

[AS REPORTED FROM THE COMMITTEE OF THE WHOLE]

House of Representatives, 24 November 1977

Words struck out are shown with black rule at beginning and after last line; words inserted are shown with double rule before first line and after last line.

*Right Hon. Mr Muldoon*

## FINANCE

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### A BILL INTITULED

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

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**—This Act may be cited as the Finance Act 1977.

## PART I

**2. Free travel for disabled servicemen**—(1) In this section, unless the context otherwise requires,— 5

“The Crown” means either His late Majesty King George V or His late Majesty King George VI, as the case may be:

“Disabled serviceman” means a person who, during the First World War or the Second World War, was disabled while serving— 10

(a) Outside New Zealand as a member of any of the Crown’s naval, military, or air forces, or of the allies of the Crown in that war; or

(b) Outside New Zealand with any of the forces specified in paragraph (a) of this definition as a war correspondent or as a member of any voluntary aid or other voluntary organisation; or 15

(c) In New Zealand as a member of the training staff of any of the Crown’s forces; or 20

(d) In New Zealand as a member of any of the Crown’s permanent forces, or as a member of any of the Crown’s forces mobilised for continuous service within New Zealand or elsewhere; or

(e) In any British or Commonwealth ship or any ship of the mercantile marine of any ally of the Crown if the disablement arose out of enemy action, or in any other British or Commonwealth ship that was not a home trade ship within the meaning of the Shipping and Seamen Act 1952. 30

(2) It shall be lawful for any local authority, public body, or other body, that controls any public passenger transport service to permit disabled servicemen to travel without charge on that service.

(3) Any other local authority may contribute money out of its general funds towards the cost of travel by disabled servicemen on any such service. 35

(4) The following enactments are hereby consequentially repealed:

(a) Section 63 of the Finance Act 1924: 40

(b) Section 24 of the Finance Act (No. 2) 1947.

**3. Nauru and Ocean Island phosphate trade**—(1) All money received by the Crown from the British Phosphate Commissioners from sales or the management of any phosphate deposit in Nauru or Ocean Island shall continue to be  
5 paid into the Consolidated Revenue Account.

(2) There shall be paid out of the Consolidated Revenue Account, out of money appropriated by Parliament for the purpose, those costs of the administration of any such phosphate deposit for which the Crown is responsible, including  
10 the salaries of persons engaged in its management, and contingent expenses relating thereto.

(3) The following enactments are hereby consequentially repealed:

- 15 (a) Section 15 of the Finance Act 1920:  
(b) Section 13 of the Finance Act 1932.

**4. War memorials**—(1) Unless expressly prohibited by any enactment or, in the case of a trustee or board of trustees, by an instrument of trust, any local authority within the mean-  
20 ing of the Local Authorities Loans Act 1956 or any other person may contribute towards, or expend money in or towards, the maintenance of any permanent memorial in respect of the First World War or the Second World War.

(2) The following enactments are hereby consequentially repealed:

- 25 (a) Section 15 of the Finance Act 1919:  
(b) Section 34 of the Finance Act 1920:  
(c) Section 25 of the Finance Act (No. 2) 1947:  
(d) Section 320 of the Counties Act 1956.

*Struck Out*

30 **5. Saving of effect of section 17 of Statutes Amendment Act 1937**—Notwithstanding the repeal of the Statutes Amendment Act 1937, section 17 of that Act shall continue to have effect in respect of causes of action arising before the 1st day of April 1974.

35 **6. Saving of provisions inserted in this Act**—Where any enactment that inserted provisions into this Act is repealed after the commencement of this Act, those provisions shall continue in force until expressly repealed.

40 **7. Superannuation contributions by certain contributors to Government Superannuation Fund**—(1) In subsection (2) of

this section “the wage freeze” means the period that commenced on the 9th day of July 1976 and ended with the 14th day of May 1977.

