



**THE COOK ISLANDS FINANCE EMERGENCY
REGULATIONS 1944**

C. L. N. NEWALL, Governor-General

ORDER IN COUNCIL

At the Government Buildings at Wellington, this 16th day of
February, 1944

Present :

THE RIGHT HON. P. FRASER PRESIDING IN COUNCIL

PURSUANT to the Emergency Regulations Act, 1939, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, doth hereby make the following regulations.

REGULATIONS

PRELIMINARY

1. These regulations may be cited as the Cook Islands Finance Emergency Regulations 1944.

2. (1) These regulations shall come into force in the Cook Islands other than the Island of Niue on the day following the date on which they are first publicly notified by the Resident Commissioner of Rarotonga, and shall come into force in the Island of Niue on the day following the date on which they are first publicly notified by the Resident Commissioner of Niue.

(2) The public notification of these regulations by the Resident Commissioner of Rarotonga or the Resident Commissioner of Niue, as the case may be, may be made in such manner as that Resident Commissioner thinks fit.

3. In these regulations, unless the context otherwise requires,—

“Current rate of exchange” means a rate of exchange for the time being fixed or approved by the Reserve Bank :

“Fixed deposit” means money deposited with a bank or other person for a fixed term, or on condition that it will not be withdrawn before a fixed date or will not be withdrawn without at least one month’s notice :

“Foreign currency” means the bank-notes or other currency of any country other than New Zealand, and includes postal notes, money-orders, promissory notes, bills of exchange, and any other negotiable instruments payable otherwise than in New Zealand currency :

“Foreign security” means any security (as hereinafter defined) which is registered, inscribed, or situated elsewhere than in the Cook Islands or New Zealand, or which creates a right (whether actual or contingent) to receive any payment

- elsewhere than in the Cook Islands or New Zealand or in any foreign currency or out of any funds that are to be provided elsewhere than in the Cook Islands or New Zealand :
- “Money” means the bank-notes and other currency of any country, and includes postal notes, money-orders, promissory notes, bills of exchange, and any other negotiable instruments payable in the currency of any country :
- “Minister” means the Minister of Finance, and includes any person for the time being authorized by the Minister to exercise any of his powers or functions under these regulations :
- “Person” includes a corporation sole and also a body of persons, whether corporate or unincorporate :
- “Reserve Bank” means the Reserve Bank of New Zealand, established under the Reserve Bank of New Zealand Act, 1933 :
- “Securities” includes shares, stock, bonds, debentures, debenture stock, Treasury bills, or any other like securities (by whatever name they may be called) issued by the Government of New Zealand or the Government of any other country, or issued by any local governing body or authority in New Zealand or elsewhere or issued by any company or other corporation, in New Zealand or elsewhere, but does not include bills of exchange or promissory notes.

4. From every decision of any Resident Commissioner or other person acting pursuant to or in the administration of these regulations there shall be a right of appeal to the Minister, whose decision on any matter shall be final.

RESTRICTION ON EXPORT OF MONEY AND SECURITIES FROM COOK ISLANDS

5. (1) Subject to the provisions of this regulation, no person in the Cook Islands shall, without the consent of the Minister,—

- (a) Take or send any money or securities out of the Cook Islands, or permit or cause to be taken out of the Cook Islands any money or securities of which he is the owner or over which he has control ; or
- (b) Transfer his interest in any foreign securities ; or
- (c) Draw or negotiate any bill of exchange or promissory note or transfer any security or acknowledge any debt or make any payment as consideration for—
- (i) Receiving any payment or acquiring any property elsewhere than in the Cook Islands or in New Zealand ; or
- (ii) Acquiring a right (whether actual or contingent) to receive any payment or to acquire any property as aforesaid ; or
- (d) Create or transfer a right (whether actual or contingent) to receive any payment or acquire any property elsewhere than in the Cook Islands or New Zealand, or dispose or otherwise deal with any money, securities, or property held or payable elsewhere than in the Cook Islands or New Zealand, as consideration for—
- (i) Receiving any payment or acquiring any property in the Cook Islands or New Zealand ; or

(ii) Acquiring a right (whether actual or contingent) to receive any payment or acquire any property as aforesaid ; or

(iii) The discharge of a debt payable in the Cook Islands or New Zealand.

