

## New Zealand



### ANALYSIS

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### 1946, No. 5

**Title.**

AN ACT to abolish the Rural Intermediate Credit Board and transfer its Functions to the State Advances Corporation of New Zealand, and to amend the Rural Intermediate Credit Act, 1927.

[30th August, 1946

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

**Short Title.**

1. (1) This Act may be cited as the Rural Intermediate Credit Amendment Act, 1946, and shall be read together with and deemed part of the Rural Intermediate Credit Act, 1927 (hereinafter referred to as the principal Act).

**See Reprint of Statutes, Vol. VIII, p. 63**

**Commencement.**

(2) This Act shall come into force on the first day of October, nineteen hundred and forty-six.

2. For the purposes of this Act and the principal Act, unless the context otherwise requires,—

Interpretation.

“ Association ” means a co-operative rural intermediate credit association established under and for the purposes of the principal Act, and incorporated under the Companies Act, 1908, or the Companies Act, 1933:

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“ Corporation ” means the State Advances Corporation of New Zealand:

“ District Intermediate Credit Supervisor ” means an officer of the Corporation appointed by the Corporation to exercise in respect of any district the functions of a District Intermediate Credit Supervisor under the principal Act:

“ Minister ” means the Minister of Finance:

“ Registrar ” means the Registrar of Companies, and includes an Assistant Registrar of Companies.

3. (1) The Rural Intermediate Credit Board established under the principal Act is hereby dissolved.

Abolition of  
Rural  
Intermediate  
Credit Board.

(2) The functions conferred on that Board by the principal Act shall hereafter be exercised by the Corporation.

4. (1) On the commencement of this Act all mortgages, charges, and other instruments whatsoever given to secure or evidencing loans made by the Rural Intermediate Credit Board under the principal Act and vested in the Board shall be deemed to be transferred to and vested in the Corporation without the necessity of any instrument of assignment, transfer, or other assurance, and thereupon the Corporation shall have in respect of the mortgages, charges, and other instruments and in respect of the property charged thereby all the rights, powers, privileges, and discretions formerly vested in the Board.

Transfer of  
securities to  
Corporation.

(2) After the commencement of this Act all moneys which, if this Act had not been passed, would thereafter be payable to the Rural Intermediate Credit Board shall be paid to the Corporation.

(3) All the other property of the Board, except the moneys in the Rural Intermediate Credit Account, is hereby vested in the Corporation.

(4) As consideration for the mortgages, charges, instruments, and other property vested in it pursuant to the foregoing provisions of this section the Corporation shall pay to the Public Account such sum as may be mutually agreed to by the Corporation and the Minister of Finance.

Rural  
Intermediate  
Credit Account  
abolished.

5. (1) The Rural Intermediate Credit Account established under the principal Act is hereby abolished.

(2) All moneys in the Rural Intermediate Credit Account on the commencement of this Act shall, without further authority than this section, be transferred to the Public Account.

Application of  
moneys paid  
and transferred  
to Public  
Account.

6. (1) The liability of the Rural Intermediate Credit Board in respect of advances made to it before the date of the commencement of this Act by the Minister shall be deemed to be discharged on that date.

(2) The Minister of Finance shall out of the moneys paid or transferred to the Public Account pursuant to the last two preceding sections pay and discharge any other unsatisfied liabilities of the Board.

(3) The balance of the moneys paid or transferred to the Public Account pursuant to the last two preceding sections, after deducting the amount of the liabilities referred to in the last preceding subsection, shall be credited to the Loans Redemption Account and be used for the redemption of securities charged upon the public revenues of New Zealand.

Loans by  
Corporation  
for purposes of  
principal Act.

7. (1) In order to enable associations to render financial assistance to their members in accordance with the principal Act, the Corporation may make advances to associations.

(2) The Corporation may lend money to any person engaged in farming operations, whether a member of an association or not, for any of the following purposes:—

(a) The clearing, fencing, draining, and general improvement of land in the occupation of the borrower:

(b) The erection of buildings on any such land:

(c) The purchase of implements, stock, seeds, plants, trees, and other things required in respect of the occupation and use of any land:

(d) The payment of any mortgage, debt, or other liability incurred in relation to farming operations:

(e) Any other purpose in relation to farming operations that may be approved by the Corporation.

(3) Every loan made under the last preceding subsection shall be secured by a mortgage of chattels, either with or without other security as the Corporation may require.

(4) The power to lend money conferred by this section is in addition to and not in derogation of any other power of lending money conferred on the Corporation.

8. Section fifty-four of the principal Act is hereby amended by adding the following proviso to subsection one:—

Paid-up capital may be deposited with Corporation.

