

Supplementary Order Paper.

LEGISLATIVE COUNCIL.

Tuesday, the 25th Day of October, 1921.

LOCAL BODIES' LOANS AMENDMENT BILL.

Hon. Sir FRANCIS BELL, in Committee, to move the following amendments:—

Clause 2: To add to subclause (2) the following proviso:—

Provided that, in the case of an existing authority to borrow any moneys, the period of five years limited by this section shall commence to run on the date of the passing of this Act.

Clause 5: To insert the word "specially" before the word "authorized" in each of the subclauses (1), (2), and (3).

To add the following new clause:—

Amendment of provisions authorizing the modification of conditions subject to which a local authority may be empowered to borrow moneys.

6. Section eleven of the Finance Act, 1921, is hereby amended, as from the passing of that Act, as follows:—

(a.) By omitting from subsection one the words "exceeding ten years."

(b.) By repealing subsection four, and substituting the following subsection:—

"(4.) The powers conferred by this section may be exercised notwithstanding that debentures in respect of any moneys proposed to be borrowed may have been executed by a local authority or public body. If any debentures so executed have been mortgaged or hypothecated by the local authority or public body the local authority or public body shall arrange with the holders of such debentures for their redemption or for the substitution of other debentures, whether such last-mentioned debentures have been executed for the purposes of this section or not. If any such first-mentioned debentures have been issued to purchasers, the local authority or public body may repurchase all or any of the debentures so issued, or may arrange with the holders of such debentures for the exchange of such debentures for debentures executed for the purposes of this section."

(c.) By inserting after subsection four the following subsection:—

"(4A.) An Order in Council under this section relating to any specified loan or loans shall be conclusive evidence that the local authority or public body named in such Order has complete authority of law to borrow the full amount named in the Order, and that the precedent consent of the Minister of Finance has been duly obtained, and that the local authority or public body has complied with all the requirements of this section."