

# New Zealand.

ANNO VICESIMO NONO

## VICTORIÆ REGINÆ.

No. —.

### ANALYSIS.

Title.	first place out of the income fund.
Preamble.	18. If interest and sinking fund be provided for balance of income to be paid to Provincial Treasurer.
1. Short Title.	19. If interest and sinking fund be not provided for income and capital to be liable for same.
2. Provincial loans may be brought under operation of this Act.	20. Colonial Treasurer may invest moneys received on account of capital.
3. Governor may agree thereto.	21. Any liability incurred by default of any Province to be met by sale of securities.
4. Security for repayment of such loan to be first obtained.	22. Subject to foregoing provisions all income arising from capital fund to be carried to income account.
5. Superintendent authorized to give such security.	23. Capital fund may be applied towards reducing guaranteed portion of loans or debentures.
6. Auditor-General to certify to the sufficiency of such security.	25. After agreement between Governor and Superintendent and notification thereof unraised portions of Provincial loans to be raised under this Act.
7. Governor may proclaim in Government Gazette what lands have been set apart as security.	26. Debentures may be issued under authority of this Act in lieu of those originally authorized.
8. Agreement between Governor and Superintendent shall be notified in General and Provincial Gazettes with particulars.	27. Nature of debentures.
9. Exercise of the powers vested in Governor and Superintendents by this Act shall date from execution of agreement.	28. Colonial Treasurer to fix places of payment.
10. The Governor shall control and manage security set apart.	29. Debentures to have heading or title.
11. What such management shall imply and include.	30. And shall carry interest at not exceeding 6 per cent.
12. Power over property secured shall during continuance of security vest in the Governor. Governor may delegate his power and rescind or alter such delegation. Delegation and variation shall be published in the General and Provincial Gazette.	31. Debentures principal interest and sinking fund to be previously charged upon Provincial revenue.
13. Governor shall make regulations for the sale and other disposal of lands given as security.	32. Territorial revenue to be deemed Provincial revenue for the purposes of this Act.
14. All proceeds arising from property and estates set apart to be paid to Colonial Treasurer and to be a fund for repayment of liabilities incurred under this Act.	33. Due payment of principal and interest of debentures guaranteed out of ordinary Colonial revenue at 6 per cent. interest.
15. The Colonial Treasurer shall keep a separate account.	34. Unguaranteed debentures may be bought up and destroyed and guaranteed ones issued instead.
16. And shall distinguish therein income from capital.	35. No loan to be raised on revenue of any Province except under this Act.
17. Charges of management to be defrayed in the	

### A BILL INTITULED

## AN ACT for securing regulating and con- solidating Provincial Loans. Title.

**W**HEREAS under several Acts and Ordinances passed by Superin- Preamble.  
tendents and Provincial Councils of the respective Provinces in New  
Zealand several loans have been authorized to be raised and have been  
wholly or in part raised and it is expedient that provision should be

made for regulating and consolidating such loans and (subject to certain conditions) for guaranteeing the same out of the ordinary revenue of the Colony and that in future the raising of loans by Provinces should be subject to the provisions herein contained relating thereto

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.

I. The Short Title of this Act shall be “The Provincial Loan Regulation Act 1865.”

Provincial loans may be brought under operation of this Act.

II. The Superintendent and Provincial Council of any Province may by Act or Ordinance duly passed in that behalf direct and declare that the Provincial loans of such Province including all loans contracted or to be contracted by such Province shall with the assent of the Governor be brought under the operation of this Act and they may by such Act or Ordinance authorize the Superintendent to agree with the Governor to that effect.

Governor may agree thereto.

III. The Governor with the advice of his Executive Council may subject to the provisions of this Act agree with the Superintendent of any Province who shall be so authorized as aforesaid that such Provincial Loans as aforesaid of such Province shall be brought under the operation of this Act.

Security for repayment of such loans to be first obtained.

IV. Before entering into any such agreement the Governor shall require that there be set apart and appropriated as a security for such loans such public works blocks of waste or Crown land or such proportions of land revenue or other property or estate as shall be proposed by or on behalf of such Province as an adequate security for such loans and the interest to be provided in respect thereof.

Superintendent authorized to give such security.

