

NEW ZEALAND LOANS BILL

EXPLANATORY NOTE

THIS Bill is a consolidation of the New Zealand Loans Act 1932 and its amendments, including the National Development Loans Act 1941.

Various alterations are proposed in the existing law, but they are all of a minor character, consisting of the omission of provisions that are no longer necessary and amendments designed to simplify the procedure in relation to Government loans. Several "authorizing Acts" under which the loan authorities have not been fully exercised are repealed, as indicated in the table of corresponding enactments at the end of this note.

That table shows in respect of each enactment repealed whether it has been incorporated in the Bill and, if so, in what clause.

PART I

MODE OF RAISING, RENEWING, AND CONVERTING LOANS

This Part replaces Part I of the New Zealand Loans Act 1932 with no substantial alteration. *Clause 3* combines sections 3, 4, and 11 of the 1932 Act, and *clause 9* combines sections 14 and 15.

The following provisions of the 1932 Act are omitted as being no longer required:

Section 9 (as to the raising of loans from Government funds or accounts), which is covered by sections 39 and 97 of the Public Revenues Act 1926:

Section 10 (as to the payment of borrowed moneys into the appropriate fund or account), which is covered by *clause 11 (3)* of the Bill and section 3 (3) of the War Expenses Act 1939:

Section 14 (2) (prescribing a form for an endorsement renewing any securities):

Section 14 (4) (as to the issue of securities in excess of the authorized total in order to redeem outstanding securities), which is sufficiently covered by *clauses 5, 6, and 9* of the Bill:

Part of section 15 (3) (premium or bonus to belong to persons entitled to income of securities), which is a matter for trustee law rather than this Bill.

The provision of section 15 (1) of the 1932 Act requiring an Order in Council to declare securities to be convertible into new securities is not included in *clause 9*; the clause leaves this function to the Minister of Finance, who in any event is responsible for fixing the terms of any conversion.

PART II

NATIONAL DEVELOPMENT LOANS

This Part replaces the provisions of the National Development Loans Act 1941 and its amendments with no substantial alterations.

PART III

STOCK REGISTERED IN NEW ZEALAND

This Part replaces Part IV of the New Zealand Loans Act 1932 as amended with no substantial alterations, except as mentioned below. *Clause 27* makes the issue of stock certificates a matter for the discretion of the Reserve Bank, instead of being compulsory as under section 45 of the 1932 Act.

In *clause 32* the amount of stock that can be vested on the death of the holder without the production of probate is increased from £100 to £200. The same alteration has been made in similar provisions in other Acts.

Clause 34 gives the power to prohibit dealings with stock to the Supreme Court instead of a Judge, as it is a matter for rules of Court to prescribe the cases in which a Judge acts for the Court.

PART IV

LOANS OUTSIDE NEW ZEALAND

This Part replaces Part II of the 1932 Act as amended.

Clause 42 is widened so as to enable agreements for the management of loans to be made with a bank not only in the United Kingdom, but anywhere else outside New Zealand.

Clause 44 enables the Minister of Finance to prescribe the conditions under which stock may be transferred from an overseas register to the New Zealand register. Section 28 of the 1932 Act required regulations to be made by Order in Council for this purpose.

The following provisions of Part II of the 1932 Act are omitted as unnecessary:

Section 18 (1), conferring on Loan Agents certain statutory powers of the Minister of Finance (those under *clauses 9* and *62* of the Bill):

Section 20, authorizing the Minister to delegate any of his powers to the High Commissioner:

Section 24 (2), authorizing repayments to the Consolidated Fund for payments made for other funds and accounts:

Sections 25 and 26, providing for the inscription of stock and the issuing of Treasury Bills by the High Commissioner:

Section 27, authorizing notice of conversions to be published in the *London Gazette*.

PART V

UNITED KINGDOM INVESTORS' RIGHTS

This Part repeats without substantial alteration the provisions of Part III of the New Zealand Loans Act 1932 as amended by section 22 of the New Zealand Loans Amendment Act 1947.

PART VI

REPAYMENT OF THE PUBLIC DEBT

This Part replaces Part I of the New Zealand Loans Amendment Act 1947 as amended by section 2 of the Finance Act (No. 2) 1952.

There is no substantial amendment, but some drafting alterations are made, and the following sections of the 1947 Act are omitted as spent:

Sections 15 to 19 (as to the Public Debt Redemption Fund, which was liquidated and expended in 1947-48).

PART VII

MISCELLANEOUS

This Part repeats Part V of the New Zealand Loans Act 1932.

Apart from drafting alterations, there are no changes except the general power to make regulations in *clause 72*, and the omission of the following provisions of the 1932 Act:

Section 53 (as to power to increase the prescribed rate of interest):
loan authorities no longer prescribe a rate of interest:

Section 59 (as to setting sinking funds free when loans are paid off):
no sinking funds of the type contemplated are now in existence:

Section 61 (2) (referring to section 26, which is omitted):

Section 61 (3) (as to transfer of expenses from one account to another):
all loan administration expenses are now charged to the Consolidated Fund:

Section 64 (as to recording transactions in the public accounts): the general wording of the Bill renders this section unnecessary.

TABLE OF CORRESPONDING SECTIONS OF ENACTMENTS REPEALED
THE HOUSING ACT 1919, No. 32 (REPRINT OF STATUTES, VOL. III, PP. 806, 810, 811)

Section of Act.			Clause of Bill.
30	*
43	*
46	*

THE COAL MINES ACT 1925, No. 39 (REPRINT OF STATUTES, VOL. V, P. 927)

Section of Act.			Clause of Bill.
179-182	*

THE FINANCE ACT 1926, No. 46 (REPRINT OF STATUTES, VOL. VI, P. 1050)

Section of Act.			Clause of Bill.
10	..	..	Spent
22	..	..	14

* Authorizing Act no longer required.

THE COAL MINES AMENDMENT ACT 1927, No. 70 (REPRINT OF STATUTES, VOL. V, P. 941)

Section of Act.		Clause of Bill.
5 *

THE FINANCE ACT 1927 (No. 2), No. 74 (REPRINT OF STATUTES, VOL. VI, P. 1053)

Section of Act.		Clause of Bill.
18	..	.. 14
19	..	.. 14

THE FINANCE ACT 1928, No. 53 (REPRINT OF STATUTES, VOL. VI, P. 1055 ; VOL. VII, P. 505)

Section of Act.		Clause of Bill.
10	..	.. ..
16	..	.. 14

THE FINANCE ACT 1929, No. 29 (REPRINT OF STATUTES, VOL. VI, P. 1056)

Section of Act.		Clause of Bill.
6	..	.. Spent

THE FINANCE ACT 1930 (No. 2), No. 40 (REPRINT OF STATUTES, VOL. VI, P. 1057)

Section of Act.		Clause of Bill.
10	..	.. Spent

THE FINANCE ACT 1931 (No. 2), No. 5 (REPRINT OF STATUTES, VOL. VII, P. 514)

Section of Act.		Clause of Bill.
26 (3) (b)	..	.. Spent
28	..	.. 4

THE FINANCE ACT 1931 (No. 4), No. 44 (REPRINT OF STATUTES, VOL. VI, P. 1058)

Section of Act.		Clause of Bill.
6	..	.. Spent

THE FINANCE ACT 1932, No. 11

Section of Act.		Clause of Bill.
7 (6) Spent
15 (8) Spent

* Authorizing Act no longer required.

