



## ANALYSIS

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1993, No. 147

**An Act—**

**(a) To provide for the acquisition by the Crown of shares in the capital of a company incorporated under the Companies Act 1955; and**

- (b) To provide for the vesting in that company of the assets and liabilities of the Southland Electric Power Supply; and  
(c) To provide for related matters [28 September 1993]

BE IT ENACTED by the Parliament of New Zealand as follows:

**1. Short Title and commencement**—(1) This Act may be cited as the Southland Electricity Act 1993.

(2) Except as provided in subsection (3) of this section, this Act shall come into force on the day after the date on which it receives the Royal assent.

(3) Sections 32, 33, 34, 35, and 36 of this Act shall come into force on a date to be appointed by the Governor-General by Order in Council; and one or more Orders in Council may be made bringing different provisions into force on different dates.

(4) A date may be appointed under subsection (3) of this section to bring sections 32, 34, and 35 of this Act into force only if the Governor-General is satisfied, at the time of the making of the Order in Council, that at least 50 percent of the ordinary shares in the capital of the company is no longer held by Ministers of the Crown on behalf of the Crown.

(5) A date may be appointed under subsection (3) of this section to bring section 33 of this Act into force only if the Governor-General is satisfied, at the time of the making of the Order in Council, that none of the ordinary shares in the capital of the company is held by Ministers of the Crown on behalf of the Crown.

**2. Interpretation**—(1) In this Act, unless the context otherwise requires,—

“Agreement” includes a deed, a contract, an agreement, an arrangement, and an undertaking, whether oral, or written, express or implied, and whether or not enforceable at law:

“Assets” means any real or personal property of any kind whether or not subject to rights; and, without limiting the generality of the foregoing, includes—

(a) Any estate or interest in any land, including all rights of occupation of land or buildings;

(b) All buildings, vehicles, plant, equipment, and machinery, and any rights therein;

(c) All livestock, products from livestock, and crops;

(d) All securities within the meaning of the Securities Act 1978;

(e) All rights of any kind, including rights under Acts, deeds, agreements, or licences, and all applications, objections, submissions, and appeals in respect of such rights:

(f) All patents, trade marks, designs, copyright, plant variety rights, and other intellectual property rights of any kind whether enforceable by Act or rule of law:

(g) Goodwill, and any business undertaking:

(h) All natural gas, petroleum, and other hydrocarbons:

“Board” means the board of directors of the company:

“Company” means The Power Company Limited, a company incorporated under the Companies Act 1955:

“Crown” means Her Majesty the Queen in right of New Zealand:

“Designated Minister” means, subject to any enactment, the Minister of the Crown who, under the authority of any warrant or with the authority of the Prime Minister, is for the time being responsible for the administration of this Act:

“District Land Registrar” means a District Land Registrar appointed under the Land Transfer Act 1952; and includes a Registrar of Deeds:

“Liabilities” includes—

(a) Liabilities and obligations under any Act or agreement; and

(b) Deposits and other debt securities within the meaning of the Securities Act 1978; and

(c) Contingent liabilities:

“Rights” includes powers, privileges, interests, licences, approvals, consents, designations, permissions, dispensations, authorisations, benefits, and equities of any kind, whether actual, contingent, or prospective:

“Rules” means the memorandum of association and articles of association of the company:

“Shareholding Ministers” means the Minister of Finance and the designated Minister:

“Sitting day” means a sitting day of the House of Representatives:

“Statement of intent” means the current statement of intent for the company prepared pursuant to the Public Finance Act 1989:

“Subsidiary” has the same meaning as it has in section 158 of the Companies Act 1955:

“Transfer” includes—

- (a) Assign and convey; and
- (b) Vest by Order in Council or notice in the *Gazette*; and
- (c) Confer estates in fee simple of land held by the Crown, whether in allodium or otherwise; and
- (d) Grant leases, rights, and interests in any real or personal property; and
- (e) In the case of liabilities, the assumption thereof by the company.

(2) In this Act, a reference to “transfer”, “authorise”, or “grant” includes entering into an agreement to transfer, authorise, or grant, as the case may be.

(3) For the purposes of this Act, to hold a controlling interest in the company means to hold at least 50 percent of the ordinary shares in the capital of the company.

