

A BILL INTITULED

AN ACT to provide for the Custody Maintenance Title.
and Control of the Sinking Funds created as
security for the due Payment of the Principal of
Loans raised by the Governments of the Colony and
Provinces respectively and to enable a part of such
Sinking Funds proportionate to the amount of the
Loans converted under "The Consolidated Loan
Act 1867" to be released.

WHEREAS by "The Public Debts Act 1867" it is provided that Preamble.
the principal interest and sinking fund payable upon all
Provincial Debentures then issued or thereafter to be issued in
accordance with the provisions of the said Act under the authority
5 of any of the Acts or Ordinances of the Superintendent and Provincial
Council of any Province of the Colony specified in Schedule A. to the
said Act shall from and after the passing of the said Act be charged upon
and paid out of the Consolidated Revenue of the Colony And whereas
under the Acts and Ordinances specified in Schedule A. to the said
10 Act sinking funds have been created as a security and provision for
the due payment of the loans raised under such Acts and Ordinances
respectively And whereas it is expedient that as the moneys payable
for principal interest and sinking funds of such Provincial Loans have
been charged upon the Consolidated Revenue of the Colony provision
15 should be made by the General Assembly for the custody maintenance
and control of the several sinking funds created under the said Acts
and Ordinances and of the several loans of the Provincial Governments
of the several Provinces of New Zealand specified in the Schedule A.
to "The Public Debts Act 1867" And whereas the Governor has
No. 104—1.

appointed the Honourable William Fitzherbert as Agent under the said last-mentioned Act And the said William Fitzherbert has amongst other terms and conditions appointed that the principal moneys borrowed under the said last-mentioned Act shall be repaid by a one per cent. cumulative sinking fund applied by annual drawings to the extinction of the debt whereby the whole amount of the said debt will be paid off in about thirty-six years And whereas it is expedient that from time to time upon the conversion redemption or payment of any part or parts of the said Colonial or Provincial Loans being effected under the provisions of "The Consolidated Loan Act 1867" the money standing to the credit of or invested on account of the respective sinking funds created as a security or provision for the due payment of such loans should be proportionately released and placed at the disposal of the General Assembly And whereas by "The Consolidated Loan Act 1867" the Governor is empowered to appoint an agent or agents to borrow a sum of money not exceeding seven millions sterling subject to such terms and conditions as such agent or agents may think expedient and it is thereby provided that all moneys borrowed under the authority of the said Act shall be a charge upon the Consolidated Revenue of the Colony and that the annual charge to be imposed on the said revenue under the said Act shall not exceed for interest and for sinking fund if any the sum of six pounds for every one hundred pounds expressed to be borrowed and that all moneys borrowed under the said Act shall be applied towards the conversion redemption and payment of the loans of the Government of New Zealand issued under Acts of the General Assembly and the Provincial Loans specified in "The Public Debts Act 1867"

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

Short Title.

1. The Short Title of this Act shall be "The Public Debts Sinking Funds Act 1868."

The Colonial Treasurer the Auditor-General the Comptroller and the to be Commissioners.

2. The Colonial Treasurer of New Zealand or the Minister for the time acting as and for the Colonial Treasurer the Auditor of the Public Accounts of New Zealand the Comptroller of the Public Revenues of New Zealand and the for the time being respectively shall by virtue of their office be commissioners for carrying into execution the purposes of this Act and shall be styled "the Commissioners of the Public Debts Sinking Funds."

Two Commissioners to be a quorum.

3. The Commissioners of the Public Debts Sinking Funds are hereinafter referred to as "the Commissioners" and the powers duties and authorities which the Commissioners are hereby enabled or required to exercise or perform shall and may be exercised or performed by any number not less than two of the said Commissioners.

Commissioners may appoint agents and officers and fix place of meeting.

4. The Commissioners are hereby authorized to appoint and employ such agents whether in New Zealand or England or elsewhere and such clerks and other officers as may be necessary and to appoint a place at Wellington in New Zealand at which the Commissioners shall meet.

Minutes of proceedings.

5. Minutes of all proceedings of by or before the Commissioners shall be entered in proper books.

Accounts of proceedings.