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THE NEW ZEALAND LOANS ACT 1932, No. 23

Section of Act.	Clause of Bill.	Section of Act.	Clause of Bill.
1	Short Title	37	19
2	2	38	20
3, 4	3 (1)	39	21
5	4	40 (1)-(6)	22
6	5 (1)	40 (7)	2
7	6	41 (1), (2)	23
8	7	41 (3)	72
9	..	42	24
10	..	43	25
11	3 (2)	44	26
12	5 (2)	45	27
13	8	46	28
14, 15	9	47	29
16	10	48	30
17	36	49	31
18 (1)	..	50	34
18 (2)	37	51	35
19	38	52	62
20	..	53	..
21	39	54	63
22	40	55	64
23 (1)	41	56	65
23 (2)	17 (2), 42	57	62 (d), (e)
24 (1)	42	58	66
24 (2)	..	59	..
25	..	60	67
26	..	61 (1)	68
27	43	61 (2), (3)	..
28	44	62	69
29	2, 46	63	70
30	47	64	..
31	48	65	14 (2)
32	Repealed	66	71
33	16	67	73
34	17 (1)	First Schedule	..
35	Repealed	Second Schedule	Schedule
36	18		

THE FINANCE ACT 1932 (No. 2), No. 30

Section of Act.	Clause of Bill.
5	14 (5)

THE FINANCE ACT 1933 (No. 2), No. 41

Section of Act.	Clause of Bill.
3	30 (1)

THE FINANCE ACT 1934, No. 2

Section of Act.	Clause of Bill.
5	17, 20, 35

THE STATE ADVANCES CORPORATION ACT 1936, No. 12

Section of Act.	Clause of Bill.
17 (6) *

THE SOUTHLAND ELECTRIC POWER SUPPLY ACT 1936, No. 25

Section of Act.	Clause of Bill.
10 *

THE IRON AND STEEL INDUSTRY ACT 1937, No. 33

Section of Act.	Clause of Bill.
8 *

THE FINANCE ACT 1939, No. 3

Section of Act.	Clause of Bill.
2 *

THE FINANCE ACT 1940, No. 6

Section of Act.	Clause of Bill.
3 *
5 *
6 *

THE FINANCE ACT 1941, No. 4

Section of Act.	Clause of Bill.
3 *
4 *
5	.. .. 27 (1)

THE NATIONAL DEVELOPMENT LOANS ACT 1941, No. 7

Section of Act.	Clause of Bill.	Section of Act.	Clause of Bill.
3	.. .. 11	5	.. .. 13
4 (1)	.. .. 12 (1)	6	.. .. 14
4 (2)	.. .. Spent	7	.. .. 14 (4)
4 (3)	.. .. 12 (2)	Schedule	.. .. Spent

THE FINANCE ACT (No. 2) 1942, No. 14

Section of Act.	Clause of Bill.
21	.. .. 33

THE FINANCE ACT (No. 2) 1943, No. 9

Section of Act.	Clause of Bill.
11	.. .. 32

* Authorizing Act no longer required.

THE FINANCE ACT (No. 3), 1943, No. 15

Section of Act.	Clause of Bill.
3	15 (1)

THE FINANCE ACT 1944, No. 3

Section of Act.	Clause of Bill.
3	Expired

THE FINANCE ACT (No. 2) 1944, No. 7

Section of Act.	Clause of Bill.
3	3 (1)
4	22 (1)
5 (1)	23
5 (2)	72

THE FINANCE ACT (No. 3) 1944, No. 31

Section of Act.	Clause of Bill.
3	14 (3)

THE NEW ZEALAND LOANS AMENDMENT ACT 1947, No. 25

Section of Act.	Clause of Bill.	Section of Act.	Clause of Bill.
1	Short Title	10	56
2	Commencement	11	57
3	50	12	58
4	51	13	61
5	52	14	59
6	53 (1), (2)	15-19	Spent
7	54	20	60
8	53 (3)	21	Repeals
9	55	22	49
		Schedule	Repeals

THE FINANCE ACT 1950, No. 93

Section of Act.	Clause of Bill.
2 (1)	Introductory
2 (2)	41 (a)
2 (3), (4)	45
3	22 (3)
6	11 (2)

THE FINANCE ACT (No. 2) 1952, No. 81

Section of Act.	Clause of Bill.
2 (1)	59
2 (2)	50
2 (3)	55
2 (4)	58
2 (5)	Commencement

Hon. Mr. Bowden

NEW ZEALAND LOANS

ANALYSIS

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1. Short Title and commencement.	STOCK REGISTERED IN NEW ZEALAND
2. Interpretation.	16. Application of this Part.
	17. Registrar of Stock.
	18. Register of stock.
	19. Trusts not to be entered on register.
	20. Evidence of contents of register.
	21. Application for stock.
	22. Death duty stock.
	23. Corporation advancing money may be registered as holder of stock.
	24. Infants may be registered as holders of stock.
	25. Registered holder of stock.
	26. Date of commencement of interest.
	27. Stock certificates.
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	LOANS OUTSIDE NEW ZEALAND
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38. Removal of Loan Agents.	56. Loans Redemption Account.
39. Notice of Appointment.	57. Money payable into Loans Redemption Account.
40. Minister's powers not limited.	58. Application of money in Loans Redemption Account.
41. Agreements with Bank of England as to stock.	59. Annual contribution from Consolidated Fund for Loans Redemption Account.
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48. Provision for payment in London.	64. Securities not to be free of income tax.
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	66. Redemption of securities.
	67. Cancellation of discharged securities.
	68. Costs, charges, and expenses.
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	70. Issue of stock or new security on loss of debenture, Treasury bill, or stock certificate.
	71. Forms, fees, and other matters to be prescribed by Minister.
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51. Public Debt Commission.	
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53. Meetings.	
54. Representation of absent members.	

A BILL INTITULED

Title.

AN ACT to consolidate and amend certain enactments of the General Assembly relating to loans raised by the Government of New Zealand, whether in New Zealand or elsewhere.

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

Short Title and commencement.

1. (1) This Act may be cited as the New Zealand Loans Act 1953.

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(2) This Act shall come into force on the first day of January, nineteen hundred and fifty-four.

(3) This Act is divided into Parts, as follows:

PART I—Mode of Raising, Renewing, and
Converting Loans.

PART II—National Development Loans.

5 PART III—Stock Registered in New Zealand.

PART IV—Loans Outside New Zealand.

PART V—United Kingdom Investors' Rights.

PART VI—Repayment of the Public Debt.

PART VII—Miscellaneous.

10 2. In this Act, unless the context otherwise
requires,—

Interpretation.

1932, No. 23,
ss. 2, 29, 40 (7)

15 “Authorizing Act” means any enactment (whether
in this Act or in any other Act passed before
or after this Act) whereby authority is given
to the Minister to borrow any money on the
security of and charged upon the public
revenues of New Zealand:

20 “Death duty stock” means stock issued under
section *twenty-two* of this Act; and includes
any Government stock issued before the
commencement of this Act with the condition
of availability for payment of death duties
attached thereto:

25 “Loans Redemption Account” means the Loans
Redemption Account established under section
fifty-six of this Act:

“Minister” means the Minister of Finance:

30 “National Development Loans Account” means
the National Development Loans Account
forming part of the Public Account:

35 “New Zealand Government securities” or
“Government securities” means securities
issued under this Act; and includes securities
issued under any other Act passed before or
after this Act, being securities created or issued
on behalf of the Government of New Zealand
and secured by or charged upon the public
revenues or Consolidated Fund of New
Zealand, or forming part of the public debt
of New Zealand:

40 “Prescribed” means prescribed by the Minister:

“Securities” includes debentures, stock, stock
certificates, Treasury bills, and such other
forms of security as may be prescribed.

PART I

MODE OF RAISING, RENEWING, AND CONVERTING LOANS

Minister may
borrow money
when
authorized.
1932, No. 23,
ss. 3, 4, 11;
1944, No. 7, s. 3

3. (1) Where in this Act or any other Act the Minister is authorized to borrow any money on the security of and charged upon the public revenues of New Zealand, he may borrow that money by the issue of securities under this Act in New Zealand or elsewhere on such terms as he thinks fit, and either at one time or in several sums from time to time. 5

(2) The authority to borrow any money shall be deemed to include authority to borrow also such additional sums as the Minister thinks necessary to provide for all costs, charges, and expenses connected with the borrowing. 10

Charge on
public revenues.
1932, No. 23,
s. 5

4. All principal and interest payable under any Government security are hereby declared to be a charge upon and to be payable out of the public revenues of New Zealand without further appropriation than this Act. 15

Security for
lenders.
1932, No. 23,
ss. 6, 12

5. (1) All money borrowed or purporting to be borrowed, and all securities issued or converted, or purporting to be issued or converted, under this Act shall, so far as concerns the lender or holder, be deemed to have been lawfully borrowed, issued, or converted within the powers by this Act conferred in that behalf, and no such lender or holder shall be concerned to inquire whether or to what extent authority has been given or occasion has arisen for the exercise of any such powers. 20 25

(2) All debentures and Treasury bills issued under this Act shall bear on the face thereof as authority for the issue thereof the words "Issued under the New Zealand Loans Act 1953", and it shall not be necessary to cite on any such securities any other authority than this Act. 30

Prior securities
not affected.
1932, No. 23,
s. 7

6. Neither the authority to borrow any money given by any authorizing Act nor the exercise of any such authority under this Act shall alter or affect or vary any Government security theretofore issued. 35

Saving of
existing claims.
1932, No. 23,
s. 8

7. 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 public revenues of New 40

Zealand, or any of them, 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.

