

(Hon. Mr. Vogel.

# General Purposes Loan.

## ANALYSIS.

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## A BILL INTITULED

AN ACT to authorize the raising of a Loan of Seven Hundred and Fifty Thousand Pounds for General Purposes. 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 shall be "The General Purposes Loan Act, 1873." Short Title.
2. It shall be lawful for the Governor to appoint any two or more persons he may think fit to be Agents for the purpose of raising and managing the Loan authorized to be raised under this Act, and in their appointments to define the relative powers of such Agents. Appointment of Agents to manage Loan.
3. Such Agents shall have full power and authority to borrow and raise in Great Britain or elsewhere, by bonds debentures or otherwise, such sum or sums not exceeding seven hundred and fifty thousand pounds sterling in the whole, as the Governor in Council may from time to time or at any time direct and determine, for all or any of the purposes expressed in the Schedule hereto, or the payment or repurchase of short-dated debentures issued under this Act. Power to borrow seven hundred and fifty thousand pounds for purposes in Schedule.

Agents to prescribe mode, conditions, and terms of repayment.

4. Such Agents shall have full power and authority to prescribe the mode and conditions of repayment of such Loan, and the time of such repayment, and the rate of interest thereon, and the time and place or places when and where such principal and interest shall be made payable: Provided that as to all debentures bonds or other securities issued in respect of so much of the said Loan as is authorized to be raised for public buildings, the time for the repayment of the moneys secured thereby shall not be made later than ten years from the date of such debentures bonds or other securities.

Time for repayment of moneys borrowed for public buildings.

Annual charge not to exceed six per cent., including sinking fund (if any).

5. The annual charge to be imposed on the consolidated revenue under the provisions of this Act shall not exceed for interest and sinking fund (if any) the sum of six pounds for every one hundred pounds expressed to be borrowed.

Pending raising Loan short-dated debentures may be issued to any extent not exceeding sums mentioned in third section.

6. Pending the raising of moneys hereinbefore authorized to be raised under this Act, it shall be lawful for the Governor in Council to appoint any two or more persons he may think fit to be Agents, and in their appointments to define the relative powers of such Agents, who shall have full power and authority to borrow and raise any sum or sums of money not exceeding the sums mentioned in the third section of this Act, as the Governor in Council may from time to time direct and determine, and to take up the same sum or sums of money in debentures from time to time by the sale hypothecation or mortgage of such debentures, hereinafter referred to as "short-dated debentures," as such Agents may deem expedient.

Rate of interest, &c., of short-dated debentures.

7. Every such short-dated debenture shall bear interest after such rate not exceeding six pounds for every one hundred pounds by the year, and be for such sum and in such form, and with or without coupons attached, and be signed on behalf of the Colony, and be transferable and negotiable in such manner as such Agents shall prescribe.

Times and places of payment of short-dated debentures.

8. The interest and principal of every such short-dated debenture shall be payable at such times and places as such Agents shall prescribe: Provided that the principal moneys secured by any such short-dated debenture shall not be made payable at a later period than seven years after the date of issue thereof.

Short-dated debentures may be accepted in payment for debentures issued for raising the Loan.

9. The Agents authorized under the *third* section of this Act to raise any moneys therein mentioned, may accept any short-dated debentures issued under the *sixth* section of this Act in payment for any bonds debentures or other securities issued by them for the purpose of raising moneys under the said *third* section of this Act.

Reissue of short-dated debentures.

10. In order to provide for the payment of the principal moneys of any short-dated debenture, and whenever any short-dated debenture shall be received in payment or exchange for any bond debenture or other security issued under the *third* section of this Act, the Governor may order that a like amount of short-dated debentures may be prepared and issued in the place of the short-dated debentures to be or which may have been paid off or exchanged, and thereupon the Agents for the time being appointed under the *sixth* section of this Act shall have full power and authority to make out and issue the said amount of short-dated debentures so ordered; and the provisions contained in the *sixth seventh* and *eighth* sections of this Act shall be applicable thereto.

Debentures not to be sold at price to give interest at higher rate than six per cent.

11. No bond debenture or other security issued under this Act shall be sold or otherwise disposed of at a price which will yield to the purchaser thereof a higher rate of interest by the year than six pounds for every hundred pounds of the purchase money given for such bond debenture or other security.

12. The amount of all short-dated debentures issued under this Act, together with all debentures or other securities issued under the third section of this Act, outstanding at any one time, shall never exceed the sum of seven hundred and fifty thousand pounds sterling.

Amount outstanding on short-dated together with other debentures not to exceed £750,000.

5 13. All sums of money borrowed and raised under the authority of this Act, and all interest thereon, shall be a charge upon the Consolidated Fund of New Zealand, as defined by the fourth section of "The Public Revenues Act, 1867," and all interest thereon, and the principal when due, shall be paid by the Colonial Treasurer out of such  
10 Consolidated Fund under Warrants to be issued by the Governor.

Money borrowed and interest charged on Consolidated Fund.

14. The moneys raised under the authority hereinbefore contained shall and may, subject to the provisions hereinafter contained, be issued and applied to the purposes mentioned in this Act, and the Schedule to this Act, and no other, and as to purposes mentioned in  
15 the said Schedule shall be issued and applied in sums not exceeding the amounts in the said Schedule respectively provided.

Application of money borrowed.

15 15. All the powers which may be vested in any Agents appointed under this Act may by such Agents be wholly or partly delegated to any two or more other Agents, subject to such conditions as the  
20 Agents delegating such powers shall think fit.

Agents authorized to delegate powers.

16. The Governor may at any time remove or accept the resignation of any Agent appointed by him under this Act, and appoint another person in his place.

Removal of Agents.

17. Nothing in this Act contained shall be held to prejudice alter affect or vary any security or securities heretofore charged on the Revenues of New Zealand, or any of them.

Previous securities not to be affected.

SCHEDULE.

	£	Schedule.
For repaying to the Immigration and Public Works Loan 1870 Account so much of the said Loan as has been or shall hereafter be expended in paying the interest on the cost of the construction of railways and other works authorized before the passing of this Act, including the expenses of raising this part of this Loan	300,000	
For repaying to the Immigration and Public Works Loan 1870 Account so much of the said Loan as was authorized by "The Payment to Provinces Act, 1871," and "The Payments to Provinces Act, 1872," to be grants to Road Boards, including expenses as aforesaid	150,000	
For grants to Road Boards in the year ending the 30th June, 1874, including expenses as aforesaid	50,000	
For grants to Road Boards in the year ending the 30th June, 1875, including expenses as aforesaid	50,000	
For Telegraph, including expenses as aforesaid	50,000	
For Lighthouses, including expenses as aforesaid	35,000	
For Public Buildings, including expenses as aforesaid	115,000	
	£750,000	