

*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,*

*17th October, 1906.*

*Hon. Sir J. G. Ward.*

GOVERNMENT ADVANCES TO WORKERS.

ANALYSIS.

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| Title.   |   |
| 1. Short Title.  | 9. All moneys to be property of Crown.                      |
| 2. Interpretation.   | 10. Temporary investment of moneys.                         |
| 3. Loan on worker's home.                                      | 11. Sinking fund established. Reserve fund.                 |
| 4. Provisions relating to mortgages.                           | 12. Assets and liabilities of branches to be kept separate. |
| 5. £200,000 a year may be borrowed. Rate of interest on loans. | 13. Adjustment of charges, &c.                              |
| 6. Government Advances to Workers Account.                     | 14. Annual statement.                                       |
| 7. Charges against the Advances to Workers Account.            | 15. Regulations.  |
| 8. Account, how operated on.                                   | 16. Government Advances to Settlers Act to apply.           |

A BILL INTITULED

AN ACT to enable the Government to assist Workers in providing Homes for themselves. Title.

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

1. The Short Title of this Act is "The Government Advances to Workers Act, 1906"; and it shall form part of and be read together with "The Government Advances to Settlers Act, 1906." Short Title.

2. In this Act, if not inconsistent with the context,— Interpretation.  
"Worker" means a person employed in manual or clerical work, and who at the time of his application, as hereinafter mentioned, is not in receipt of an income of more than two hundred pounds per annum, and is not the owner of any land other than the section on which he proposes to build:

"Branch" means the Advances to Settlers Branch or the Advances to Workers Branch of the business of the Government Advances to Settlers Office:

"Family" includes the parents or other dependants of the worker.

3. (1.) A worker who desires to erect a dwellinghouse for himself and his family on urban or suburban land on which the Superintendent might advance money under "The Government Advances to Settlers Act, 1906," may apply to the Superintendent for a loan for that purpose. Loan on worker's home.

(2.) The application shall be in the prescribed form, and shall be accompanied by a statutory declaration that the applicant is a worker within the meaning of this Act and that he desires the loan for the sole purpose of erecting a home for himself and his family.

(3.) Not more than *three* hundred and *fifty* pounds shall be granted to any one borrower, and no advance shall be granted exceeding the value of the erection or exceeding three-fourths of the value of the security in the case of freehold land or three-fourths of the lessee's interest in the lease in the case of leasehold land.

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(4.) Subject to the *last preceding* subsection, the amount of the loan shall, if the applicant so desires, be advanced by instalments corresponding in amount to the progress from time to time made in the erection of the building.

(5.) The value of the progress made, and the amount of each progress payment shall from time to time be ascertained and certified to by the Valuer-General on behalf of and to the satisfaction of the Superintendent, and such certificate shall be final.

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Provisions relating  
to mortgages.

4. With respect to every mortgage under this Act the following provisions shall apply:—

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(a.) The term of the loan shall be thirty-six and one-half years.

(b.) The loan, with interest thereon at the rate of five per centum per annum (but subject to a rebate of one-half per centum per annum if paid within fourteen days of the due date) shall be repaid to the Superintendent by seventy-three half-yearly instalments, all such instalments being of equal amount except the last, and the first half-yearly instalment being payable on the fourteenth day of February or the fourteenth day of August (whichever first occurs) next after the date of the loan.

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(c.) Every such half-yearly instalment shall consist partly of principal and partly of interest, and every such instalment except the last shall, subject as aforesaid, be at the rate of three pounds for every one hundred pounds of the loan.

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(d.) Irrespective of the prescribed half-yearly instalments, the mortgagor may from time to time pay to the Superintendent any sum of not less than five pounds or a multiple of five pounds in reduction of the mortgage debt.

£200,000 a year  
may be borrowed.

5. (1.) In order to provide capital for the purposes of this Act the Colonial Treasurer is hereby empowered to raise from time to time, on the security of and charged upon the public revenue of New Zealand, such sum or sums, not exceeding in the whole the sum of two hundred thousand pounds in any one financial year, as the Governor in Council from time to time authorises:

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Rate of interest on  
loans.

(2.) The sums so raised shall bear interest at such rate, not exceeding four pounds ten shillings per centum per annum, as the Colonial Treasurer from time to time prescribes, and shall be raised under and subject to the provisions of "The New Zealand Loans Act, 1904."

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Government  
Advances to  
Workers Account.

6. All sums raised as aforesaid, as and when raised, and all other moneys belonging or payable to the Superintendent under this Act, shall be paid into the Public Account to the credit of a separate account called "The Government Advances to Workers Account" (hereinafter referred to as "the Advances to Workers Account").