5 **8.** (1) All debentures and Treasury bills issued under this Act shall be signed by the Minister or, in the case of money borrowed outside New Zealand, by the Loan Agents raising the loan, and shall be countersigned by the Controller and Auditor-General or by
10 any person appointed for that purpose by the Controller and Auditor-General either generally or in a particular case. The fact that any person so countersigns shall be sufficient evidence of authority to do so, in the absence of proof to the contrary.

Signature of
debentures and
Treasury bills.
1932, No. 23,
s. 13

15 (2) It shall be sufficient compliance with the provisions of this section requiring any securities to be signed by the Minister if the name and designation of the Minister are stamped on the securities.

20 **9.** (1) The Minister may from time to time issue in New Zealand or elsewhere, and on such terms as he thinks fit, new securities for such amount as may be necessary for the purpose of redeeming or converting any Government securities; and may from time to time, by agreement with the holders, renew any Govern-
25 ment securities by extending the currency thereof for such period as he thinks fit.

Redemption,
conversion,
or renewal of
securities.
1932, No. 23,
ss. 14, 15

(2) The currency of any Treasury bill may be extended by endorsement thereon, signed and countersigned in the manner provided by section *eight* of this
30 Act for the signature and countersignature of debentures and Treasury bills.

(3) The Minister may, without further appropriation than this section, pay to the holder of any Government securities being converted such amount by way of
35 premium or bonus as may be necessary to effect the conversion. Every such premium or bonus shall be deemed to be part of the costs, charges, and expenses of the conversion.

(4) In every case where money is borrowed under
40 this section it shall be applied exclusively in redeeming or converting the securities for which it was borrowed

and defraying the costs, charges, and expenses incurred in connection with the borrowing and the redemption or conversion:

Provided that nothing in this subsection shall be construed to prevent the temporary investment of any such money pending its application to the purpose aforesaid. 5

(5) Trustees and other persons acting in a fiduciary capacity are hereby expressly authorized to convert under this section any Government securities held by them, and shall not be liable for any loss resulting from any such conversion. 10

Audit Office to be notified.
1932, No. 23,
s. 16

10. The Treasury shall from time to time notify the Audit Office of all securities intended to be issued, redeemed, converted, or renewed under this Act, and the Audit Office shall thereupon satisfy itself that the issue, redemption, conversion, or renewal is according to law. 15

PART II

NATIONAL DEVELOPMENT LOANS 20

Authorizing Minister to raise national development loans.
1941, No. 7,
s. 3;
1947, No. 25,
s. 21;
1950, No. 93,
s. 6

11. (1) Where in any Act any money is authorized to be transferred in any financial year from the National Development Loans Account to any other fund or account, the Minister may in that financial year borrow that money on the security of and charged upon the public revenues of New Zealand. 25

(2) In anticipation of the passing of the Appropriation Act for any financial year, the Minister, at any time after the passing of the Appropriation Act for the preceding financial year, may borrow under this section such sums of money as he thinks fit, not exceeding in the aggregate the total amount authorized to be transferred from the National Development Loans Account by the last-mentioned Appropriation Act. All money borrowed under this subsection shall be included in the amounts to be authorized to be transferred from the National Development Loans Account by the next Appropriation Act to be passed after the money is borrowed. 30 35

(3) All money borrowed under this section shall, as and when borrowed, be paid into the Public Account to the credit of the National Development Loans Account.

- 5 **12.** (1) Where the Appropriation Act passed in any financial year has authorized the transfer from the National Development Loans Account to any fund or account of any amount (in this section referred to as the authorized amount), there may from time to time
10 during the first three months of the next succeeding financial year, without further authority than this section, be transferred from the National Development Loans Account to that fund or account such money as
15 so much of the authorized amount as has not been transferred during the year in which the Appropriation Act was passed together with a further amount equal to one-fourth of the authorized amount.

- (2) All moneys transferred under this section in
20 any financial year shall be included in the amounts to be authorized to be transferred from the National Development Loans Account by the Appropriation Act passed in that year.

- 13.** (1) If in the opinion of the Minister the amount
25 authorized by the Appropriation Act passed in any financial year to be transferred from the National Development Loans Account to any fund or account is not sufficient for the purposes of that fund or account, there may from time to time during that year, without
30 further authority than this section, be transferred from the National Development Loans Account to that fund or account, in addition to the amount so authorized, such further money as the Minister may direct:

- 35 Provided that the money transferred from the National Development Loans Account under this section in any financial year shall not exceed in the aggregate ten per cent of the total amount authorized to be transferred from that account by the Appropriation Act passed in that year.

- 40 (2) A statement showing the amounts transferred under this section in any financial year and the funds or accounts to which they have been transferred shall be included in the public accounts for that year.

Transfers from National Development Loans Account to other accounts in anticipation of Appropriation Acts.
1941, No. 7,
s. 4

Supplementary transfers from National Development Loans Account.
1941, No. 7,
s. 5

Capital liability
to Consolidated
Fund.

1926, No. 46,
s. 22;
1927, No. 74,
ss. 18, 19;
1928, No. 53,
s. 16;
1932, No. 23,
s. 65;
1941, No. 7,
ss. 6, 7;
1944, No. 31,
s. 3;
1947, No. 25,
s. 21

14. (1) Subject to the provisions of this section and of section *fifteen* of this Act, the following amounts shall constitute a capital liability of the appropriate fund or account to the Consolidated Fund until they are repaid out of that fund or account: 5

(a) The amount of all money transferred to any fund or account from the National Development Loans Account:

(b) The amount of all money borrowed by the Minister and paid to the credit of any fund or account other than the Consolidated Fund or the War Expenses Account: 10

(c) The amount of all other money advanced to any fund or account from the Consolidated Fund:

(d) The amount of all other money provided by the Consolidated Fund under paragraphs (b) and (c) of section *fifty-seven* of this Act for the redemption of any securities that represent a capital liability of any fund or account. 15

(2) If any question arises as to which is the appropriate fund or account to bear any capital liability under this section it shall be determined by the Minister, and his decision shall be final. 20

(3) The Minister may from time to time transfer all or any part of the capital liability of any fund or account to any other fund or account as he thinks fit to enable the true financial position of the funds or accounts concerned to be disclosed. 25

(4) If the Minister is satisfied at any time that there is available in any fund or account which has a capital liability under this section any money in excess of the amount reasonably required for the purposes of that fund or account, he may direct that the whole or any part of the excess be transferred without further appropriation than this section from that fund or account to the Loans Redemption Account to be used for the redemption of Government securities. All money so transferred shall be deemed to be repaid in reduction of the capital liability of that fund or account to the Consolidated Fund. 30 35 40

(5) Interest on the amount of the capital liability of any fund or account under this section shall, without further appropriation than this section, be paid out of that fund or account to the Consolidated Fund at such rate or rates and at such times as are from time to time prescribed. Different rates may be prescribed in respect of different funds or accounts or in respect of different moneys, and the Minister may determine that no interest shall be payable on such moneys for such periods as he thinks fit.

15 **15.** (1) Where the Minister is satisfied that sufficient money is not likely to be available in any fund or account to meet in full any liability of that fund or account to the Consolidated Fund, whether for capital or for interest and whether arising under section *fourteen* of this Act or otherwise, the Minister may direct that the whole or any part of the liability be remitted, and in any such case, without further authority than this section, the amount so directed shall be remitted accordingly, and all necessary adjustments shall be made in the appropriate accounts or records.