6. An account of the proceedings of the Commissioners of the moneys and securities vested in or held by them of the money paid by them to the Public Account of the Colony during the year preceding and of the expense attending the execution of the powers vested in them by this Act during the year shall be made up to thirtieth day of June in every year which the Commissioners shall on or before the fifteenth day of July immediately following be laid before both Houses

of the General Assembly if the General Assembly shall be then sitting or if the General Assembly shall not be sitting then within fourteen days after commencement of the then next sitting of the General Assembly.

5 7. The Colonial Treasurer is hereby authorized to pay out of the Consolidated Fund all such expenses as shall necessarily attend the execution of this Act in such manner as shall seem to him just and reasonable. Expenses attending the execution of this Act.

10 8. Upon any Provincial Debentures issued under any of the Acts or Ordinances specified in the second Schedule hereto being converted under "The Consolidated Loan Act 1867" the sums payable under any such Act or Ordinance for interest or sinking fund in respect of such Debentures so converted shall cease to be payable. On Debentures being converted interest and sinking fund to cease to be payable.

15 9. The sinking funds created under the Acts of the General Assembly specified in the first Schedule to this Act or any of them and the several sinking funds created under the Provincial Acts or Ordinances specified in the second Schedule to this Act or any of them shall on the passing of this Act be vested in the Commissioners and all trustees and other persons who shall hold any such sinking funds and all trustees and other persons by or in whose names any moneys payable to or on account of such sinking funds have been invested are hereby authorized and required as soon as conveniently may be after the passing of this Act to transfer and deliver to the Commissioners all such sinking funds so held by them and all securities in which they have invested any moneys payable to or on account of any such sinking funds and all interest or other profits accrued thereon and all mortgages of land in which any moneys payable under the authority of "The Auckland Loan Act 1863" and "The Wellington Loan Act 1863" respectively on account of the sinking funds created by the said last-mentioned Acts respectively have been invested shall on the passing of this Act be and the same are hereby vested in the Commissioners and all sinking funds and all moneys pertaining thereto and all securities for money in which any such moneys shall have been invested and all interest and other profits accrued which by or under the authority of this Act are vested in or transferred or delivered to or received by the Commissioners shall be held by them subject to the provisions of this Act upon the same trusts and for the same purposes upon and for which such funds moneys securities interest and profits were held according to the provisions of the Acts and Ordinances creating such sinking funds and all interest and other profits accruing to the Commissioners on or in respect of

10. If any Trustees or other persons by whom any sinking fund of any Loan created under any of the Acts or Ordinances specified in the second Schedule hereto are for the time being beyond the jurisdiction of the Supreme Court of New Zealand and refuse to transfer or deliver the securities in which such sinking fund is invested or the moneys pertaining thereto it shall be lawful for the Governor to order that there shall be deducted from any moneys payable under "The Public Revenues Act 1867" to the Provincial Account of the Province by on account of which such Loan was raised a sum of money equal to the amount of the value of the securities and moneys so held by such Trustees and which they have refused to transfer or deliver and such deduction shall be made at such time and in such manner and by such instalments as the Governor shall from time to time order and the money so deducted shall be paid over to the Commissioners to be dealt with as herein provided with regard to moneys payable to them on account of such sinking fund. If Trustees &c. of Provincial Sinking Funds be beyond jurisdiction of Supreme Court and refuse to deliver up securities &c. money value of securities &c. may be deducted from Provincial Account.

11. All moneys which shall hereafter from time to time become payable for sinking fund under any of the Acts of the General Moneys hereafter payable to sinking funds to be paid to

Commissioners and held by them for same purposes as if paid to persons and in manner provided by the Acts or Ordinances creating the sinking funds.

Assembly specified in the first Schedule to this Act upon or in respect of any such debentures as shall not for the time being have been converted under "The Consolidated Loan Act 1867" and all moneys which shall hereafter from time to time become payable for sinking fund under the second section of "The Public Debts Act 1867" out of the Consolidated Fund upon or in respect of any such Provincial Debentures as shall not for the time being have been converted under "The Consolidated Loan Act 1867" and all moneys which shall hereafter from time to time become payable for sinking fund out of any Provincial Revenues upon or in respect of any such Provincial Debentures as aforesaid under any of the Acts or Ordinances specified in the second Schedule to this Act shall be paid to the Commissioners who shall take and hold the same respectively upon and for the same trusts and purposes upon and for which such moneys so payable for sinking fund would have been taken and held if they had been paid to the persons and in the manner provided by the Acts and Ordinances specified in the first and second Schedules hereto creating such sinking funds respectively.

