

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,
8th December, 1932.*

Hon. Mr. Downie Stewart.

FINANCE (No. 2).

ANALYSIS.

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| <p>Title.</p> <p>1. Short Title.</p> <p style="text-align: center;">PART I.</p> <p style="text-align: center;">PUBLIC REVENUES AND ACCOUNTS.</p> <p>2. Section 298 of Land Act, 1924, amended.</p> <p>3. Section 4 of Finance Act, 1931 (No. 4), amended.</p> <p>4. Further provisions with respect to Samoan Loan Sinking Fund.</p> <p>5. Liability of special funds or accounts to Consolidated Fund in respect of interest. Repeal.</p> <p>6. Adjustments of departmental accounts consequent on alienation, &c., of land vested in His Majesty.</p> <p>7. Section 17 of Coal-mines Act, 1925, extended to authorize relief from payment of royalties.</p> <p>8. Section 53 of Finance Act, 1932, amended.</p> <p>9. Section 40 of Finance Act, 1932, extended.</p> <p>10. Authorizing Government Insurance Commissioner to invest certain moneys outside New Zealand.</p> <p>11. Exemption from payment of stamp duty by certain education authorities. Commencement.</p> <p>12. Validating certain refunds and adjustments of stamp duty in respect of securities held and issued by Auckland City Council as agent for certain other local authorities.</p> <p>13. As to income from shares in foreign companies carrying on business in New Zealand.</p> | <p>14. Restoration of charges on certain lands. Repeal.</p> <p>15. Section 22 of Massey Agricultural College Act, 1926, amended. Commencement.</p> <p style="text-align: center;">PART II.</p> <p style="text-align: center;">SUPERANNUATION FUNDS.</p> <p>16. Making provision for increased subsidy to Public Service Superannuation Fund.</p> <p>17. Boards controlling Government Superannuation Funds may expend moneys to protect securities.</p> <p>18. Contributions to Fund may be applied in restitution of public moneys misappropriated by contributor.</p> <p style="text-align: center;">PART III.</p> <p style="text-align: center;">UNEMPLOYMENT RELIEF.</p> <p>19. Section 28 of Finance Act, 1931 (No. 4), amended.</p> <p>20. Section 27 of Finance Act, 1931 (No. 4), amended.</p> <p>21. Authorizing Aka Aka Drainage Board to pay to Unemployment Fund by annual instalments the cost of certain drainage works.</p> <p>22. Excluding Chatham Islands from operation of Unemployment Act.</p> |
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A BILL INTITULED

Title.

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

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

Short Title.

1. This Act may be cited as the Finance Act, 1932 (No. 2).

PART I.

PUBLIC REVENUES AND ACCOUNTS.

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Section 298 of Land Act, 1924, amended.

2. Section two hundred and ninety-eight of the Land Act, 1924, is hereby amended by omitting all words after the words "this Act", and substituting the words "be applied as a credit in aid to Vote—Pensions".

Section 4 of Finance Act, 1931 (No. 4), amended.

3. Section four of the Finance Act, 1931 (No. 4), is hereby amended by omitting from subsection one all words after the words "as he thinks fit", and substituting the words "after taking into consideration all commitments and expenditure chargeable against such first-mentioned account".

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4. (1) Any moneys for the time being in the Samoan Loan Sinking Fund Account established pursuant to section thirty-three of the Samoa Act, 1921, may, without further authority than this section, be utilized for the redemption at or before maturity of any securities for the redemption of which that sinking fund was established.

Further provisions with respect to Samoan Loan Sinking Fund.

(2) The amount to be set aside in each financial year for the purposes of the said sinking fund shall be—

10 (a) An amount equal to one and thirteen-twentieths per centum of the sum of one hundred and sixty-five thousand two hundred pounds increased by the amount of any further advances hereafter made pursuant to the said section

15 thirty-three, but decreased by the amount of any securities which may hereafter be redeemed otherwise than pursuant to the *last preceding* subsection; and

20 (b) An amount equal to four and one-half per centum of the total amount applied, as at the end of the immediately preceding financial year, pursuant to the *last preceding* subsection to the redemption of securities together with an amount computed at the rate of four and

25 one-half per centum per annum on the amount applied to any such redemption during the then current financial year for the period elapsing between the date of such redemption and the end of that year.