(2) Every amount remitted under this section shall be recorded in the published accounts of the fund or account concerned.

Remission of liability to Consolidated Fund of other funds and accounts.

1943, No. 15, s. 3

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PART III

STOCK REGISTERED IN NEW ZEALAND

16. Except as provided in Part IV of this Act, this Part of this Act shall apply to all money borrowed under this Act by the issue of stock.

Application of this Part. 1932, No. 23, s. 33

30 **17.** (1) The Reserve Bank of New Zealand shall be the Registrar of Stock under this Part of this Act (in this Part referred to as the Registrar).

Registrar of Stock. 1932, No. 23, ss. 23 (2), 34; 1934, No. 2, s. 5 (2) (a)

(2) The provisions of sections *forty-one* and *forty-three* of this Act shall, as far as they are applicable, apply for the purposes of this Part of this Act with the substitution of references to the Reserve Bank of New Zealand for the references to the Bank of England and with all other necessary modifications.

40 **18.** (1) The Registrar shall keep a register of stock in such form as may from time to time be prescribed.

Register of stock. 1932, No. 23, s. 36

(2) The Registrar shall cause to be entered in the register, with respect to every holder of stock under this Part of this Act, the following particulars:

- (a) The name and address of the holder;
- (b) The amount of stock held by him; 5
- (c) The rate of interest payable in respect of the stock;
- (d) The date or dates in each year on which the interest is payable;
- (e) The due date of repayment of the principal; 10
and
- (f) Such other particulars as may from time to time be prescribed.

Trusts not to be entered on register.
1932, No. 23,
s. 37

19. No notice of any trust in respect of any stock, or in respect of any stock certificate or certificate of title to stock, shall be entered in the register or receivable by the Registrar; and no liability shall attach to Her Majesty the Queen, or to the Government of New Zealand, or to the Registrar, by reason of any express, implied, or constructive notice of any trust affecting 20 any such stock or certificate as aforesaid.

Evidence of contents of register.
1932, No. 23,
s. 38;
1934, No. 2,
s. 5 (2) (c)

20. Any extract from the register, certified as correct by an officer of the Reserve Bank of New Zealand purporting to act in the course of his duties as such, shall, for all purposes and in all Courts, be conclusive 25 evidence of the entry in the register to which the extract relates as on the date when the extract was so certified.

Application for stock.
1932, No. 23,
s. 39

21. Any person who desires to lend to the Minister any money on the security of stock under this Part of this Act may apply accordingly to the Registrar in 30 the prescribed form, and the Registrar may, on payment of the price of the stock as determined by the Minister, and subject to the provisions of this Part of this Act, register the name of that person in the register as the holder of the stock accordingly. 35

Death duty stock.
1932, No. 23,
s. 40;
1944, No. 7,
s. 4;
1950, No. 93,
s. 3;
1952, No. 33,
s. 4 (2)

22. (1) Of the money which the Minister is authorized by any authorizing Act to borrow, he may borrow such amount as he thinks fit by the issue of death duty stock.

(2) The administrator of the estate of any deceased 40 person, or other person by whom death duties may be payable in respect of that estate, may pay the whole

or any part of the death duties payable by him in respect of that estate by means of death duty stock issued to the deceased, and the Commissioner of Inland Revenue shall accept any such stock accordingly in satisfaction in whole or in part, as the case may be, of the amount of death duties payable as aforesaid.

5 (3) All death duty stock transferred to the Commissioner of Inland Revenue under this section shall be deemed to mature for payment, and to be accepted by
10 the Commissioner in satisfaction of death duties as aforesaid, on the date of execution of the memorandum of transfer by the transferor; and all such stock shall for the purposes of this section be deemed to be of the nominal value thereof and shall carry interest till
15 that date.

(4) No transfer of any death duty stock shall be registered, and no stock certificate shall be issued in respect of any death duty stock, during the lifetime of the registered holder.

20 (5) If on the death of the registered holder of any death duty stock the whole or any part of that stock is not used for the payment of death duties in respect of the estate of the deceased, the stock so remaining unused shall cease to be death duty stock, and may be
25 dealt with accordingly.

23. (1) Where any corporation that carries on business or is incorporated in New Zealand advances money to any person for investment in stock under this Part of this Act the Minister may, on the application
30 of the Corporation, register the stock in the name of the corporation, and the corporation shall be deemed to be the registered holder of the stock so registered.

Corporation advancing money may be registered as holder of stock. 1932, No. 23, s. 41 (1), (2); 1944, No. 7, s. 5 (1)

(2) Any death duty stock so registered may be at
35 any time transferred by the corporation to the person on whose behalf the advance was made, or, if he is deceased, to the administrator of his estate or other person by whom death duties may be payable in respect of that estate, and shall thereupon be available for
40 payment of death duties in respect of that estate as if it had been issued to the deceased.

Infants may be registered as holders of stock. 1932, No. 23, s. 42

24. Any infant of the age of ten years or upwards may be registered as the holder of any stock under this Part of this Act, and may apply for the issue of stock certificates or of certificates of title in relation to stock, or may execute a memorandum of transfer of any stock as effectually in all respects as if he were of the age of twenty-one years. 5

Registered holder of stock. 1932, No. 23, s. 43

25. Subject to the provisions hereinafter contained as to the issue of stock certificates, every person whose name is for the time being on the register as the holder of any stock shall be deemed to be the holder of that stock for the amount standing to his credit in the register, with the right, subject to the provisions of this Act, to receive the interest thereon. 10

Date of commencement of interest. 1932, No. 23, s. 44

26. The interest payable on any stock under this Part of this Act shall be computed from such date as the Minister may in his discretion determine. 15

Stock certificates. 1932, No. 23, s. 45; 1911, No. 4, s. 5

27. (1) The Registrar may, on application in writing in the prescribed form by the registered holder of any stock under this Part of this Act, issue to him a stock certificate in the prescribed form for the whole or any part of the stock held by him: 20

Provided that no stock certificate shall be issued for any amount that is less than fifty pounds or is not a multiple of five pounds: 25

Provided also that no stock certificate shall be issued unless provision for the issue of stock certificates has been made in the prospectus or terms of issue of the stock.

(2) Every stock certificate shall have coupons annexed entitling the bearer to the interest payable on the stock described in the certificate. 30

(3) A stock certificate, until the name of some person is inserted therein as the holder, shall entitle the bearer to the stock therein described, and shall be transferable by delivery. The bearer of a stock certificate may convert it into a nominal certificate by inserting therein the name, address, and description of some person. When a stock certificate becomes nominal, it shall not be transferable, and the person named therein (in this section referred to as the nominee) or some person 35
40

deriving title from him by devolution by law shall alone be recognized by the Registrar as entitled to the stock described in the certificate.

5 (4) The nominee in a nominal stock certificate shall not be entitled to have it renewed as nominal, but he shall, on delivery to the Registrar of his certificate and of all unpaid coupons belonging thereto, be entitled to receive in exchange from the Registrar a stock certificate to bearer.

10 (5) The nominee in a nominal stock certificate and the bearer of a stock certificate to bearer may, on delivery to the Registrar of the stock certificate and of all unpaid coupons belonging thereto, require to be registered as the holder of the stock described in the
15 stock certificate, and thereupon the stock certificate shall be cancelled, and the stock shall be re-entered in the register, and shall become transferable, and the interest thereon shall be payable as if no certificate had been issued in respect of the stock.

20 (6) The Registrar shall enter in the register such particulars as may be prescribed with respect to the issue of stock certificates under this section.

25 **28.** (1) The Registrar shall, on application in writing in the prescribed form by the registered holder of any stock under this Part of this Act, issue to him a certificate of title in the prescribed form certifying that the applicant is the registered holder of the stock referred to therein (being the whole or any part of the amount of stock of which he is the registered holder and in
30 respect of which no stock certificate under section *twenty-seven* of this Act is outstanding).

(2) Any such certificate of title shall be conclusive evidence of the ownership of the stock to which it relates by the person named therein as the holder, and that
35 no stock certificate is outstanding in respect of that stock.