Cf. 1986, No. 124, s. 29; 1991, No. 69, s. 362; 1992, No. 27, s. 10

### **3. Act to bind the Crown**—This Act binds the Crown.

#### PART I PRINCIPLES

**4. Principal objective of company**—(1) The principal objective of the company shall be to operate as a successful business and, to this end, to be—

- (a) As profitable and efficient as comparable businesses that are not owned by the Crown; and
- (b) A good employer; and
- (c) An organisation that exhibits a sense of social responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so.

(2) In seeking to attain its principal objective, the company shall have regard, among other things, to the desirability of ensuring the efficient use of energy.

(3) For the purposes of this section, a “good employer” is an employer who operates a personnel policy containing provisions generally accepted as necessary for the fair and proper treatment of employees in all aspects of their employment, including provisions requiring—

- (a) Good and safe working conditions; and
- (b) An equal employment opportunities programme; and
- (c) The impartial selection of suitably qualified persons for appointment; and
- (d) Opportunities for the enhancement of the abilities of individual employees.

Cf. 1986, No. 124, s. 4; 1992, No. 56, s. 36 (2)

**5. Responsibility of Ministers**—The shareholding Ministers of the company shall be responsible to the House of Representatives for the performance of the functions given to them by this Act or the rules.

Cf. 1986, No. 124, s. 6

**6. Directors and their role**—(1) The directors of the company shall be persons who, in the opinion of those appointing them, will assist the company to achieve its principal objective.

(2) All decisions relating to the operation of the company shall be made by or pursuant to the authority of the board of the company in accordance with its statement of intent.

(3) The board of the company shall be accountable to the shareholding Ministers in the manner set out in this Act and in the rules.

Cf. 1986, No. 124, s. 5

**7. Non-commercial activities**—Where the Crown wishes the company to provide goods or services to any persons, the Crown and the company shall enter into an agreement under which the company will provide the goods or services in return for the payment by the Crown of the whole or part of the price of the goods or services.

Cf. 1986, No. 124, s. 7

**8. Collective employment contracts**—Before entering into any collective employment contract under the Employment Contracts Act 1991, the company shall consult with the State Services Commissioner over the conditions of employment to be included in the collective employment contract.

Cf. 1986, No. 124, s. 8; 1991, No. 22, s. 169 (1)

**9. Saving of certain transactions**—Failure by the company to comply with any provision contained in this Part of this Act shall not affect the validity or enforceability of any

deed, agreement, right, or obligation entered into, obtained, or incurred by the company.

Cf. 1986, No. 124, s. 21

## PART II

### ACQUISITION BY THE CROWN OF SHARES IN THE COMPANY

#### **10. Acquisition by the Crown of shares in company—**

(1) The Minister of Finance and the designated Minister may, on behalf of the Crown, subscribe for or otherwise acquire shares in the capital of the company.

(2) The number of shares in the capital of the company held by each shareholding Minister shall be the same.

Cf. 1986, No. 124, s. 10; 1987, No. 117, s. 3

**11. Application of Companies Act 1955**—In the application of the Companies Act 1955 to the company, the following provisions shall, so long as the shareholding Ministers are the members of the company, be construed as if references in those provisions to 7 members were references to 2 members:

- (a) Section 41, as to carrying on business when the number of members is reduced below the legal minimum;
- (b) Section 217 (d), as to winding up by the Court when the number of members is reduced below the legal minimum;
- (c) Section 219 (a) (i), as to the presentation of a winding-up petition by a contributory when the number of members is reduced below the legal minimum.

Cf. 1986, No. 124, s. 30 (3)

**12. Shareholding Ministers may subscribe for additional shares**—Subject to subsection (2) of section 10 of this Act, each shareholding Minister may, from time to time, on behalf of the Crown, subscribe for or otherwise acquire shares in the capital of the company in addition to the shares subscribed for or acquired under that section.

Cf. 1992, No. 76, s. 11

**13. Payment for shares**—Any money required to be paid by a shareholding Minister on subscribing for or otherwise acquiring shares in the capital of the company shall be paid out of money appropriated by Parliament for the purpose.

Cf. 1986, No. 124, s. 10 (3); 1987, No. 117, s. 3

**14. Further provisions relating to Ministers' shareholding**—(1) Shares in the capital of the company held in the name of a person described as the Minister of Finance or the designated Minister shall be held by the person for the time being holding the office of Minister of Finance or designated Minister, as the case may be.

