

[AS REPORTED FROM THE COMMITTEE OF THE WHOLE]  
*House of Representatives, 16 November 1961*

Words inserted by the Committee of the Whole are shown with double rule before first line and after last line of new matter.

*Hon. Mr Lake*

## FINANCE

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### A BILL INTITULED

**An Act to make provision with respect to public finance and other matters**

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

**1. Short Title**—This Act may be cited as the Finance Act 1961.

**2. Development Bonds**—(1) Section 3 of the Finance Act  
10 1960 is hereby amended by inserting in subsection (1), after the words “money borrowed under”, the words “Part I or”.

(2) Section 3 of the Finance Act 1960 is hereby further amended by adding the following subsections:

“(3) Subject to the terms of any issue of Development Bonds, the provisions of Part III of the New Zealand Loans Act 1953, as far as they are applicable and with the necessary modifications, shall apply with respect to Development Bonds issued under this section as if references in that Part to stock were references to Development Bonds. 5

“(4) The fact that it appears from any document or other information submitted to the Reserve Bank of New Zealand that in any transaction affecting Development Bonds any person is acting in the execution of a trust shall not be deemed for any purpose to have affected the Bank with any express, implied, or constructive notice of any trust.” 10

**3. Advance subscriptions to loans**—Section 3 of the New Zealand Loans Act 1953 is hereby amended by adding the following subsection: 15

“(3) The authority to borrow any money shall be deemed to include authority to accept subscriptions in advance of the raising of any loan on such terms as the Minister thinks fit.”

**4. Certain securities not to form part of the public debt**— 20  
Section 50 of the New Zealand Loans Act 1953 is hereby amended by adding to the definition of the term “public debt” the following paragraph:

“(c) Securities, notes, or obligations issued under section 7 of the International Finance Agreements Act 1961.” 25

**5. Acquisition of shares in Tasman Empire Airways Limited**—Section 2 of the Finance Act (No. 2) 1939 is hereby amended by repealing subsections (3) and (4), and substituting the following subsections:

“(3) All money required to be paid by the Minister of Finance under this section shall, without further appropriation than this section, be paid out of the National Development Loans Account. 30

“(4) Where any money is required to be paid under this section, the authority of the Minister of Finance to borrow money under section 11 of the New Zealand Loans Act 1953 shall be deemed to be extended as if the money so paid had been authorised to be transferred from the National Development Loans Account to another fund or account as mentioned in that section.” 35 40

**6. Authorising purchase of shares in Whitehaven Limited**—(1) In this section—

“The company” means Whitehaven Limited:

“The Minister” means the Minister of Works.

5 (2) The Minister is hereby authorised and shall be deemed always to have been authorised on behalf of Her Majesty the Queen from time to time to purchase shares in the capital of the company.

10 (3) All money required to be paid by the Minister in respect of the purchase and holding of shares in the capital of the company shall be paid out of money appropriated by Parliament for the purpose.

15 (4) The Minister may from time to time exercise on behalf of Her Majesty the Queen all Her Majesty's rights and powers as the holder of any such shares.

**7. Timber workers' housing**—Section 9 of the Finance Act 1957 is hereby amended by adding the following subsection:

20 “(4) Where a certificate under subsection (4) of section 21 of the Finance Act (No. 2) 1946 has been issued to a sawmiller (whether before or after the commencement of this subsection), any dwelling referred to in the certificate may at any time be removed by the sawmiller without liability for payment of compensation to the owner of the land whereon the dwelling is situated or to any other person, notwithstanding  
25 that the dwelling may have been so attached to the land as to form part thereof.”

**8. Deposits from Standard Insurance Company Limited under Insurance Companies' Deposits Act 1953**—Whereas the Public Trustee is the holder of certain deposits made under  
30 the Insurance Companies' Deposits Act 1953 by the Standard Insurance Company Limited now in liquidation (in this section referred to as the Standard Company) in respect of the fire insurance and employers' liability insurance business of the company, and those deposits are held by the  
35 Public Trustee in trust as security for policyholders and claimants in respect of policies or other contracts issued, granted, or entered into in New Zealand by the Standard Company in respect of insurance business of those classes:  
40 And whereas the National Insurance Company of New Zealand Limited (in this section referred to as the National Company) has purchased the goodwill of the Standard Company and has undertaken to settle and pay all claims in respect