(3) The transfer, whether by delivery or otherwise, of any such certificate of title shall not operate as a transfer of the legal or equitable interest of the holder
40 in the stock to which it relates. No dealings with any stock to which any such certificate of title relates shall be recorded by the Registrar, and no stock certificate

Certificates of
title to stock.
1932, No. 23,
s. 46

in respect thereof shall be issued by him unless and until the certificate of title has been produced to the Registrar and cancelled by him:

Provided that where any such certificate of title has been lost or destroyed, the Registrar, on receiving evidence to his satisfaction of the loss or destruction, may, on such terms and subject to such conditions as may be prescribed, issue a substitute certificate of title with the word "Substituted" stamped or written thereon, and shall record the issue thereof in the register accordingly. 5 10

(4) Every such substituted certificate of title shall have the same effect to all intents and purposes as the original certificate of title for which it is substituted.

(5) The Registrar shall enter in the register such particulars as may be prescribed with respect to the issue of certificates of title under this section. 15

Payment of
interest
on stock.
1932, No. 23,
s. 47

29. (1) The Registrar may from time to time issue warrants for the payment of interest on any stock registered under this Part of this Act in respect of which a stock certificate is not outstanding, or for the payment of interest on so much of any stock as is for the time being unrepresented by stock certificates. 20

(2) Every such warrant shall be in the name of the registered holder of the stock to which it relates, or in the case of stock held jointly or otherwise by two or more persons may be in the name of the stockholder first named in the register. 25

See Reprint
of Statutes,
Vol. I, p. 583

(3) Every such warrant shall be transferable as if it were a cheque payable to order within the meaning of the Bills of Exchange Act 1908, and the provisions of sections seventy-six to eighty-two of that Act shall apply to every such warrant as if it were a cheque. 30

(4) Nothing in this section shall preclude the Registrar from paying interest otherwise than by interest warrant if he thinks fit, or from accepting a direction from a stockholder or stockholders, as the case may be, for payment to be made to an agent. 35

Transfer
of stock.
1932, No. 23,
s. 48;
1933, No. 41,
s. 3

30. (1) The registered holder of any stock under this Part of this Act may, by memorandum of transfer in the prescribed form, transfer to any other person the whole of the stock or any part thereof, being an 40

amount of five pounds or a multiple of five pounds or such other amount as the Registrar may in any particular case agree to.

(2) On application in that behalf to the Registrar, either by the registered holder or by the transferee, and on production to him of a duly executed memorandum of transfer, the Registrar shall enter in the register the name of the transferee as the registered holder of the stock to which the memorandum of transfer relates.

(3) Every such entry shall operate as a transfer of the stock to which it relates, and shall vest that stock in the transferee.

(4) No transfer of stock shall be made under this section while any stock certificate or certificate of title is outstanding in respect of the stock, unless the amount of the stock proposed to be transferred is not more than the amount standing on the register and unaffected by the outstanding certificate or certificates.

(5) Every memorandum of transfer of stock under this section shall be exempt from stamp duty.

31. When the right to any stock under this Part of this Act is acquired by any person on the death or bankruptcy of the registered holder, or under a writ of execution, or in any manner other than by way of a transfer under section *thirty* of this Act, the Registrar, on application by or on behalf of the person entitled, and on being satisfied that he is legally entitled to be registered as the holder of the stock, shall enter his name in the register as the holder of the stock accordingly.

Acquisition of stock by operation of law.
1932, No. 23, s. 49

32. (1) Where the registered holder of any stock under this Part of this Act has died, whether before or after the commencement of this Act, and the total nominal amount of the stock does not exceed two hundred pounds, the Registrar may in his discretion, and without requiring the production of probate or letters of administration, register as the holder of the stock any person who proves to the satisfaction of the Registrar—

Vesting stock of deceased holder without requiring probate or letters of administration.
1943, No. 9, s. 11;
1952, No. 33, s. 4 (2)

(a) That he is entitled to the stock under the will or on the intestacy of the deceased stockholder; or

(b) That he is entitled to obtain probate of the will of the deceased stockholder, or letters of administration of his estate; and

(c) That in neither case has any grant been made of any such probate or letters of administration.

(3) Notice of any exercise of the powers conferred by this section shall within fourteen days thereafter be given by the Registrar to the Commissioner of Inland Revenue. 5

Powers of attorney.
1942, No. 14,
s. 21

33. (1) Any person may, by power of attorney in the prescribed form, appoint any other person to be his attorney for any purpose in relation to stock under this Part of this Act. 10

(2) Every power of attorney under this section shall be deposited in the office of the Registrar.

(3) Every such power of attorney that is so deposited shall be valid and effectual for all the purposes therein mentioned until notice in writing of its revocation, or of the death, disability, bankruptcy, winding up, or dissolution of the principal has been received in the office of the Registrar. 15

(4) Every power of attorney under this section shall be exempt from stamp duty. 20

Supreme Court may prohibit dealings with stock.
1932, No. 23,
s. 50

34. (1) The Supreme Court, on the application of any interested person made either *ex parte* or on notice to any other person as the Court may direct, may make an order prohibiting, for the time and subject to the conditions specified in the order, any dealings with any stock specified in the order, and may discharge any such order, with or without costs, and generally act in the premises in such manner as in the opinion of the Court the justice of the case requires. 25

(2) The Registrar of Stock, without being made a party to the proceedings, shall, on being served with any such order, obey it, and make an entry of the order in the register. 30

(3) No liability shall attach to Her Majesty, or to the Government of New Zealand, or to the Registrar, for any entry made or thing done by the Registrar pursuant to an order under this section. 35

Statements by Registrar to Treasury.
1932, No. 23,
s. 51;
1934, No. 2,
s. 5 (2) (d)

35. The Registrar shall from time to time furnish to the Treasury certified statements as to the amount of stock registered under this Part of this Act, with such other particulars relating thereto as the Treasury may require, and the Audit Office may for all purposes accept any such certified statements as correct. 40

PART IV

LOANS OUTSIDE NEW ZEALAND

36. If the Minister thinks it convenient that any
 5 loans authorized to be raised, or any securities authorized
 to be issued, under this Act should be raised or issued
 outside New Zealand, the Minister may from time to
 time, by warrant under his hand, appoint any two or
 10 more persons (of whom the High Commissioner for
 New Zealand shall, where the loans are to be raised
 or the securities are to be issued in the United Kingdom,
 be one) as joint Loan Agents for raising the loans or
 issuing the securities, and may also in like manner
 confer upon them all such powers as he thinks necessary
 in order to carry into effect the purposes of this Act
 15 and any authorizing Act:
- Provided that in the United Kingdom the High
 Commissioner and one other Loan Agent acting jointly
 shall have all the powers of the joint Loan Agents.
37. All or any of the powers conferred upon the
 20 Loan Agents by this Act or by the Minister may be
 delegated by them from time to time, in all or in part, to
 two or more other persons as delegated Loan Agents, in
 such manner and subject to such conditions as the
 delegating Loan Agents think fit.
- 25 38. The Minister may from time to time remove or
 accept the resignation of any Loan Agent, whether
 appointed by him or by delegating Loan Agents; and
 in any such case, or if any Loan Agent dies, the Minister
 may appoint another person in his stead.
- 30 39. Notice of any appointment of Loan Agents may
 be given by telegraphic message from the Minister, and
 the fact that any powers in relation to New Zealand
 Government loans or securities are exercised by the
 Loan Agents or the High Commissioner for New
 35 Zealand shall be conclusive evidence of their or his
 authority to exercise them.
- 40 40. The authority of the Minister himself to raise
 the whole or any part of the loans authorized to be
 raised, and generally to exercise all the powers conferred
 on him by this Act, shall be in no way limited or affected
 by the fact that he has made any appointment as
 aforesaid.

Loan Agents
for raising
loans outside
New Zealand.
1932, No. 23,
s. 17

Delegation
of powers by
Loan Agents.
1932, No. 23,
s. 18 (2)

Removal of
Loan Agents.
1932, No. 23,
s. 19

Notice of
appointment.
1932, No. 23,
s. 21

Minister's
powers not
limited.
1932, No. 23,
s. 22

Agreements
with Bank of
England as
to stock.

