



## ANALYSIS

Title	
1. Short Title and commencement	
2. Definition of "vote"	
3. Revolving funds	
4. Treasury bills	
5. Functions of Reserve Bank in relation to loans	
	6. Payment of fines to local authorities and other organisations that conduct prosecutions
	7. Minister may exercise powers relating to <i>bona vacantia</i>
	8. Treasury instructions
	9. Regulations relating to Government Stores Board
	10. Consequential amendment to Electric Linemen Act 1959 Schedule

---

1980, No. 7

**An Act to amend the Public Finance Act 1977**

[20 August 1980]

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

**1. Short Title and commencement**—(1) This Act may be cited as the Public Finance Amendment Act 1980, and shall be read together with and deemed part of the Public Finance Act 1977 (hereinafter referred to as the principal Act).

(2) Except as provided in sections 4 (6), 5 (2), and 10 (2) of this Act, this Act shall come into force on the day on which it receives the Governor-General's assent.

**2. Definition of "vote"**—(1) Section 2 (1) of the principal Act is hereby amended by repealing the definition of the term "vote", and substituting the following definition:

“‘Vote’ means a category of services and purposes relating to a departmental or other function, for which money is appropriated by an Appropriation Act in a financial year.”

(2) Section 53 of the principal Act is hereby consequentially amended by repealing subsection (4), and substituting the following subsection:

“(4) Notwithstanding any other provision of this Act, if in any financial year expenditure that is charged to a vote is appropriated out of more than one account or fund (being an account or fund within the Public Account or an account outside the Public Account), then, the amount so appropriated out of each such account or fund shall be deemed to relate to a separate vote for the purposes of subsection (3) of this section and of sections 54, 55, 57, and 65 (1) (b) of this Act.”

**3. Revolving funds**—(1) The principal Act is hereby amended by inserting, after section 52, the following section:

“52A. (1) There shall be, within the Trust Account, funds (in this Act referred to as revolving funds) having the names specified in the Fifth Schedule to this Act.

“(2) A revolving fund shall be used only for the purposes of the activity specified in respect of that fund in the Fifth Schedule to this Act.

“(3) Subject to subsection (4) of this section, a revolving fund may be operated by officers or employees of the Government department specified as the operating department for that fund in the Fifth Schedule to this Act.

“(4) Every revolving fund shall be operated in accordance with terms and conditions prescribed from time to time in respect of that fund by the Minister. Without limiting the terms and conditions that may be so prescribed, the Minister may prescribe the kinds of receipts, payments, and charges that shall be regarded as relating to the activity of the fund.

“(5) Notwithstanding any other provision of this section,—

“(a) No revolving fund shall be operated before the date prescribed by the Minister as the commencement date of that fund:

“(b) The Minister may from time to time suspend the operation of a revolving fund (whether for a specified period or not), and may at any time cancel any such suspension.

“(6) Subject to any terms and conditions prescribed by the Minister, there shall be credited to a revolving fund—

“(a) All receipts of money relating to the activity of the fund;

“(b) All money appropriated by Parliament for the purposes of the fund; and

“(c) Any other money that is to be credited to the fund pursuant to any Act or that, in the opinion of the Minister or the Secretary, should properly be credited to the fund.

“(7) Notwithstanding section 42 (3) of this Act but subject to any terms and conditions prescribed by the Minister, the money standing to the credit of a revolving fund may from time to time, without further appropriation than this section, be applied as follows:

“(a) In or towards repayment of any advance to the fund of money appropriated by Parliament for the purposes of the fund:

“(b) In or towards payment of any interest charged on any such advance:

“(c) For or towards any purpose relating to the activity of the fund.

“(8) If the Minister is satisfied at any time that there is available in any revolving fund any money in excess of the amount reasonably required for the purposes of the fund, he may direct that the whole or any part of the excess be paid to such other account or fund within the Public Account as the Minister thinks fit.

“(9) Forthwith after a revolving fund has ceased to exist, the Treasury shall transfer any money standing to the credit of that fund to such other account or fund within the Public Account as the Minister thinks fit.

“(10) Every Government department that operates a revolving fund shall, after the end of each financial year, prepare a balance sheet and statement of accounts of the operations of the fund for that year. Every such balance sheet and statement of accounts shall—

“(a) Be in such form and contain such particulars as the Minister or the Secretary specifies; and

“(b) Be audited and reported on by the Audit Office as soon as practicable; and

“(c) Together with the Audit Office report thereon, be laid before Parliament (either separately or in an annual report of the Government department) as soon as practicable.

For the purposes of this subsection, the Minister may determine that the financial year for any revolving fund shall end on such date as he thinks fit.”

(2) The principal Act is hereby amended by adding the Fifth Schedule set out in the Schedule to this Act.

**4. Treasury bills**—(1) Section 73 of the principal Act is hereby amended by omitting from the heading and from subsections (1), (2), (3), (5), and (6) the word “registered” wherever it occurs.

(2) Section 73 of the principal Act is hereby further amended by repealing subsection (4), and substituting the following subsection:

“(4) There shall be transferred from the Consolidated Account to the Loans Redemption Account—

“(a) The amount of any interest payable on any Treasury bill; or

“(b) The amount of any difference between the sum received from the issue of any Treasury bill and the sum required to redeem it.