(2) The Governor-General may from time to time, by Order in Council, declare that any person who, during the wage freeze, belonged to a specified class of contributor to the Government Superannuation Fund may, before a specified date, elect to contribute to that fund, as from a specified date during the wage freeze, as if specified increases in salary not then being paid to him were then being paid to him; and any such person may so elect accordingly. 5 10

#### *Gaming Duties*

**8. Sections to be read together with Gaming Duties Act 1971**—(1) This section and the next 2 succeeding sections shall be read together with and deemed part of the Gaming Duties Act 1971\* (in those sections referred to as the principal Act). 15

(2) This section and the next 2 succeeding sections shall come into force on the 1st day of August 1978.

**9. Interpretation**—Section 3 of the principal Act is hereby amended— 20

(a) By adding to the definition of the term “race”, the words “or a greyhound race”:

(b) By omitting from the definition of the term “race meeting” the words “and a hunt club meeting”, and substituting the words “, a hunt club meeting, and a greyhound racing club meeting”: 25

(c) By repealing the definition of the term “racing club”, and substituting the following definition:

“‘Racing club’ means a totalisator club and a restricted totalisator club.”: 30

(d) By inserting, after the definition of the term “racing club”, the following definition:

“‘Restricted totalisator club’ has the same meaning as in section 33 (3) of the Racing Act 1971.”: 35

(e) By inserting, after the definition of the term “special investments”, the following definition:

“‘Totalisator club’ has the same meaning as in section 33 (3) of the Racing Act 1971.”. 40

\*1971, No. 34

Amendment: 1976, No. 16

**10. Totalisator duty**—(1) Section 4 of the principal Act is hereby amended by repealing subsection (1) (as substituted by section 4 (1) of the Gaming Duties Amendment Act 1976), and substituting the following subsection:

5 “(1) There shall be paid to the Crown a duty (in this Act referred to as totalisator duty)—

“(a) In respect of each race at every race meeting conducted by a totalisator club—

10 “(i) At the rate of 8.5 percent of that part of the gross investments attributable to bets made at the racecourse:

“(ii) At the rate of 9 percent of the remainder of the gross investments:

15 “(b) In respect of each race at every race meeting conducted by a restricted totalisator club, at the rate of 5 percent of the gross investments:

“(c) At the rate of 9 percent of all special investments.”

20 (2) Section 4 (2) of the principal Act is hereby amended by omitting the words “racing club” in both places where they occur, and substituting in each case the words “totalisator club”.

(3) Section 4 of the Gaming Duties Amendment Act 1976 is hereby consequentially repealed.

## PART II

### 25 AUTHORISATIONS, VALIDATIONS, AND REPEALS

**11. Abolition of Linen Flax Corporation**—(1) In this section, unless the context otherwise requires,—

“The Act” means the Linen Flax Corporation Act 1945:

30 “Corporation” means the Linen Flax Corporation of New Zealand established by section 3 (1) of the Act.

(2) The Act is hereby repealed; and the Corporation is hereby abolished.

35 (3) All property, both real and personal, held by the Corporation immediately before the commencement of this section is hereby vested in Her Majesty the Queen, subject in every case to all liabilities, charges, obligations, trusts, covenants, and conditions, affecting that property; and such part of that property as consists of money shall be transferred  
40 to and form part of the Public Account.

(4) The District Land Registrar of the Canterbury Land Registration District shall, without payment of any fee, register Her Majesty the Queen as proprietor of all that parcel of land containing 61 acres 2 roods 22.5 perches, situated in Blocks VI and X, Geraldine Survey District, being Rural Sections 11564 and 12445 and parts Rural Sections 14442 and 18169, and being the residue of the land comprised and described in certificate of title, Volume 552, folio 93 (Canterbury Registry) subject to Mortgage No. 929668, and otherwise do all such things and make all such entries in his registers as may be necessary to give full effect to the vesting effected by subsection (3) of this section. 5 10

(5) Every right, contract, obligation, and liability of or in respect of the Corporation is hereby declared to be a right, contract, obligation, or liability, as the case may be, of or in respect of Her Majesty the Queen. 15