1932, No. 23,
s. 23 (1);
1950, No. 93,
s. 2 (2)

41. The Governor-General in Council may from time to time enter into any such agreement with the Bank of England as the Governor-General in Council thinks fit providing for all or any of the following things: 5

(a) For inscribing any stock in the books of the bank, and for registering any stock in a register kept in the United Kingdom by the bank, and for issuing certificates of title relating to any such stock: 10

(b) For managing the creation, inscription, registration, and issue of stock:

(c) For managing transfers of stock:

(d) For paying dividends on stock:

(e) For issuing stock certificates to bearer, and, as often as occasion requires, reissuing, reinscribing, or re-registering stock, and reissuing stock certificates: 15

(f) For receiving from time to time any money borrowed under this Act: 20

(g) For paying such money from time to time into the New Zealand Public Account in London, or into such other account or bank as is duly appointed in that behalf:

(h) For issuing scrip for deposits on loans: 25

(i) For redeeming stock or loans:

(j) For generally conducting all business connected with stock or loans:

(k) For the protection and remuneration of the Bank of England under and in respect of any such agreement. 30

Agreements
with other
banks.

1932, No. 23,
s. 23 (2)

42. Any agreement which by virtue of section *forty-one* of this Act may be entered into with the Bank of England may, if the Governor-General in Council thinks fit, be entered into with any other bank carrying on business in the United Kingdom or elsewhere outside New Zealand, and in any such case the references in this Act to the Bank of England shall be deemed to be references to the bank with which the agreement is made. 35

Agreements
to have force
of law.

1932, No. 23,
24 (1)

43. Every agreement made with the Bank of England under this Act shall be as valid and effectual as if the terms thereof had been set forth and enacted in this Act, and all remuneration payable under any such 40

agreement to the Bank of England shall be a charge on and paid out of the Consolidated Fund without further appropriation than this section.

5 **44.** (1) Subject to such conditions and on payment of such fees as may from time to time be prescribed, the holder of any Government securities repayable in a country other than New Zealand may transfer the securities from the register kept in that country to the register kept in New Zealand.

Transfer of securities from overseas to New Zealand register. 1932, No. 23, s. 28

10 (2) After the registration in New Zealand of any such securities so transferred, the securities shall at maturity be redeemable in New Zealand, and all interest falling due thereon after the date of that registration shall be payable in New Zealand, notwithstanding
15 anything to the contrary printed on the securities, or contained in a prospectus issued in connection with the raising of the loan.

(3) Any securities so transferred to the register kept in New Zealand shall not at any later date be
20 transferred to any register kept outside New Zealand.

45. (1) Where any New Zealand Government stock is, pursuant to an agreement under section *forty-one* or section *forty-two* of this Act, inscribed or registered in a register kept in the United Kingdom by the Bank
25 of England or by any other bank (in this section referred to as the registrar), and is registered under the Colonial Stock Acts 1877 to 1948 of the Parliament of the United Kingdom, or any Acts amending them or substituted therefore, regulations may be made by the
30 registrar under section sixteen of the Colonial Stock Act 1877, as extended by the Colonial Stock Act 1948, for the purpose of providing that the stock shall be transferable by instrument in writing in accordance with the regulations and in no other manner.

Regulations as to transfer of stock registered under Colonial Stock Acts in United Kingdom. 1950, No. 93, s. 2 (3), (4) See Halsbury's Statutes of England, 2nd ed., Vol. 6, p. 532; Vol. 28, p. 424

35 (2) This section applies to stock issued before, as well as after, the commencement of this Act, and accordingly, in relation to stock issued before the first day of December, nineteen hundred and fifty (being the date

1950, No. 93

of the passing of the Finance Act 1950), so much of the said section sixteen as requires regulations thereunder to be made before the issue of the stock shall not apply to regulations made for the purpose specified in subsection *one* of this section, and the regulations, when made, shall have effect notwithstanding anything in any previous regulations applicable to the stock and notwithstanding anything in the terms on which the stock was issued. 5

PART V 10

UNITED KINGDOM INVESTORS' RIGHTS

Application of this Part. 1932, No. 23, s. 29

46. This Part of this Act applies to all New Zealand Government securities, as defined in section *two* of this Act.

Authority for payments under judgments, &c., without further appropriation. 1932, No. 23, s. 30

47. (1) Whenever by the final judgment, decree, rule, or order of any Court of competent jurisdiction in the United Kingdom any sum of money is adjudged or declared to be payable by the Government of New Zealand in respect of any New Zealand Government securities, the Minister shall forthwith pay the same out of the New Zealand Public Account in London without further appropriation than this section. 15 20

(2) For the purposes of this section the expression "final judgment, decree, rule, or order" means in case of appeal the final judgment, decree, rule, or order of the ultimate Court hearing the appeal. 25

See Halsbury's Statutes of England, 2nd ed., Vol. 6, p. 532; Vol. 28, p. 424

(3) Without in any way limiting the foregoing provisions of this section, it is hereby declared that, in the case of such New Zealand Government securities as are colonial stock to which the Colonial Stock Acts 1877 to 1948 of the United Kingdom Parliament apply, the Minister shall, without further appropriation than this section, forthwith pay out of the New Zealand Public Account in London whatever sums may from time to time be required in order to enable the registrar of the stock forthwith to comply with any judgment, decree, rule, or order with which, under section twenty of the Colonial Stock Act 1877, the registrar is required to comply. 30 35

48. In order to enable every such payment to be made out of the New Zealand Public Account in London, the warrant of the Minister or of the High Commissioner for New Zealand, specifying the sum to be paid, shall
- 5 be sufficient authority to the Audit Office and the Commissioners or other officers having the control of that account to cause the requisite money to be issued out of that account.
49. Whereas, in order to ensure that New Zealand
- 10 Government securities registered in the United Kingdom under the Colonial Stock Acts 1877 to 1948 shall be recognized as trustee securities in the United Kingdom, Her Majesty's Government in New Zealand has undertaken that legislation which appears to Her Majesty's
- 15 Government in the United Kingdom to alter any of the provisions affecting any such registered securities to the injury of the holders thereof, or to involve a departure from the original contract in regard to the securities, shall not be submitted for the Royal Assent
- 20 except after agreement with Her Majesty's Government in the United Kingdom, and that, if attention is drawn to any such legislation after the passing thereof by the Parliament of New Zealand, Her Majesty's Government in New Zealand will take the necessary steps to
- 25 ensure such amendment as may be requested by Her Majesty's Government in the United Kingdom: Be it therefore enacted as follows:—
- The said undertaking is hereby confirmed.

Provision
for payment
in London.
1932, No. 23,
s. 31

Confirming
undertaking
given to ensure
recognition
as trustee
securities of
securities
registered
in United
Kingdom.
1947, No. 25,
s. 22

See Halsbury's
Statutes of
England,
2nd ed.,
Vol. 6, p. 532;
Vol. 28, p. 424

PART VI

30 REPAYMENT OF THE PUBLIC DEBT

50. In this Part of this Act, unless the context otherwise requires,—
- “ Commission ” means the Public Debt Commission constituted under this Part of this Act:
- 35 “ Money ” includes securities in which money is for the time being invested:
- “ Public debt ” means all money borrowed by or on behalf of the Government of New Zealand and charged upon the public revenues except—
- 40 (a) Money borrowed on the security of Treasury bills issued under section *forty-one* of the *Public Revenues Act 1926*:

Interpretation.
1947, No. 25,
s. 3;
1952, No. 81,
s. 2 (2)

See Reprint
of Statutes,
Vol. VII, p. 23

(b) Loans funded by agreement with Her Majesty's Government in the United Kingdom under section eight of the Finance Act 1922.

See Reprint
of Statutes,
Vol. VI, p. 1041

Public Debt
Commission.
1947, No. 25,
s. 4

51. (1) For the purposes of this Part of this Act there shall be a Commission to be called the Public Debt Commission. 5

(2) The Commission shall consist of—

(a) The Minister:

(b) The Speaker of the House of Representatives:

(c) The Secretary to the Treasury: 10

(d) The Solicitor-General:

(e) The Public Trustee:

(f) One other person to be appointed in that behalf by the Governor-General, and to hold office during his pleasure. 15

Chairman of
Commission.
1947, No. 25,
s. 5

52. (1) The Minister shall be the Chairman of the Commission.

