

New Zealand.



**NEW ZEALAND LOANS.**

**1908, No. 131.**

AN ACT to consolidate certain Enactments of the General Assembly relating to Public Loans raised in New Zealand.

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

1. (1.) The Short Title of this Act is "The New Zealand Loans Act, 1908." Short Title.

(2.) This Act is a consolidation of the enactments mentioned in the First Schedule hereto, and with respect to those enactments the following provisions shall apply:— Enactments consolidated.

(a.) All appointments, agreements, regulations, Proclamations, Orders in Council, orders, warrants, registers, conversions, certificates, loans, securities, instruments, and generally all acts of authority which originated under any of the said enactments or any enactment thereby repealed, and are subsisting or in force on the coming into operation of this Act, shall enure for the purposes of this Act as fully and effectually as if they had originated under the corresponding provisions of this Act, and accordingly shall, where necessary, be deemed to have so originated. Savings.

(b.) All matters and proceedings commenced under any such enactment, and pending or in progress on the coming into operation of this Act, may be continued, completed, and enforced under this Act.

2. With respect to the enactments mentioned in Part II of the First Schedule hereto the following special provisions shall apply:— Special as to enactments in Part II of First Schedule.

(a.) In so far as the borrowing-powers conferred by any such enactment have not been fully exercised, they may be exercised under this Act in like manner as if the loans were authorised by this Act.

- (b.) In so far as the sums borrowed under such enactments have not been fully applied as thereby provided, they shall be applied in the manner and for the purposes so provided.
- (c.) The holders of securities issued under any such enactment shall be entitled to all the protection and benefits (including the charge on the public revenues of New Zealand) conferred by this Act in respect of securities issued hereunder.
- (d.) Subject to the provisions of this section, the provisions of the last preceding section shall apply to every such enactment.

Act divided into  
Parts.

3. This Act is divided into Parts, as follows :—

PART I.—Mode of raising Public Loans. (Sections 4 to 20.)

PART II.—Consolidated Stock. (Sections 21 to 46.)

PART III.—Public Debts Sinking Funds. (Sections 47 to 54.)

## PART I.

### MODE OF RAISING PUBLIC LOANS.

Loans may be raised  
under this Act.  
1904, No. 23, sec. 2

4. Where in any Act (hereinafter called "the authorising Act") authority is given to the Minister of Finance (throughout this Act referred to as "the Minister") to raise any sum or sums of money on the security of and charged upon the public revenues of New Zealand, such moneys may be raised under and subject to the provisions of this Act.

Powers of Minister.  
Ibid, sec. 3

5. (1.) Upon being authorised by the Governor in Council so to do, the Minister may from time to time, in New Zealand or elsewhere, by debentures, or scrip, or stock under this Act, raise such sums of money, not exceeding in the whole the total sum authorised to be raised, as he thinks fit; and for that purpose he may from time to time exercise all or any of the following powers, that is to say :—

- (a.) He may prescribe the mode and conditions of repayment of the sums so raised, the rates of interest thereon (not exceeding the maximum rate fixed by the authorising Act), and the times and places of the payment of principal and interest respectively.
- (b.) As security for the sums so raised he from time to time may create and issue debentures (with or without coupons) or scrip, in such form and with such currency as he thinks fit, or may issue stock created under this Act.
- (c.) He may agree that debentures or scrip issued by him shall be converted into stock under this Act, and may either specify the terms of such conversion at the time when the aforesaid sums are raised or arrange that such terms shall be subsequently agreed upon.
- (d.) Such terms may be either a definite agreement to convert or an option to convert.
- (e.) The amount of additional stock to be created for the purposes of the conversion may be specified in the debentures or scrip, and may be created and issued when the conversion is effected, anything in section twenty-three hereof to the contrary notwithstanding.
- (f.) For the purpose of obtaining temporary advances pending the final disposal of the aforesaid debentures, scrip, or stock,

he may from time to time hypothecate or mortgage them for such sum or sums, and on such terms as to interest or otherwise, as he thinks fit.

(2.) In every case where by any authorising Act in force on the coming into operation of this Act the maximum rate of interest which short-dated or other debentures issued as security for the money raised may bear is fixed at less than four pounds ten shillings per centum per annum, such rate is hereby declared to be four pounds ten shillings per centum per annum in lieu of the rate fixed by the authorising Act.

Maximum rate of interest on debentures.  
1903, No. 43, sec. 2

(3.) In every case where by any authorising Act the maximum price at which the debentures or other securities for the money raised may be sold or otherwise disposed of is fixed by reference to the maximum rate of yearly interest which the price will yield to the purchaser, and such maximum rate does not exceed four pounds ten shillings for every hundred pounds of purchase-money, such rate is hereby declared to be four pounds ten shillings in lieu of the rate specified by the authorising Act.

Rate at which debentures or other securities may be sold.  
Ibid, sec. 3

6. Without limiting the sources from which the aforesaid moneys may be raised, they may be raised in whole or in part from any Government fund or account; and this Act shall be sufficient authority to the Minister, or other the respective persons having the control of such funds and accounts, to lend money therefrom accordingly.