(2) The restrictions imposed by the last preceding subclause shall not apply in respect of—

(a) The taking or sending of money, being New Zealand currency, to New Zealand ; or

(b) The taking by any person leaving the Cook Islands of silver coin not exceeding £2 in value in New Zealand currency ; or

(c) Any class of transaction that may, in accordance with a direction given by the Minister, be notified by the Resident Commissioner of Rarotonga or of Niue, as the case may require, as being exempt from the said restrictions.

(3) No person in the Cook Islands shall be a party to any transaction which involves the conversion of New Zealand currency into the currency of any other country or the conversion of the currency of any other country into New Zealand currency at a rate of exchange other than the current rate of exchange between New Zealand and that country.

(4) For the purposes of this regulation money shall be deemed to be taken or sent out of the Cook Islands if it is so taken or sent by telegraph or post or by means of draft, letter of credit, traveller's cheque, transfer of account, or by any other means whatsoever.

6. (1) For the purposes of this regulation the term " authorized officer " includes the Resident Commissioner of Rarotonga, the Resident Commissioner of Niue, any Resident Agent holding office under section 12 of the Cook Islands Act, 1915, any officer of Customs within the meaning of the Customs Act, 1913 (whether in the Cook Islands or in New Zealand), and any other person (whether in the Cook Islands or New Zealand) acting with the authority of the Minister or with the authority of any person acting on behalf of the Minister.

(2) Every person of the age of sixteen years or upwards who is about to leave the Cook Islands shall, immediately prior to his embarkation on the vessel or aircraft in which he proposes to leave the Cook Islands, make and deliver to an authorized officer a written statement, in such form as the authorized officer may require, as to any money or securities that he is taking with him, whether on his person or otherwise.

(3) Any authorized officer may require any person who is about to leave the Cook Islands, or any person having charge of any person who is about to leave the Cook Islands, to produce and deliver to the authorized officer any money or securities that any such person may have with him or under his control.

(4) For the purpose of discovering whether any person about to leave the Cook Islands has in his possession or under his control or is taking from the Cook Islands any money or securities in contravention of these regulations, any authorized officer may search that person and may examine and search any article that he is taking with him.

(5) Any examination and search made by an authorized officer pursuant to the foregoing provisions of this regulation may be made on board any ship or aircraft that is about to leave the Cook Islands, or may be made before the person concerned has actually gone on board such ship or aircraft.

(6) Any authorized officer may examine and search any goods consigned or otherwise taken or sent or proposed to be taken or sent from the Cook Islands to a destination outside the Cook Islands, for the purpose of ascertaining whether there are being sent with such goods any money or securities.

(7) Any money or securities produced to or discovered by an authorized officer in accordance with this regulation shall be seized by that officer unless he is satisfied that the taking or sending thereof from the Cook Islands would not in the circumstances have been in contravention of these regulations.

(8) Any money or securities seized by an authorized officer under the provisions of this regulation shall be forfeited to and shall become the property of the Crown unless the Minister otherwise directs.

ACQUISITION OF FOREIGN CURRENCY AND FOREIGN SECURITIES ON BEHALF OF THE NEW ZEALAND GOVERNMENT

7. (1) Every person ordinarily resident in any part of the Cook Islands who on the coming into force of these regulations in that part is, or on any later date becomes, entitled to sell or procure the sale of any foreign currency, shall, within fourteen days after the commencement of these regulations in that part, or within fourteen days after such later date, as the case may be, offer such foreign currency for sale or cause the same to be offered for sale in accordance with this regulation.

(2) Any offer for sale of foreign currency under this regulation may be made to the Resident Commissioner of Rarotonga or the Resident Commissioner of Niue, or to any Resident Agent, or to the Treasurer at Rarotonga or at Niue, or to any Postmaster in the Cook Islands, or to any other person authorized in that behalf by the Minister.

(3) Any foreign currency offered for sale pursuant to this regulation may be acquired by the Minister on behalf of the Government of New Zealand.

(4) The value of any such foreign currency shall be determined by the Minister in accordance with the current rate of exchange between New Zealand and the country whose currency it is, and the price shall be fixed by the Minister having regard to that rate of exchange and to any other relevant factors.