V. The Superintendent of each Province (being so authorized as aforesaid) is hereby empowered on behalf of his Province to agree to set apart and appropriate such security as aforesaid and to do all requisite acts for giving effect to such agreement and for perfecting such security and in particular to convey transfer and assign such public works land proportions of land revenue or other property or estate in such form with such powers and generally in such manner as shall be requisite for the purpose of giving effect to such agreement and perfecting such security as by the Governor in that behalf shall be required and the Superintendent and all other persons are hereby empowered to execute all necessary deeds and instruments for effecting the purposes aforesaid. Provided that every such agreement conveyance transfer and assignment deed or instrument shall be made subject to such conditions as shall be agreed to between the Governor and the Superintendent of any Province with the assent of the Provincial Council of such Province and as shall be specified in such agreement conveyance transfer assignment deed or instrument which conditions shall be binding unless and until default be made by the Province in payment of the loans guaranteed under this Act or the interest thereof but no longer or otherwise.

Auditor-General to certify to the sufficiency of such security.

VI. Before the Governor shall agree to accept any such security as aforesaid the Auditor-General of the Colony and if there shall be a Comptroller or any officer executing the duties of a Comptroller then also such Comptroller or other officer shall satisfy himself that the security proposed to be so set apart and appropriated transferred and assigned is of adequate value to secure such Provincial Loans and the interest thereof and it shall be the duty of the Auditor-General and also of such Comptroller or other officer if there shall be such officer to examine into the particulars of the proposed security and to satisfy himself of the sufficiency thereof and if and when he shall be so satisfied he shall in writing under his hand certify the Governor to that effect and the Governor shall not enter into any such agreement without having first received such certificate as aforesaid.

VII. Every such agreement shall specify the date at or from which the agreement shall take effect the loans intended to be guaranteed distinguishing the portions actually raised and the portions remaining to be raised and also the particulars of the public works land revenue property or estate set apart as security for the same and a notification of such agreement shall be published in the Government Gazette of the Colony and also of the Province to which the same shall relate.

Agreement between Governor and Superintendent shall be notified in General and Provincial Gazette with particulars.

VIII. The powers hereinafter vested in the Governor and Superintendent respectively shall come into operation on and from the day so specified for the agreement taking effect.

Exercise of the powers vested in Governor and Superintendents by this Act shall date from execution of agreement.

IX. After any such agreement shall have been made between the Governor and the Superintendent and notified as aforesaid the Governor may by proclamation in the Government Gazette of the Colony declare that any block or blocks of waste lands of the Crown within any Province so agreed to be set apart and appropriated is so set apart and appropriated and such land shall cease to be subject to the laws and regulations affecting such land or affecting the waste lands of the Crown within the Province or the disposal thereof or the revenue arising therefrom and the land so set apart and appropriated shall become and be subject to the provisions of this Act.

Governor may proclaim in Government Gazette what lands have been set apart as security.

X. The Governor shall have power in manner and subject to the provisions herein contained to manage the public works land revenue and other property and estate in each Province set apart and appropriated as aforesaid in such manner as shall be deemed expedient for securing the due and punctual payment of the principal and interest of the loans of such Province so far as the same may be guaranteed under the provisions of this Act and for indemnifying the general revenue of the Colony and the Colonial Treasury against all payments and liabilities incurred under the powers of this Act in respect of such loans and subject thereto for the benefit of the Province to which or for whose service such land revenue property or estate would otherwise belong or be applicable.

The Governor shall control and manage security set apart.

XI. The said power of management shall include the power of appointing and dismissing agents officers and servants fixing and paying salaries regulating receiving and disposing of rents tolls issues and profits of public works completing repairing and maintaining the same letting selling and disposing of public works land and other property and estate and all other powers incidental to or requisite for securing the due and punctual payment of such principal and interest as aforesaid and for the proper management regulation and control of such works land property and estate.

What such management shall imply and include.

XII. All the powers which by law may be exercised by the Superintendent of a Province over or in respect of such public works land revenue property or estate shall so long as any money intended to be secured thereon under this Act shall remain unpaid be exercised by the Governor and not by the Superintendent Provided that the Governor may with the advice of his Executive Council and subject to such conditions as he shall think fit from time to time delegate to such Superintendent either wholly or in part the said power of management so vested in him and may from time to time rescind or vary such delegation and every such delegation and every rescinding and variation thereof shall be published in the Government Gazette of the Colony and also of the Province to which the same shall relate.