(6) The Minister of Trade and Industry, on behalf of Her Majesty the Queen, may, upon and subject to such terms and conditions as he thinks fit, sell all or any part of the property vested in Her Majesty by subsection (3) of this section; and the proceeds from every such sale shall be paid into and form part of the Public Account. 20

## **12. Authorising payment by Natural Gas Corporation—**

(1) The Natural Gas Corporation of New Zealand (in this section referred to as the Corporation) is hereby authorised to pay to Shell BP and Todd Oil Services Limited (in this section referred to as the Company) the sum of \$100,035.61, being the difference between the price of the gas delivered by the Company to the Corporation between the 1st day of June 1975 and the 10th day of October 1975 calculated at the price agreed between the Corporation and the Company, and the price that was paid for that gas as a result of the restrictions imposed by the Stabilisation of Prices Regulations 1974. 25 30

(2) All money received by the Company under subsection (1) of this section shall be deemed to be assessable income within the meaning of the Income Tax Act 1976, derived by the Company during the year that commenced on the 1st day of April 1977. 35

13. **Validating purchase of properties by Pest Destruction Boards for occupation by Agricultural Pests Destruction Council employees**—(1) Notwithstanding that the land described in subsection (2) of this section was purchased so  
5 that houses on it could be occupied by employees of the Agricultural Pests Destruction Council, the actions of the Ashley Pest Destruction Board in purchasing the land first described in that subsection on the 31st day of October 1975,  
10 and the actions of the Manawatu Pest Destruction Board in purchasing the land secondly described in that subsection on the 30th day of March 1976, are hereby validated and declared to have been lawful.

(2) The said land comprises first all that parcel of land containing 25.7 perches, more or less, situated in the Borough of  
15 Rangiora, being Lot 1, D.P. 24171, part Rural Section 1062, and being all the land comprised and described in certificate of title No. 6B/271 (Canterbury Registry) and secondly all that parcel of land containing 24.6 perches, more or less,  
20 situated in the City of Wellington, being part Section 1, Horokiwi Road District and being also Lot 102, D.P. 26237, and being all the land comprised and described in certificate of title No. F2/372 (Wellington Registry).

14. **Validating transfer of money to Disaster Account**—Notwithstanding regulation 14 of the Earthquake and War  
25 Damage Regulations 1956\*, the transfer on the 31st day of March 1977 of \$5,000,000 out of the money in the Earthquake and War Damage Fund not held in the Disaster Account into the Disaster Account is hereby validated and declared to have been lawful.

\*S.R. 1956/61

30 15. **Validating payments made prior to commencement of Tertiary Bursary Regulations 1976**—Notwithstanding that the Tertiary Bursary Regulations 1976\* did not come into force until the 18th day of October 1976, all actions taken  
35 by every person between the 1st day of January 1976 and that date as if those regulations were then in force are hereby validated and declared to have been lawful.

\*S.R. 1976/276

16. Validating payments made prior to commencement of Secondary Schools Bursaries Regulations 1977—Notwithstanding the provisions of the Secondary Schools Bursaries Regulations 1943\*, the payment to holders of bursaries under those regulations before the commencement of the Secondary Schools Bursaries Regulations 1977† of bursaries at the rate of \$400 per year is hereby validated and declared to have been lawful. 5

\*S.R. 1943/203

†S.R. 1977/201

17. Validating payments made prior to commencement of Cattle Brucellosis and Tuberculosis Control Regulations 1971, Amendment No. 4—Notwithstanding that the Cattle Brucellosis and Tuberculosis Control Regulations 1971, Amendment No. 4\* did not come into force until the 1st day of April 1977, all actions taken by every person between the 1st day of September 1976 and that date as if those regulations were then in force are hereby validated and declared to have been lawful. 10  
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\*S.R. 1977/57