of policies and contracts of insurance relating to those classes of business issued, granted, or entered into in New Zealand by the Standard Company and arising out of events occurring after the hour of four o'clock in the afternoon of the thirty-first day of March, nineteen hundred and sixty-one: And whereas by a deed dated the twentieth day of July, nineteen hundred and sixty-one, between the Public Trustee, the National Company, and the Standard Company it was agreed (*inter alia*) that the National Company would settle and pay claims in respect of policies or other contracts relating to the classes of business aforesaid issued, granted, or entered into in New Zealand by the Standard Company and arising out of events that occurred before the hour of four o'clock in the afternoon of the thirty-first day of March, nineteen hundred and sixty-one, and that, subject to his being indemnified by the Crown in respect of any loss suffered by him resulting from the release of the said deposits, the Public Trustee would make certain payments to the National Company out of the deposits aforesaid and otherwise deal with each deposit as provided for in the said deed: And whereas it is expedient that the Public Trustee should be indemnified accordingly by the Crown against any loss incurred by him resulting from his executing the deed and acting in accordance with its provisions: Be it therefore enacted as follows:

(1) The Public Trustee is hereby indemnified and shall be kept indemnified by the Minister of Finance on behalf of the Crown in respect of all claims, actions, losses, costs, expenses, damages, or liabilities which may be made or brought against the Public Trustee or which the Public Trustee may suffer, incur, or become liable for as a result of his executing the said deed or acting in accordance with its provisions.

(2) All money payable to the Public Trustee pursuant to the indemnity given by subsection (1) of this section may be paid out of the Consolidated Fund without further appropriation than this section.

**9. Persons employed in New Zealand Government Service and Western Samoan Public Service—**(1) In this section—

“New Zealand controlling authority” means—

(a) In respect of a person employed in any branch of the New Zealand Government Service to which the Public Service Act 1912 applies or in the Cook Islands Public Service, the New Zealand Public Service Commission:

(b) In relation to a person employed in the education service as defined in the Superannuation Act 1956, the Director of Education:

(c) In respect of a person employed in any other branch of the New Zealand Government Service, the Permanent Head of the Department concerned:

“New Zealand Government Service” or “New Zealand Service” means the service of Her Majesty in respect of the Government of New Zealand, not being honorary service; and includes the Cook Islands Public Service and service which is education service within the meaning of the Superannuation Act 1956:

“Western Samoan Public Service” or “Samoan Service” means service in any capacity of the Government of Western Samoa; and includes service in respect of the Western Samoa Trust Estates Corporation; but does not include—

(a) Service remunerated by way of fees or commission only; or

(b) Honorary service; or

(c) Service in any of the capacities specified in paragraphs (a) to (e) of Article 83 of the Constitution of the Independent State of Western Samoa; or

(d) Service as a member of the Public Service Commission of Western Samoa.

(2) Where any person permanently employed in the New Zealand Government Service is appointed to a position in the Western Samoan Public Service (whether before or after the date on which Western Samoa becomes an independent State)—

(a) He may hold his position in the New Zealand Service concurrently with his position in the Samoan Service; and

(b) His status, rights, and liabilities in the New Zealand Service shall be unaffected by the fact that he holds a position in the Samoan Service; and

(c) He shall in respect of his position in the New Zealand Service be subject to the laws governing the New Zealand Service notwithstanding his tenure of a position in the Samoan Service; and

(d) He shall, in respect of the New Zealand Service, be qualified for promotion, increase of salary, and appointment to any other position as if he held no position in the Samoan Service.

(3) So long as any person so holds positions concurrently in both services, he shall be deemed to be absent on leave without pay from the New Zealand Government Service unless the New Zealand controlling authority otherwise directs.

(4) When any person permanently employed in the New Zealand Government Service is appointed to a position in the Western Samoan Public Service (whether before or after the date on which Western Samoa becomes an independent State), and then or thereafter ceases to hold a position in the New Zealand Service, he shall not be deemed for that reason to have retired from the New Zealand Service, but shall become a supernumerary employee of that service, and, unless he sooner resigns from the New Zealand Service, shall so remain until he ceases to be employed in the Samoan Service and for such further period, not exceeding six months, as the New Zealand controlling authority may from time to time in any case allow. A supernumerary employee shall receive no pay in respect of the New Zealand Service, but shall for all other purposes be deemed to remain an employee of that service.

