

New Zealand.

## ANALYSIS.

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1. Short Title.

2. Board may purchase debentures of loans raised by the Auckland City Council.  
3. Reduction in rate of sinking fund.

1932-33, No. 5.—*Local and Personal.*

Title.

AN ACT to enable the Auckland Transport Board to purchase Debentures of Loans raised by the Auckland City Council and for which the Board is liable, and to authorize the Reduction of Payments to the Sinking Fund in respect of One of such Loans.

[*4th March, 1933.*]

Preamble.

WHEREAS pursuant to the provisions of section fifty-seven of the Auckland Transport Board Act, 1928, the Auckland Transport Board (hereinafter called the Board) has taken over the tramway undertaking formerly carried on by the Auckland City Council (hereinafter called the Council), and has issued to the Council debentures indemnifying it in respect of various loans raised by the Council and for the repayment of which the Board is now liable: And whereas the Board desires to purchase the debentures of the said loans in accordance with the provisions of the Local Bodies' Loans Act, 1926, but it is doubtful whether the Board has power

so to do because the said loans were raised by the Council, and it is desirable to authorize the Board so to do in the same way and to the same extent as if the said loans had been raised by the Board: And whereas the Council had in or about the year nineteen hundred and nineteen established a sinking fund of two pounds ten shillings per centum per annum in respect of a loan (hereinafter referred to as the 1919 loan) for one million two hundred and fifty thousand pounds authorized to be raised in nineteen hundred and nineteen for the purpose and further development and improvement of the Auckland Electric Tramways, but on the taking of the poll for the raising of the said loan the Council had made provision for a sinking fund of one pound per centum per annum only, and such amount of one pound per centum per annum was stated in the advertisements relating to the said poll and on the ballot-paper used thereat: And whereas by virtue of section fifty-seven of the Auckland Transport Board Act, 1928, the Board is required to make and has been making payments at the rate of two pounds ten shillings per centum per annum on account of the said sinking fund established by the Council in respect of the 1919 loan: And whereas it is desirable to authorize payments to the said sinking fund to be reduced to not less than one pound per centum per annum:

BE IT THEREFORE ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the Auckland Transport Board Empowering Act, 1932-33. Short Title.

2. The Board may from time to time purchase for cash any debentures forming part of any outstanding loan raised by the Council and in respect of which the Board is liable to indemnify the Council and shall forthwith cancel any debentures so purchased and forward to the Auckland City Sinking Funds Commissioners full particulars of any such purchase, whereupon the Board and the Council shall not be required to make any further payments of or on account of sinking funds in respect of such debentures. Board may purchase, if debentures of loans raised by the Auckland City Council.

3. Notwithstanding anything contained in the Auckland Transport Board Act, 1928, or in any other Act, it Reduction in rate of sinking fund.

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shall not be or be deemed to have been encumbent on the Board or the Council as from the first day of April, nineteen hundred and thirty-one, to pay to the Auckland City Sinking Funds Commissioners as sinking fund in respect of the 1919 loan any greater sum than one pound per centum per annum on the amount of the said loan, being the amount of the sinking fund stated in the proposal for the raising of the said loan as submitted to the ratepayers by the Council:

Provided that nothing herein contained shall prevent or be deemed to have prevented the Board or the Council from making and the Board and the Council are hereby empowered to make respectively any larger payment to the said Sinking Funds Commissioners in any year as sinking funds in respect of the 1919 loan if the Board or the Council respectively shall think fit so to do, but the Board and the Council respectively shall be entitled in any year to take credit for any payment in excess of one per centum made in the year commencing on the first day of April, nineteen hundred and thirty-one, or any year subsequent thereto, so long as an average payment of one per centum per annum on account of the said sinking fund is maintained as from the first day of April, nineteen hundred and thirty-one.

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