Sources from which moneys may be raised.  
1904, No. 23, sec. 4

7. (1.) All moneys raised under this Act for the purposes of the authorising Act shall, as and when raised, be paid to the credit of the appropriate fund or account (meaning thereby the fund or account specified in the authorising Act, or if none is there specified, then the fund or account to which the moneys are properly applicable, having regard to the purposes for which they are raised).

Moneys to be paid into appropriate account as raised.  
Ibid, sec. 5

(2.) The costs, charges, and expenses incurred in raising the aforesaid moneys shall, without further appropriation than this Act, be charged to and paid out of the appropriate fund or account.

(3.) Any of the moneys in the appropriate fund or account may, until required for the purposes of the authorising Act, be from time to time, as the Minister directs, temporarily invested in any Government securities or in any securities wherein for the time being any moneys in the Public Account may lawfully be invested.

8. For all the purposes of this Act and of the authorising Act, the total sum authorised to be raised shall be deemed to be the sum named in the authorising Act, together with such additional sums as may be necessary in order to actually produce to the Treasury the sum authorised to be raised after providing for all costs, charges, and expenses connected with the raising of the loan or with the redemption or renewal of the securities issued in respect thereof; and securities in excess of the sum authorised to be raised may be created and issued accordingly.

Total amount authorised to include expenses &c  
Ibid, sec. 6

9. In the event of it being deemed convenient that any of the moneys authorised to be raised should be raised elsewhere than in New Zealand, the Minister may from time to time, by warrant under his hand, appoint any two or more persons (of whom the High Commissioner shall, where the moneys are to be raised in the United Kingdom, be one) as joint Loan Agents for raising the same, and may also in like manner confer upon them all such powers as he deems necessary in order to carry into effect the purposes of this Act and the authorising Act;

Loan Agents for raising moneys outside of New Zealand.  
Ibid, sec. 7

Provided that in the United Kingdom the High Commissioner and one other Loan Agent, acting jointly, shall have all the powers of the joint Loan Agents.

Towers of  
Loan Agents.  
1904, No. 23, sec. 8

10. (1.) In addition to the powers conferred upon the Loan Agents by the Minister in the warrant appointing them, or in any subsequent warrant, they shall have all the powers by this Act conferred upon the Minister (including the powers conferred by section five hereof).

Delegation of powers.  
Ibid, sec. 9

(2.) All or any of the powers conferred upon the Loan Agents by this Act or by the Minister may by them be delegated from time to time, in all or in part, to two or more other persons, as delegated Loan Agents, in such manner and subject to such conditions as the delegating Loan Agents think fit.

Removal of  
Loan Agents.  
Ibid, sec. 10

11. The Minister may from time to time remove or accept the resignation of any Loan Agent, whether appointed by him or by the delegating Loan Agents; and in any such case, or if any such Agent dies, the Minister may appoint another person in his stead.

Delegation of  
powers to High  
Commissioner.  
Ibid, sec. 11

12. (1.) All or any of the powers by this Act conferred upon the Minister may be delegated by him to the High Commissioner.

(2.) The authority of the Minister to himself raise the whole or any part of the moneys authorised to be raised, and generally to exercise all the powers conferred on him by this Act, shall be in no way limited or affected by the fact that he has made any appointment or delegation as aforesaid.

Notice of such  
delegation.  
Ibid, sec. 12

13. Notice of any appointment under section nine hereof, or of any delegation under the last preceding section, may be given by telegraphic message from the Minister, and the fact that any such powers are exercised by the Loan Agents or the High Commissioner shall be conclusive evidence of their or his authority so to do.

How debentures,  
scrip, &c., to  
be signed.  
Ibid, sec. 13

14. (1.) Every debenture, scrip, or other security created as security for moneys raised under this Act shall be signed by the Minister or (as the case may be) by the High Commissioner or the Loan Agents raising the moneys, and shall be countersigned by the Controller and Auditor-General, or by an officer of Audit to be appointed from time to time for that purpose by the Controller and Auditor-General.

(2.) The fact that any officer of Audit so countersigns shall be conclusive evidence of his authority so to do.

Charge on  
public revenues.

(3.) The sum of money named in any such debenture, scrip, or other security, together with all interest payable in respect thereof, is hereby declared to be a charge upon and to be payable out of the public revenues of New Zealand without further appropriation than this Act.

Security for persons  
lending moneys.  
Ibid, sec. 14

15. No person who is the holder of any debenture, scrip, or other security as aforesaid shall be concerned to see or inquire whether or to what extent the powers conferred by or under this Act or the authorising Act have been previously exercised or are intended to be exercised; and all moneys raised or purporting to be raised, and all debentures, scrip, or other security created or issued or renewed, or purporting to be created or issued or renewed, under this Act shall, so far as concerns the lender or holder, be deemed to have been lawfully raised, created, or issued, or renewed within the powers by this Act conferred in that behalf.

