

STATE ADVANCES CORPORATION AMENDMENT BILL

EXPLANATORY NOTE

THIS Bill reconstitutes the Board of Management of the State Advances Corporation so as to provide for a Managing Director and a Deputy Managing Director instead of two joint Managing Directors, and for one of the other directors to retire each year, in rotation, and makes the necessary consequential amendments to the principal Act and to the State Advances Corporation Act 1936.

Clause 6 provides for the fixing of the salaries, fees, and allowances of the director by the Minister of Finance instead of the Governor-General in Council.

Clause 8 brings under the Public Service Act 1912 the General Manager and certain other officers of the Corporation who were excluded from that Act by section 24 of the Finance Act 1939.

Hon. Mr. Marshall

STATE ADVANCES CORPORATION
AMENDMENT

ANALYSIS

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A BILL INTITULED

AN ACT to amend the State Advances Corporation Act 1934-35. Title.

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

1. (1) This Act may be cited as the State Advances Corporation Amendment Act 1951, and shall be read together with and deemed part of the State Advances Corporation Act 1934-35 (hereinafter referred to as the principal Act). Short Title and commencement. 1934-35, No. 42

(2) Except as otherwise expressly provided, this Act shall be deemed to have come into force on the first day of February, nineteen hundred and fifty-one.

Board of
Management.

- 2.** (1) The Board of Management shall consist of—
- (a) A Managing Director, to be from time to time appointed by the Governor-General in Council for a term not exceeding seven years:
 - (b) A Deputy Managing Director, to be from time to time appointed by the Governor-General in Council for a term not exceeding seven years: 5
 - (c) One or more directors, to be from time to time appointed by the Governor-General in Council to hold office in accordance with the provisions of this section: 10
 - (d) An *ex officio* director, being such officer of the Treasury as the Minister of Finance may from time to time approve for the purpose.

(2) The Managing Director in office at the commencement of this section shall continue to hold office as if this Act had not been passed. 15

(3) On the first day of February in every year, commencing with the year nineteen hundred and fifty-three, one of the directors appointed under paragraph (c) of subsection *one* of this section shall retire from office. The director to retire in any year shall be the one who has longest held office since his appointment or last appointment. Where two or more of those directors have longest held office the director to retire shall be determined by lot. 20

(4) Any member of the Board may from time to time be reappointed.

(5) The powers of the Board shall not be affected by any vacancy in the membership thereof. 30

Chairman and
Deputy
Chairman.

3. The Managing Director shall be the Chairman of the Board, and the Deputy Managing Director shall be the Deputy Chairman of the Board.

Meetings of
Board.

4. (1) In the absence of the Chairman from any meeting of the Board the Deputy Chairman, if present, shall preside. In the absence from any meeting of both the Chairman and the Deputy Chairman the members present shall appoint one of their number to be the Chairman of that meeting. 35

(2) At any meeting of the Board the Chairman of that meeting shall have a deliberative vote and, in the case of an equality of votes, shall also have a casting vote.

5 **5.** (1) The Managing Director and the Deputy Managing Director shall be the principal executive officers of the Corporation, and shall be required to devote the whole of their time to the duties of their offices, and, in particular, they shall not engage in any business on their
10 own account.

Functions of
Managing
Director and
Deputy
Managing
Director.

(2) On the occurrence from any cause of a vacancy in the office of Managing Director (whether by reason of death or resignation or otherwise), and in case of the absence from duty of the Managing Director (from what-
15 ever cause arising), and so long as the vacancy or absence continues, the Deputy Managing Director shall have and may exercise all the powers, duties, and functions of the Managing Director.

(3) The fact that the Deputy Managing Director
20 exercises or performs any power, duty, or function of the Managing Director shall be conclusive evidence of his authority to do so.

6. (1) The Managing Director and the Deputy
25 Managing Director shall be respectively entitled to receive out of the Funds of the Corporation such salaries and allowances as may be fixed by the Minister of Finance.

Remuneration
of Directors.

(2) The directors, other than the Managing Director and the Deputy Managing Director, shall be entitled to
30 receive out of the funds of the Corporation such fees and such allowances in respect of their expenses as may be fixed by the Minister of Finance.

7. The following enactments are hereby consequentially repealed:—
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Consequential
repeals.

(a) Sections sixteen, seventeen, and eighteen of the principal Act:

(b) Sections nine and ten of the State Advances Corporation Act 1936: 1936, No. 12

(c) So much of the Schedule to the State Advances Corporation Act 1936 as relates to sections
40 sixteen and seventeen of the principal Act.

Officers of
Corporation
subject to
Public Service
Act 1912.

See Reprint
of Statutes,
Vol. VII, p. 522.

Repeal.
1949, No. 39

8. (1) The persons holding office on the passing of this Act as the General Manager, the Assistant General Manager, the Secretary, or the Supervising Valuers of the Corporation shall be deemed to have been duly appointed to those positions as officers within the meaning of the Public Service Act 1912, and to have been officers of the Public Service at all times since their first appointment to the Public Service or to the staff of the Corporation, as the case may be. 5

(2) All appointments to any of those positions shall be made under the provisions of the Public Service Act 1912. 10

(3) Section twenty-four of the Finance Act 1949 is hereby repealed.

(4) This section shall come into force on the passing of this Act. 15