

This PUBLIC BILL originated in the HOUSE OF REPRESENTATIVES, and, having this day passed as now printed, is transmitted to the LEGISLATIVE COUNCIL for its concurrence.

House of Representatives,

30th August, 1927.

Hon. Mr. Downie Stewart.

FINANCE.

ANALYSIS.

<p>Title.</p> <p>1. Short Title.</p> <p>2. Authorizing advance of £50,000 from Consolidated Fund to Electric Supply Account.</p> <p>3. Authorizing advance of £45,000 from Consolidated Fund to State Forests Account.</p> <p>4. Excluding from operation of the Repayment of the Public Debt Act certain moneys borrowed by New Zealand Government and advanced to Samoan Treasury.</p> <p>5. Allocation of certain Consolidated Stock.</p> <p>6. Moneys available for redemption of public securities. Repeal.</p> <p>7. Section 40 of Public Revenues Act, 1926, amended.</p> <p>8. As to custody of mortgages securing advances from Common Fund of Public Trust Office.</p> <p>9. Amending section 7 of the New Zealand Inscribed Stock Act, 1917.</p> <p>10. Amending provisions as to term of Post Office Investment Certificates.</p> <p>11. Authorizing payment of sessional allowance to the Speaker of the House of Representatives.</p>	<p>12. Authorizing investment of Common Fund of Public Trust Office in debentures issued by Electric-power Boards.</p> <p>13. Authorizing Public Trustee to invest capital moneys in leases of West Coast Settlement Reserves. Consequential repeal.</p> <p>14. Validation of payments by local authorities in respect of visit of Duke and Duchess of York.</p> <p>15. Section 31 of the Local Bodies' Loans Act, 1926, amended.</p> <p>16. Saving authority to borrow moneys for public works where general funds temporarily applied for purposes of such works.</p> <p>17. Extension of power to raise a supplementary loan to complete work.</p> <p>18. Making provision for amended form of returns to be furnished by accident-insurance companies. Consequential amendments.</p> <p>19. Validation of payments to Chairmen of Rabbit Boards.</p> <p>20. Remission of certain interest on unpaid contributions payable to Teachers' Superannuation Fund.</p>
---	---

A BILL INTITULED

AN ACT to make Provision with respect to Public Finance and other Matters. Title.

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

1. This Act may be cited as the Finance Act, 1927.
2. (1) The Minister of Finance may, without further appropriation than this section, and on such terms and conditions as he thinks fit, advance out of the Ordinary Revenue Account of the Consolidated Fund to the Electric Supply Account established under the State Supply of Electrical Energy Act, 1917, to be available for the purposes of the last-mentioned account, such amounts as he from time to time determines, not exceeding in the aggregate the sum of fifty thousand pounds.
- (2) All moneys paid into the Electric Supply Account pursuant to this section, with interest thereon as fixed by the Minister of Finance, shall be payable or repayable, without further appropriation than this section, to the Ordinary Revenue Account of the Consolidated Fund.

Short Title.

Authorizing advance of £50,000 from Consolidated Fund to Electric Supply Account.

Authorizing advance of £45,000 from Consolidated Fund to State Forests Account.

3. (1) The Minister of Finance may, without further appropriation than this section, and on such terms and conditions as he thinks fit, advance out of the Ordinary Revenue Account of the Consolidated Fund to the State Forests Account established under the Forests Act, 1921-22, to be available for the purposes of the last-mentioned account, such amounts as he from time to time determines, not exceeding in the aggregate the sum of forty-five thousand pounds. 5

(2) All moneys paid into the State Forests Account pursuant to this section, with interest thereon as fixed by the Minister of Finance, shall be payable or repayable without further appropriation than this section, to the Ordinary Revenue Account of the Consolidated Fund. 10

Excluding from operation of the Repayment of the Public Debt Act certain moneys borrowed by New Zealand Government and advanced to Samoan Treasury.