(2) Notwithstanding any other enactment or rule of law, it shall not be necessary to complete or register a transfer of shares of the kind referred to in subsection (1) of this section consequent on a change in the person holding the office of Minister of Finance or designated Minister, as the case may be.

(3) Each shareholding Minister may exercise all the rights and powers attaching to the shares in the company held by that Minister.

(4) A shareholding Minister may at any time or times, by written notice to the secretary of the company, authorise (on such terms and conditions as are specified in the notice) such person as the Minister thinks fit to act as the Minister's representative at any or all of the meetings of shareholders of the company or of any class of such shareholders, and any person so authorised shall be entitled to exercise the same powers on behalf of the Minister as the Minister could exercise if present at the meeting or meetings.

Cf. 1986, No. 124, s. 22

**15. Shareholding Ministers may determine dividend**—(1) Notwithstanding any other provision of this Act or the rules of the company, the shareholding Ministers may, by written notice to the board, determine the amount of dividend payable by the company, and the board shall comply with the notice.

(2) Before giving a notice under this section, the shareholding Ministers shall—

(a) Have regard to Part I of this Act; and

(b) Consult the board as to the matter to be referred to in the notice.

(3) Within 12 sitting days after a notice is given to the board pursuant to this section, the designated Minister shall lay a copy of the notice before the House of Representatives.

(4) The power conferred by subsection (1) of this section may be exercised only where all the shares in the capital of the company are held by the shareholding Ministers.

Cf. 1986, No. 124, s. 13

**PART III****TRANSFER OF ASSETS TO THE COMPANY**

**16. Transfer of Crown assets and liabilities to company**—(1) Notwithstanding any Act, rule of law, or agreement, the shareholding Ministers may, on behalf of the Crown, do any one or more of the following:

- (a) Transfer to the company assets and liabilities of the Crown;
- (b) Authorise the company to act on behalf of the Crown in providing goods or services, or in managing assets or liabilities of the Crown;
- (c) Grant to the company leases, licences, easements, permits, or rights of any kind in respect of any assets or liabilities of the Crown—

for such consideration, and on such terms and conditions, as the shareholding Ministers may agree with the company.

(2) Nothing in this section applies to any assets or liabilities of the Crown other than assets or liabilities that form part of—

- (a) The undertaking referred to in section 9 of the Southland Electric Power Supply Act 1936; or

- (b) Any extension of that undertaking.

(3) The designated Minister shall lay before the House of Representatives any contract or other document entered into pursuant to subsection (1) of this section within 12 sitting days after the date of that contract or document.

Cf. 1986, No. 124, s. 23 (1), (2); 1987, No. 117, s. 6 (1)

**17. Assets relating to land and interests in land may be transferred separately**—(1) Assets that are fixed to, or are under or over, any land may be transferred to the company pursuant to this Act whether or not any interest in the land is also transferred.

(2) Where any such asset is so transferred, the asset and the land shall be regarded as separate assets each capable of separate ownership.

Cf. 1986, No. 124, s. 23 (3)

**18. Further provisions relating to transfer of assets and liabilities**—(1) Any asset or liability of the Crown may be transferred to the company pursuant to this Act whether or not any Act or agreement or rule of law relating to the asset or liability permits such transfer or requires any consent to such a transfer.

(2) Where a transfer of the kind described in subsection (1) of this section takes place,—

- (a) The transfer shall not entitle any person to terminate, alter, or in any way affect the rights or liabilities of the Crown, or the company, under any Act or agreement;
- (b) Where the transfer is registrable, the person responsible for keeping the register shall register the transfer forthwith after written notice of the transfer is received by him or her from any person authorised for this purpose by the designated Minister;
- (c) The laying before the House of Representatives of any contract or other document relating to the transfer shall be deemed to be notice of the transfer, and any third party shall after the date of such contract or document deal with the company in place of the Crown;
- (d) The Crown shall remain liable to any third party as if the asset or liability had not been transferred but shall be indemnified by the company in respect of any liability to any third party;
- (e) Any satisfaction or performance by the company in respect of the asset or liability shall be deemed to be also satisfaction or performance by the Crown;
- (f) Any satisfaction or performance in respect of the asset or liability by any third party to the benefit of the company shall be deemed to be also to the benefit of the Crown.

