

This PUBLIC BILL originated in the HOUSE OF REPRESENTATIVES, and, having this day passed as now printed, is transmitted to the LEGISLATIVE COUNCIL for its concurrence.

House of Representatives,
9th December, 1918.

Hon. Mr. Russell.

WAR FUNDS AMENDMENT.

ANALYSIS.

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A BILL INTITULED

AN ACT to amend the War Funds Act, 1915.

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 War Funds Amendment Act, 1918, and shall be read together with and deemed part of the War Funds Act, 1915 (hereinafter referred to as the principal Act).

Short Title.

2. In this Act the term "war fund" or "fund" includes not merely moneys comprised in a war fund within the meaning of the principal Act, but also all investments, securities, and other property whatsoever belonging to or under the administration of the trustees of a war fund in their capacity as such.

Interpretation.

Control of War Funds by the Supreme Court.

3. If on the information of the Attorney-General the Supreme Court is satisfied with respect to any war fund—

Supreme Court may establish schemes of administration of war funds.

(a.) That the fund has not been or is not being used in good faith for the purposes for which it was established; or

(b.) That any moneys or property belonging to the fund have been or are about to be improperly expended, invested, used, or disposed of; or

(c.) That the fund has not been or is not being lawfully, honestly, and competently administered, or has been unlawfully established or augmented; or

(d.) That the purposes for which the fund was established are no longer capable of being adequately fulfilled in the public interest; or

- (e.) That the purposes and trusts of the fund are insufficiently defined; or
 (f.) That the fund is no longer required in the public interest for the purposes for which it was established; or
 (g.) That the fund is larger than is reasonably required for the purposes thereof— 5

the Supreme Court may by order establish a scheme for the administration of the fund.

Power of Supreme Court in respect of such schemes.

4. The Supreme Court may, in establishing any such scheme, —
 (a.) Remove the trustees of the fund and appoint other trustees, 10
 or make provision for the appointment or removal of trustees :
 (b.) Provide for the transfer of the fund or of any part thereof to the National War Funds Council for administration in accordance with the principal Act : 15
 (c.) Provide for the transfer of the fund or of any part thereof to any society or trustees incorporated under section twelve of the principal Act for administration in accordance with that Act :
 (d.) Make such vesting or other orders as may be required for 20
 the transfer of the fund in pursuance of the scheme :
 (e.) Define and declare the purposes and trusts of the fund :
 (f.) Alter the purposes and trusts of the fund or of any part thereof, and substitute other purposes and trusts of a charitable or public nature : 25
 (g.) Regulate the administration of the fund consistently with the provisions of the principal Act :
 (h.) Exercise any other jurisdiction possessed by the Supreme Court in respect of charities :
 (i.) Order the payment of costs out of the fund or by the trustees 30
 personally.

Change of purposes of fund by Supreme Court.

5. The charitable or public purposes so substituted by any such scheme shall, so far as the Supreme Court thinks reasonable and practicable in the public interest, be identical with or analogous to the purposes set out in the principal Act as the appropriate purposes 35
 of a war fund.

War Funds Act to continue to apply.

6. Notwithstanding the establishment of any such scheme, and notwithstanding the fact that the purposes of the fund have been so changed by such scheme as no longer to fall within the scope of the principal Act, the fund shall continue to be a war fund for the pur- 40
 poses of that Act, and all the provisions of that Act shall continue and apply thereto accordingly.

Law as to charitable trusts to apply.

7. The law as to charitable funds and trusts shall apply to every fund in respect of which any such scheme has been established, whatever may be the nature of the purposes and trusts of the fund, 45
 but subject to the provisions of the principal Act.

Interim orders for the safety of war funds.

8. At any time after an information has been laid before the Supreme Court by the Attorney-General under this Act, in respect of any war fund, and pending the final determination of the matter, the Court may from time to time make such interlocutory orders as it 50
 thinks fit, prohibiting the expenditure or disposition of the fund, or otherwise making provision for the safety thereof.

9. On an information being laid by the Attorney-General under this Act, the Supreme Court or a Judge thereof may give directions that notice of the proceedings shall be given to such persons as the Court or Judge thinks fit, and all such persons shall thereupon
5 become and be parties to the proceedings.

Procedure on information by Attorney-General.

10. Any scheme established by the Supreme Court under this Act may, from time to time on the application of the Attorney-General, be varied by the Supreme Court in such manner as the Court deems necessary or proper in the public interest, but subject to
10 the foregoing provisions of this Act.

Amendment of schemes.

General.

11. (1.) If the Minister is satisfied that any war fund has been or is about to be improperly or incompetently administered, or has been unlawfully established or augmented, and that the moneys in
15 hand belonging to the fund amount to less than *three hundred* pounds, he may direct the trustees to transfer those moneys to the National War Funds Council.

Small funds may be transferred to National War Funds Council.

(2.) On any such direction being given, the trustees shall forthwith pay all such moneys into the National War Funds Council
20 Account, and the moneys so paid shall thereafter be dealt with by the Council as if the fund had been transferred to the Council in pursuance of section four of the principal Act.

(3.) If default is made in the payment of such moneys into the said account, every trustee or other person who is knowingly a party to any such default shall be liable on summary conviction to a fine
25 not exceeding *one hundred* pounds.

(4.) Upon any such direction the trustees of the fund may, in the manner and within the time prescribed, appeal to a Stipendiary Magistrate on the ground that the direction was given without
30 sufficient reason, or in error, and the Magistrate shall have jurisdiction to cancel the direction, or to dismiss the appeal, and in either case to make such order as to the costs of the appeal as he thinks fit.

(5.) The pendency of any such appeal shall not in any manner take away or suspend the obligation of the trustees to obey the direction, but if the appeal is allowed the moneys paid into the
35 National War Funds Council Account shall be refunded by the Council to the trustees.

12. (1.) It shall not be lawful for the trustees of any war fund, without the consent of the Minister, to send out of New Zealand any money belonging to the fund.

Restriction on sending money of war funds out of New Zealand.

40 (2.) Every trustee or other person who is knowingly concerned in any breach of the provisions of this section shall be liable on summary conviction to a fine not exceeding *one hundred* pounds.

13. (1.) For the purpose of securing due co-operation between the administration of war funds and the work of the Repatriation
45 Board established by the Repatriation Act, 1918, it shall be the duty of the trustees of every war fund at all times, after having been required to do so by the said Board, to send to the Director of Repatriation before the fifteenth day of each calendar month a full and correct report of the administration of that fund during the
50 last preceding month.

Trustees of war funds to report to Repatriation Board.

(2.) If default is made in sending any such report, each trustee of the fund shall be liable on summary conviction to a fine not exceeding *ten* pounds.

Investigation of
administration and
accounts of war
funds.

14. (1.) The Minister may at any time cause an investigation of the administration and accounts of any war fund to be made by any person appointed by the Minister for that purpose. 5

(2.) When any such investigation has been directed by the Minister, it shall be the duty of the trustees of the fund, and of all officers and other persons in any manner concerned in the administration of the fund, to afford to the person so appointed by the Minister full information as to the administration and accounts of the fund, and to produce to him all books and papers relative thereto, and any person who makes default in so doing, or who in any manner obstructs the investigation, or deceives the person so appointed to make the investigation shall be liable on summary conviction to a fine not exceeding *one hundred* pounds. 10 15