(5) While any person so holds positions concurrently in both services, or is a supernumerary employee of the New Zealand Government Service in accordance with the provisions of subsection (4) of this section, and is a contributor to the Government Superannuation Fund, the salary together with increments, if any, that in the opinion of the New Zealand controlling authority he would have been entitled to receive in respect of his employment in the New Zealand Service had he not been appointed to the Samoan Service shall be deemed to be his salary for the purposes of the Superannuation Act 1956:

Provided that, when any such person has held a position in the Samoan Service for a continuous period of six years, he may, at any time after the expiration of that period while he still holds a position in the Samoan Service, or within one year after returning to employment in the New Zealand Service, elect to contribute on the salary received by him in respect of his employment in the Samoan Service (exclusive of any special allowance received by him in respect of his residence in Western Samoa) with effect from the date of his appointment to the Samoan Service, and upon any such election there shall be payable by him to the Fund, within such time and in such manner as the Government Superannuation Board may allow

in that behalf, such sum as the Board may fix in respect of the excess of his salary during that period as an employee of the Samoan Service over the amount deemed to be his salary during that period under the foregoing provisions of this subsection.

5 (6) Notwithstanding anything in section 36 of the Public Service Act 1912, any person who is employed in the Western Samoan Public Service shall be eligible for appointment to any position in the New Zealand Government Service in all respects as if he were permanently employed therein, and may hold any such position to which he is appointed concurrently with any position retained by him in the Samoan Service; but, until he is appointed to a position in the New Zealand Service, no such person shall have any right of appeal against any determination in relation to any employment, promotion, or transfer in the New Zealand Service. For the purposes of this subsection the seniority of any such person shall be determined with reference to his grading (if any) in the New Zealand Service.

10 (7) While any person holds positions concurrently in both services under subsection (6) of this section, and is a contributor to the Government Superannuation Fund, the salary together with increments, if any, that in the opinion of the Public Service Commission of Western Samoa he would have been entitled to receive in respect of his employment in the Samoan Service had he not been appointed to a position in the New Zealand Service shall be deemed to be his salary for the purposes of the Superannuation Act 1956.

15 (8) This section shall come into force on the first day of January, nineteen hundred and sixty-two.

20 **10. Empowering certain local authorities to expend money in connection with Nelson centennial celebrations**—It shall be lawful and be deemed always to have been lawful for any local authority or public body whose district lies wholly or partly within the boundaries of the Provincial District of Nelson to expend money out of its general funds towards celebrating and commemorating the hundredth anniversary of the constitution of the Province of Nelson, and in connection with the establishment of a centennial memorial or centennial memorials, and to make grants to the body known as the Nelson Provincial Centennial Association for any such purpose.

11. Colonial Light Dues Act 1935 repealed—(1) The Colonial Light Dues Act 1935 is hereby repealed.

(2) Section 381 of the Shipping and Seamen Act 1952 is hereby consequentially repealed.

12. Validating certain payments by the Nelson Lakes National Park Board—Notwithstanding anything to the contrary in the National Parks Act 1952 or in any other Act or rule of law, the payment by the Nelson Lakes National Park Board to George Richmond Lyon of one thousand and five pounds one shilling and threepence on account of his services as park ranger for the period which commenced on the first day of May, nineteen hundred and fifty-nine, and ended on the fifth day of July, nineteen hundred and sixty, during which period he was a member of the Board, is hereby validated and declared to have been lawfully made.

*New*

13. Saving of member of Parliament from disqualification—The provisions of the Electoral Act 1956 as to the disqualification of members of Parliament or of candidates for election as members of Parliament shall not apply and shall be deemed not to have applied with respect to any payment that has been received out of public money by William Henry Brown, Esquire, Member of Parliament, during the financial year ended the thirty-first day of March, nineteen hundred and sixty-one, by way of honorarium as Chairman of the Wanganui Education Board or as Chairman of the Palmerston North Hospital Board or by way of remuneration as a member of the National Roads Board or of the Review Committee established under the Education Boards' Employment Regulations 1958.