(2) In the absence of the Chairman from any meeting of the Commission the members present shall appoint one of their number to be the Chairman of that meeting. 20

Meetings.
1947, No. 25,
ss. 6, 8

53. (1) Three members shall form a quorum at any meeting of the Commission.

(2) At all meetings of the Commission the Chairman shall have a deliberative vote and, in the case of an equality of votes, shall also have a casting vote. 25

(3) Subject to the provisions of this Act, the Commission may regulate its procedure in such manner as it thinks fit.

Representation
of absent
members.
1947, No. 25,
s. 7

54. (1) In the absence of the Minister from any meeting of the Commission, any other Minister may attend the meeting in his stead, and while so attending shall be deemed to be a member of the Commission and to be the Chairman thereof. 30

(2) In the absence from any meeting of the Commission of any member being an officer of the Government Service, any officer of his Department having authority to act in his place during his absence from duty may attend the meeting in his stead, and while so attending shall be deemed to be a member of the Commission. 35

(3) The fact that any such officer so attends and acts shall be sufficient evidence of his authority to do so. 40

55. Within ninety days after the end of each financial year the Controller and Auditor-General shall furnish to the Commission a certificate showing—

Audit Office to furnish annual certificate.

5 (a) The total amount of the public debt outstanding at the end of that financial year:

1947, No. 25, s. 9; 1952, No. 81, s. 2 (3)

10 (b) The amount of the public debt repaid under paragraph (b) of section *fifty-eight* of this Act during that financial year, and the aggregate amount repaid under that paragraph between the commencement of this Act and the end of that financial year.

15 56. There is hereby established within the Public Account a separate account to be called the Loans Redemption Account, which shall for all purposes be deemed to be the same account as the Loans Redemption Account established under section ten of the New Zealand Loans Amendment Act 1947.

Loans Redemption Account. 1947, No. 25, s. 10

20 57. There shall be payable into the Loans Redemption Account from time to time the amounts following:

Money payable into Loans Redemption Account.

20 (a) All money borrowed for the purpose of redeeming any Government securities:

1947, No. 25, s. 11

(b) The annual contribution from the Consolidated Fund under section *fifty-nine* of this Act:

25 (c) All other money available for the purpose of redeeming any Government securities.

30 58. The money standing to the credit of the Loans Redemption Account shall from time to time, without further appropriation than this section, be applied as follows:

Application of money in Loans Redemption Account.

30 (a) In respect of money borrowed for the purpose of repaying any loan, in or towards repayment of that loan, and in payment of all costs, charges, and expenses incurred in connection with the borrowing of the money and the repayment of the loan:

1947, No. 25, s. 12; 1952, No. 81, s. 2 (4)

35 (b) In respect of the annual contribution from the Consolidated Fund under section *fifty-nine* of this Act, in the purchase and redemption, at or before maturity, of such Government securities as the Commission from time to time determines:

40 (c) In respect of all other money, in the purchase and redemption of such Government securities as the Minister from time to time determines.

Annual contribution from Consolidated Fund for Loans Redemption Account.

1947, No. 25, s. 14; 1952, No. 81, s. 2 (1)

59. There shall in each financial year be paid out of the Consolidated Fund to the credit of the Loans Redemption Account, without further appropriation than this section, the amounts following:

- (a) A sum equal to one-half per cent of the total amount of the public debt outstanding at the end of the preceding financial year: 5
- (b) The sum of two million eight hundred and sixty-five thousand pounds, being four per cent of the aggregate amount of the public debt repaid from the first day of April, nineteen hundred and twenty-five, up to the commencement of this Act: 10
- (c) A sum equal to four per cent of the aggregate amount paid under this section between the commencement of this Act and the end of the preceding financial year: 15

Provided that, if for any financial year the Minister so directs, the amount required to be paid under this section may be reduced by the amount of any money paid into the Loans Redemption Account under paragraph (c) of section *fifty-seven* of this Act, but the amount payable under paragraph (c) of this section in any subsequent year shall be computed as if no such reduction had been made. 25

Annual statement to be laid before Parliament. 1947, No. 25, s. 20

60. An annual statement for each financial year, containing a report of the proceedings of the Commission, the Controller and Auditor-General's certificate, an account showing the amount of the public debt repaid under paragraph (b) of section *fifty-eight* of this Act, and such other information as the Commission considers necessary, shall be laid before Parliament not later than the thirty-first day of July next following the end of the financial year, if Parliament is then in session, and, if not, shall be laid before Parliament within twenty-eight days after the date of the commencement of the next ensuing session. 30 35

Certain transactions need not be shown in Loans Redemption Account. 1947, No. 25, s. 13

61. Where one class of Government securities is issued in exchange for the same or another class of securities but the currency and rate of interest remain the same, or where a loan is renewed, whether by endorsement or otherwise, and the only variation is an 40

extension of the currency by not more than two years, it shall not be necessary to record the transaction in the Loans Redemption Account.

PART VII

5

MISCELLANEOUS

62. In every case where the Minister is authorized to borrow any money or to issue any securities under this Act, the following provisions shall apply:

Powers of
Minister
when issuing
securities.

10 (a) He may from time to time create and issue securities (with or without coupons) in such form and with such currency as he thinks fit:

1932, No. 23,
s. 52

(b) He may prescribe the mode and conditions of payment of the money payable under the securities, the rates of interest thereon, and the time and places for the payment of principal and interest respectively:

15 (c) For the purpose of obtaining temporary advances pending the final disposal of any such securities he may from time to time hypothecate or mortgage them for such amount, and on such terms, whether as to interest or otherwise, as he thinks fit:

20 (d) He may agree that one form of security issued by him may be converted into another form of Government security, and may either specify the terms of the conversion in the securities so issued, or agree that the terms shall be subsequently arranged:

25 (e) Any such terms may either be a definite agreement to convert or an option to convert, and in either case the amount of additional securities to be issued for the purposes of the conversion may be specified in the securities so issued, and may be issued when the conversion is effected.

30 35 63. In every case where Government securities are disposed of in order to provide money to redeem outstanding securities, interest shall be payable under the securities so disposed of notwithstanding that interest is still payable under the outstanding securities.

Interest on
securities sold
to redeem
outstanding
securities.
1932, No. 23,
s. 54

Securities not
to be free of
income tax.
1932, No. 23,
s. 55

64. (1) Notwithstanding anything to the contrary in any authorizing Act, no Government securities shall be issued with the condition that the interest derived therefrom shall be exempt from income tax or social security charge: 5

Provided that nothing in this section shall be deemed to prohibit the issue of securities in replacement of or in exchange for existing securities, whether lost or otherwise, where the new securities to be issued are of equal value and of similar currency to the securities proposed to be replaced or exchanged and where the condition of exemption from taxation attaching to the existing securities is by virtue of the transaction to remain unchanged. 10

(2) Nothing in this section shall be construed to render liable to income tax or social security charge any interest that is exempt from that tax or charge otherwise than by reason of the issue of securities with a condition of exemption as aforesaid. 15

Change of place
for payment of
principal or
interest.
1932, No. 23,
s. 56

65. At the request of the holder of any Government security the Minister may in his discretion direct that payment of the principal or any interest (including arrears) payable thereunder shall be made at a place or places, in New Zealand or elsewhere, other than the place or places theretofore provided for the payment of that principal or interest, as the case may be, and may from time to time revoke any such direction and give other directions, and all such directions shall have effect according to their tenor. 20 25

Redemption
of securities.
1932, No. 23,
s. 58

66. The Minister may, without further appropriation than this section, redeem any Government securities— 30

(a) At any time, whether at or after maturity or, by arrangement with the holder, before maturity; and

(b) Out of the money in any sinking fund or other fund available by law for the redemption of the securities, or out of any other fund or account which in the opinion of the Minister is appropriate. 35

Cancellation
of discharged
securities.
1932, No. 23,
s. 60

67. (1) Whenever any Government securities are cancelled by the Reserve Bank of New Zealand after being discharged by payment, exchange, conversion, or otherwise, the Bank shall furnish to the Treasury 40

certified statements as to the cancellation of the securities, with such particulars as the Treasury may require, and the Audit Office may for all purposes accept any such certified statements as correct.