18. Validating unauthorised expenditure by Board of Trustees of Maori Education Foundation—Notwithstanding that section 24 (1) (q) of the Maori Education Foundation Act 1961 limits unauthorised expenditure to \$200 in any one financial year, the expenditure by the Board of Trustees of the Maori Education Foundation for purposes not specifically authorised by that Act of \$555 during the year that ended with the 31st day of December 1976 is hereby validated and declared to have been lawful. 20  
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19. University Grants Committee: Authorising increased unauthorised expenditure—Notwithstanding section 21 of the Universities Act 1961, the University Grants Committee may, during the year ending with the 31st day of December 1977, expend for purposes not otherwise authorised by any law for the time being in force, any sum or sums not amounting in total to more than \$2,200. 30



**20. Transfer of money from Consolidated Revenue Account to Motor Vehicle Third Party Indemnity Fund**—(1) The Minister of Finance may, out of money appropriated by Parliament for the purpose, pay from the Consolidated Revenue  
5 Account into the Motor Vehicle Third Party Indemnity Fund established under the Transport Act 1962 any amount or amounts not exceeding \$4,000,000 in total.

(2) This section shall be deemed to have come into force on the 15th day of June 1977.

10 *Struck Out*

**21. Repeals**—The enactments specified in the Schedule to this Act are hereby repealed.

*New*

**21. Repeals and saving**—(1) The enactments specified in the Schedule to this Act are hereby repealed.  
15 (2) Notwithstanding the repeal of the Statutes Amendment Act 1937 by subsection (1) of this Act, section 17 of that Act shall continue to have effect in respect of causes of action arising before the 1st day of April 1974.

Section 21

## SCHEDULE

## ENACTMENTS REPEALED

- 1915, No. 69—The Cost of Living Act 1915 (Reprinted 1957, Vol. 2, p. 901.)
- 1916, No. 7—The Finance Act 1916. (Reprinted 1957, Vol. 5, p. 37.)
- 1918, No. 2—The Finance Act 1918. (Reprinted 1957, Vol. 5, p. 40.)
- 1918, No. 4—The Finance Act 1918 (No. 2) (Reprinted 1957, Vol. 5, p. 42.)
- 1921, No. 5—The Finance Act 1921. (Reprinted 1957, Vol. 5, p. 49.)
- 1923, No. 27—The Finance Act 1923. (Reprinted 1957, Vol. 5, p. 55.)
- 1925, No. 51—The Finance Act 1925. (Reprinted 1957, Vol. 5, p. 60.)
- 1928, No. 53—The Finance Act 1928. (Reprinted 1957, Vol. 5, p. 68.)
- 1928, No. 1 (1st Sess., 23rd Parliament)—The Finance Act 1928. (First Session, Twenty-third Parliament.) (Reprinted 1957, Vol. 5, p. 70.)
- 1931, No. 1—The Finance Act 1931. (Reprinted 1957, Vol. 5, p. 78.)
- 1934, No. 12—The Finance Act (No. 2) 1934 (Reprinted 1957, Vol. 5, p. 100.)
- 1934, No. 31—The Finance Act (No. 3) 1934 (Reprinted 1957, Vol. 5, p. 100.)
- 1935, No. 5—The Finance Act 1935 (Reprinted 1957, Vol. 5, p. 103.)
- 1937, No. 38—The Statutes Amendment Act 1937 (Reprinted 1976, Vol. 5, p. 4471.)
- 1939, No. 3—The Finance Act 1939 (Reprinted 1957, Vol. 5, p. 113.)
- 1942, No. 2—The Finance Act 1942 (Reprinted 1957, Vol. 5, p. 126.)
- 1944, No. 3—The Finance Act 1944 (Reprinted 1957, Vol. 5, p. 130.)
- 1955, No. 3—The National Roads Amendment Act 1955 (Reprinted 1957, Vol. 10, p. 873.)
- 1969, No. 35—**The By-Elections Postponement Act 1969.**
- 1974, No. 132—The Finance Act 1974.
- 1976, No. 159—The Finance Act (No. 2) 1976.