30 5. (1) The interest payable from the Consolidated Fund in respect of the capital liability of any special fund or account in the Public Account or in respect of so much thereof as is represented by loan-moneys, shall constitute a liability of such fund or account to the

Liability of special funds or accounts to Consolidated Fund in respect of interest.

35 Consolidated Fund.

(2) There may, without further authority than this section, be transferred to the Consolidated Fund from moneys at any time standing to the credit of such special fund or account such sum or sums as may be necessary to

40 satisfy such liability in respect of interest.

(3) This section is in substitution for section one hundred and thirty-nine of the Public Revenues Act, 1926, and that section is accordingly hereby repealed.

Repeal.

Adjustments of departmental accounts consequent on alienation, &c., of land vested in His Majesty.

6. Where pursuant to the powers conferred by any Act any alienation, reservation, dedication, resumption, taking, exchange, or other dealing with any land vested in His Majesty is or has been carried into effect, the Minister of Finance may, without further authority or appropriation than this section, make such transfers between accounts or funds within the Public Account as he may consider necessary to enable the true financial position of the accounts or funds to be disclosed. 5

Section 17 of Coal-mines Act, 1925, extended to authorize relief from payment of royalties.

7. Section seventeen of the Coal-mines Act, 1925, is hereby extended so as to authorize the Minister of Mines, on the recommendation of the Warden or Commissioner of Crown Lands, as the case may be, to grant relief in respect of the royalties payable under any coal-mining lease as if such royalties were rent, and is hereby further extended to apply in respect of way-leaves and other easements granted under section thirty of the said Act and the payments to be made thereunder as if such easements were coal-mining leases and as if the royalties or other payments reserved thereby were rent. 10 15 20

Section 53 of Finance Act, 1932, amended.

8. Section fifty-three of the Finance Act, 1932, is hereby amended by adding to subsection two thereof the following words:—

“The sum so deducted shall be credited as income-tax paid for such year, and the amount representing interest or discount shall be charged to the Consolidated Fund, without further appropriation than this section, as interest paid to the taxpayer.” 25

Section 40 of Finance Act, 1932, extended.

9. Section forty of the Finance Act, 1932, is hereby extended to apply in respect of the financial year ending on the thirty-first day of March, nineteen hundred and thirty-four, in the same manner and to the same extent as it applies in respect of the current financial year. 30

Authorizing Government Insurance Commissioner to invest certain moneys outside New Zealand.

10. (1) The Government Insurance Commissioner may invest any of the moneys held in any account kept in any bank beyond New Zealand pursuant to the authority contained in subsection three of section twenty-six of the Government Life Insurance Act, 1908 (as set out in section twelve of the Finance Act, 1931 (No. 4)), on fixed deposit with any bank in England or elsewhere approved by the Minister of Finance, or in any other form of security wherein for the time being moneys in the Government Insurance Account or balances of the Public Account may lawfully be invested. 35 40

(2) The said subsection three is hereby amended as from the nineteenth day of June, nineteen hundred and thirty-one, by omitting the words "and such account shall be operated on only by cheque of the Commissioner", and substituting the words "Any such account kept at a bank in London shall be operated on only by cheque signed by the High Commissioner or by some person authorized in writing by him and countersigned by the Audit Officer, and every such account kept at a bank elsewhere than in London shall be operated on only by cheque of the Commissioner".

11. (1) Cheques drawn by or on behalf of an Education Board, a School Committee, a Technical School Board, or the governing body of a secondary school or a combined school, are hereby exempted from the duty imposed on cheques by section one hundred and thirty-four of the Stamp Duties Act, 1923.

Exemption from payment of stamp duty by certain education authorities.

(2) Receipts given by or on behalf of a Technical School Board or the governing body of a secondary school or combined school are hereby exempted from the duty imposed on receipts by section one hundred and seventy-seven of the Stamp Duties Act, 1923.