(3) No provision in any agreement limiting the Crown's right to sell any assets to third parties, or for determining the consideration for the sale of any assets to third parties, or obliging the Crown to account to any person for the whole or part of the proceeds of sale by the Crown of any assets to third parties, or obliging the Crown to pay a greater price than otherwise by reason of or as a consequence of the sale of any assets to third parties, shall have any application or effect in respect of any agreement or transfer entered into or effected pursuant to or under this Act or pursuant to such an agreement or transfer.

Cf. 1986, No. 124, s. 23 (4)–(6); 1990, No. 23, s. 3

#### **19. Provisions relating to transfer of land—**

(1) Notwithstanding any other provision of this Act, Crown land within the meaning of the Land Act 1948 and any lands of the Crown other than lands registered under the Land Transfer Act

1952 that are to be transferred to the company pursuant to this Act shall—

(a) Be identified by an adequate legal description, or on plans lodged in the office of the Chief Surveyor for the land district in which the land is situated (being plans certified as correct for the purposes of this section by that Chief Surveyor); and

(b) Vest in the company—

(i) Pursuant to and on a date specified in an Order in Council made for the purposes of this section; or

(ii) Pursuant to and on a date specified in a notice in the *Gazette* given for the purposes of this section by the shareholding Ministers or by a person authorised in writing by those Ministers.

(2) Every notice given under subsection (1) (b) (ii) of this section may be given on such terms and conditions as the shareholding Ministers or a person authorised in writing by those Ministers, as the case may be, thinks fit, and shall have effect according to its tenor.

(3) Notwithstanding any other provision of this Act, no land that is subject to a lease or licence pursuant to section 66 or section 66AA of the Land Act 1948 shall be transferred to the company pursuant to section 16 (1) (a) of this Act.

(4) Subject to subsection (5) of this section, but notwithstanding any other provision of this Act, no land for the time being held, managed, or administered under the Conservation Act 1987 or under any enactment specified in the First Schedule to that Act shall be transferred to the company pursuant to section 16 (1) (a) of this Act.

(5) Nothing in subsection (4) of this section prevents the granting, to the company, of a licence to occupy any land to which that subsection applies if the Minister of Conservation consents to the granting of that licence.

(6) All land that is subject to the Land Act 1948 or the Forests Act 1949 and that is transferred to the company pursuant to this Act shall cease to be subject to the Land Act 1948 or the Forests Act 1949, as the case may be, from the date of that transfer, unless otherwise expressly provided by this Act or any other Act.

(7) Nothing in this Act or in any transfer of land to the company pursuant to this Act shall derogate from the

provisions of section 10 or section 11 of the Crown Minerals Act 1991.

Cf. 1986, No. 124, s. 24; 1987, No. 117, s. 7 (1), (2); 1990, No. 31, s. 37; 1991, No. 70, s. 121; 1992, No. 27, s. 5

**20. Modification of provisions of Public Works Act 1981**—(1) This section applies to the transfer of land or an interest in land to the company pursuant to this Act.

(2) Nothing in sections 40 to 42 of the Public Works Act 1981 shall apply to the transfer of land or an interest in land to the company (being a transfer to which this section applies) so long as the land or interest in land continues to be used for the purposes of the company, but, if all or any part of the land or interest in land is no longer required for such purposes, sections 40 and 41 of that Act shall apply to the land or interest no longer required as if the company were the Crown and the transfer of that land or interest to the company were not a transfer to which this section applies.

(3) If, in relation to land or an interest in land that has been transferred to the company (being a transfer to which this section applies), an offer made under subsection (2) of section 40 of the Public Works Act 1981 is not accepted—

(a) Within 40 working days after the making of the offer or such further period as the chief executive of the Department of Survey and Land Information considers reasonable; or

(b) If an application has been made pursuant to subsection (2A) of that section to the Land Valuation Tribunal, within 20 working days after the determination of the Tribunal,—

whichever is later, and the parties have not agreed on other terms for the sale of the land or interest, the company may sell or otherwise dispose of the land or interest to any person on such terms and conditions as it thinks fit.

