

POST OFFICE AMENDMENT BILL

EXPLANATORY NOTE

THIS Bill amends the Post Office Act 1959.

Clause 1 relates to the Short Title of the Bill.

Clause 2 inserts in the principal Act a new *section 177A* which authorises the Postmaster-General, with the concurrence of the Minister of Finance, to borrow money either in New Zealand or elsewhere, for the supply of plant, equipment, and materials, the execution of works, and the provision of services. Provision is also being made in the new section to enable the Postmaster-General to pay amounts due under any contract entered into by him by instalments. A consequential amendment is being made to section 174 of the principal Act, which relates to the payment of money out of the Post Office Account.

Hon. Mr McCready

POST OFFICE AMENDMENT

ANALYSIS

Title

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| | 1. Short Title |
| | 2. Postmaster-General may borrow |

A BILL INTITULED

An Act to amend the Post Office Act 1959

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

1. Short Title—This Act may be cited as the Post Office
Amendment Act 1970, and shall be read together with and
deemed part of the Post Office Act 1959* (hereinafter
referred to as the Principal Act).

10 **2. Postmaster-General may borrow**—(1) The principal
Act is hereby amended by inserting, after section 177, the
following section:

“177A. (1) Notwithstanding anything to the contrary in
any other Act, but subject to the provisions of this section,
15 the Postmaster-General may from time to time, with the
concurrence of the Minister of Finance, borrow money, either
in New Zealand or elsewhere, at such rate of interest as may
be agreed with the lender, for the supply of such plant, equip-
ment, and materials, or the execution of such works, or the
20 provision of such services, as may be necessary for the purposes
of the Post Office.

*1959, No. 30

Amendments: 1961, No. 94; 1962, No. 27; 1963, No. 107; 1964, No. 105;
1965, No. 9; 1966, No. 80; 1967, No. 109; 1968, No. 34; 1969, No. 39

“(2) Where the Postmaster-General enters into a contract with any party for the supply of plant, equipment, or materials, or for the execution of any works, or for the provision of any services, that contract may provide for payment in respect of the plant, equipment, materials, works, or services, as the case may be, to be made in instalments of such amounts payable at such intervals, and subject to such conditions (including the payment of interest), as may be agreed between the Postmaster-General, the Minister of Finance, and the other contracting party. 5 10

“(3) