

[AS PROPOSED TO BE READ A THIRD TIME.]

House of Representatives, 20th September, 1922.

Right Hon. Mr. Massey.

STATE ADVANCES AMENDMENT.

ANALYSIS.

<p>Title.</p> <p>1. Short Title.</p> <p style="text-align: center;">PART I.</p> <p>MISCELLANEOUS BUSINESS OF ADVANCES OFFICE.</p> <p>2. Miscellaneous Advances Branch.</p> <p style="text-align: center;"><i>As to the Fruit-preserving Industry Act.</i></p> <p>3. Superintendent to exercise powers of Minister of Agriculture under Fruit-preserving Industry Act.</p> <p>4. Fruit-preserving Industry Advances Account to form part of Advances Account.</p> <p style="text-align: center;"><i>As to Advances made for the Provision of Cold Storage.</i></p> <p>5. Superintendent to exercise powers of Minister of Agriculture in connection with advances for cold storage.</p> <p>6. Cold Storage Advances Account to form part of Advances Account.</p> <p style="text-align: center;"><i>As to the Fishing Industry Promotion Act.</i></p> <p>7. Superintendent to exercise powers of Minister of Marine under Fishing Industry Promotion Act.</p> <p>8. Fishing Industry Promotion Account to form part of Advances Account.</p>	<p style="text-align: center;"><i>As to the Housing Act.</i></p> <p>9. Superintendent and Advances Board to exercise powers of Housing Superintendent and Housing Board under Housing Act.</p> <p>10. Housing Account to form part of Advances Account.</p> <p>11. Consequential repeal.</p> <p>12. Consequential amendment of section 46 of Housing Act.</p> <p style="text-align: center;"><i>As to the Repatriation Act.</i></p> <p>13. Superintendent to receive repayments under Repatriation Act.</p> <p style="text-align: center;"><i>General.</i></p> <p>14. Transfer to Superintendent of books of accounts, securities, &amp;c.</p> <p style="text-align: center;">PART II.</p> <p style="text-align: center;">GENERAL.</p> <p>15. Section 37 of principal Act extended.</p> <p>16. Rate of interest chargeable on advances made for repayment of mortgages.</p> <p>17. Reserve fund established for Settlers Branch. Repeals.</p> <p>18. Reserve fund established for Workers Branch. Repeals.</p> <p>19. Reserve fund established for Local Authorities Branch.</p> <p>20. Net profits of branches to be paid into Sinking Fund Account.</p>
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A BILL INTITULED

AN ACT to amend the State Advances Act, 1913.

Title.

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

1. This Act may be cited as the State Advances Amendment Act, 1922, and shall be read together with and deemed part of the State Advances Act, 1913 (hereinafter referred to as the principal Act).

Short Title.

PART I.

MISCELLANEOUS BUSINESS OF ADVANCES OFFICE.

2. (1.) In addition to the branches of the State Advances Office established by section seventeen of the principal Act, there is hereby established a branch to be known as the Miscellaneous Business Branch.

Miscellaneous Advances Branch.

- (2.) There shall be carried on in the Miscellaneous Business Branch the following classes of business, namely :—
- (a.) The business of the Advances Office in connection with the Fruit-preserving Industry Act, 1913 :
  - (b.) The business of the Advances Office in connection with advances made for the provision of cold storage, as provided for by section thirty of the Finance Act, 1918 (No. 2) : 5
  - (c.) The business of the Advances Office in connection with the Repatriation Act, 1918 : 10
  - (d.) The business of the Advances Office in connection with the Fishing Industry Promotion Act, 1919 :
  - (e.) The business of the Advances Office in connection with the Housing Act, 1919 :
  - (f.) Any other business that may be carried on in the Advances Office, and that is not part of the business of any other branch. 15

*As to the Fruit-preserving Industry Act.*

3. All references in the Fruit-preserving Industry Act, 1913, to the Minister of Agriculture shall hereafter be deemed to be references to the Superintendent. 20

4. (1.) The Fruit-preserving Industry Advances Account is hereby incorporated in the State Advances Account, and all moneys standing to the credit of the first-mentioned account shall, without further appropriation than this section, be transferred to the Advances Account. 25

(2.) There shall be kept within the Advances Account a separate account showing the funds, assets, and liabilities of the Miscellaneous Business Branch of the Advances Office in respect of business arising out of the Fruit-preserving Industry Act, 1913. 30

(3.) The Audit Office shall, on the request in writing of the Superintendent, certify, as at a date to be named by the Superintendent, as to—

- (a.) The amount theretofore borrowed by the Minister of Finance for the purposes of the Fruit-preserving Industry Act, 1913, and then outstanding : 35
- (b.) The amounts theretofore advanced to the several borrowers under that Act and then outstanding.

*As to Advances made for the Provision of Cold Storage.*

5. All references in section thirty of the Finance Act, 1918 (No. 2) to the Minister of Agriculture shall hereafter be deemed to be references to the Superintendent. 40

6. (1.) The Cold Storage Advances Account is hereby incorporated in the State Advances Account, and all moneys standing to the credit of the first-mentioned account shall, without further appropriation than this section, be transferred to the Advances Account. 45

(2.) There shall be kept within the Advances Account a separate account showing the funds, assets, and liabilities of the Miscellaneous

Superintendent to exercise powers of Minister of Agriculture under Fruit-preserving Industry Act.

Fruit-preserving Industry Advances Account to form part of Advances Account.

Superintendent to exercise powers of Minister of Agriculture in connection with advances for cold storage.

Cold Storage Advances Account to form part of Advances Account.

Business Branch of the Advances Office in respect of business arising in connection with the Cold Storage Advances Account.

(3.) The Audit Office shall, on the request in writing of the Superintendent, certify as at a date to be named by the Superintendent,

5 as to—

(a.) The amount theretofore borrowed by the Minister of Finance for the purposes of the Cold Storage Advances Account, and then outstanding :

10 (b.) The amounts theretofore advanced out of the said account to the several borrowers, and then outstanding.

*As to the Fishing Industry Promotion Act.*

7. The reference in section five of the Fishing Industry Promotion Act, 1919, to the Minister of Marine shall hereafter be read as a reference to the Superintendent.

Superintendent to exercise powers of Minister of Marine under Fishing Industry Promotion Act.

15 8. (1.) The Fishing Industry Promotion Account is hereby incorporated in the State Advances Account, and all moneys standing to the credit of the first-mentioned account shall, without further appropriation than this section, be transferred to the Advances Account.

Fishing Industry Promotion Account to form part of Advances Account.

20 (2.) There shall be kept within the Advances Account a separate account showing the funds, assets, and liabilities of the Miscellaneous Business Branch of the Advances Office in respect of the business arising out of the Fishing Industry Promotion Act, 1919.

25 (3.) The Audit Office shall, on the request in writing of the Superintendent, certify, as at a date to be named by the Superintendent, as to—

(a.) The amount theretofore borrowed by the Minister of Finance for the purposes of the Fishing Industry Promotion Act, 1919, and then outstanding :

30 (b.) The amounts theretofore advanced to the several borrowers under that Act and then outstanding.

*As to the Housing Act.*

35 9. (1.) The powers, functions, duties, and obligations of the Housing Superintendent and the Housing Board under the Housing Act, 1919, and its amendments are hereby transferred to the State Advances Superintendent and to the State Advances Board respectively.

Superintendent and Advances Board to exercise powers of Housing Superintendent and Housing Board under Housing Act.

40 (2.) Unless in any case the context otherwise requires, all references to the Housing Superintendent or to the Housing Board, or to the Minister of Labour in the Housing Act, 1919, or in any other Act relating to workers' dwellings, or in any deed or instrument relating to a worker's dwelling, shall hereafter be construed as follows :—

(a.) All such references to the Housing Superintendent shall be deemed to be references to the State Advances Superintendent :

45 (b.) All such references to the Housing Board shall be deemed to be references to the State Advances Board :

(c.) All such references to the Minister of Labour shall be deemed to be references to the Minister of Finance.

(3.) The Housing Act, 1919, is hereby consequentially amended as follows:—

- (a.) By repealing the definition of "Minister" in section two, and substituting the following definition—  
 " 'Minister' means the Minister of Finance : " 5
- (b.) By repealing the definition of "Board" in section two, and substituting the following definition—  
 " 'Board' means the State Advances Board " : 10
- (c.) By repealing the definition of "Superintendent" in section two, and substituting the following definition—  
 " 'Superintendent' means the State Advances Superintendent " : 10
- (d.) By repealing sections three to eight.

Housing Account  
to form part of  
Advances Account.

10. (1.) The Housing Account is hereby incorporated in the State Advances Account, and all moneys standing to the credit of the first-mentioned account shall, without further appropriation than this section, be transferred to the Advances Account. 15

(2.) There shall be kept within the Advances Account a separate account showing the funds, assets, and liabilities of the Miscellaneous Business Branch of the Advances Office in respect of the business arising out of the Housing Act, 1919. 20

(3.) The Audit Office shall, on the request in writing of the Superintendent, certify as at a date to be named by the Superintendent, as to—

- (a.) The amounts theretofore borrowed by the Minister of Finance for the purposes of the Housing Act, 1919, and then outstanding, showing separately the amounts borrowed under the several Parts of that Act : 25
- (b.) The several amounts owing in respect of the purchase or lease of dwellings under Part I of that Act : 30
- (c.) The amounts (if any) theretofore advanced to the several borrowers under Part II or Part III of that Act and then outstanding.

Consequential  
repeal.

11. Section nine of the Housing Amendment Act, 1920, is hereby repealed. 35

Consequential  
amendment of  
section 46 of  
Housing Act.

12. Section forty-six of the Housing Act, 1919, is hereby amended by omitting from subsection two the words "Public Account," and substituting the words "State Advances Account."

*As to the Repatriation Act.*

Superintendent to  
receive repayments  
under Repatriation  
Act.

13. (1.) For the purposes of the Repatriation Act, 1918, it shall be the duty of the Superintendent to collect all moneys payable to the Crown in respect of loans to discharged soldiers or other persons made under that Act, and to give discharges therefor. 40

(2.) All moneys payable to the Crown as aforesaid may be recovered by the Superintendent as if they were moneys owing to the Superintendent in respect of the business of the Advances Office, and the receipt of the Superintendent shall be a sufficient discharge for moneys paid to him under this section. 45

(3.) From the moneys recovered by the Superintendent under this section there shall be deducted and paid into the Advances Account 50

a proportion, not exceeding *ten* per centum thereof, in respect of the expenses of the Superintendent in the administration of this section, and the balance shall, without further appropriation than this section, be paid by the Superintendent into the War Expenses Account.

5 (4.) This section shall come into force on the first day of April, nineteen hundred and *twenty-three*.

*General.*

10 14. Any person having the custody or control of any securities, leases, agreements, books of account, or other documents in connection with any business transferred to the State Advances Office by virtue of the foregoing provisions of this Part of this Act shall, on the request in writing of the Superintendent, deliver the same to him.

Transfer to Superintendent of books of accounts, securities, &c.

PART II.

GENERAL.

15 15. (1.) Section thirty-seven of the principal Act is hereby amended by omitting the words "out of such moneys," and by inserting, after the word "Superintendent," the words "on or after a date to be specified in that behalf in the Order in Council."

Section 37 of principal Act extended.

20 (2.) For the purposes of the said section thirty-seven the renewal of a loan by the Minister of Finance shall be deemed to be the raising of moneys within the meaning of that section.

