

[AS REPORTED FROM THE LOCAL BILLS AND PUBLIC ACCOUNTS COMMITTEE.]

Mr. Arthur.

GISBORNE HARBOUR ACT 1884 AMENDMENT.

ANALYSIS.

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A BILL INTITULED

AN ACT to further amend "The Gisborne Harbour Act, 1884," and to afford Relief to the Gisborne Harbour Board. Title.

Struck out.

5 WHEREAS the Gisborne Harbour Board (hereinafter called "the Board") was by "The Gisborne Harbour Act, 1884," authorised to borrow, and in pursuance thereof did borrow, a sum of two hundred thousand pounds for the purpose of constructing a breakwater at Gisborne, and is thereby required to provide a sinking fund at the rate of one pound per centum per annum upon the amount of loan for the repayment thereof—that is to say, to provide two thousand pounds per annum : Whereas, in addition to such sinking fund, the Board on the raising of the loan set aside twenty-five thousand pounds of the loan and placed the same in the hands of Sinking Fund Commissioners as a further guarantee for the repayment of the loan, and the same has since accumulated by the accretion of interest till it amounts as on the thirty-first day of December, one thousand eight hundred and eighty-nine, to the sum of thirty-two thousand eight hundred and twenty-six pounds twelve shillings and threepence : Whereas by section ten of "The Gisborne Harbour Act 1884 Amendment Act, 1887," the Board was prohibited from expending in the construction of the breakwater any sum in excess of sixty-five thousand pounds without the sanction of the General Assembly first had and obtained ; but by section seven of "The Gisborne Harbour Act 1884 Amendment Act, 1888," the General Assembly authorised the expenditure of a further sum of forty thousand pounds, which has been expended : Whereas by the said section seven it was enacted that the unexpended balance of the loan, namely, the sum of fifty-nine thousand one hundred and sixty-six pounds, together with the said twenty-five thousand pounds and accumulations, the sinking fund of two thousand pounds

per annum, and also the sum of ten thousand eight hundred and thirty-four pounds borrowed by the Board from Loan Account to be repaid to Loan Account in ten annual instalments of one thousand and eighty-three pounds eight shillings and twopence, as provided by section five of "The Gisborne Harbour Act 1884 Amendment Act, 1887," should be paid to the Public Trustee, excepting the last eight instalments of one thousand and eighty-three pounds eight shillings and twopence each, and is now held by him: Whereas by the expenditure of the money authorised to be expended the Board could not build the breakwater sufficiently far out to afford such shelter and accommodation to shipping as would justify the Board in levying port dues or tonnage rates to create a revenue towards payment of interest on loan, in consequence of which the interest or deficiency can only be provided by rates on property: Whereas the annual revenue of the Board is not equal to meeting the said annual demands, and a deficiency is certain to arise: Whereas the retention of the said sums of fifty-nine thousand one hundred and sixty-six pounds, twenty-five thousand pounds and accumulations, and ten thousand eight hundred and thirty-four pounds is not necessary as security for the repayment of the two hundred thousand pounds borrowed; and the ratepayers of the Harbour District are heavily rated on their property without having an adequate advantage from the harbour works, in consequence of the same having been stopped before reaching a point at which any substantial revenue can be derived therefrom; and it is proper and desirable the Board should obtain relief: And whereas the Gisborne Harbour District, namely, the County of Cook, has had little or no share of the expenditure of borrowed money for public works, and it is desirable and just that the district should be aided in its efforts to develop its resources:

Preamble.