(3) This section shall be deemed to have been in force from the commencement of the Stamp Duties Act, 1923.

Commencement.

12. (1) All refunds heretofore made by the Minister of Finance to the Auckland City Council of amounts paid by that Council by way of stamp duty under Part IV of the National Expenditure Adjustment Act, 1932, in respect of interest received by that Council that became due on or before the nineteenth day of September, nineteen hundred and thirty-two, on securities held by it and issued by the Auckland Transport Board, the One Tree Hill Borough Council, the Auckland and Suburban Drainage Board, or the Auckland Electric-power Board, where the said Minister was satisfied that the moneys secured by such securities were represented by moneys owing by the Auckland City Council upon securities issued by it, are hereby validated and declared to have been lawfully made.

Validating certain refunds and adjustments of stamp duty in respect of securities held and issued by Auckland City Council as agent for certain other local authorities.

(2) The Auckland City Council shall be liable, and be deemed always to have been liable, to pay to the local authority that issued any of such first-mentioned securities all moneys received by the Auckland City Council under section forty-seven of the said Act on account of the net duty received in respect of interest

paid by that Council that became due on or before the said nineteenth day of September, nineteen hundred and thirty-two, on the securities issued by it that secured moneys representing the moneys secured by such first-mentioned securities issued by such local authority. 5

As to income from shares in foreign companies carrying on business in New Zealand.

13. For the purposes of section six of the Land and Income Tax Amendment Act, 1931, the expression "non-assessable income" shall include, and be deemed at all times since the passing of that Act to have included, dividends or other profits derived from shares or other rights of membership in foreign companies carrying on business in New Zealand, and exempted from taxation by the Commissioner of Taxes acting under the authority of section eighty-nine of the Land and Income Tax Act, 1923. 10 15

Restoration of charges on certain lands.

14. (1) The repeal of section forty-seven of the Land for Settlements Act, 1925, by section seventeen of the Land Laws Amendment Act, 1927, shall not affect, or be deemed at any time heretofore to have affected, any charge imposed by virtue of the said section forty-seven or the corresponding provisions of any former Act on any lands administered by a Land Board pursuant to any Act otherwise than for the benefit of the Crown. For the purposes of this section, and of the said lands, so much of the said section forty-seven as relates to charges shall be deemed to be in force, and shall continue in force until the charge or charges in respect of the said lands have been satisfied. 20 25

Repeal.

(2) Section forty-five of the Land Laws Amendment Act, 1929, is hereby consequentially repealed. 30

Section 22 of Massey Agricultural College Act, 1926, amended.

15. (1) Subsection two of section twenty-two of the Massey Agricultural College Act, 1926, is hereby amended by omitting the words "without further appropriation than this Act, be payable out of the Consolidated Fund", and substituting the words "be payable out of moneys appropriated by Parliament for the purpose". 35

Commencement

(2) This section shall come into force on the first day of April, nineteen hundred and thirty-three.

PART II.

SUPERANNUATION FUNDS.

16. For the year ending the thirty-first day of March, nineteen hundred and thirty-three, all sums which if this section had not been passed would have been payable into the Consolidated Fund, pursuant to section twenty of the Finance Act, 1927 (No. 2), shall, without further authority than this section, be paid into the Public Service Superannuation Fund.
17. (1) Every Government Superannuation Fund Board is hereby authorized to expend out of any moneys belonging to it such sums as it may from time to time consider necessary for the protection of the securities in which its funds are invested, and to that end may expend moneys for the purposes of the stocking and cultivating of mortgaged lands, the employment of labour thereon, the making of advances to mortgagors, and the carrying-on of farming businesses, and for such other purposes as the said Board may consider necessary in order to prevent or minimize any loss on the realization of any such securities.
- (2) For the purposes of this section the expression "Government Superannuation Fund Board" means the Public Service Superannuation Board, the National Provident Fund Board, the Teachers' Superannuation Board, and the Government Railways Superannuation Fund Board.
18. If any contributor to the Public Service Superannuation Fund, or the Teachers' Superannuation Fund, or the Government Railways Superannuation Fund, has heretofore been or is hereafter convicted in New Zealand or elsewhere on a charge of theft or misappropriation of any public moneys or public stores, the Minister of Finance may by writing under his hand direct that any moneys standing to the credit of the contributor in the Fund shall from time to time be applied in whole or in part towards the maintenance of the wife and children of the contributor, or towards the maintenance of any other person for whose benefit a

Making provision for increased subsidy to Public Service Superannuation Fund.