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7. There shall from time to time be charged to and paid out of the Advances to Workers Account, without further appropriation than this Act,—

Charges against the Advances to Workers Account.

5 (a.) All sums payable in respect of interest on the moneys so raised :

(b.) Any moneys required by the Colonial Treasurer for the redemption of short-dated debentures issued in respect of the moneys so raised :

10 (c.) All moneys required to be advanced on mortgage under this Act :

(d.) All costs and expenses of management of the Advances to Workers Branch and of the administration of this Act.

8. All moneys withdrawn from the Advances to Workers Account shall be withdrawn only by cheque signed by the Superintendent and countersigned by the Audit Office.

Account, how operated on.

15 9. (1.) All moneys in the Advances to Workers Account, or payable into that account by any person whomsoever, and also all moneys owing by any mortgagor on the security of any mortgage under this Act, whether the same be accrued due or not, are hereby declared to be the property of the Crown, and recoverable accordingly as from debtors to the Crown.

All moneys to be property of Crown.

20 (2.) All such moneys are hereby declared to be public moneys within the meaning of "The Public Revenues Act, 1891."

25 10. Any of the moneys in the Advances to Workers Account may, until required for the purposes of this Act, be temporarily invested from time to time, as the Colonial Treasurer directs, in any Government securities or in any securities wherein for the time being any balances in the Public Account may lawfully be invested, and all interest received in respect of any such investment shall be paid into the Advances to Workers Account.

Temporary investment of moneys.

30 11. (1.) From the gross amount of interest received under this Act during each financial year, one-tenth part thereof shall be applied in establishing a sinking fund as security for the moneys raised under the authority of this Act.

Sinking fund established.

35 (2.) The whole of the profits from time to time arising from the Advances to Workers Branch shall be transferred to the reserve fund to provide against losses.

Reserve fund.

40 12. The funds, assets, and liabilities of the Government Advances to Settlers Office in respect of its Advances to Workers Branch shall at all times be kept separate and distinct from its funds, assets, and liabilities in respect of its other branch, and in no case shall the funds or assets of the one branch be chargeable with any liability of the other branch.

Assets and liabilities of branches to be kept separate.

45 13. (1.) In any case where salaries, expenses, or outgoings are expended or incurred on behalf of the Government Advances to Settlers Office, part of which should, in the opinion of the Superintendent, be paid out of the Government Advances to Settlers Account and part out of the Government Advances to Workers Account, the Superintendent may charge such amounts temporarily to either account as he thinks fit, and from time to time thereafter

50 transfer from one account to the other such sum or sums as are, in his opinion, necessary to effect an equitable adjustment.

Adjustment of charges, &c.

(2.) This section shall, *mutatis mutandis*, apply in cases where buildings, office furniture, or other property belonging to one branch of the office are used for the purposes of the other branch, and in any such case the Superintendent may charge against the branch using the same such sums as are in his opinion necessary to effect an equitable adjustment. 5

Annual statement.

14. (1.) The Superintendent shall prepare annually a statement showing, in respect of the previous financial year,—

- (a.) The financial position of the Advances to Workers Branch; 10
- (b.) The financial results of the year's operations;
- (c.) The cost of management during the year;
- (d.) The gross profits made during the year; and
- (e.) The whole cash receipts and expenditure during the year.

(2.) Such statement shall be submitted to the Audit Office for audit, and shall be duly certified by the Controller and Auditor-General either wholly or with such exceptions as he may consider necessary. 15

Regulations.

(3.) The statement so certified shall, within fourteen days after the commencement of each session, be laid before Parliament.

15. In addition to the powers conferred on the Governor by section fifty-five of "The Government Advances to Settlers Act, 1906," of making regulations, he may from time to time make regulations— 20

- (a.) Prescribing the form and manner of application;
- (b.) Prescribing the method of preparing mortgages under this Act and the fees payable in connection with the preparation, discharge, and otherwise of such mortgages: 25
- (c.) Prescribing the valuation and inspection fees.

Government  
Advances to Settlers  
Act to apply.

16. For the more effective administration of this Act, and the better conduct of the Advances to Workers Branch of the Government Advances to Settlers Office, the provisions of "The Government Advances to Settlers Act, 1906," shall, *mutatis mutandis*, apply in so far as they apply to— 30

- (a.) The powers, functions, and duties of the Board and the Superintendent; 35
- (b.) The management and control of investments; and
- (c.) Generally the administration of the branch and the conduct of its business.