*New Preamble.*

WHEREAS the Gisborne Harbour Board (hereinafter in this Act called the Board"), pursuant to the provisions of "The Gisborne Harbour Act, 1884," borrowed the sum of two hundred thousand pounds: And whereas by "The Gisborne Harbour Act 1884 Amendment Act, 1888," the balance of the loan of two hundred thousand pounds, and interest accrued on a sum of twenty-five thousand pounds, part thereof, after deducting therefrom two sums of sixty-five thousand pounds, and forty thousand pounds, was vested in the Public Trustee, and the Board was prohibited from expending any part of such balance without the sanction of the General Assembly first had and obtained: And whereas by the same Act it was directed that the ten annual instalments of the amount advanced upon loan account under section five of "The Gisborne Harbour Act 1884 Amendment Act, 1887," should also be paid to the Public Trustee: And whereas it is unnecessary that the annual sinking fund should be provided by the Board in respect of moneys held and retained by the Public Trustee; and it is also expedient that the payment of the remaining instalments of the said advance upon loan account should be postponed: And whereas the moneys in the hands of the Public Trustee, forming part of the principal of the said loan of two hundred thousand pounds, and exclusive of accrued interest and sinking fund, and refunds of advances upon loan account, consist of two sums of fifty-nine thousand one hundred and sixty-six pounds and twenty-five thousand pounds:

BE IT THEREFORE 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 Gisborne Harbour Act 1884 Amendment Act, 1890."

Short Title.

2. The period of years provided by section five of "The Gisborne Harbour Act 1884 Amendment Act, 1887," for refund of the said annual instalments of one thousand and eighty-three pounds eight shillings and twopence, so far as it is unexpired, shall be intercepted, and shall not be deemed to run or to have run since the payment of the second instalment until the balance of loan now vested in the Public Trustee is expended on the harbour works, or the year commencing the thirtieth day of August, one thousand eight hundred and ninety-eight, *five*, whichever shall be ~~soonest~~ *first happen*; and it shall not be incumbent upon the Board until such expenditure of balance of loan now vested as aforesaid, or the thirtieth day of August, one thousand eight hundred and ninety-eight, *five*, as the case may be, to refund any such instalment.

Interception of time for payments of certain moneys to Board.

3. Notwithstanding anything contained in "The Gisborne Harbour Act 1884 Amendment Act, 1887," or "The Gisborne Harbour Act 1884 Amendment Act, 1888," the Public Trustee *may shall* and he is hereby authorised to refund to the Board the proportion already paid of the sinking fund of one per centum per annum, applicable to the said unexpended balance of fifty-nine thousand one hundred and sixty-six pounds, and to the said twenty-five thousand pounds set aside; and hereafter, notwithstanding anything contained in "The Gisborne Harbour Act, 1884," or in any amendments thereof, it shall not be necessary for the Board to pay, and the Board is hereby relieved from paying, such one pound per centum per annum as sinking fund upon the said two sums of fifty-nine thousand one hundred and sixty-six pounds and twenty-five thousand pounds, ~~so long as the same shall not be expended in the construction of the breakwater.~~

Refund of moneys to Board by Public Trustee.

*Proviso.*

Provided that, if the authority of Parliament shall hereafter be obtained for the expenditure of the said sum of fifty-nine thousand one hundred and sixty-six pounds, or any part thereof, the Public Trustee shall not pay over to the Board the sum so authorised to be expended until the Board shall first have paid to the Public Trustee, to be retained by him as accrued sinking fund, an amount equivalent to the sinking fund upon the sum so authorised to be expended, and accumulations of interest thereon for the whole period during which the payment of sinking fund has been suspended by the authority of this Act, together with the sinking fund now directed to be refunded.

*Struck out.*

4. per centum per annum of the land fund to be derived from the County of Cook shall, as from the day of one thousand eight hundred and eighty-nine, be paid to the Board in and of its revenue, and payment of the same to the Board is hereby authorised.

5. The land described in the Schedule shall be and is hereby set aside as and declared to be an endowment for the Board, and the Board shall have the like powers of dealing with the same as it now has in regard to its present endowment of the Tawhareparae Block.

## New clauses.

Interest on investment of loan fund by Public Trustee, how treated.