Boards controlling Government Superannuation Funds may expend moneys to protect securities.

Contributions to Fund may be applied in restitution of public moneys misappropriated by contributor.

maintenance order under the Destitute Persons Act, 1910, could be made against the contributor. If the Minister is satisfied that any such moneys are not required for any of the aforesaid purposes he may direct that they be applied in whole or in part in restitution of the amount or value of the moneys or stores misappropriated or stolen. Every direction under this section shall be given effect to, anything to the contrary in section forty-five or section one hundred and nine of the Public Service Superannuation Act, 1927, or section one hundred and twenty-two of the Government Railways Act, 1926, notwithstanding.

PART III.

UNEMPLOYMENT RELIEF.

Section 28 of
Finance Act,
1931 (No. 4),
amended.

19. Section twenty-eight of the Finance Act, 1931 (No. 4), is hereby amended as from the passing of that Act by adding thereto the following subsections:—

“(4) In respect of any works undertaken pursuant to this section the Unemployment Board may agree with a local authority for the repayment in whole or in part of the cost of such works, either in one sum or by instalments over such period as may be agreed upon.

“(5) Notwithstanding anything to the contrary in any Act or rule of law, it shall be lawful for a local authority to enter into an agreement for the payment over a period of years of the cost of any works undertaken pursuant to this section.

“(6) If default is made by a local authority in the full and punctual payment of any amount due and owing by it pursuant to an agreement entered into under this section, the amount so in default, together with an additional charge at the rate of five per centum per annum, shall be recoverable as a debt due to the Crown.

“(7) In addition to such remedy the Minister of Finance, for the purpose of recovering any amount due and payable under the foregoing provisions of this section, may appoint a Receiver with power to make and levy an annually recurring rate on the lands affected or on all

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rateable property in the district of the local authority concerned, and for that purpose the Receiver shall have all the powers of a Receiver appointed under section forty-eight of the Local Bodies' Loans Act, 1926, and the provisions of sections forty-eight to fifty-six of that Act shall apply accordingly."

20. Section twenty-seven of the Finance Act, 1931 (No. 4), is hereby amended by adding thereto the following subsections:—

Section 27 of Finance Act, 1931 (No. 4), amended.

10 "(4) Any local authority undertaking relief works pursuant to the last preceding section may agree with the Unemployment Board to refund to the Unemployment Fund the whole or any part of the expenditure met from that Fund, and the foregoing provisions of this section shall apply to enable a local authority to recover expenditure incurred out of the Unemployment Fund in the same manner as expenditure incurred out of the funds of the local authority.

20 "(5) The provisions of subsections four, five, six, and seven of section twenty-eight hereof shall apply to moneys recoverable pursuant to subsection four hereof."

21. Whereas the Aka Aka Drainage Board has arranged with the Unemployment Board for the carrying-out of certain drainage works, and has agreed to pay to the Unemployment Fund as part of the cost of such works the sum of one thousand pounds in ten annual instalments of one hundred pounds each: Be it therefore enacted as follows:

Authorizing Aka Aka Drainage Board to pay to Unemployment Fund by annual instalments the cost of certain drainage works.

30 (1) Notwithstanding anything to the contrary in any Act or rule of law, it shall be lawful for the Aka Aka Drainage Board to pay to the Unemployment Fund the sum of one thousand pounds in annual instalments of not less than one hundred pounds each, the first such instalment to be paid on completion of the works agreed upon by the Unemployment Board and the said Drainage Board.

(2) A certificate under the hand of the Minister of Public Works shall be conclusive evidence of the completion of the said works.

