

TRUSTEE SAVINGS BANKS AMENDMENT BILL

EXPLANATORY NOTE

THIS Bill amends the Trustee Savings Banks Act 1948.

Clause 1 relates to the Short Title and provides that the Bill will come into force on 1 October 1969.

Clause 2 (1) amends section 24 of the principal Act by repealing subsections (4) and (4A), and substituting a new subsection (4). At the present time, the existing subsection (4) obliges a savings bank to invest all money deposited with it (other than investment accounts deposits) in New Zealand Government securities unless the bank has at least 50 percent of certain kinds of investments in New Zealand Government securities. The existing subsection (4A) provides that a savings bank shall not invest any money deposited in the bank in investment accounts otherwise than in New Zealand Government securities. The new subsection (4) requires a savings bank to invest in New Zealand Government securities not less than such proportion of all or any part of the money deposited in or belonging to the bank as may be prescribed by the Governor-General by Order in Council.

Clause 2 (2) consequentially repeals subsections (4) and (5) of section 4 of the Savings Banks Amendment Act 1957.

Hon. Mr Muldoon

TRUSTEE SAVINGS BANKS AMENDMENT

ANALYSIS

Title	1. Short Title and commencement 2. Investment of deposits
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A BILL INTITULED

An Act to amend the Trustee Savings Banks Act 1948

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

1. **Short Title and commencement**—(1) This Act may be cited as the Trustee Savings Banks Amendment Act 1969, and shall be read together with and deemed part of the Trustee Savings Banks Act 1948* (hereinafter referred to as the principal Act).

(2) This Act shall come into force on the 1st day of October 1969.

2. **Investment of deposits**—(1) Section 24 of the principal Act is hereby amended by repealing subsection (4) (as amended by section 4 (4) of the Trustee Savings Banks Amendment Act 1957) and by repealing subsection (4A) (as inserted by section 4 (5) of the Trustee Savings Banks Amendment Act 1957), and substituting the following subsection:

*1957 Reprint, Vol. 16, p. 239
Amendments: 1958, No. 97; 1961, No. 106; 1964, No. 10; 1966, No. 92; 1968, No. 112

“(4) A savings bank 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 part of the money deposited in or belonging to the bank at such time or times as may be so prescribed. The Order in Council may prescribe different proportions in respect of different periods of time, or different classes of deposits or money belonging to the bank.” 5

(2) Section 4 of the Trustee Savings Banks Amendment Act 1957 is hereby consequentially amended by repealing 10 subsections (4) and (5).