

BROADCASTING AMENDMENT BILL

EXPLANATORY NOTE

THIS Bill amends the Broadcasting Act 1976.

Clause 1 relates to the Short Title and commencement. The Act will be deemed to have come into force on 1 April 1977, the commencement of the current financial year.

Clause 2 inserts a new section 52A in the principal Act, declaring the capital of the Broadcasting Corporation of New Zealand to be \$38,900,000, which is the total amount of the advances made by the Crown to the Corporation and its predecessors up to 31 March 1977. The capital of the Corporation is not at present fixed by statute.

The capital of the Corporation may be increased by Order in Council on the recommendation of the Minister of Finance given pursuant to a resolution of the Corporation with the concurrence of the Minister of Broadcasting.

The whole of the capital of the Corporation is declared to be vested in the Crown.

Clause 3 inserts a new section 52B in the principal Act authorising the Corporation, with the approval of the Minister of Finance, to set aside out of its revenue or accumulated revenue such sums as it thinks proper for general or special purposes.

For the purposes of this section, the accumulated revenue of the Corporation is defined as meaning the accumulated revenue of the Corporation and its predecessors in the administration of public broadcasting in New Zealand up to 31 March 1977.

Clause 4 inserts a new section 52C in the principal Act providing that in each financial year the Corporation is to declare a dividend on its capital of such amount as the Minister of Finance determines, after consultation by him with the Corporation. However, in any year the Minister of Finance may, having regard to the Corporation's financial position, determine that no dividend shall be payable.

No. 21—1

Price 10c

Hon. Mr Templeton

BROADCASTING AMENDMENT

ANALYSIS

Title	2. Capital of Corporation
1. Short Title and commencement	3. Reserves
	4. Dividends

A BILL INTITULED

An Act to amend the Broadcasting Act 1976

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

1. **Short Title and commencement**—(1) This Act may be
cited as the Broadcasting Amendment Act 1977, and shall be
read together with and deemed part of the Broadcasting Act
1976* (hereinafter referred to as the principal Act).

10 (2) This Act shall be deemed to have come into force on
the 1st day of April 1977.

2. **Capital of Corporation**—The principal Act is hereby
amended by inserting, after section 52, the following section:

15 "52A. (1) The capital of the Corporation shall be
\$38,900,000.

"(2) Of the amount shown in the accounts of the Corpora-
tion for the year that ended with the 31st day of March
1977 as owing to the Crown by the Corporation (being
advances made by the Crown to the Corporation and its

*1976, No. 132

predecessors), the sum of \$38,900,000 shall be deemed to have been paid to the Corporation by the Minister of Finance as the capital of the Corporation, and the liability of the Corporation to repay to the Crown advances of that amount is hereby extinguished. 5

“(3) The Corporation may from time to time, by resolution and with the concurrence of the Minister, recommend to the Minister of Finance that the capital of the Corporation be increased, and in any such case the Governor-General, on the advice of the Minister of Finance, may, by Order in Council, increase the capital of the Corporation to such amount as may be prescribed in that order. The amount of any such increase shall be paid to the Corporation by the Minister of Finance, and subsections (2) and (3) of section 54 of this Act shall apply to that payment as if it were a payment under that section. 10 15

“(4) The whole of the capital of the Corporation for the time being shall be deemed to be vested in the Crown.”

3. Reserves—The principal Act is hereby further amended by inserting, after section 52A (as inserted by section 2 of this Act), the following section: 20

“52B. (1) The Corporation may from time to time, with the approval of the Minister of Finance, set aside out of its revenue or out of its accumulated revenue such sums as it thinks proper as reserves for such general or special purposes as it considers necessary or expedient. 25

“(2) Any sum so set aside may be invested by the Corporation in accordance with section 55 of this Act or may be used in the business of the Corporation.

“(3) For the purposes of this section the expression ‘accumulated revenue’ means the excess of the total assets of the Corporation over its total liabilities as shown in the accounts of the Corporation for the year that ended with the 31st day of March 1977 (being the accumulated revenue of the Corporation and its predecessors in the administration of public broadcasting in New Zealand).” 30 35

4. Dividends—The principal Act is hereby further amended by inserting, after section 52B (as inserted by section 3 of this Act), the following section:

“52C. (1) The Corporation shall in each financial year declare a dividend on the capital of the Corporation of such amount as may be fixed in that behalf by the Minister of Finance, after consultation by him with the Corporation: 40

“Provided that the Minister of Finance, having regard to the financial position of the Corporation, may in any financial year determine that no dividend shall be payable by the Corporation in respect of that year.

- 5 “(2) The amount of any dividend declared by the Corporation under this section shall be paid into the Consolidated Revenue Account.”