4. The term "public debt," as defined in the Repayment of the Public Debt Act, 1925, does not include and shall be deemed never to have included any moneys borrowed by the Minister of Finance under the authority conferred by section four of the Finance Act, 1925, for the purpose of making loans to the Samoan Treasury. 15

Allocation of certain Consolidated Stock.

5. The allocation of certain New Zealand Consolidated Stock, in accordance with the provisions of Schedule B of the Parliamentary Paper B.-2, 1926, is hereby approved and confirmed, except so far as such allocation has been modified by the operation of section twenty-five of the Finance Act, 1926. 20

Moneys available for redemption of public securities.

6. (1) Any debentures or other securities charged upon the public revenues of New Zealand may, in accordance with the determination of the Minister of Finance, be redeemed, without further appropriation than this section, out of moneys in any sinking fund or other fund available by law for the redemption of such securities, or out of any other fund or account which in the opinion of the said Minister is appropriate. 25

(2) This section shall apply with respect to the redemption of securities at maturity, or at any other time at which the redemption takes place. 30

Repeal.

(3) Section two of the Finance Act, 1922, is hereby repealed.

Section 40 of Public Revenues Act, 1926, amended.

7. Section forty of the Public Revenues Act, 1926, is hereby amended by omitting from subsection three the words "the fund or account from which such moneys were so transferred," and substituting the words "such fund or account within the Public Account as the Minister of Finance shall in each case determine. Any payment of interest made for the purposes of this section shall be so made without further appropriation." 35

As to custody of mortgages securing advances from Common Fund of Public Trust Office.

8. Section one hundred and two of the Public Revenues Act, 1926, is hereby amended by omitting from subsection two the words "bonds, or mortgages," and substituting the words "or bonds." 40

Amending section 7 of the New Zealand Inscribed Stock Act, 1917.

9. Section seven of the New Zealand Inscribed Stock Act, 1917, is hereby amended by repealing the proviso thereto.

Amending provisions as to term of Post Office Investment Certificates.

10. Section seventeen of the Finance Act, 1920, is hereby amended by omitting from subsection three thereof the words "authorize the payment to the bearer, on the expiration of five years from the date thereof, or of such longer period as the Minister may determine," and substituting the words "be issued for such term as the Minister may determine, and shall authorize the payment to the bearer, at maturity." 50

11. In addition to the payment authorized to be made to the Speaker of the House of Representatives by section sixteen of the Civil List Act, 1920, there shall, without further appropriation than this section, be payable in each year to the said Speaker an allowance computed at the rate of *one hundred* pounds per annum.

Authorizing payment of sessional allowance to the Speaker of the House of Representatives.

12. (1) In addition to the powers of investment conferred on him by section thirty-four of the Public Trust Office Act, 1908, the Public Trustee may invest any moneys belonging to the Common Fund of the Public Trust Office in debentures issued by any Electric-power Board constituted under the Electric-power Boards Act, 1925.

Authorizing investment of Common Fund of Public Trust Office in debentures issued by Electric-power Boards.

(2) All investments in such debentures heretofore made by the Public Trustee are hereby declared to have been lawfully made.

13. (1) Section thirty-four of the Public Trust Office Act, 1908, as amended by section nine of the Public Trust Office Amendment Act, 1912, is hereby further amended by adding to paragraph (e) the following subparagraph :—

Authorizing Public Trustee to invest capital moneys in leases of West Coast Settlement Reserves.

“(iii) Native land held under lease granted under the West Coast Settlement Reserves Act, 1892, of which the unexpired term (including in the computation thereof all periods for which there is a right of renewal) is for a period not less than twenty-one years.”

(2) Section ninety-seven of the Trustee Act, 1908, is hereby consequentially amended by repealing subsection three thereof.

Consequential repeal.

14. (1) It shall be deemed to have been lawful for any local authority or public body to expend out of its general fund or account any sum or sums of money for the purpose of taking part in the reception, welcome, or entertainment of Their Royal Highnesses the Duke and Duchess of York during their visit to New Zealand, or of welcoming, entertaining, and otherwise providing hospitality for the officers and men of His Majesty's Ship “Renown,” or of contributing to any fund established for any of such purposes.