Power over property secured shall during continuance of securities vest in the Governor.

Governor may delegate his powers and rescind or alter such delegation.

Delegation and variation shall be published in the General and Provincial Gazette.

XIII. The Governor shall subject to the provisions herein contained have power from time to time to make regulations for the sale letting disposal occupation and management of any waste lands of the Crown within any Province set apart and appropriated as security for the loans of such Province under the provisions of this Act for the objects and purposes aforesaid and may sell let or dispose thereof at

Governor shall make regulations for the sale and other disposal of lands given as security.

such time or times for such prices in such allotments and generally in such manner as shall be deemed expedient.

All proceeds arising from property and estate set apart to be paid to Colonial Treasurer.

And to be a fund for repayment of liabilities incurred under this Act.

The Colonial Treasurer shall keep a separate account.

And shall distinguish therein income from capital.

Charge of management to be defrayed in the first place out of the income fund.

If interest and sinking fund be provided for balance of income to be paid to Provincial Treasurer.

If interest and sinking fund be not provided for income and capital to be liable for same.

Colonial Treasurer may invest moneys received on account of capital.

Any liability incurred by default of any Province to be met by sale of securities.

XIV. All proceeds of land sales rents issues profits and other moneys arising from the public works land and other property and estate in each Province so set apart and appropriated as aforesaid shall be paid to and received by the Colonial Treasurer and shall constitute a fund for securing the due and punctual payment of the principal and interest of the loans of such Province so far as the same may be guaranteed by the provisions of this Act and the debentures issued in respect thereof under this Act and for indemnifying the general revenue of the Colony and the Colonial Treasury against all payments and liabilities which may be incurred under the provisions of this Act in respect of such loans and subject thereto for the benefit of the Province to which or for whose service the same would otherwise belong or be applied and all moneys so received shall be disposed of in accordance with the provisions of this Act and not otherwise.

XV. The Colonial Treasurer shall keep a separate account of all receipts and payments under this Act in respect of each Province to be entitled "The Wellington" (or other Province as the case may be) "Provincial Loan Account."

XVI. The Colonial Treasurer shall in such account distinguish income from capital and shall carry all the annual income arising from rents tolls interest issues and annual profits to an account to be called "The Income Account" and all proceeds of land sales and all sums received as proportions of land revenue and all other sums in the nature of capital to an account to be called "The Capital Account."

XVII. The Colonial Treasurer shall defray all charges of management out of the income or if that shall be insufficient out of the capital.

XVIII. If and so long as the interest of the loans of any Province so far as the same shall be guaranteed under this Act shall be duly provided for and paid by such Province and if and so long as the Colony and the Colonial Treasury shall be effectually saved harmless and indemnified against all liability whatever on account of the loans of such Province the Colonial Treasurer shall from time to time pay and transfer the balance of Income accruing as aforesaid in each year to the Provincial Treasurer of such Province for the public service of such Province to be appropriated and disposed of as part of the revenue of such Province.

XIX. If default shall be made at any time in payment of the principal and interest of such loans or any part thereof by the Province or if the Colony or the Colonial Treasury shall not be fully saved harmless and indemnified as aforesaid the Colonial Treasurer shall apply all or any part of such Income and if necessary all or any part of such Capital towards satisfying such liabilities and toward indemnifying the Colony and the Colonial Treasury in respect of all payments and liabilities to which the general revenue of the Colony or the Colonial Treasury shall become liable as aforesaid.

XX. The Colonial Treasurer shall invest all moneys received on account of the capital of each Province from time to time in such manner and upon such securities as the Governor shall from time to time direct with power by such direction as aforesaid to vary and transpose the securities.

XXI. If any liability shall be at any time incurred by the Colony or Colonial Treasury by default of any Province on account of the Loans of such Province the Colonial Treasurer may sell transfer dispose of and convert into money a sufficient part of the securities held on account of such Province and out of the proceeds thereof may

reimburse the general revenue of the Colony and the Colonial Treasury all such liabilities as aforesaid.

XXII. Subject to the provisions hereinbefore contained the dividends interest annual profits and income arising from such capital shall be from time to time carried to the income account and be applied and disposed of accordingly.