Prior securities  
not affected.  
Ibid, sec. 15

16. Neither the authority to raise any money given by the authorising Act nor the exercise of such authority under this Act shall alter

or affect or vary any security theretofore charged on the public revenues of New Zealand.

17. (1.) For the purpose of paying off or renewing at maturity any debentures, scrip, or other security charged upon the public revenues of New Zealand (whether created and issued under this Act or any former Act) the Minister, or the High Commissioner, or the Loan Agents, as the case may be, may from time to time, and as often as the occasion arises, create, issue, and dispose of new debentures, scrip, stock, or other securities for such amount as may be necessary for the purpose aforesaid (including the costs, charges, and expenses incurred), or renew the maturing debentures by indorsement thereon, and in either case with such currency as he or they think fit :

Payment or renewal  
of securities at  
maturity.  
1904, No. 23, sec. 16  
1903, No. 24, sec. 3

Provided that, for the purpose of renewing debentures by indorsement, the Minister may appoint fit persons as special agents to make the indorsement.

(2.) Such indorsement shall be in the form numbered (1) in the Second Schedule hereto, and the effect thereof shall be to extend the original term of the debenture for the further period specified in the indorsement, and the principal and interest shall be payable accordingly.

(3.) The Treasury shall from time to time notify the Audit Office of debentures renewed by indorsement.

(4.) The costs, charges, and expenses incurred in paying off or renewing securities under this section shall, without further appropriation than this Act, be charged to and paid out of the appropriate fund or account.

(5.) In every case where moneys are raised under this section for the purpose of paying off or renewing any securities, the moneys so raised shall be applied exclusively in paying off or renewing those securities, and defraying the costs, charges, and expenses in so doing :

Provided that nothing in this subsection shall be construed to prevent the temporary investment of such moneys pending their application to the purpose aforesaid.

(6.) In every case where by any authorising Act it is provided that the amount of all outstanding debentures and other securities issued in respect of the loan shall at no time exceed the total amount authorised to be raised, such provision shall not operate to prevent the creation, issue, and sale of short-dated or other debentures in excess of such total for the purpose of redeeming outstanding securities, anything in section twenty-three hereof to the contrary notwithstanding.

1903, No. 43, sec. 4

18. (1.) Whenever any security charged upon the public revenues of New Zealand (whether created and issued under this Act or any former Act) is discharged, by payment, exchange, conversion, or otherwise, it shall in due course be cancelled by the Minister, the High Commissioner, or the Loan Agents in the presence of an Audit Officer :

Cancellation of  
discharged securities.  
1904, No. 23, sec. 17

Provided that for safety in transit such security may, before transmission, be provisionally cancelled in such of the forms numbered (2) or (3) in the Second Schedule hereto as is applicable.

(2.) Such provisional cancellation shall, in the case of discharged securities, be effected by persons appointed or authorised in that behalf by the Minister.

Interest on securities sold to redeem outstanding securities. 1904, No. 23, sec. 18

19. In every case where, under this Act or any such former Act as aforesaid, securities are disposed of in order to provide funds to redeem outstanding securities, the interest payable in respect of the securities so disposed of shall be charged in the same manner as the interest payable in respect of the outstanding securities.

Notice of conversion to be published. Ibid, sec. 19

20. Where any debentures or other securities (whether created and issued under this Act or any former Act) are under the authority of any Act converted into stock under Part II hereof, the High Commissioner may, by publication in the *London Gazette* and in such newspapers as he thinks fit, give public notice that such stock is part of the public debt charged upon the public revenues of New Zealand.

## PART II.

### CONSOLIDATED STOCK.

Governor in Council may create consolidated stock. 1877, No. 33, sec. 3

21. For the purpose of raising such sum or sums of money as aforesaid under the authority of any authorising Act the Minister, upon being authorised by the Governor in Council so to do, may create capital stock, to be called "the New Zealand Consolidated Stock" (throughout this Act referred to as "stock"), subject to the provisions of this Act, to be issued in such amounts and manner, at such price and times, on such terms and subject to such conditions, with such dividends, and redeemable at par at such times and on such conditions, as the Minister, before the creation thereof, from time to time determines.

Governor in Council may declare loans to be convertible into stock, and provide for the creation, exchange, and conversion of stock, &c. Ibid, sec. 4

22. (1.) The Governor in Council shall have and may exercise the following powers and authorities, or any of them:—

- (a.) He may from time to time declare all or any of the New Zealand loans, whether existing in the form of stock or not, to be convertible into stock of such denominations, with such conditions, and with such dividends, and redeemable at par at such times and on such conditions, as he before the creation thereof from time to time determines;
- (b.) He may authorise the creation and issue of such an amount of such stock in exchange for the securities held for such loans as may be necessary;
- (c.) He may authorise the creation and sale of any of such stock for the purpose of raising money for redeeming any outstanding stock or securities, and of paying any expenses in the creation of stock, and otherwise carrying out the provisions of this Part of this Act, on such conditions as he determines;
- (d.) Any conversion so authorised may be effected either by arrangement with the holders of existing securities or by purchase thereof out of moneys raised by a sale of new stock, or partly in one way and partly in the other.

