

EXPLANATORY NOTES

Supplementary Order Paper

HOUSE OF REPRESENTATIVES

Wednesday, the 7th Day of October 1970

DEVELOPMENT FINANCE CORPORATION AMENDMENT BILL

Proposed Amendment

Hon. Mr SHELTON, in Committee, to move the following amendment:

New Clause

To insert, after *clause 2*, the following new clause:

2A. Power of Corporation to participate in establishment or development of New Zealand industries—(1) The principal Act is hereby amended by inserting, after section 6, the following section:

“6A. Without limiting the generality of section 6 of this Act, it shall also be a function of the Corporation to participate, by such means as it thinks fit, in the establishment of new industries in New Zealand, or in the development or extension of any industry for the time being carried on in New Zealand.”

(2) Section 7 of the principal Act is hereby amended by adding the following subsection:

“(2) Without limiting the generality of subsection (1) of this section, the Corporation may from time to time—

“(a) Purchase, take on lease, hire, or otherwise acquire such land or buildings or parts of buildings, whether or not subject to any mortgage, charge, lease, easement, or restrictive covenant or other encumbrance, as in its opinion are necessary or expedient for the performance of any of its functions or powers:

“(b) Erect, alter, rebuild, or add to any building on any land so acquired:

“(c) Grant leases or tenancies of any land or buildings so acquired, or of any part or parts thereof, and create easements and restrictive covenants thereover, and accept surrenders or partial surrenders of any such leases, tenancies, easements, and restrictive covenants.”

EXPLANATORY NOTE

Subclause (1) of the new clause proposed to be inserted by this amendment inserts in the principal Act a new section 6A, which authorises the Development Finance Corporation to participate, by such means as it thinks fit, in the establishment of new industries in New Zealand or in the development or extension of any industry for the time being carried on in New Zealand. At present, under section 6 of the Act, the Corporation's general functions are limited to the provision of finance for such purposes and the provision of technical assistance and advice.

Subclause (2) extends the present powers of the Corporation in order to enable it to carry out its extended functions. It authorises the Corporation to acquire such land or buildings as in its opinion are necessary or expedient; to erect, alter, rebuild, or add to any such buildings; and to grant leases or tenancies of any such land or buildings or parts thereof.

The Corporation already has power, under section 7 (b) of the Act, to purchase and resell or hire machinery, plant, equipment, materials, goods, and other articles.