Subject to foregoing provisions all income arising from capital fund to be carried to income account.

XXIII. The Colonial Treasurer may apply any part of the capital of any Province in buying up any debentures issued under the authority of this Act for securing the loans of such Province.

Capital fund may be applied towards reducing guaranteed portion of loans or debentures.

XXIV. And whereas the said Provincial loans have been in part raised and debentures charged on the respective Provincial revenues have been issued for the amount so raised and part thereof remains unraised.

BE IT FURTHER ENACTED as follows —

XXV. After any such agreement as aforesaid shall have been made and notified under the authority of this Act between the Governor and the Superintendent of any Province the unraised portion of the loans of such Province shall be raised under authority of this Act and not otherwise.

After agreement between Governor and Superintendent and notification thereof unraised portions of Provincial loans to be raised under this Act.

XXVI. After the notification of any such agreement as aforesaid between the Governor and the Superintendent of any Province the Colonial Treasurer shall and he is hereby empowered at any time or from time to time in accordance with such agreement upon the requisition of the Superintendent to issue debentures under the provisions of this Act to an extent equal to the unraised portion of the loan of such Province.

Debentures may be issued under authority of this Act in lieu of those authorized.

XXVII. Every such debenture shall be for such amount payable with interest at such date and with or without interest coupons attached and otherwise in such form as shall be agreed on between the Governor and the Superintendent Provided that the principal secured by any such debenture shall not in any case be made payable later than thirty years after date and the interest shall be payable half-yearly.

Nature of debentures.

XXVIII. The place of payment for principal and interest shall be fixed by the Colonial Treasurer.

Colonial Treasurer to fix places of payment.

XXIX. Every such debenture shall bear upon its face a heading or title indicating the Province on account whereof the same is issued as follows viz. "Wellington" (or other Province as the case may be) "New Zealand Provincial Guaranteed Loan."

Debentures to have heading or title.

XXX. Every such debenture shall carry interest at a rate not exceeding the rate of £6 per centum per annum.

And shall carry interest at not exceeding 6 per cent.

XXXI. The principal and interest of such debentures shall be charged primarily upon the revenue of the Province in respect of which they are issued.

Debentures principal interest and sinking fund to be previously charged upon Provincial revenue.

XXXII. The territorial revenue of each Province under the provisions of the Land Revenue Appropriation Act 1858 shall be deemed to be revenue of the Province for the purposes of this Act.

Territorial Revenue to be deemed Provincial revenue for the purposes of this Act.

XXXIII. The due payment of the principal and interest of every such debenture is hereby guaranteed out of the ordinary revenue of the Colony and for giving effect to such guarantee it shall be lawful for the Colonial Treasurer to cause to be issued from time to time out of the ordinary revenue of the Colony such sums as shall be required to make good any deficiency which shall happen in the regular payment on the part of the Province of the principal and interest so guaranteed and all sums so issued shall carry interest against the Province at the rate of £6 per centum per annum.

Due payment of principal and interest of debentures guaranteed out of ordinary Colonial revenue at 6 per cent. interest.

XXXIV. All sums obtained by hypothecation of debentures on account of such loans shall be deemed to have been actually raised and all debentures hypothecated on account thereof shall be deemed to have been issued on account of the raised portion of such loans.

Unguaranteed debentures may be bought up and destroyed and guaranteed issued instead.

XXXV. If any holders of any such hypothecated debentures or of any debentures issued on account of the raised portions of such loans shall agree with the Provincial Government to surrender such debentures for the purpose of obtaining guaranteed debentures under this Act they may within a time to be from time to time limited in that behalf by the Colonial Treasurer surrender the same accordingly and thereupon the amounts secured by such surrendered debentures shall for the purposes of this Act be deemed to be unraised and be brought under the operation of this Act.

No loan to be raised  
on revenue of any  
Province except under  
this Act.

XXXVI. No loan shall hereafter be raised upon the security of the revenue of any Province except in pursuance of an agreement between the Governor and Superintendent made under the provisions of this Act.

XXXVII. Nothing in this Act contained shall affect the legal priority of any loans heretofore contracted upon the security of the Ordinary or Territorial Revenue of the Colony or upon the Revenue of any Province.