(4) For the purposes of subsection (3) of this section, the term “working day” has the same meaning as it has in section 2 of the Public Works Act 1981.

Cf. 1990, No. 52, s. 9 (4)

**21. Obligation to lodge caveat**—(1) Where land or an interest in land is transferred to the company pursuant to this Act, the Crown shall, for the purpose of protecting the rights of persons from whom that land or interest was acquired and their successors to have that land or interest offered to them under section 40 (2) of the Public Works Act 1981, lodge an

appropriate caveat under the Land Transfer Act 1952, and this section shall be sufficient authority for the lodging of such a caveat.

(2) For the purposes of this section, the rights of persons from whom the land or an interest in land was acquired and their successors to have that land or interest offered to them under section 40 (2) of the Public Works Act 1981 shall be deemed to be interests in land for the purposes of section 137 of the Land Transfer Act 1952.

(3) In stating, in a caveat lodged pursuant to subsection (1) of this section, the interest claimed by the caveator, it shall be sufficient, for the purposes of section 138 of the Land Transfer Act 1952, to refer to sections 40 to 42 of the Public Works Act 1981 and this section.

Cf. 1974, No. 66, s. 594ZG; 1989, No. 29, s. 34 (1)

**22. Transfer of land not to constitute a subdivision or development**—Nothing in section 11 or Part X of the Resource Management Act 1991 applies to the transfer of land or an interest in land to the company pursuant to this Act.

**23. Uses deemed to be permitted activity**—Where any land is transferred to the company pursuant to this Act, the use of that land which is established at the date of the transfer shall be deemed to be a permitted activity under the Resource Management Act 1991 until the next completion of the review of the district plan or appropriate part of the district plan, and thereafter the status of that use shall be as provided from time to time in or under the district plan.

Cf. 1974, No. 66, s. 594ZN; 1989, No. 29, s. 34 (1); 1991, No. 69, s. 362

**24. Title to land**—(1) A District Land Registrar shall, on written application by any person authorised by a shareholding Minister and on payment of the prescribed fee,—

(a) Register the company as the proprietor, in substitution for the Crown, of the estate or the interest of the Crown in any land that is incorporated in the register or otherwise registered in the Land Registry Office of the land registration district concerned and that is transferred to the company pursuant to this Act; and

(b) Make such entries in the register and on any outstanding documents of title and generally do all such things as may be necessary to give effect to this section.

(2) The powers conferred by subsection (1) of this section may be exercised in respect of an estate or interest that is incorporated in the register by virtue of a lease or licence that has expired or has been determined.

(3) A District Land Registrar shall, on written application by any person authorised by a shareholding Minister and on payment of the prescribed fee, issue a certificate of title for land vested in the company pursuant to section 19 (1) of this Act in form No. 1 in the First Schedule to the Land Transfer Act 1952, amended as appropriate.

(4) As soon as registration is accomplished in accordance with subsection (1) of this section or a certificate of title is issued in accordance with subsection (3) of this section, the company shall, except where the interest acquired is either an easement in gross or an estate as lessee or mortgagee, be deemed to be seized of an estate in fee simple in possession in respect of that land.

(5) Applications in accordance with subsections (1) and (3) of this section shall specify the name of the company and the date of the agreement, together with a description of the land sufficient to identify it and, in the case of applications under subsection (3) of this section, a certificate by the Chief Surveyor for the district concerned as to the correctness of such description.

Cf. 1986, No. 124, s. 25; 1989, No. 57, s. 2

**25. Land certification**—(1) Before a District Land Registrar issues a certificate of title in respect of any land vested in the company pursuant to section 19 (1) of this Act, the District Land Registrar shall either receive under the hand of or request from the Director-General of Survey and Land Information or any Chief Surveyor a certificate in the form set out in the Second Schedule to the Land Act 1948 as to the legal description of the land, any trusts, reservations, or restrictions affecting the land, and any other matters that the District Land Registrar considers appropriate.

(2) A certificate in accordance with subsection (1) of this section shall be filed by the District Land Registrar in the Land Registry Office and shall be conclusive evidence to the District Land Registrar of the matters required to be stated in that certificate.