40 (3) If default is made by the Drainage Board in the full and punctual payment of any amount due and owing by it as aforesaid, the amount so in default, together with an additional charge at the rate of five per centum per annum on the said amount, shall be recoverable as a debt due to the Crown.

(4) In addition to such remedy the Minister of Finance, for the purpose of recovering any amount due and payable under the foregoing provisions of this section, may appoint a Receiver with power to make and levy an annually recurring rate on all rateable property in the Aka Aka Drainage District. For the purposes of this section the Receiver shall have all the powers of a Receiver appointed under the Local Bodies' Loans Act, 1926, and the provisions of sections forty-eight to fifty-six of that Act shall apply accordingly.

Excluding Chatham Islands from operation of Unemployment Act.

Authorizing payments to certain members of Parliament in respect of certain services.

Validating certain payments to persons investigating female unemployment.

22. Persons ordinarily resident in the Chatham Islands are hereby excluded, and shall be deemed at all times heretofore to have been excluded, from the operation of the Unemployment Act, 1930.

23. The provisions of the Electoral Act, 1927, as to disqualification of members of Parliament, shall not apply to Sydney George Smith, Esquire, and Alfred Edward Ansell, Esquire, in respect of any payments which under the authority of an appropriation by Parliament have been or may hereafter during the current financial year be paid to them in respect of their services while making an investigation into the question of juvenile employment in New Zealand.

24. All payments heretofore made during the current financial year to Mrs. Sadie MacDonald, Mrs. Helen Wilson, and Miss Blanche Carnahan, respectively, in respect of their services in conducting an investigation into the question of female unemployment in New Zealand, are hereby validated.

PART IV.

LOCAL AUTHORITIES AND PUBLIC BODIES.

Provision for incorporation in sinking funds of renewal loans raised by local authorities in United Kingdom of accumulated sinking funds of original loans raised in United Kingdom.

25. (1) Where a local authority raises a special loan in the United Kingdom (hereinafter referred to as the repayment loan) for the purpose of paying off the whole or any part of any special loan heretofore raised which is repayable in the United Kingdom (hereinafter referred to as the matured loan), then, notwithstanding anything to the contrary contained in section forty-three of the Local Bodies' Loans Act, 1926, or the corresponding provisions of any other Act, the Commissioners of the sinking fund established in connection with the matured loan may,

subject to the precedent sanction of the Local Government Loans Board, retain the whole or any part of the accumulated sinking fund held by such Commissioners at the maturity of the matured loan for the purpose of
5 augmenting the sinking fund of the repayment loan or part thereof.

(2) In giving its sanction under the provisions of the *last preceding* subsection, the Local Government Loans Board may prescribe such terms and conditions as it
10 thinks fit, and the terms and conditions so prescribed may form part of the Board's sanction to the repayment loan.

(3) Where the Board's sanction is given as aforesaid, and subject to the terms and conditions thereof, the
15 Sinking Fund Commissioners in respect of the matured loan shall, on the appointment of Sinking Fund Commissioners in respect of the repayment loan, forthwith transfer to them all moneys and securities which are held in respect of the matured loan.

(4) Notwithstanding anything to the contrary in any Act, any reserve fund or other moneys or securities set aside or available for the redemption of debentures or other securities issued by a local authority in respect of
25 the matured loan shall for the purposes of this section be deemed to be an accumulated sinking fund, and the provisions of this section shall apply as if the local authorities or trustees holding such reserve fund or other moneys or securities were Sinking Fund Commissioners.

(5) Where under the powers contained in this section
30 authority is given for the retention of the accumulated sinking fund or reserve fund or other moneys or securities set aside or available for redemption purposes, the local authority may, notwithstanding anything contained in paragraph (b) of section forty-five of the Local Bodies'
35 Loans Act, 1926, or section four of the Local Bodies' Finance Act, 1921-22, or the corresponding provisions of any other Act, borrow such amount as is sanctioned by the Local Government Loans Board for the purpose of meeting the liability under the matured loan:

40 Provided that the amount so sanctioned may include a sum for the purpose of meeting the costs of raising the repayment loan.