Powers may be exercised from time to time.

(2.) Any power conferred by this section on the Governor in Council may be exercised from time to time, and he may alter any conditions as often as occasion requires, but so that no contract or engagement entered into before the exercise of any such power or the making of such alteration shall be prejudiced or affected thereby.

(3.) The powers by this section conferred on the Governor in Council may be exercised by the Minister if the Governor in Council so authorises.

23. Except where expressly provided by this Act, nothing in this Part of this Act shall authorise an increase of the capital or of the annual charge of any loan, except that where securities exchanged for new stock bear a higher rate of interest than the stock an additional amount of stock may be created and issued to make up the difference in saleable value between the securities and the stock.

Act not to affect capital or annual charge of any loan. 1877, No. 33, sec. 5

24. All stock, and the dividends thereon, and all charges and expenses incurred in carrying out the provisions of this Part of this Act, shall be a charge on and shall be paid out of the Consolidated Fund, and the principal money due and payable in respect of any stock, and such dividends or interest, charges and expenses, shall be paid by the Minister out of such fund, under warrants to be issued by the Governor.

Stock to be a charge on Consolidated Fund. Ibid, sec. 6

25. (1.) The Governor in Council may from time to time enter into any such agreement with the Bank of England as the Governor in Council thinks fit, providing for all or any of the following things:—

Governor in Council may agree with Bank of England for inscription, management, &c., of stock. Ibid, sec. 7

- (a.) For inscribing in the books of the bank any stock;
- (b.) For managing the creation, inscription, and issue of stock;
- (c.) For effecting the conversion of loans into stock and managing transfers of stock;
- (d.) For paying dividends on stock;
- (e.) For issuing stock certificates to bearer, and, as often as occasion requires, reissuing or reinscribing stock, and reissuing stock certificates;
- (f.) For receiving from time to time all moneys raised under this Part of this Act;
- (g.) For paying such money from time to time into the Public Account in London, or into such bank as is duly appointed in that behalf;
- (h.) For issuing scrip for deposits on loans;
- (i.) For paying off capital of stock or loans;
- (j.) For generally conducting all business connected with stock or loans; and
- (k.) For the protection and remuneration of the Bank of England under and in respect of any such agreement.

(2.) For the purposes of this Act the expression "Bank of England," and all references thereto and equivalents therefor, include not only the Governor and company of the Bank of England, and their successors, but also any bank within the meaning of "The Banking Act, 1908."

Ibid, sec. 7  
1893, No. 17, sec. 51

26. Every agreement made with the Bank of England in pursuance of this Act shall be as valid and effectual as if the terms thereof had been set forth in and enacted by this Act, and all remuneration payable thereunder to the Bank of England shall be a charge on and paid out of the Consolidated Fund.

Agreement to have the force of law. 1877, No. 33, sec. 8

27. The Governor in Council, or the Minister if so authorised by the Governor in Council, shall have the powers and duties and may do the following things for the purposes of this Part of this Act:—

Governor in Council may appoint Agents for purposes of this Act.

- (a.) He may from time to time appoint two or more persons in England to be Agents for the purposes of this Part of this Act (which Agents for the time being are in this Part of this Act referred to as "the Agents"), and may empower such Agents, or any two or more of them, to exercise all or any

Ibid, sec. 9  
1831, No. 44, sec. 2

of the powers by this Part of this Act exercisable by the Governor in Council :

(b.) He shall notify the appointment of the Agents to the Bank of England, and the power and authority of the Agents shall continue in full force until the Governor notifies the contrary, and that notification is received by the Bank of England :

(c.) He may at any time remove or accept the resignation of the Agents, or any or either of them.

28. (1.) The Agents may from time to time, subject and according to the terms of their appointment, by an instrument in writing under their hands, delegate the powers and authority vested in them as Agents, wholly or in part, absolutely, conditionally, or otherwise, to any other person or persons as Agent or Agents.

(2.) The Agents may appoint either one or two persons under this provision, with such limitations and powers as are prescribed by such Agents, and such delegate or delegates shall, by virtue of this Act and of the instrument of delegation, have power and authority accordingly.

29. In case of the death of the Agents, or any or either of them, the powers given to the delegate or delegates of such Agent or Agents shall not thereby be revoked, but shall continue in full force until the appointment of another Agent or other Agents by the Governor in Council or the Minister, as the case may be.

30. All powers, authorities, or duties given to, vested in, or imposed upon any such Agents by this Act, or under any authority hereby conferred, shall be exercised by at least two Agents, of whom any Agent appointed under section twenty-eight hereof may be one.