If moneys payable to sinking fund not duly paid Commissioners to report and Colonial Treasurer to deduct moneys reported to be payable.

12. If and whenever it shall be made to appear to the Commissioners that any moneys which by an Act or Ordinance specified in the second Schedule it is provided shall be paid as and for a sinking fund for payment of Debentures issued by or on behalf of any Province under any Act or Ordinance specified in such Schedule whether such moneys so payable for such Sinking Fund have become payable before or shall become payable after the passing of this Act such Commissioners shall from time to time as occasion may require make a report thereon to the Colonial Treasurer setting forth the sums which ought to have been paid and have not or shall not have been paid and with regard to sums which ought to have been paid before the passing of this Act and have not been paid the Commissioners shall also state the date at which sums ought to have been paid and the Colonial Treasurer shall deduct from any moneys which shall after the receipt of such report become payable to the Provincial Account of such Province under "The Public Revenues Act 1867" the sums specified in any such report together with a sum for interest at the rate of pounds per centum per annum on all moneys which ought to have been paid before the passing of this Act and are stated in such report not to have been paid and such interest shall be calculated from the date at which sums ought to have been paid and the Colonial Treasurer shall hand over to the Commissioners all sums so deducted and they shall invest and deal with the same as if paid to them under the eleventh section of this Act.

Investments to be made in securities prescribed by the Governor.

13. Notwithstanding anything in the Acts or Ordinances specified in the second Schedule hereto to the contrary the Commissioners shall invest the moneys received by them under this Act and the interest or other profits accruing on any securities transferred delivered or vested in them under or by virtue of this Act only in such bonds or debentures or other securities as the Governor in Council shall from time to time prescribe as securities in which investments may be made by the Commissioners.

Commissioners empowered to re-convey mortgaged investments.

14. The Commissioners are hereby empowered from time to time if they shall think fit to change any investments transferred to or made by them under this Act for other investments so as such other investments be such as are for the time being permitted by any Order in Council made as aforesaid and for such purpose to sell or dispose of any securities transferred to or vested in them or in which they may have made any such investment.

Commissioners empowered to re-convey mortgaged lands by deed executed by any two or more of them.

15. The Commissioners are hereby authorized and empowered whenever any conveyance transfer or reconveyance may lawfully be made by them to convey transfer or reconvey by deed under the hands of any two or more of them and attested by two witnesses to transfer

convey or reconvey any land mortgaged vested in or transferred to them under or by virtue of this Act.

16. If and whenever it shall be made to appear to the Commissioners that any debentures issued under any of the Acts specified in the first Schedule hereto or any of the Acts or Ordinances specified in the second Schedule hereto have been converted or exchanged for debentures issued under "The Consolidated Loan Act 1867" the Commissioners shall from time to time determine what amount of the sinking fund held by them and created for the payment of such debentures shall be released and in the determination of such question the Commissioners shall take into consideration the value of the whole investments held by them on account of such sinking fund the amount of the debt remaining a charge on such sinking fund and the period at which such debt shall become due and such other matters as the Commissioners think fit.

When any debentures are converted Commissioners to determine amount of sinking fund to be released.

17. The Commissioners shall make any such determination as aforesaid by an award in writing and they shall transmit such award as soon as conveniently may be to the Colonial Treasurer or the Minister for the time being acting for the Colonial Treasurer and such Treasurer or Minister shall cause the same to be published in the *New Zealand Gazette*.

Award to be in writing and published in *New Zealand Gazette*.