5 (2) Whenever any Treasury bill is discharged by payment, exchange, conversion, or otherwise it shall be cancelled and destroyed in the presence of two persons, one authorized by the Secretary to the Treasury and the other authorized by the Controller
10 and Auditor-General.

68. The costs, charges, and expenses incurred in connection with raising any loan under this Act or converting, redeeming, or renewing any Government securities may, at the discretion of the Minister, and
15 without further appropriation than this section, be charged to and paid out of the Consolidated Fund or such other fund or account as the Minister thinks fit.

Costs, charges,
and expenses.
1932, No. 23,
s. 61

69. (1) The cost of composition of any stamp duty payable in the United Kingdom or elsewhere in respect
20 of transfers of any Government stock issued upon the raising of any loan or upon the conversion of any securities shall be deemed, for the purposes of this Act, to be part of the costs, charges, and expenses of raising the loan or issuing the stock.

Cost of stamp
duty on
transfers of
certain stock.
1932, No. 23,
s. 62

25 (2) In any case where the stamp duty in respect of such transfers is not compounded the Minister may estimate the amount required for the payment of the stamp duty during the first twelve months after the raising of the loan or the issuing of the stock, and the
30 amount so estimated shall be deemed, for the purposes of this Act, to be part of the costs, charges, and expenses of raising the loan or issuing the stock.

(3) All sums paid as stamp duty on transfers in excess of the amount estimated under subsection *two*
35 of this section, and all other sums so paid in cases where no estimate is made, shall be paid out of the Consolidated Fund without further appropriation than this section.

70. Where any Government security being a debenture, Treasury bill, or stock certificate is lost or
40 destroyed during its currency or while it remains unpaid,

Issue of stock
or new security
on loss of
debenture,
Treasury bill,
or stock
certificate.
1932, No. 23,
s. 63

the Minister, on receiving evidence to his satisfaction of the loss or destruction, may, on such terms and subject to such conditions as may be prescribed,—

(a) In the case of a debenture, direct the issue of stock under this Act in satisfaction of the debenture: 5

(b) In the case of a Treasury bill or stock certificate, direct the issue of a new Treasury bill or stock certificate, as the case may be, in the place of the one that has been lost or destroyed. 10

71. Subject to this Act and any regulations under this Act, the Minister may from time to time, in such manner as he thinks fit,—

(a) Prescribe the form in which the accounts shall be kept relating to any Government securities: 15

(b) Prescribe the forms of stock certificates, certificates of title to stock, interest warrants, transfers of stock, and other instruments under Part III of this Act:

(c) Prescribe fees to be charged by the Registrar for any matters under Part III of this Act: 20

(d) Prescribe all such other matters as may be deemed necessary or expedient for giving full effect to this Act.

72. The Governor-General may from time to time, by Order in Council, make all such regulations as may be deemed necessary or expedient for giving full effect to the provisions of this Act and for the due administration thereof, and in particular for all or any of the following purposes: 30

(a) Prescribing conditions upon or subject to which stock may be registered in the names of corporations advancing money, as provided in section *twenty-three* of this Act:

(b) Protecting the rights of persons on whose behalf advances are made for investment in stock as mentioned in the said section *twenty-three*:

(c) Prescribing that no stock shall be registered as provided in the said section *twenty-three* unless the Minister or some other person specified in the regulations or authorized in that behalf by the Minister is satisfied that the rights of the person on whose behalf any such advance is made have been fully secured. 40

Forms, fees,
and other
matters to be
prescribed by
Minister.
1932, No. 23,
s. 66

Regulations.
1932, No. 23,
s. 41 (3);
1944, No. 7,
s. 5 (2)

73. (1) The enactments specified in the Schedule to this Act are hereby repealed.

Repeals and savings.

(2) Without limiting the provisions of the Acts Interpretation Act 1924, it is hereby declared that the

See Reprint of Statutes, Vol. VIII, p. 568

5 repeal of any provision by this Act shall not affect any document made or any thing whatsoever done under the provisions so repealed or under any corresponding former provision, and every such document or thing, so far as it is subsisting or in force at the time of
10 the repeal and could have been made or done under this Act, shall continue and have effect as if it had been made or done under the corresponding provision of this Act and as if that provision had been in force when the document was made or the thing was done.

15 (3) Section one hundred and eighty-six of the Coal Mines Act 1925 is hereby consequentially amended by omitting the words " Except as provided by sections one hundred and seventy-nine to one hundred and eighty-two hereof ".

Ibid., Vol. V, p. 929

SCHEDULE

Schedule.

ENACTMENTS REPEALED

Section 75

1919, No. 32—

The Housing Act 1919: Sections 30, 43, and 46. (Reprint of Statutes, Vol. III, pp. 806, 810, 811.)

1925, No. 39—

The Coal Mines Act 1925: Sections 179 to 182. (Reprint of Statutes, Vol. V, p. 927.)

1926, No. 46—

The Finance Act 1926: Sections 10 and 22. (Reprint of Statutes, Vol. VI, p. 1050.)

1927, No. 70—

The Coal Mines Amendment Act 1927: Section 5. (Reprint of Statutes, Vol. V, p. 941.)

1927, No. 74—

The Finance Act 1927 (No. 2): Sections 18 and 19. (Reprint of Statutes, Vol. VI, p. 1053.)

1928, No. 53—

The Finance Act 1928: Sections 10 and 16. (Reprint of Statutes, Vol. VI, p. 1055; Vol. VII, p. 505.)

1929, No. 29—

The Finance Act 1929: Section 6. (Reprint of Statutes, Vol. VI, p. 1056.)

1930, No. 40—

The Finance Act 1930 (No. 2): Section 10. (Reprint of Statutes, Vol. VI, p. 1057.)

- 1931, No. 5—
The Finance Act 1931 (No. 2): Sections 26 (3) (b) and 28.
(Reprint of Statutes, Vol. VII, p. 514.)
- 1931, No. 44—
The Finance Act 1931 (No. 4): Section 6. (Reprint of
Statutes, Vol. VI, p. 1058.)
- 1932, No. 11—
The Finance Act 1932: Sections 7 (6) and 15 (8).
- 1932, No. 23—
The New Zealand Loans Act 1932.
- 1932, No. 30—
The Finance Act 1932 (No. 2): Section 5.
- 1933, No. 41—
The Finance Act 1933 (No. 2): Section 3.
- 1934, No. 2—
The Finance Act 1934: Section 5.
- 1936, No. 12—
The State Advances Corporation Act 1936: Section 17 (6).
- 1936, No. 25—
The Southland Electric Power Supply Act 1936: Section 10.
- 1937, No. 33—
The Iron and Steel Industry Act 1937: Section 8.
- 1939, No. 3—
The Finance Act 1939: Section 2.
- 1940, No. 6—
The Finance Act 1940: Sections 3, 5, and 6.
- 1941, No. 4—
The Finance Act 1941: Sections 3, 4, and 5.
- 1941, No. 7—
The National Development Loans Act 1941: Sections 3 to
7 and the Schedule.
- 1942, No. 14—
The Finance Act (No. 2) 1942: Section 21.
- 1943, No. 9—
The Finance Act (No. 2) 1943: Section 11.
- 1943, No. 15—
The Finance Act (No. 3) 1943: Section 3.
- 1944, No. 3—
The Finance Act 1944: Section 3.
- 1944, No. 7—
The Finance Act (No. 2) 1944: Sections 3, 4, and 5.
- 1944, No. 31—
The Finance Act (No. 3) 1944: Section 3.
- 1947, No. 25—
The New Zealand Loans Amendment Act 1947.
- 1950, No. 93—
The Finance Act 1950: Sections 2, 3, and 6.
- 1952, No. 81—
The Finance Act (No. 2) 1952: Section 2.