

1976/267



**THE TRUSTEE SAVINGS BANKS (GOVERNMENT
SECURITIES) ORDER (NO. 2) 1976**

DENIS BLUNDELL, Governor-General

ORDER IN COUNCIL

At the Government House at Wellington this 11th day of October 1976

Present:

HIS EXCELLENCY THE GOVERNOR-GENERAL IN COUNCIL

PURSUANT to section 34c of 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 order.

ORDER

1. Title and commencement—(1) This order may be cited as the Trustee Savings Banks (Government Securities) Order (No. 2) 1976.

(2) This order shall be deemed to have come into force on the 1st day of September 1976.

2. Minimum holdings of Government securities—(1) Every trustee savings bank established under the Trustee Savings Banks Act 1948 shall hold Government securities of an amount equal to—

(a) Not less than 47 percent of the difference between all money deposited in the bank and the amount required by subsections (3) and (3A) of section 24 of that Act to be kept immediately available; and

(b) Not less than 15 percent of the difference between all money held from the issue of outstanding housing bonds under section 36c of that Act and the amount required by subsection (3) of section 24 of that Act (as applied in accordance with subsection (3B) of that section) to be kept immediately available.

(2) A trustee savings bank shall be deemed to comply with subclause (1) of this clause 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 specified in the said subclause (1) as it existed at the close of business on the last day of the month immediately preceding the first-mentioned month.

(3) Notwithstanding the provisions of subclauses (1) and (2) of this clause, where any bank is for the time being designated by the Minister of Finance as a bank to which this subclause applies, those provisions shall, in their application to that bank, be read as if for the expression "47 percent" there were substituted in subclause (1) (a) the expression "45 percent".

3. Revocation—The Trustee Savings Banks (Government Securities) Order 1976* is hereby revoked.

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

*S.R. 1976/64

EXPLANATORY NOTE

This note is not part of the order, but is intended to indicate its general effect.

This order repeats the 47 percent minimum Government securities ratio requirement in relation to deposits, and introduces a 15 percent minimum Government securities ratio for housing bonds issued under section 36C of the Trustee Savings Banks Act 1948. The previous provision outlining conditions for compliance with the 47 percent ratio requirement is extended to cover the 15 percent ratio requirement.

Provision for the Minister to designate particular banks which may reduce their 47 percent ratio to 45 percent is repeated.

Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 14 October 1976.

This order is administered in the Reserve Bank of New Zealand.