

[AS REPORTED FROM THE COMMITTEE OF THE WHOLE]
House of Representatives, 17 October 1972.

Words struck out by the Committee are shown in italics within bold round brackets; words inserted are shown in roman underlined with a double rule.

Hon. Mr Muldoon

PRIVATE SAVINGS BANKS AMENDMENT

ANALYSIS

Title	3. Interest on deposits
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A BILL INTITULED

An Act to amend the Private Savings Banks Act 1964

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

1. Short title and commencement—(1) This Act may be cited as the Private Savings Banks Amendment Act 1972, and shall be read together with and deemed part of the Private Savings Banks Act 1964* (hereinafter referred to as
10 the principal Act).

(2) This Act shall come into force on the 1st day of November 1972.

2. Interpretation—Section 2 of the principal Act is hereby amended by inserting, after the definition of the term “financial year”, the following definition:

“‘Institution’ means any incorporated or unincorporated association, body, club, committee, or society, which is not carried on for trade or profit.”

*1964, No. 9
Amendment: 1970, No. 18

No. 47—2

3. Interest on deposits—(1) Section 13 of the principal Act is hereby amended by repealing subsection (2), and substituting the following subsection:

“(2) No interest shall be paid on any amount standing to the credit of any depositor in excess of—

“(a) \$40,000 in respect of any 1 class of account, where the depositor is an institution:

“(b) \$12,000 in respect of any 1 account, where the depositor is not an institution—

or such smaller amount as may from time to time be prescribed by the Governor-General by Order in Council.”

(2) The said section 13 is hereby further amended by adding to subsection (4) the following proviso:

“Provided that, with the approval of the Minister and subject to such conditions as he thinks fit to impose, a savings bank company may in its discretion compute interest with daily rests in respect of money in any class of account specified by the Minister or in respect of money (belonging to) deposited by any class of depositor or group of depositors so specified.”

(3) The said section 13 is hereby further amended by repealing the proviso to subsection (8).

(4) Section 2 of the Private Savings Banks Amendment Act 1970 is hereby consequentially repealed.

4. Investments by savings bank company—(1) Section 17 of the principal Act is hereby amended by repealing subsection (3), and substituting the following subsection:

“(3) A savings bank company shall invest in New Zealand Government securities not less than such proportion as may be prescribed by the Governor-General by Order in Council of all or any specified part of the money deposited in its private savings bank at such time or times as may be so prescribed. Any such order may prescribe different proportions in respect of different periods of time and of deposits in different classes of accounts, and may prescribe the kind or kinds of New Zealand Government securities in which all or any specified part of the money deposited shall be invested.”

(2) The said section 17 is hereby further amended by repealing subsection (4).