31. Nothing in this Part of this Act and nothing done under this Part of this Act, except by agreement, shall take away, abridge, or prejudicially affect any right or interest, by way of priority or otherwise, of any person in or against the Consolidated Fund or the public revenues of New Zealand, or any of them, or in any sinking fund, or any remedy which any person would have had or might have exercised in respect of any such right or interest if this Act had not been passed.

32. So much of all the loans raised under the Acts and Ordinances mentioned in the Third Schedule hereto as are outstanding and unconverted on the coming into operation of this Act shall be and are hereby declared to be convertible into stock.

33. Section twenty-three of this Act shall not apply to loans guaranteed by the Imperial Government; but in the case of the conversion of any such loan, a reasonable addition to the capital or annual charge may be made commensurate with the importance which the Agents consider to be attachable to such conversion.

34. (1.) In respect of such of the loans authorised by the enactments mentioned in the Third Schedule hereto as have sinking funds, the Minister shall, within each financial year ending on the thirty-first day of March, compute the amount which, from all sources, whether from contributions to the sinking fund or from the produce of accrued investments of the same, including the interest on drawn bonds, will accrue to increase the sinking fund of each loan within each year; and, upon such computation being approved by the Controller and Auditor-

Agents may  
delegate powers  
to other Agents.  
1877, No. 33, sec. 10

Delegation not to  
be revoked by  
death of Agents.  
Ibid, sec. 10

How Agents'  
powers may be  
exercised.  
Ibid, sec. 11

Saving of  
existing claims.  
Ibid, sec. 12

Certain loans  
declared to be  
convertible.  
1884, No. 41, sec. 3  
1891, No. 17, sec. 3

Guaranteed loans.  
1884, No. 41, sec. 4

Annual increases  
of sinking fund  
to be computed.  
Ibid, sec. 5



General, such amount shall be held to be the amount of increase for the year in respect of each loan for the purposes of this Act.

(2.) Any error in the said computation for any year shall be adjusted in the year in which such error is ascertained, and shall be included in the computation for such last-mentioned year.

35. (1.) The Governor in Council may authorise the creation of stock to the amount of the annual increases of sinking fund, computed as above provided; and such stock may be disposed of,—

Stock to be created for increases.  
1884, No. 41, sec. 6

(a.) In the case of loans of which the sinking funds are invested in drawn and cancelled debentures, by exchange for any debentures drawn after the coming into operation of this Act; or

(b.) By sale to the Commissioners or Trustees of the sinking funds of any other loans; or

(c.) Otherwise as the Minister directs.

(2.) The proceeds of any such exchange or sale shall be paid into the Public Account and shall form part of the Consolidated Fund.

36. When any loan is completely converted or paid off, the sinking fund accruing on that loan shall be held to be set free.

When loans completely converted, sinking fund set free.

37. When any loan is partially converted, the Sinking Fund Commissioners or Trustees shall retain in their hands such amount in money or securities as will be sufficient, in their opinion, for the redemption of the balance of the loan outstanding and interest thereon, and the balance of sinking fund over and above such amount shall be held to be set free. But it is hereby expressly provided that if from any cause it is found that the amount so retained is insufficient, then the difference shall be a charge upon and shall be paid out of the Consolidated Fund without further appropriation by Parliament.

Ibid, sec. 7

When loans partially converted, sufficient sinking fund to be retained.  
Ibid, sec. 8

38. Any sinking fund set free shall be employed and is hereby appropriated as follows: A sufficient amount shall be applied to extinguish such an amount of the stock or the debentures hereinafter mentioned as by the provisions herein may have been created on account of increases of the sinking fund in respect of the loan to which the sinking fund set free belongs, and the balance shall be paid into the Public Account and shall form part of the Public Works Fund.

Appropriation of sinking fund set free.  
Ibid, sec. 9

39. Pending the operations for converting loans and creating the stock authorised to be created under the provisions of this Part of this Act, the Minister may, when so authorised by an Order in Council in that behalf, create debentures to an amount not exceeding in the whole the amount of such stock; and may borrow and raise moneys from time to time by the sale, hypothecation, or mortgage of such debentures, or may exchange the same for securities convertible under this Part of this Act, as the Minister thinks fit.

Treasurer may issue seven years' debentures.  
Ibid, sec. 10

40. (1.) Every such debenture shall bear interest at such rate not exceeding five pounds per centum per annum, and shall be in such form, and shall have a currency not exceeding seven years, as the Minister directs.

Interest, and form of debenture.  
Ibid, sec. 11

(2.) For the purpose of paying off any such debenture at or before the maturity thereof, the Minister may create a fresh debenture for an amount equal to the amount of the debenture to be paid off, and having such currency, not exceeding seven years, as he directs.

Renewal at maturity.  
1897, No. 14, sec. 3

41. Every such debenture shall be signed by the Minister or by one or more of the Agents, and shall be countersigned by the Controller

By whom debentures to be signed.  
1884, No. 41, sec. 12

Debentures a charge on Consolidated Fund. 1884, No. 41, sec. 14

Limit of stock and debentures. Ibid, sec. 15

Agents may exercise power vested in Minister.