18. As soon as conveniently may be after the making of such award the Commissioners shall convert into money such portion of the securities held by them on account of the sinking fund to which such award shall relate as will be sufficient to produce the amount which the Commissioners have determined may be released and shall pay such moneys so obtained to the Public Account to the credit of the Consolidated Fund and the same shall be dealt with and appropriated in such manner as the General Assembly shall from time to time provide and where such award shall relate to the sinking fund of any Provincial Loan then upon the payment of any such moneys to the Consolidated Fund the revenues of the Province by or on behalf of which the Loan shall have been raised shall cease to be chargeable with principal interest and sinking fund on an amount of such Loan equal to the amount of the moneys so paid into the Consolidated Fund.

Commissioners to convert into money part of securities held sufficient to raise the sum specified in the award and pay the same into Public Account to credit of the special fund.

19. If and whenever it shall be made to appear to the Commissioners that they have vested in them a larger sum as sinking fund for or account of any debentures issued by or on behalf of any Province under any Act or Ordinance specified in the second Schedule hereto and for the time being outstanding than in their opinion would be required together with accruing payments on account of sinking fund to meet such debentures on their falling due it shall be lawful for the Commissioners from time to time to determine what amount of such sinking fund so held by them may be released and on the determination of such question the Commissioners shall inquire proceed and award in the manner provided by the sixteenth and seventeenth sections of this Act and as soon as conveniently may be after the making of any award under this section of this Act the Commissioners shall convert into money such portion of the securities held by them on account of the sinking fund to which such award shall relate as will be sufficient to produce the amount which the Commissioners have determined may be released and shall pay such moneys so obtained to the Provincial Account of the Province by or on behalf of which such debentures were issued.

20. Nothing in this Act shall be deemed to extend or apply to the debentures to the amount of five hundred thousand pounds issued under "The New Zealand Loan Act 1863" and the principal of and interest on which have been guaranteed by the Act of the Imperial Legislature nor to the sinking fund now amounting to ten thousand four hundred and fifty pounds fifteen shillings and seven pence

Act not to apply to £500,000 debentures guaranteed by Imperial Act.

(£10,450 15s. 7d.) created for the payment of the said five hundred thousand pounds (£500,000) now held by Penrose G Julyan and W C Sargeaunt the Crown Agents in England for the Colonies to the annual sums hereafter payable to or on account of such last-mentioned debentures to such sinking fund under "The New Zealand Loan Act 1863" but the said last-mentioned sinking fund and the annual sums payable thereto for and in respect of the said last-mentioned debentures shall continue to be held paid and dealt with in like manner as if this Act had not been passed.

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SCHEDULES.

FIRST SCHEDULE.

ACTS OF GENERAL ASSEMBLY.

- "The New Zealand Loan Act 1860."
- "The New Zealand Loan Act 1863."
- "The New Zealand Debentures Act 1864."
- "The New Zealand Debentures Act Amendment Act 1865."

SECOND SCHEDULE.

ACTS AND ORDINANCES OF PROVINCIAL LEGISLATURES.

- "Auckland Loan Act 1863."
 - "Taranaki Loan Ordinance 1862."
 - "Taranaki Loan Ordinance 1863."
 - "Wellington Loan Acts 1854 and 1855" Nos. 6 and 9.
 - "Wellington Loan Act 1862" No. 11.
 - "Wanganui Bridge Act 1863" No. 6.
 - "Wellington Loan Act 1866" No. 3.
 - "Wellington Loan Act 1866" No. 11.
 - "Hawke's Bay Loan Act 1863-4."
 - "Nelson Debentures Act 1858."
 - "Nelson Lunatic Asylum Act 1862."
 - "Nelson Waterworks Loan Act 1864."
 - "Nelson Debentures Act 1858."
 - "Canterbury Loan Ordinance 1856."
 - "Canterbury Railway Loan Act 1860."
 - "Canterbury Loan Ordinance 1862."
 - "Otago Loan Ordinance 1856."
 - "Otago Loan Ordinance 1861-2."
 - "Otago Loan Ordinance 1862."
 - "Otago Harbour Loan Ordinance 1862."
 - "Otago Public Building Ordinance 1862."
 - "Southland Debentures Ordinance No. 1 1863."
 - "Southland Debentures Ordinance No. 2 1863."
 - "Southland Debentures Ordinance No. 1 1864."
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