(6) For the purposes of this section the term "local authority" includes all local authorities and public bodies

which for the time being are local authorities within the meaning of the Local Government Loans Board Act, 1926, whether by virtue of section two of that Act or of any Order in Council thereunder, or by virtue of the provisions of any other Act. 5

(7) If at any time the total sinking fund held in respect of any repayment loan under the provisions of this section, with probable accumulations of interest, is, in the opinion of the local authority, sufficient to meet the repayment loan at maturity, the local authority may, with the consent in writing of the Audit Office, cease to make any further payments in respect of such sinking fund. 10

Extending authority for remission of additional charge of 10 per cent. on unpaid rates.

26. Section forty-two of the Finance Act, 1931 (No. 2), and section forty-one of the Finance Act, 1932, shall respectively apply, and be deemed as from the passing of those sections to have applied, to rates made and levied for any rating period commencing in either of the financial years mentioned in those sections, notwithstanding that such rating period ends within a later financial year. 15 20

Extending powers of Audit Office with respect to audit of accounts of certain public bodies.

27. (1) The Controller and Auditor-General may give notice in writing to any person having possession or control of the books, accounts, vouchers, receipts, documents, and papers of any of the Trustees or Boards mentioned in paragraphs (a) and (b) of section one hundred and twenty-four of the Public Revenues Act, 1926, to produce to him, or to some Audit Officer nominated by him, at a time and place to be named in such notice, or to forward to him or to such Audit Officer at such time and place as aforesaid, all such books, accounts, vouchers, receipts, documents, and papers as the Controller and Auditor-General may deem necessary for the purpose of the audit of the accounts of any such Trustees or Boards, and if any such person neglects or refuses to comply with the requirements of such notice he shall be deemed to be guilty of an offence under section one hundred and twenty-one of the Public Revenues Act, 1926. 25 30 35

(2) The power given by this section is in addition to any other power given to the Audit Office by the Public Revenues Act, 1926, or any other Act, in connection with the audit of the accounts of local authorities. 40

28. In any case in which, at the request of the Unemployment Board, a County Council has appointed or may hereafter appoint one of its members to supervise the administration of any unemployment-relief scheme, neither the receipt by such member of an allowance for so doing, if such allowance was paid at the request of the Unemployment Board out of funds provided by the Board for that purpose, nor the provision by the County Council of motor fuel for use by such member in his work of supervision, shall be deemed to have rendered him at any time incapable of being a Councillor.

Authorizing certain payments to members of County Councils supervising administration of unemployment-relief schemes.

29. (1) Section eleven of the Local Government Loans Board Act, 1926, is hereby repealed, and the following section substituted therefor:—

Repeal.

“11. (1) The Governor-General in Council, in giving his consent to the raising of moneys by the local authority, may, notwithstanding anything contained in any authority given by ratepayers or in any special order or resolution of the local authority, determine—

Governor-General's consent to raising of loan.

“(a) The time at which such moneys may be borrowed;

“(b) The term for which they may be borrowed;

“(c) The rate of interest that may be paid in respect thereof;

“(d) The provisions for repayment thereof; and

“(e) Any other matters in connection with the borrowing and repayment of such moneys,—

and may at any time and from time to time in like manner vary or modify in such manner and to such extent as he thinks fit, or cancel or add to any such determination:

“Provided that nothing in any such variation, modification, or cancellation of or addition to any such determination shall in any way affect the security of the lenders of any moneys theretofore borrowed.

“(2) It shall not be lawful for the local authority to borrow such moneys save in accordance with such consent and determinations, or, as the case may be, such determinations as varied or modified or added to as aforesaid.

“(3) The consent of the Governor-General in Council as aforesaid shall for all purposes be conclusive proof of the right of the local authority to borrow in accordance with the determinations set forth therein, or, as the case may be, of such determinations as varied or modified or added to as aforesaid.