25 16. (1.) Notwithstanding anything to the contrary in the principal Act, all moneys advanced under Part II of that Act for the repayment of any mortgage shall bear interest at a rate exceeding by one per centum per annum the rate for the time being chargeable on advances made for other purposes.

Rate of interest chargeable on advances made for repayment of mortgages.

30 (2.) Where pursuant to this section or to section thirty-seven of the principal Act, as amended by the *last preceding* section, the rate of interest on any advance exceeds five per centum per annum, the rebate of interest allowed under section forty-one of the principal Act shall be at the rate of one-half per centum per annum.

35 17. (1.) In connection with the Advances to Settlers Branch of the Advances Office, and out of the funds belonging to that branch, there is hereby established within the Advances Account a reserve fund of twenty-five thousand pounds, or such larger sum as the Governor-General may from time to time, by Order in Council, direct.

Reserve fund established for Settlers Branch.

(2.) The said reserve fund shall from time to time be invested and reinvested in advances to settlers.

40 (3.) The reserve fund hereby established shall for all purposes be deemed to be the same fund as that established under section twenty-four of the principal Act.

45 (4.) On the passing of this Act there shall be paid into the Advances Office Sinking Fund Account, without further appropriation than this section, all moneys standing to the credit of the said reserve fund in excess of the sum of twenty-five thousand pounds, and thereafter as often as the moneys standing to the credit of the reserve fund are in excess of the sum of twenty-five thousand pounds, or such larger sum

as the Governor-General by Order in Council directs pursuant to this section, the amount of such excess shall be paid in like manner into the said sinking fund account.

Repeals.

(5.) This section is in substitution for section twenty-four of the principal Act, and that section and subsection one of section fifty of the Finance Act, 1921-22, are hereby accordingly repealed. 5

Reserve fund established for Workers Branch.

18. (1.) In connection with the Advances to Workers Branch of the Advances Office, and out of the net profits from time to time arising from the business of that branch, there is hereby established within the Advances Account a reserve fund of twenty-five thousand pounds, or such larger sum as the Governor-General may from time to time, by Order in Council, direct. 10

(2.) The said reserve fund shall from time to time be invested and reinvested in advances to workers.

(3.) The reserve fund hereby established shall for all purposes be deemed to be the same fund as that established under section twenty-five of the principal Act. 15

(4.) When and as often as the moneys standing to the credit of the reserve fund are in excess of the sum of twenty-five thousand pounds, or such larger sum as the Governor-General by Order in Council directs pursuant to this section, the amount of such excess shall, without further appropriation than this section, be paid into the Advances Office Sinking Fund Account. 20

Repeals.

(5.) This section is in substitution for section twenty-five of the principal Act, and that section and subsection two of section fifty of the Finance Act, 1921-22, are hereby accordingly repealed. 25

Reserve fund established for Local Authorities Branch.

19. (1.) In connection with the Advances to Local Authorities Branch of the Advances Office, and out of the net profits from time to time arising from the business of that branch, there is hereby established within the Advances Account a reserve fund of twenty-five thousand pounds, or such larger sum as the Governor-General may from time to time, by Order in Council, direct. 30

(2.) The said reserve fund shall from time to time be invested and reinvested in advances to local authorities.

(3.) When and as often as the moneys standing to the credit of the said reserve fund are in excess of the sum fixed pursuant to this section, the amount of such excess shall forthwith, without further appropriation than this section, be paid into the Advances Office Sinking Fund Account. 35

Net profits of branches to be paid into Sinking Fund Account.

20. Except as otherwise provided in this Act, the Superintendent shall in each year pay out of the Advances Account into the Advances Office Sinking Fund Account the net profits from the several branches after appropriating from such profits such amounts as may be required in respect of such branches for payment into the reserve funds established by this Act and for the repayments to the Consolidated Fund to be made pursuant to the proviso to subsection one of section twenty-six of the principal Act. 40 45