Ibid, sec. 16

Existing charges not affected. Ibid, sec. 17

Saving of sinking fund of Government loans to local bodies. 1897, No. 14, secs. 2, 4

Public Debts Sinking Funds Commissioners. 1875, No. 43, sec. 3

Quorum of Commissioners. 1868, No. 74, sec. 3

Appointment of agents and clerks. Ibid, sec. 4

Minutes. Ibid, sec. 5

Account of proceedings to be laid before Parliament. Ibid, sec. 6 1882, No. 71, sec. 15

and Auditor-General, or by an officer of the Audit to be appointed by the Controller and Auditor-General from time to time for that purpose.

42. The interest and principal of every such debenture shall be payable at such time and place as the Minister prescribes, and all such interest and principal shall be a charge upon and shall be issued and paid out of the Consolidated Fund.

43. The amount of stock created and of debentures outstanding shall not at any time together exceed the total amount of stock which may be created under the provisions of this Part of this Act.

44. The Agents may, when so authorised by the Minister, and subject to such instructions and limitations as he thinks fit, exercise all the powers vested in the Minister by this Part of this Act.

45. Nothing in this Part of this Act shall be held to prejudice or affect any security heretofore charged on the revenues of New Zealand.

46. (1.) No sinking fund at any time created under Part II of "The Local Bodies' Loans Act, 1908," or any former Act passed for like purposes, shall be deemed to be or to have been set free by reason of the conversion of any loan raised under any such Act, anything hereinbefore contained to the contrary notwithstanding.

(2.) Nothing in this Part of this Act shall be deemed to authorise the creating of stock or the issuing of debentures against the sinking fund of the Government loans to local bodies.

### PART III.

#### PUBLIC DEBTS SINKING FUNDS.

47. The Minister, the Controller and Auditor-General, the Public Trustee, and the Speaker of the House of Representatives for the time being shall by virtue of their several offices be Commissioners for carrying into execution the purposes of this Part of this Act, and shall be styled "The Commissioners of the Public Debts Sinking Funds" (hereinafter called "the Commissioners").

48. The powers, duties, and authorities which the Commissioners are hereby enabled or required to exercise or perform shall and may be exercised or performed by any number not less than three of the Commissioners.

49. The Commissioners are hereby authorised to appoint and employ such Agents, whether in New Zealand or England or elsewhere, and such clerks and other officers as may be necessary, and to appoint a place at Wellington at which the Commissioners shall meet.

50. Minutes of all proceedings of, by, or before the Commissioners shall be entered in proper books.

51. An account of the proceedings of the Commissioners, of the moneys and securities vested in or held by them, of the money paid by them to the Public Account during the year preceding, and of the expense attending the execution of the powers vested in them by this Part of this Act during the year shall be made up to the last day of each financial year, which the Commissioners shall, on or before the fifteenth day thereafter, cause to be laid before both Houses of Parliament if sitting, or if not, then within fourteen days after the commencement of the then next session.

52. The Minister is hereby authorised to pay out of the Consolidated Fund all such expenses as necessarily attend the execution of this Part of this Act in such manner as he thinks fit.

Payment of expenses.  
1868, No. 74, sec. 7

53. (1.) With respect to the several sinking funds vested in the Commissioners by section nine of "The Public Debts Sinking Funds Act, 1868," the following provisions shall apply:—

Certain sinking funds vested in the Commissioners.

(a.) The said sinking funds, or such of them as exist on the coming into operation of this Act, shall continue to vest in the Commissioners.

Ibid, sec. 9

(b.) All moneys which but for the coming into operation of this Act would be payable to the Commissioners in respect of any such sinking fund shall continue to be so payable.

Ibid, sec. 11

(c.) The Commissioners shall hold such moneys on the trusts and for the purposes on and for which such moneys would have been held if they had been paid to the persons and in the manner provided by the Act or Ordinance creating the sinking fund in respect of which they were paid.

(2.) Notwithstanding anything to the contrary in any Act or Ordinance creating any such sinking fund, the Commissioners shall invest the moneys received by them under this Act, and the interest or other profits accruing on any securities vested in them under this Act, only in such securities as the Governor in Council from time to time prescribes as securities in which investments may be made by the Commissioners.

Ibid, sec. 13

(3.) The Commissioners are hereby empowered from time to time, if they think fit, to change any investments transferred to or made by them under this Act for any other investments for the time being permitted by any Order in Council made as aforesaid, and for such purpose to sell or dispose of any securities vested in them or in which they may have made any such investment.

Power to vary investments.  
Ibid, sec. 14

(4.) The Commissioners are hereby authorised and empowered, whenever any conveyance, transfer, or reconveyance may lawfully be made by them, to convey, transfer, or reconvey by deed under the hands of any two or more of them, and attested by two witnesses, any land mortgaged or vested in them under or by virtue of this Act.

