the exercise of their functions and powers under the principal Act the Governor and the Board of Directors shall give effect to any resolution of the House of Representatives in respect of any functions or business of the Reserve Bank.

(2) Section two of the Reserve Bank of New Zealand Amendment Act, 1939, is hereby repealed.

Repeal.  
1939, No. 41

4. (1) Section seventeen of the principal Act is hereby amended by repealing subsection one, and substituting the following subsection:—

Amending provisions as to maintenance of reserve.

“(1) It shall be the duty of the Bank to maintain reserves which, in the opinion of the Board of Directors, will provide a reasonable margin for contingencies, after taking into account prospective receipts and disbursements of overseas funds, and having regard to the economic position within New Zealand.”

(2) Section seventeen is hereby further amended by inserting in subsection two, after paragraph (c), the following paragraph:—

“(d) Balances standing to the credit of the Bank at the central bank of any country the currency of which is freely convertible into sterling:”

(3) The Second Schedule to the principal Act is hereby amended by adding to the reference to reserve in the column relating to the assets of the Bank the following paragraph:—

“(d) Other exchange.”

(4) The Second Schedule to the principal Act is hereby further amended by omitting the words “Proportion of reserve (No. 8 less No. 6) to notes and other demand liabilities: per cent.”

(5) Section four of the Reserve Bank of New Zealand Amendment Act, 1939, is hereby repealed.

Repeal.  
Ibid.