Every amount so transferred shall be charged as interest to the Consolidated Account.”

(3) Section 2 (1) of the principal Act is hereby consequentially amended—

(a) By omitting from the definition of the term “public security” the word “registered”:

(b) By repealing the definition of the term “registered Treasury bills”:

(c) By inserting, after the definition of the term “Treasury”, the following definition:

“‘Treasury bills’ means Treasury bills issued pursuant to section 73 of this Act (whether registered or not).”

(4) Sections 40 (2) (c) and 40 (3) (c) of the principal Act are hereby consequentially amended by omitting the word “registered”.

(5) Section 45A (1) of the Reserve Bank of New Zealand Act 1964 (as inserted by section 4 of the Reserve Bank of New Zealand Amendment Act 1977) is hereby consequentially amended by repealing paragraph (a) of the definition of the term “stock”, and substituting the following paragraph:

“(a) Treasury bills issued pursuant to the Public Finance Act 1977 (or any corresponding former enactment) that, by virtue of the terms of issue, are required to be registered;”.

(6) This section shall be deemed to have come into force on the 1st day of April 1978.

**5. Functions of Reserve Bank in relation to loans—**(1) The principal Act is hereby amended by repealing section 77, and substituting the following section:

“77. (1) Subject to the control of the Minister, the Reserve Bank shall—

“(a) Issue and manage any loan in respect of which any Government stock or Treasury bills are to be issued, in accordance with any arrangement agreed upon between the Minister or the Secretary and the Reserve Bank; and

“(b) In accordance with Part VIA of the Reserve Bank of New Zealand Act 1964, be the registrar of all Government stock, Treasury bills, and securities issued pursuant to section 80 of this Act, that, by virtue of the terms of issue, are required to be registered in New Zealand.

“(2) Without limiting subsection (1) (a) of this section, the Minister may appoint the Reserve Bank as his agent or manager in respect of any loan raised or to be raised within New Zealand by the issue of securities pursuant to section 80 of this Act.

“(3) The Reserve Bank shall from time to time supply to the Treasury certified statements, containing such particulars as the Treasury requires, in respect of—

“(a) All Government stock, Treasury bills, and securities issued pursuant to section 80 of this Act, that are registered with or managed by the Reserve Bank; and

“(b) The cancellation of any such Government stock, Treasury bill, or security after its discharge by payment, conversion, or in any other manner.

“(4) The Audit Office may for all purposes accept as correct any certified statements supplied by the Reserve Bank under subsection (3) of this section.”

(2) This section shall be deemed to have come into force on the 1st day of April 1978.

**6. Payment of fines to local authorities and other organisations that conduct prosecutions**—Section 103 (2) of the principal Act is hereby amended by omitting the figure “5”, and substituting the figure “10”.

**7. Minister may exercise powers relating to *bona vacantia***—The principal Act is hereby amended by inserting, after section 108, the following section:

“108A. (1) Where any property or right belongs to Her Majesty as *bona vacantia*, the Minister may from time to time, on behalf of Her Majesty, exercise any powers, functions, and rights (including any power of disposal) and undertake and perform any obligations, in respect of or in connection with the property or right that could be exercised, undertaken, or performed by Her Majesty.

“(2) Nothing in this section shall derogate from any other enactment or rule of law.”

**8. Treasury instructions**—The principal Act is hereby amended by repealing section 112, and substituting the following section:

“112. (1) Subject to the provisions of this Act and any regulations made pursuant thereto, the Treasury may from time to time issue to Government departments, and to those Government agencies that operate an account specified in the First Schedule or Second Schedule to this Act, instructions for all or any of the purposes specified in paragraphs (a) to (c) and (f) to (i) of section 113 (1) of this Act.

“(2) Every officer and employee of a Government department, or of a Government agency specified in subsection (1) of this section, who—

“(a) Has any dealings with, or is in any way responsible for (whether directly or indirectly), public money, public stores, or public securities; or

“(b) Is in any way concerned in the supply of information to the Treasury—

shall comply with all Treasury instructions.”

**9. Regulations relating to Government Stores Board**—Section 113 (1) (d) of the principal Act is hereby amended by inserting, after the word “Establishing”, the words “, as an agent of the Crown,”.

**10. Consequential amendment to Electric Linemen Act 1959**—(1) The Electric Linemen Act 1959 is hereby amended by repealing section 24, and substituting the following section:

**“24. Application of fees and fines and expenses of administration**—All fees, fines, and other money received or recovered under this Act shall be paid into the Energy Account established by section 15A of the Ministry of Energy Act 1977, and all expenses incurred by or on behalf of the Committee or otherwise incurred in carrying out the provisions of this Act shall be paid out of that account.”

(2) This section shall be deemed to have come into force on the 1st day of April 1978.

---

## SCHEDULE

Section 3 (2)

### NEW FIFTH SCHEDULE TO PRINCIPAL ACT

Section 52A

### “FIFTH SCHEDULE

#### “REVOLVING FUNDS

Name of Operating Department	Name of Revolving Fund	Activity to Which Fund Relates
Department of Maori Affairs	Maori Land Development Fund	Development and farming of land”

---

This Act is administered in the Treasury.

---