Validation of payments by local authorities in respect of visit of Duke and Duchess of York.

(2) Any moneys which a local authority, within the meaning of the Local Bodies' Finance Act, 1921-22, may have borrowed from its bankers by way of overdraft for any such purpose shall not at any time prior to the thirty-first day of March, nineteen hundred and twenty-eight, be taken into account in computing, for the purposes of section three of the said Act, the maximum amount that may lawfully be borrowed by that local authority, or the amount that such local authority may owe at the end of the year on its general account or on any separate account.

15. (1) Section thirty-one of the Local Bodies' Loans Act, 1926, is hereby amended by inserting, before the words “disposed of by way of hypothecation or mortgage” in paragraph (b) of subsection one, the word “lawfully”; and by omitting from the same paragraph the words “under section thirty-four hereof or the corresponding provisions of any Act repealed by this Act but not otherwise.”

Section 31 of the Local Bodies' Loans Act, 1926, amended.

(2) The said section is hereby further amended by inserting, after subsection two, the following subsection :—

“(2A) In any case to which subparagraph (ii) of paragraph (b) of subsection one of this section applies, the local authority concerned, having prepared the new debentures proposed to be issued, shall forthwith notify the Audit Office, and the Audit Office shall thereupon

appoint an officer to supervise, at the expense of the local authority, the issue of such new debentures and the cancellation of the hypothecated or mortgaged debentures."

Saving authority to borrow moneys for public works where general funds temporarily applied for purposes of such works.

16. Where any local authority that has been duly authorized to raise a special loan under the Local Bodies' Loans Act, 1926 (including a further loan authorized by section nineteen of that Act), or under the corresponding provisions of any Act repealed by that Act, has, after having been so authorized and whether before or after the passing of this Act, applied any other moneys for the public work in respect of which the special loan was authorized, the application of such moneys shall not affect its power to raise such special loan or further loan, and the proceeds of such special loan or further loan may, to such extent as may be necessary, be used in repayment of the moneys applied as aforesaid for the purposes of the public work. 5 10

Extension of power to raise a supplementary loan to complete work.

17. Where any local authority has, whether before or after the passing of this Act, raised a special loan for two or more specified public works, and has allocated for each of those works a defined portion of the total amount of the loan, each such defined portion shall, for the purposes of section nineteen of the Local Bodies' Loans Act, 1926, be deemed to be a separate loan raised for the purposes of an undertaking. 15 20

Making provision for amended form of returns to be furnished by accident-insurance companies.

18. (1) The statement and balance-sheet required to be prepared pursuant to section three of the Accident Insurance Companies Act, 1908, shall be in such form as the Governor-General may from time to time, by Order in Council, prescribe.

Consequential amendments.

(2) The Accident Insurance Companies Act, 1908, is hereby consequentially amended as follows:— 25

(a) By omitting from subsection one of section three the words "in the form in the Second Schedule hereto"; and

(b) By repealing the Second Schedule.

Validation of payments to Chairmen of Rabbit Boards.

19. All payments heretofore made by any Board established under the Rabbit Nuisance Act, 1908, by way of honorarium to the Chairman thereof are hereby validated. 30

Remission of certain interest on unpaid contributions payable to Teachers' Superannuation Fund.

20. Whereas John Harper Moir, Esquire, a contributor to the Teachers' Superannuation Fund, being employed on military service in New Zealand from the twenty-fifth day of September, nineteen hundred and sixteen, to the thirty-first day of January, nineteen hundred and eighteen, made default in the payment of contributions to the Teachers' Superannuation Fund for that period: And whereas by virtue of regulations governing the said fund the said contributor is under an obligation to pay into the fund interest on the amount of contributions so unpaid, and it is desired to release him from such obligation: Be it therefore enacted as follows:— 35 40

The Teachers' Superannuation Board is hereby empowered to remit any interest payable by the contributor hereinbefore referred to for any period during which he has made default in the payment of contributions to the fund as hereinbefore recited. 45