(5) Nothing in this regulation shall require any person to offer for sale any foreign currency if all the foreign currency to which he is for the time being entitled is of a value less than £5 in New Zealand currency.

8. (1) Every person ordinarily resident in any part of the Cook Islands who on the coming into force of these regulations in that part is, or on any later date becomes, entitled to assign or to procure the assignment of any right to receive, elsewhere than in the Cook Islands or New Zealand, payment of any amount in a foreign currency in respect of any credit or balance at a bank or with any other person, shall, within fourteen days after the commencement of these regulations, or within fourteen days after such later date, as the case may be, do all things necessary for the purpose of assigning that right to the Minister, or to a person specified by the Minister for the purposes of this regulation, on behalf of the Government of New Zealand :

Provided that the Minister, on application by or on behalf of the person concerned or by notice published in such manner as he thinks sufficient, may exempt any person from compliance with this subclause in respect of any matter or of matters of a specified class.

(2) The value of any rights assigned pursuant to this regulation shall be determined by the Minister in accordance with the current rate of exchange between New Zealand and the country whose currency is concerned, and the price shall be fixed by the Minister having regard to that rate of exchange and any other relevant factors.

9. (1) Every person ordinarily resident in any part of the Cook Islands who on the coming into force of these regulations is, or on any later date becomes, the owner of any fixed deposit repayable in any foreign currency shall, within fourteen days after the commencement of these regulations in that part, or within fourteen days after such later date, as the case may be, notify the existence of the fixed deposit to the Resident Commissioner of Rarotonga or the Resident Commissioner of Niue, as the case may be, and shall from time to time furnish to the Minister, or to a person authorized by the Minister for the purpose, such information and particulars in relation to the deposit as the Minister may from time to time require.

(2) For the purposes of this regulation any person in whose name a fixed deposit is made or who receives or is entitled to receive (whether on his own behalf or on behalf of any other person) the amount of the deposit or interest thereon, or who has any other legal or equitable interest therein, shall be deemed to be the owner of that fixed deposit.

(3) All such owners shall be jointly and severally liable for default in compliance with the requirements of this regulation, but compliance by one of such owners shall, to the extent thereof, absolve all of the other owners from the obligation imposed on them by this regulation.

10. (1) This regulation shall not be in force in any part of the Cook Islands unless the Minister, by notice in the *Gazette*, declares that it shall come into force therein in accordance with the terms of that notice. Such notice may be at any time amended or revoked in like manner.

(2) Every notice under the last preceding subclause shall have effect in accordance with its tenor.

(3) While this regulation is in force in any part of the Cook Islands, Regulation 7 of the Finance Emergency Regulations 1940 (No. 2)* shall also be in force in that part of the Cook Islands; and references in the said regulation to New Zealand or to persons ordinarily resident in New Zealand shall, for the purposes of this regulation, be deemed to be references to that part of the Cook Islands or to persons ordinarily resident in that part of the Cook Islands.

(4) Except as provided in the last preceding subclause, words and expressions used in the said Regulation 7 shall, in the application of that regulation to any part of the Cook Islands, have the same meanings respectively as when used in the said regulation.

CONTROL OF EXPORTS

11. (1) Nothing in this regulation shall apply with respect to goods of any of the following classes, namely:—

(a) Goods exported or proposed to be exported from the Cook Islands to New Zealand; or

(b) Any goods exported or proposed to be exported through the Post Office otherwise than for purposes of trade, unless the Minister, by notice given in such manner as in the circumstances he thinks sufficient, determines, either generally or with respect to any specified goods, or with respect to goods of any specified class, that they shall not be exported except in accordance with this regulation; or

* Statutory Regulations 1940, Serial number 1940/118, page 407.

- (c) Any goods exported as ship's stores ; or
- (d) Any other goods in respect of which the Minister, by notice given in such manner as he thinks fit, determines that they shall not be subject to this regulation.

(2) Any notice given by the Minister for the purposes of the last preceding subclause may be at any time varied or revoked in like manner.

(3) Except as provided in subclause (1) hereof, no goods shall be exported from the Cook Islands except by permission of the Resident Commissioner of Rarotonga or the Resident Commissioner of Niue, or of a person acting with the authority of either of those Resident Commissioners.

