

Hon. Mr. Sheehan.

# New Zealand Consolidated Stock.

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## A BILL INTITULED

AN ACT to provide for the creation of New Zealand Consolidated Stock, and for making arrangements with the Bank of England in relation thereto, and for other 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 New Zealand Consolidated Stock Act, 1877." Short Title.
2. Whenever in any Act heretofore passed by the General Assembly, or that may be passed in the present or any future Session of the General Assembly, authority is given to the Governor, or to the Governor in Council, to raise by way of loan any sum of money for the Public Service of the colony, then, unless there be some provision to the contrary in the Act by which such authority is given, such sum may be raised in the manner hereinafter provided. Loans to be raised under this Act.
3. For the purpose of raising such sum or sums of money under the authority of any such Act as aforesaid, it shall be lawful for the Governor in Council to create capital stock, to be called "the New Zealand Consolidated Stock" (hereinafter referred to as "stock"), subject to the provisions of this Act, to be issued in such amounts and manner, at such price and times, on such terms and subject to such conditions, with such dividends, and redeemable at par at such times and on such conditions as the Governor in Council may, before the creation thereof, from time to time determine. Governor in Council may create capital stock, to be called "New Zealand Consolidated Stock."

Governor in Council may declare loans to be convertible into stock, and provide for the creation, exchange, and conversion of stock &c.

4. The Governor in Council shall have and may exercise the following powers and authorities, or any of them:—

- (1.) He may from time to time declare all or any of the New Zealand loans, whether existing in the form of stock or not, to be convertible into stock, of such denominations, with such conditions, and with such dividends, and redeemable at par, at such times and on such conditions as he may before the creation thereof from time to time determine. 5
- (2.) He may authorize the creation and issue of such an amount of such stock in exchange for the securities held for such loans as may be necessary. 10
- (3.) He may authorize the creation and sale of any of such stock for the purpose of raising money for redeeming any outstanding stock or securities, and of paying any expenses in the creation of stock, and otherwise carrying out the provisions of this Act, on such conditions as he may determine. 15
- (4.) Any conversion so authorized may be effected either by arrangement with the holders of existing securities, or by purchase thereof out of moneys raised by a sale of new stock, or partly in one way and partly in the other. 20

Any power by this section conferred on the Governor in Council may be exercised from time to time, and he may alter any conditions as often as occasion shall require; but so that no contract or engagement entered into before the exercise of any such power or the making of such alteration shall be prejudiced or affected thereby. 25

Powers may be exercised from time to time.

5. Nothing in this Act shall authorize an increase of the capital or of the annual charge of any loan, except that where securities exchanged for new stock bear a higher rate of interest than the stock, an additional amount of stock may be created and issued to make up the difference in saleable value between the securities and the stock. 30

Act not to affect capital or annual charge of any loan.

6. All stock, and the dividends thereon, and all charges and expenses incurred in carrying out the provisions of this Act, shall be a charge on and shall be paid out of the Consolidated Fund, and the principal money due and payable in respect of any stock, and such dividends or interest, charges and expenses, shall be paid by the Colonial Treasurer out of such fund, under warrants to be issued by the Governor. 35

Stock to be a charge on Consolidated Fund.

7. The Governor in Council may from time to time enter into any such agreement with the Bank of England as to the Governor in Council seems fit, providing for all or any of the following things:— 40

- (1.) For inscribing in the books of the Bank any stock.
- (2.) For managing the creation inscription and issue of stock.
- (3.) For effecting the conversion of loans into stock and managing transfers of stock. 45
- (4.) For paying dividends on stock.
- (5.) For issuing stock certificates to bearer, and, as often as occasion shall require, re-issuing or re-inscribing stock, and re-issuing stock certificates. 50
- (6.) For receiving from time to time all moneys raised by or on behalf of the colony under this Act.
- (7.) For paying such money from time to time into the Public Account in London, or into such Bank as may be duly appointed in that behalf. 55
- (8.) For issuing scrip for deposits on loans.
- (9.) For paying off capital of stock or loans; and
- (10.) Generally conducting all business connected with stock or loans;

(11.) And for the protection and remuneration of the Bank of England under and in respect of any such agreement.

Governor in Council may agree with Bank of England for inscription management &c. of stock.

For the purposes of this Act the expression "Bank of England" means the Governor and Company of the Bank of England, and includes their successors.

8. Every agreement made with the Bank of England in pursuance of this Act shall be as valid and effectual as if the terms thereof had been set forth in and enacted by this Act, and all remuneration payable thereunder to the Bank of England shall be a charge on and paid out of the Consolidated Fund.

Agreement to have the force of law.

9. The Governor in Council shall have the powers and duties and may do the following things for the purposes of this Act:—

Governor in Council may appoint Agents for purposes of this Act.

(1.) He may from time to time appoint two or more persons in England to be Agents for the purposes of this Act (which Agents for the time being are in this Act referred to as "the Agents"), and may delegate to such Agents all or any of the powers by this Act exercisable by the Governor in Council.

(2.) He shall notify the appointment of the Agents to the Bank of England, and the power and authority of the Agents shall continue in full force until the Governor notifies the contrary, and that notification is received by the Bank of England.

(3.) He may at any time remove or accept the resignation of the Agents, or any or either of them.

10. The Agents may from time to time, subject and according to the terms of their appointment, by an instrument in writing under their hands, delegate the powers and authority vested in them as Agents, wholly or in part, absolutely, conditionally or otherwise, to any other person or persons as Agent or Agents.

Agents may delegate powers to other agents.

The Agents may appoint either one or two persons under this provision, with such limitations and powers as may be by such Agents prescribed, and such delegate or delegates shall, by virtue of this Act and of the instrument of delegation, have power and authority accordingly.

In case of the death of the Agents, or any or either of them, the powers given to the delegate or delegates shall not thereby be revoked, but shall continue in full force until the appointment of another Agent or other Agents by the Governor in Council.

Delegation not to be revoked by death of Agents.

11. All powers authorities or duties given to vested in or imposed upon any such Agents by this Act, or under any authority hereby conferred, shall be exercised by at least two Agents, of whom any Agent appointed under the tenth section may be one.

How Agents' powers may be exercised.

12. Nothing in this Act and nothing done under this Act, except by agreement, shall take away, abridge, or prejudicially affect any right, or interest by way of priority, or otherwise, of any person in or against the Consolidated Fund or the revenues of New Zealand, or any of them, or in any sinking fund, or any remedy which any person would have had or might have exercised in respect of any such right or interest if this Act had not been passed.

Act not to affect existing claims upon colonial revenue.

13. So much of any Act as may be inconsistent with this Act, or as makes other provision than is hereby made as to any matter provided for by this Act, is hereby repealed, except only as to things lawfully done before the passing of this Act, but no other provision in any Act shall be repealed or affected by this Act.

Repeal of inconsistent provisions.