“(4) Nothing in any provision of the Local Bodies’ Loans Act, 1926, or any other Act relating to rates of interest at which local authorities within the meaning of this Act may borrow moneys, or to the term for which such moneys may be borrowed, or prescribing the manner and conditions of repayment thereof, and nothing in section one hundred and fourteen or section one hundred and fifteen of the said Local Bodies’ Loans Act, 1926, shall have any application to the borrowing of any moneys where such borrowing is subject to the provisions of this Act.” 5 10

Repeal.

(2) Section sixty-three of the Finance Act, 1932, is hereby repealed:

Provided that any Order in Council issued under that section before the passing of this Act shall enure for all purposes as if it had been issued under section eleven of the Local Government Loans Board Act, 1926, as set out in subsection *one* hereof. 15

Commencement.

(3) This section shall be deemed to have come into force on the tenth day of May, nineteen hundred and thirty-two. 20

PART V.

MISCELLANEOUS.

Section 55 of Finance Act, 1931 (No. 4), amended.

30. Section fifty-five of the Finance Act, 1931 (No. 4), is hereby amended by omitting the words “two years”, and substituting the words “five years”; and by omitting the words “nineteen hundred and thirty-one”, and substituting the words “nineteen hundred and thirty-four”. 25

Section 27 of Building Societies Act, 1908, amended.

31. Section twenty-seven of the Building Societies Act, 1908, is hereby amended by inserting, after the words “upon the security of rates”, the words “or on deposit in the Post Office Savings-bank or in any savings-bank constituted under the Savings-bank Act, 1908, or in any bank lawfully carrying on business in New Zealand”. 30 35

Restricting right of building societies to accept moneys on deposit.

32. (1) This section shall be read together with and deemed part of the Building Societies Act, 1908, hereinafter referred to as the principal Act.

(2) In this section savings-bank deposits means and includes any deposit of money repayable as to the whole or any part thereof at call or at not more than twenty- 40

eight days' notice, and otherwise received on conditions as to deposit, calculation of interest, or withdrawal similar or substantially similar to the conditions appertaining to deposits of moneys with the Post Office Savings-bank or with a savings-bank under the Savings Banks Act, 1908. If any question arises as to whether any moneys accepted or proposed to be accepted are savings-bank deposits within the meaning of this section, the matter shall be determined by the Minister of Finance, whose decision shall be final and conclusive.

(3) It shall not be lawful for any building society which does not at the passing of this Act hold any savings-bank deposits to accept or to hold itself out as willing to accept savings-bank deposits.

(4) With respect to any building society which at the passing of this Act holds any savings-bank deposits, the following provisions shall apply:—

(a) No savings-bank deposit shall hereafter be accepted from any person which shall have the effect of increasing the aggregate savings-bank deposits (including accrued interest) held by such person beyond the sum of two hundred pounds:

(b) In addition to the limits on loans or deposits imposed by section ten of the principal Act, the total aggregate amount of savings-bank deposits held by the society, together with the interest accrued thereon, shall not at any time exceed the total paid-up capital of the society or the sum of two hundred thousand pounds, whichever is the less:

(c) Every such society shall at all times hold in cash or in New Zealand Government securities, or partly in cash and partly in New Zealand Government securities, an amount equal to at least one-tenth of the total amount of savings-bank deposits for the time being held by such society:

Provided that the Minister of Finance may, subject to such conditions as may be imposed by him, exempt any such society wholly or partially from the provisions of this paragraph for a period not exceeding three years from the passing of this Act: 5

(d) Every such society shall show separately in the statement prepared pursuant to paragraph (b) of subsection one of section forty-four of the principal Act the total amount of savings-bank deposits. 10

Costley
Training
Institution
Trust Board
authorized to
borrow by
bank overdraft
in anticipation
of revenue.

33. The Costley Training Institution Trust Board, established under the Costley Training Institution Act, 1885, as amended by the Costley Training Institution Act Amendment Act, 1907, may from time to time, in anticipation of its revenue, borrow from its bankers by way of overdraft such sum or sums as the Board deems necessary for more effectually carrying out the purposes of the trust, but so that the total amount so borrowed and remaining unpaid shall not at any time exceed an amount equal to one-half of the Board's income during the previous year. 15 20

Validating
certain
payments made
by trustees of
certain
savings-banks.