Power to execute deeds.  
Ibid, sec. 15

(5.) Upon the conversion under the provisions of "The Consolidated Loan Act, 1867," or of this Act, of any provincial debenture issued under the Act or Ordinance which created any such sinking fund, the sums payable for interest or sinking fund in respect of the debentures so converted shall cease to be payable.

Ibid, sec. 8

(6.) If and whenever it appears to the Commissioners that any debentures issued under the Act or Ordinance which created any such sinking fund have been converted or exchanged for debentures issued under "The Consolidated Loan Act, 1867," or this Act, the Commissioners shall from time to time determine what amount of the sinking fund held by them and created for the payment of such debentures shall be released; and in the determination of such question the Commissioners shall take into consideration the value of the whole investments held by them on account of that sinking fund, the amount of the debt remaining a charge on such sinking fund, and the date at which such debt becomes due, and such other matters as the Commissioners think fit.

When sinking fund released.  
Ibid, sec. 16

Commissioners' award.  
1868, No. 74, sec. 17

(7.) The Commissioners shall make any such determination as aforesaid by an award in writing, and they shall transmit such award as soon as conveniently may be to the Minister, who shall cause the same to be published in the *Gazette*.

Money released to be paid to Consolidated Fund.  
Ibid, sec. 18

(8.) As soon as conveniently may be after the making of such award, the Commissioners shall convert into money such portion of the securities held by them on account of the sinking fund to which such award relates as will be sufficient to produce the amount which the Commissioners have determined may be released, and shall pay such moneys so obtained to the Public Account to the credit of the Consolidated Fund, and the same shall be dealt with and appropriated in such manner as the General Assembly shall from time to time provide.

How surplus sinking fund to be applied.  
Ibid, sec. 19

(9.) If and whenever it appears to the Commissioners that they have vested in them a larger sum as sinking fund for or on account of any debentures issued by or on behalf of any province under the Act or Ordinance which created any such sinking fund, and for the time being outstanding, than in their opinion would be required, together with accruing payments on account of sinking fund, to meet such debentures on their falling due, it shall be lawful for the Commissioners from time to time to determine what amount of such sinking fund so held by them may be released. On the determination of such question the Commissioners shall inquire, proceed, and award in the manner provided by subsections six to eight hereof.

(10.) As soon as conveniently may be after the making of any award under this section, the Commissioners shall convert into money such portion of the securities held by them on account of the sinking fund to which the award relates as will be sufficient to produce the amount which the Commissioners have determined may be released, and shall pay the moneys so obtained to the Public Account, to be credited and appropriated as mentioned in subsection eight hereof.

#### *War and Defence Loans Sinking Fund.*

Sinking fund for loans raised for war and defence purposes.  
1906, No. 24, sec. 4

54. (1.) For the purpose of providing a sinking fund for the repayment of loans heretofore raised for war and defence purposes, amounting on the whole to three million nine hundred and ninety-five thousand pounds, and now represented by consolidated stock, the Minister shall, without further appropriation than this Act, pay over out of the Consolidated Fund to the Public Trustee in each financial year a sum equal to one per centum of that amount.

(2.) All sums so paid over to the Public Trustee shall be credited by him to an account called "the War and Defence Loans Sinking Fund Account," and shall be invested by him on securities yielding the highest rate of interest.

(3.) The moneys in the said account (including all accumulations of interest), and the investments for the time being representing the same, shall be held by the Public Trustee until the year one thousand nine hundred and forty-five, when they shall be disposed of as the Minister directs in redeeming consolidated stock falling due in that year.

## SCHEDULES.

## FIRST SCHEDULE.

## ENACTMENTS CONSOLIDATED.

*Part I.*

- 1868, No. 74.—“The Public Debts Sinking Funds Act, 1868.”  
 1875, No. 43.—“The Public Debts Sinking Funds Act Amendment Act, 1875.”  
 1877, No. 33.—“The New Zealand Consolidated Stock Act, 1877.”  
 1881, No. 44.—“The New Zealand Consolidated Stock Act 1877 Amendment Act, 1881.”  
 1882, No. 71.—“The Public Revenues Act, 1882.”  
 1884, No. 41.—“The Consolidated Stock Act, 1884.”  
 1891, No. 17.—“The Consolidated Stock Act, 1891.”  
 1895, No. 17.—“The Bank of New Zealand and Banking Act, 1895”: Section 51.  
 1897, No. 14.—“The Consolidated Stock Act Amendment Act, 1897.”  
 1903, No. 43.—“The Public Loans Renewal Act, 1903.”  
 1904, No. 23.—“The New Zealand Loans Act, 1904.”  
 1906, No. 24.—“The New Zealand Loans Act Amendment Act, 1906”: Except section 5.