4. The income of all investments by the Public Trustee of loan fund vested in him by "The Gisborne Harbour Act 1884 Amendment Act, 1888" (including the income of investments of the said sum of twenty-five thousand pounds, but excluding the income of all sinking fund and accretions thereof), shall hereafter be paid over by the Public Trustee to the Board in each year as soon as conveniently may be after such income is received by him, save only that the Public Trustee may, and he is hereby directed to, deduct and retain in each year out of such income any moneys payable to him by the Board in that year, whether for sinking fund or otherwise. So much of sections eight and nine of "The Gisborne Harbour Act 1884 Amendment Act, 1888," as is inconsistent with the provisions of this section is hereby repealed.

Amendment of section 3 of "The Gisborne Harbour Act 1884 Amendment Act, 1889."

5. Section three of "The Gisborne Harbour Act 1884 Amendment Act, 1889," is hereby amended by striking out therefrom the words "subject to credit from ordinary revenue hereinafter provided."

Repeal of section 6 of "The Gisborne Harbour Act 1884 Amendment Act, 1889."

6. Section six of "The Gisborne Harbour Act 1884 Amendment Act, 1889," is hereby repealed, and in lieu thereof it is enacted that, for the purposes of section five of "The Gisborne Harbour Act 1884 Amendment Act, 1889," "the annual amount required to provide the sinking fund and the balance of interest on the loan fund not provided for by the special district rate" shall mean such sum as the Board may in any year estimate to be necessary for that purpose after taking into account the estimated balance of ordinary revenue available in that year (deducting working-expenses and cost of administration), and the interest accrued or accruing due *de die in diem* within that year upon the unexpended balance of loan fund vested in the Public Trustee under the seventh section of "The Gisborne Harbour Act 1884 Amendment Act, 1888."

Rates raised under "The Gisborne Harbour Act, 1884," deemed duly assessed, &c.

7. Every rate made under the authority of "The Gisborne Harbour Act, 1884," or of any Act passed to amend the said Act or of this Act, shall be deemed to be duly assessed, levied, and raised, notwithstanding that the Board may fix for the rate a fraction of one penny, which may yield an amount in excess of the sum required.

Rates raised under "The Gisborne Harbour 1884 Amendment Act, 1889," deemed duly assessed, &c.

8. All rates assessed and levied by the Board since the passing of "The Gisborne Harbour 1884 Amendment Act, 1889," shall be deemed to have been duly and regularly assessed and levied, and shall be raised and collected accordingly, anything in "The Gisborne Harbour Act 1884 Amendment Act, 1889," or in any other Act, to the contrary notwithstanding.

Amendment of section 8 of "The Gisborne Harbour Act 1884 Amendment Act, 1888."

9. Section eight of "The Gisborne Harbour Act 1884 Amendment Act, 1888," is hereby amended by the insertion after the word "approve," in the fifth line thereof, of the words "or upon fixed deposit in any public bank in New Zealand trading under an Act of the General Assembly of New Zealand."

In case of default by Board.

10. In the event of any default being made by the Gisborne Harbour Board in payment of any amount, whether principal, interest, or sinking fund, or in any other event which may entitle the debenture-holders or creditors of the Board to intervene, such debenture-holders or creditors, or any Receiver appointed under "The

Gisborne Harbour Act, 1884," may take advantage of, but shall not be bound by, any of the provisions of any Act passed to amend "The Gisborne Harbour Act, 1884;" and after the appointment of any such Receiver the provisions of "The Gisborne Harbour Act, 1884," shall be deemed to be and to have been unaffected by any such Amendment Act, or by this Act, save only so far as such Receiver may think fit to take advantage thereof; and all the rights, powers, remedies, and authorities of every debenture-holder and creditor of the Board provided by "The Gisborne Harbour Act, 1884," shall be and be deemed to have been preserved, protected, and unaffected by any such Amendment Act and by this Act: Provided that no member of the Board shall be personally liable for any act or thing done or omitted under the authority of or validated by any such amendment Act or this Act.