34. (1) The payments made during the current or the immediately preceding financial year by the trustees of the savings-banks mentioned in subsection *three* hereof out of the profits of their respective banks as donations to the funds or bodies set opposite the names of such banks are hereby declared to have been lawfully made. 25

(2) The whole of the moneys received by way of any such payment as aforesaid may be expended for the purpose for which they are received, notwithstanding anything in the Savings-banks Act, 1908, or any other Act requiring such moneys to be held upon trust as a permanent endowment. 30

(3) The savings-banks to which this section relates, and the funds or bodies to which such payments as aforesaid have been made, and the amounts of such payments, are the following, namely:—

5	Name of Savings-bank.	Name of Fund or Body and Amount of Payment.
	New Plymouth Savings-bank	Mayor of New Plymouth's Unemployment Relief Fund, £100.
10	Auckland Savings-bank ..	Auckland Metropolitan Unemployment Relief Fund, £200.
	Dunedin Savings-bank ..	Otago Hospital Board for Relief of Distress, £100.
	..	Ditto, £500.
	..	Junior Red Cross Association, £100.
15	..	Otago Allied Building Industries, £25.
	Hokitika Savings-bank ..	The Mayor's Unemployment Relief Fund, Hokitika, £100.

35. Whereas by Order in Council under the Local Government Loans Board Act, 1926, dated the twenty-third day of November, nineteen hundred and thirty-one, and published in the *Gazette* of the twenty-sixth day of that month, the Auckland Harbour Board was authorized to borrow the sum of fifteen thousand pounds for the purpose of meeting debentures maturing on the 25

20 tenth day of January, nineteen hundred and thirty-two: And whereas debentures maturing as aforesaid, amounting to seven thousand five hundred pounds, are held by the Trustees of the Auckland Savings-bank, such debentures having been purchased under the authority contained

30 in section six of the Auckland Harbour Board Empowering Act, 1899: And whereas the Auckland Savings-bank desires to take up debentures for an equivalent amount under the said redemption loan of fifteen thousand pounds at a rate of interest not exceeding five and one-

35 quarter per centum per annum, such interest being payable from the tenth day of January, nineteen hundred and thirty-two: Be it therefore enacted as follows:—

(1) It shall be lawful for the Trustees of the Auckland Savings-bank to lend the sum of seven thousand five hundred pounds to the Auckland Harbour Board in respect of the Auckland Harbour Board Redemption Loan, 1932, of fifteen thousand pounds.

Authorizing Trustees of Auckland Savings-bank to invest £7,500 in Auckland Harbour Board's Redemption Loan of £15,000.

(2) The Auckland Harbour Board is hereby authorized to pay to the Trustees of the Auckland Savings-bank interest at the rate of five and one-quarter per centum per annum in respect of the said sum of seven thousand five hundred pounds as from the tenth day of January, nineteen hundred and thirty-two, and any such payments heretofore made are hereby validated. 5

Extension of provisions of section 11 of Mortgagors and Tenants Further Relief Act, 1932 (relating to royalties payable under certain licenses).

36. (1) For the purposes of section eleven of the Mortgagors and Tenants Further Relief Act, 1932, and of this section, coal shall be deemed to include fire-clay. 10

(2) If the Governor-General is satisfied that any person entitled under any license or other instrument to cut flax or timber or extract coal from any land is by virtue of any other contract or instrument whatsoever under an obligation to pay, whether periodically or otherwise, to any other person any moneys calculated wholly or partially by reference to the quantity of timber or flax cut or to be cut, or to the quantity of coal extracted or to be extracted, or fixed as minimum payments, whether or not the person entitled to receive payment under such contract or instrument has any right, title, estate, or interest in such timber, flax, or coal, as the case may be, or in the lands containing the same, he may in respect of such contract or instrument exercise the powers conferred on him by section eleven of the Mortgagors and Tenants Further Relief Act, 1932, as if such contract or instrument were a license within the operation of the said section, and as if the moneys payable thereunder were royalties payable under such a license. 15 20 25