



**THE TRUSTEE BANKS (GOVERNMENT SECURITIES)
REGULATIONS 1984**

DAVID BEATTIE, Governor-General

ORDER IN COUNCIL

At the Government Buildings at Wellington this 12th day
of March 1984

Present:

THE RIGHT HON. SIR ROBERT MULDOON PRESIDING IN COUNCIL

PURSUANT to the Reserve Bank of New Zealand Act 1964, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following regulations.

REGULATIONS

1. Title and commencement—(1) These regulations may be cited as the Trustee Banks (Government Securities) Regulations 1984.

(2) These regulations shall come into force on the 1st day of April 1984.

2. Interpretation—In these regulations—

“Approved low-start mortgage” means any advance made by a trustee bank on the security of a mortgage—

(a) Which requires the mortgagor to make to the mortgagee during the early part of its term payments that are less than those required to be made by the mortgagor to the mortgagee during the latter part of its term; and

(b) Which is of a kind approved by the Reserve Bank of New Zealand for the purposes of these regulations:

“Government securities”—

(a) Means—

(i) Any New Zealand Government stock or Treasury bills issued and registered in New Zealand; and

- (ii) Any Government of Western Samoa stock which is both issued and registered in New Zealand after the 1st day of August 1976; and
- (b) Includes any other securities that the Reserve Bank of New Zealand may approve for the purpose of these regulations.

3. Minimum holdings of Government securities—(1) Every trustee bank established under the Trustee Banks Act 1983 shall hold—

- (a) In respect of all money held from the issue of outstanding housing bonds under the Trustee Banks Act 1983, Government securities of an amount equal to not less than 15 percent of the difference between that money and the amount required by regulations made under that Act to be kept in cash, on current account or in other investments immediately available in respect of such housing bonds; and
- (b) In respect of all money deposited in the bank (other than money held from the issue of outstanding housing bonds), Government securities of an amount equal to not less than 38 percent of the difference between that money and the aggregate of—
 - (i) The amount required by regulations made under that Act to be kept in cash, on current account or in other investments immediately available; and
 - (ii) The amount for the time being invested in approved low-start mortgages.

(2) A trustee bank shall be deemed to comply with subclause (1) of this regulation if by the 15th day of each month and until the 15th day of the next succeeding month it has invested in Government securities an amount not less than the total amount required by subclause (1) of this regulation to be held in Government securities as that total amount stood at the close of business on the last day of the month immediately preceding the first-mentioned month.

4. Revocations—The Trustee Savings Banks (Government Securities) Order 1980* and the Trustee Savings Banks (Government Securities) Order 1980, Amendment No. 1† are hereby revoked.

P. G. MILLEN,
Clerk of the Executive Council.

EXPLANATORY NOTE

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations, which come into force on 1 April 1984, prescribe the minimum amount of Government securities required to be held by trustee banks.

The regulations replace the Trustee Savings Banks (Government Securities) Order 1980 as amended by the Trustee Savings Banks (Government Securities) Order 1980; Amendment No. 1. The main difference is that the regulations contain a new definition of the term "Government securities" in place of the definition of the term "approved securities".

"Government securities" is defined to mean—

- (a) Government stock or Treasury bills issued and registered in New Zealand;
- (b) Government of Western Samoa stock issued and registered in New Zealand after 1 August 1976;
- (c) Any other securities approved by the Reserve Bank of New Zealand.

This definition is the same as that contained in the Building Societies Investments Regulations 1983 and the Private Savings Banks (Government Securities) Regulations 1984.

The ratios under the new regulations remain the same as those applying under the Trustee Savings Banks (Government Securities) Order 1980.

Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 15 March 1984.

These regulations are administered in the Reserve Bank of New Zealand.