(4) Application for permission to export any goods pursuant to this regulation shall be made in writing by the exporter or his agent, or by some responsible servant of the exporter, to the appropriate Resident Commissioner, in such form as that Resident Commissioner may require, and permission to export goods in accordance with the application may, in the discretion of the Resident Commissioner, be declined or may be granted in respect of all or of any of the goods to which the application relates. In addition to the conditions prescribed by subclause (6) hereof, any permission under this regulation may be given subject to such conditions, if any, as the Resident Commissioner thinks fit to impose.

(5) If the goods to which any such application relates are intended for sale, the applicant shall state in his application the amount or the estimated amount to be realized on the sale of the goods, the name of the overseas agent or bank to which payment for the goods is to be made, and, where the proceeds or any of the proceeds are to be remitted to New Zealand or the Cook Islands, the name of the bank in New Zealand to which, or the agent in New Zealand or the Cook Islands to whom, payment of the proceeds or any of the proceeds of sale is to be made.

(6) Any permission given under this regulation for the export of goods for sale shall be subject to the condition that the exporter shall cause the net proceeds of the sale of the goods (hereinafter in this regulation referred to as "foreign credit") to be—

- (a) Made available to an authorized agent of the Reserve Bank ; or
- (b) Dealt with in such other manner as the Reserve Bank may from time to time in its discretion determine and subject to such conditions (if any) as it thinks fit to impose.

(7) On payment of any foreign credit to the Reserve Bank or its agent in accordance with this regulation the Reserve Bank shall forthwith pay or cause to be paid to the exporter, at the bank in New Zealand, or to the agent in New Zealand or the Cook Islands designated by him in his application, an amount equal to the value of the foreign credit converted into New Zealand currency at a rate not less than the then current rate of exchange. If any question arises as to the current rate of exchange in relation to this subclause, it shall be determined by the Reserve Bank.

(8) The bank in New Zealand or the agent in New Zealand or the Cook Islands shall (subject to any agreed or customary charges and to any contractual rights and liabilities as between the bank or agent and the exporter) hold the amount received from or on account of the Reserve Bank as aforesaid to the credit and subject to the directions of the exporter.

OFFENCES AND PENALTIES

12. Every person commits an offence against these regulations who—

- (a) Does any act prohibited by these regulations ; or
- (b) Fails to comply with any requirements of these regulations or with any conditions imposed or directions given pursuant to or for the purposes of these regulations ; or
- (c) Makes any statement for the purposes of or in relation to these regulations which is false or misleading in any material particular, or fails to disclose anything that he is lawfully required to disclose, or otherwise misleads or attempts to mislead any person concerned in the administration of these regulations ; or
- (d) Obstructs or in any way interferes with any person in the exercise of any powers or functions under these regulations ; or
- (e) Aids, abets, counsels, or procures or is in any way knowingly concerned with the commission by any other person of an offence against these regulations.

13. (1) Every person who commits an offence against these regulations shall be liable on summary conviction to a fine not exceeding £200 or to imprisonment for a term not exceeding twelve months, or to both such fine and such imprisonment in the case of an individual, or to a fine not exceeding £1,000 in the case of a body corporate.

(2) Without limiting the provisions of the last preceding subclause, the provisions of the Customs Act, 1913, shall apply with respect to offences under these regulations in all respects as if the restrictions imposed by these regulations on the export of goods from the Cook Islands had been imposed under the authority of that Act in its application to the Cook Islands.

REVOCATION OF EXISTING REGULATIONS IN THEIR APPLICATION TO THE COOK ISLANDS

14. (1) The Finance Emergency Regulations 1940* (which were applied to the Cook Islands by the Dependency Emergency Regulations (No. 2) 1939, Amendment No. 2†) shall cease to be in force within any defined part of the Cook Islands when these regulations come into force in that part.

(2) The revocation of the said regulations shall not affect the liability of any person for any offence committed while those regulations were in force in any part of the Cook Islands.

C. A. JEFFERY,
Clerk of the Executive Council.

* Statutory Regulations 1940, Serial number 1940/65, page 195.

† Statutory Regulations 1940, Serial number 1940/91, page 331.

Issued under the authority of the Regulations Act, 1936.

Date of notification in *Gazette* : 17th day of February, 1944.

These regulations are administered in the Department of Island Territories.