“ Provided that where the association is indebted to the Corporation in respect of any loan the paid-up capital of the association, or a portion thereof, not exceeding the amount of the loan, may be placed on deposit with the Corporation and shall bear interest at the same rate as is payable by the association on the amount of the loan.”

9. Section fifty-six of the principal Act is hereby amended by adding to subsection one the following additional proviso:—

Shares in associations may not be surrendered if calls are owing.

“ Provided also that no shareholder shall be entitled to surrender any shares unless all calls previously made in respect thereof have been paid or satisfied.”

10. (1) The Governor-General may from time to time by Order in Council make all such regulations as may in his opinion be necessary or expedient for giving full effect to the provisions of the principal Act and for the due administration thereof.

Regulations.

(2) Without limiting the general power hereinbefore conferred, it is hereby declared that regulations may be made under this section for all or any of the following purposes:—

(a) Regulating the management of the affairs of associations:

(b) Prescribing the forms of accounts to be kept by associations for the purposes of the principal Act:

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(c) Excluding any provisions of the Companies Act, 1933, from operation in relation to any association:

(d) Prescribing the conditions on which loans may be granted by the Corporation for the purposes of the principal Act to any person or association:

(e) Prescribing maximum legal charges that may be made for the preparation of securities or otherwise in respect of any business of the Corporation under the principal Act.

(3) A copy of all regulations made for the purposes of the principal Act shall be laid before Parliament by the Minister within fourteen days after the making thereof if Parliament is then in session, and if not, then within fourteen days after the commencement of the next ensuing session.

Repeal.

(4) This section is in substitution for section seventy-seven of the principal Act and that section is hereby accordingly repealed:

Provided that all regulations made pursuant to the said section seventy-seven and in force on the commencement of this Act shall, in so far as they are not inconsistent with the provisions of this Act, continue in force as if they had been made under this section.

Miscellaneous  
amendments.

11. The enactments mentioned in the Schedule hereto are hereby amended in the manner indicated in that Schedule.

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## SCHEDULE

Schedule.

## MISCELLANEOUS AMENDMENTS

Title of Enactment.	Number of Section, &c., affected.	Nature and Extent of Amendment.
1927, No. 45— The Rural Intermediate Credit Act, 1927 (Reprint of Statutes, Vol. VIII, p. 63)	Section 2 .. .. Part I .. .. Sections 40 and 41 .. ..  Section 43 (1) .. ..  Section 43 (3) .. ..  Section 45 (2) .. ..  Sections 47, 48, and 52  Section 52 (7) .. ..  Sections 54, 55, 56, and 57  Parts III and IV .. .. Section 72 (1) (as enacted by section 8 of the Rural Inter- mediate Credit Amendment Act, 1929) Section 73 .. ..  Section 74 (1) .. ..  Sections 75 and 76 .. ..	By repealing this section. By repealing this Part. By omitting the references to the Board and substituting in each case a reference to the Corporation. By omitting the word "Com- missioner", and substituting the word "Corporation". By omitting the reference to the Board and substituting a reference to the Corporation. By omitting the word "Com- missioner", and substituting the word "Corporation". By omitting the references to the Board and substituting in each case a reference to the Corporation. By omitting the reference to the Public Trustee and substituting a reference to the Corporation. By omitting the references to the Board and substituting in each case a reference to the Corporation. By repealing these Parts. By omitting the references to the Board and substituting in each case a reference to the Corporation. By omitting the reference to the Board and substituting a reference to the Corporation. By omitting the words "Any Supervisor or Inspector appointed by the Board", and substituting the words "Any officer of the Cor- poration". By omitting the words "asso- ciation or co-operative society indebted to the Board", and substituting the words "association indebted to the Corporation". By repealing these sections.
1929, No. 27— The Rural Intermediate Credit Amendment Act, 1929 (Reprint of Statutes, Vol. VIII, p. 88)	Sections 2, 3, 5, 9, and 10	By repealing these sections.

MISCELLANEOUS AMENDMENTS—*continued*

Title of Enactment.	Number of Section, &c., affected.	Nature and Extent of Amendment.
1931, No. 24— The Rural Intermediate Credit Amendment Act, 1931 (Reprint of Statutes, Vol. VIII, p. 90)	Section 2 .. .. Section 3 (1) .. ..	By repealing this section. By omitting the references to the Board and substituting in each case a reference to the Corporation.
1932-33, No. 45— The Finance Act, 1932-33 (No. 2)	Section 31 .. ..	By omitting the references to the Board and substituting in each case a reference to the Corporation. By repealing the proviso to subsection two.
1934-35, No. 42— The State Advances Cor- poration Act, 1934-35	Part VI .. ..	By repealing this Part.