Cf. 1986, No. 124, s. 26; 1987, No. 117, s. 8; 1989, No. 57, s. 3 (1), (2)

**26. Certification of easements**—(1) Where land is vested in the company pursuant to section 19 (1) of this Act subject to the reservation of or together with any easement, not being an easement previously registered under the Land Transfer Act 1952, the Director-General of Survey and Land Information or any Chief Surveyor shall include in the certificate given under section 25 (1) of this Act a sufficient description of the easement and particulars as to the rights and powers, terms, covenants, conditions, or restrictions attaching thereto.

(2) The District Land Registrar shall enter a memorial of the easement upon the relevant certificate of title by reference to the certificate in which it is described as if that certificate were the instrument creating the easement.

(3) Where a memorial of an easement is entered upon the relevant certificate of title under subsection (2) of this section, the easement shall be treated for all purposes including all subsequent dealings as if it had been created under the Land Transfer Act 1952.

Cf. 1986, No. 124, s. 26A; 1992, No. 27, s. 6

**27. Orders in Council relating to transfer of assets and liabilities**—(1) For the purpose of facilitating the transfer of assets and liabilities to the company pursuant to this Act, the Governor-General may from time to time, by Order in Council, do any one or more of the following:

- (a) Vest in or impose on the company any asset or liability (other than land to which section 19 (1) of this Act applies), or any class of any such asset or liability, that is to be transferred to the company;
- (b) Vest land in the company for the purposes of section 19 (1) of this Act;
- (c) Declare that a reference to the Crown or a Minister, officer, employee, department, or instrument of the Crown in any or all regulations, orders, notices, or documents shall be deemed to be or to include a reference to the company;
- (d) Declare that the company shall assume or continue to have the rights and obligations of the Crown or a Minister, officer, employee, department, or instrument of the Crown in respect of applications for rights, objections, or proceedings before any court, authority, or other person, being rights and obligations that the company has agreed to assume;
- (e) Declare, in respect of any assets or liabilities transferred to the company pursuant to this Act, that the company

shall be deemed to have specified rights or obligations in respect of those assets or liabilities, being rights or obligations that are required in respect of those assets or liabilities as a result of the change of ownership or responsibility from the Crown to the company:

(f) Declare that any Order in Council made under this section shall be deemed to be notice to all persons, and that specific notice need not be given to any authority or other person;

(g) Direct any authority or other person to register or record any such vesting or declaration.

(2) Every Order in Council made under this section may be made on such terms and conditions as the Governor-General thinks fit, and shall have effect according to its tenor.

Cf. 1986, No. 124, s. 28; 1991, No. 69, s. 362

**28. Relationship with other enactments**—(1) This Part of this Act shall have effect, and assets and liabilities may be transferred pursuant to this Act, notwithstanding any restriction, prohibition, or other provision contained in any Act, rule of law, or agreement that would otherwise apply.

(2) Nothing in this Act shall limit any powers or rights that the Crown or a Minister has other than pursuant to this Act.

Cf. 1986, No. 124, s. 29 (3), (4)

#### PART IV MISCELLANEOUS PROVISIONS

**29. Half-yearly reports**—(1) In addition to the obligations of the company under the Public Finance Act 1989, within 2 months after the end of the first half of each financial year of the company, the board shall deliver to the shareholding Ministers a report of the operations of the company during that half-year.

(2) Within 12 sitting days after a half-yearly report is given to the designated Minister pursuant to this section, the designated Minister shall lay a copy of the report before the House of Representatives.

Cf. 1986, No. 124, s. 16

**30. Audit Office to be auditor of company and subsidiaries**—(1) Subject to subsections (3) and (4) of this section, the Audit Office shall, notwithstanding sections 163 to 165 of the Companies Act 1955, be the auditor of the company,

and of every subsidiary of the company, and for the purposes of that Act shall have and may exercise or perform the functions, duties, and powers of an auditor appointed under that Act and all such powers as it has under the Public Finance Act 1977 in respect of public money and public stores.

(2) The company shall pay to the Audit Office for carrying out its duties under this section fees at such rates as may be prescribed by the Minister of Finance.

(3) Without limiting subsection (1) or subsection (2) of this section, the board may, after consultation with the Audit Office and if the designated Minister so approves, appoint a person or firm that is qualified for appointment as an auditor of a company to be an additional auditor of the company or any subsidiary of the company.