*Part II.*

- 1863, No. 11.—“The New Zealand Loan Act, 1863.”  
 1867, No. 89.—“The Public Debts Act, 1867.”  
 1867, No. 90.—“The Consolidated Loan Act, 1867.”  
 1870, No. 80.—“The Immigration and Public Works Loan Act, 1870.”  
 1870, No. 81.—“The Defence and other Purposes Loan Act, 1870.”  
 1873, No. 49.—“The Immigration and Public Works Loan Act, 1873.”  
 1873, No. 54.—“The General Purposes Loan Act, 1873.”  
 1877, No. 32.—“The New Zealand Loan Act, 1877.”  
 1879, No. 2.—“The New Zealand Loan Act, 1879.”  
 1882, No. 75.—“The New Zealand Loan Act, 1882.”  
 1884, No. 42.—“The New Zealand Loan Act, 1884.”  
 1886, No. 25.—“The New Zealand Loan Act, 1886.”  
 1888, No. 1.—“The New Zealand Loan Act 1887 Repeal Act, 1888.”  
 1888, No. 2.—“The New Zealand Loan Act, 1888.”  
 1893, No. 37.—“The Cheviot Estate Payment Act, 1893.”  
 1896, No. 13.—“The Aid to Public Works and Land Settlement Act, 1896.”  
 1897, No. 16.—“The Aid to Public Works and Land Settlement Act Amendment Act, 1897.”  
 1898, No. 21.—“The Aid to Public Works and Land Settlement Acts Amendment Act, 1898.”  
 1899, No. 5.—“The Aid to Public Works and Land Settlement Act, 1899.”  
 1900, No. 67.—“The Aid to Public Works and Land Settlement Act, 1900.”  
 1901, No. 36.—“The Aid to Public Works and Land Settlement Act, 1901.”  
 1902, No. 3.—“The Aid to Public Works and Land Settlement Act, 1902.”  
 1903, No. 40.—“The Aid to Public Works and Land Settlement Act, 1903.”  
 1904, No. 35.—“The Aid to Public Works and Land Settlement Act, 1904.”  
 1905, No. 37.—“The Aid to Public Works and Land Settlement Act, 1905.”  
 1906, No. 27.—“The Aid to Public Works and Land Settlement Act, 1906.”  
 1907, No. 4.—“The Aid to Public Works and Land Settlement Act, 1907.”

Sections 17, 18.  
1904, No. 23,  
Schedule.

## SECOND SCHEDULE.

## (1.) INDORSEMENT ON RENEWAL OF DEBENTURE OR OTHER SECURITY.

PURSUANT to "The New Zealand Loans Act, 1908," this debenture [*or as the case may be*] is hereby renewed as to both principal and interest for the term of \_\_\_\_\_ years from the due date thereof.

Dated at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_.

Minister of Finance

[High Commissioner, or Loan Agents, or A. B., Special Agent,  
*as the case may be*].

## (2.) PROVISIONAL CANCELLATION OF DEBENTURE OR OTHER SECURITY IN TRANSIT FOR PURPOSE OF CONVERSION.

FOR the purpose of safety in transit this debenture [*or as the case may be*], which is required to be transmitted to the Bank of England, London, to be converted into \_\_\_\_\_ per-cent. Inscribed Stock, is hereby provisionally cancelled.

Dated at Wellington, New Zealand, this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_,  
\_\_\_\_\_, Secretary to the Treasury.

## (3.) PROVISIONAL CANCELLATION OF DISCHARGED DEBENTURE OR OTHER SECURITY IN TRANSIT FOR FORMAL CANCELLATION.

FOR the purpose of safety in transit this debenture [*or as the case may be*], which has been discharged by payment [*or conversion, or exchange*], and is required to be transmitted to the Treasury in Wellington [*or to the High Commissioner in London*] for formal cancellation, is hereby provisionally cancelled.

Dated at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_ A. B.

Sections 32, 34.  
1884, No. 41,  
Schedule.  
1891, No. 17, sec. 3

## THIRD SCHEDULE.

- "The New Zealand Loan Act, 1856."
- "The New Zealand Loan Act, 1860."
- "The New Zealand Loan Act, 1863."
- "The Consolidated Loan Act, 1867."
- "The Defence and Other Purposes Loan Act, 1870."
- "The Immigration and Public Works Loan Act, 1870."
- "The General Purposes Loan Act, 1873."
- "The Westland Loan Act, 1873."
- "The New Zealand Loan Act, 1876."
- "The New Zealand Loan Act, 1877."
- "The New Zealand Consolidated Stock Act, 1877."
- "The New Zealand Loan Act, 1879."
- "The New Zealand Colonial Inscribed Stock Loan Act, 1882."
- "The District Railways Purchasing Act, 1885."
- "The Public Revenues Act, 1886."
- "The District Railways Purchasing Act 1885 Extension and Amendment Act, 1886."
- "The Government Loans to Local Bodies Act, 1886," or any subsequent Act passed for like purposes.
- "The Public Revenues Act, 1887 (No. 3)."
- "The Auckland Loan Act, 1863."
- "The Wellington Loan Act, 1866."
- "The Nelson Loan Act, 1874."
- "The Lyttelton and Christchurch Railway Loan Ordinance, 1860."
- "The Canterbury Loan Ordinance, 1862."
- "The Otago Loan Ordinance, 1862."