(4) Upon a controlling interest in the company ceasing to be held by Ministers of the Crown on behalf of the Crown,—

- (a) The Audit Office shall cease to be the auditor of the company and of the subsidiaries of the company (if any);
- (b) The directors of the company and of every subsidiary of the company shall appoint an auditor or auditors of the company and of every subsidiary of the company, and every such appointment shall be deemed to have been made by the directors to fill a casual vacancy in the office of auditor under section 163 (5) of the Companies Act 1955.

(5) Notwithstanding anything in subsection (4)(a) of this section, where, in respect of the company and its subsidiaries (if any), consolidated financial accounts have been submitted to the Audit Office for audit, the Audit Office shall continue to be the auditor of the company and every subsidiary of the company until that audit has been completed.

Cf. 1986, No. 124, s. 19

**31. Certain provisions not to apply if Crown ceases to hold controlling interest in company**—Upon a controlling interest in the company ceasing to be held by Ministers of the Crown on behalf of the Crown, sections 4, 5, 6 (3), 7, 8, and 29 of this Act shall cease to apply in respect of the shareholding Ministers, the board, and the company.

**32. Amendment to Ombudsmen Act 1975**—The Ombudsmen Act 1975 is hereby amended by omitting from Part II of the First Schedule (as amended by section 36 (1) of this Act) the item “The Power Company Limited”.

**33. Amendment to Income Tax Act 1976**—The Income Tax Act 1976 is hereby amended by omitting from the Fourteenth Schedule (as substituted by section 23 (1) of the State Services Conditions of Employment Amendment Act 1987 and amended by section 36 (1) of this Act) the item “The Power Company Limited”.

**34. Amendment to Official Information Act 1982**—The Official Information Act 1982 is hereby amended by omitting from the First Schedule (as substituted by section 23 (1) of the Official Information Amendment Act 1987 and amended by section 36 (1) of this Act) the item “The Power Company Limited”.

**35. Amendment to Public Finance Act 1989**—The Public Finance Act 1989 is hereby amended by omitting from the Fourth and Sixth Schedules (as added by section 41 of the Public Finance Amendment Act 1992 and amended by section 36 (1) of this Act) the item “The Power Company Limited.”

**36. Consequential amendments and repeals**—(1) The enactments specified in the Schedule to this Act are hereby amended in the manner indicated in that Schedule.

- (2) The following enactments are hereby repealed:
  - (a) The Southland Electric Power Supply Act 1936;
  - (b) So much of the First Schedule to the Public Finance Act 1989 as relates to the Southland Electric Power Supply Act 1936;
  - (c) So much of the First Schedule to the Ministry of Energy (Abolition) Act 1989 as relates to the Southland Electric Power Supply Act 1936;
  - (d) The State-Owned Enterprises Amendment Act (No. 2) 1992.

**37. Saving**—Notwithstanding the repeal, by section 36 (2) (a) of this Act, of the Southland Electric Power Supply Act 1936, until the undertaking referred to in section 9 of that Act is transferred to the company pursuant to this Act, section 9 of the Southland Electric Power Supply Act 1936 shall continue to apply in respect of that undertaking as if section 36 of this Act had not been enacted.

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Section 36 (1)

**SCHEDULE**  
**ENACTMENTS AMENDED**

Enactment Amended	Amendment
1975, No. 9—The Ombuds-men Act 1975 (R.S. Vol. 21, p. 657)	By inserting in Part II of the First Schedule, in its appropriate alphabetical order, the following item: “The Power Company Limited.”
1976, No. 65—The Income Tax Act 1976 (R.S. Vol. 12, p. 1)	By inserting in the Fourteenth Schedule (as substituted by section 23 (1) of the State Services Conditions of Employment Amendment Act 1987), in its appropriate alphabetical order, the following item: “The Power Company Limited.”
1982, No. 156—The Official Information Act 1982 (R.S. Vol. 21, p. 579)	By inserting in the First Schedule (as substituted by section 23 (1) of the Official Information Amendment Act 1987), in its appropriate alphabetical order, the following item: “The Power Company Limited”.
1989, No. 44—The Public Finance Act 1989	By inserting in the Fourth and Sixth Schedules (as added by section 41 of the Public Finance Amendment Act 1992), in each case in its appropriate alphabetical order, the following item: “The Power Company Limited.”

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This Act is administered in the Treasury.

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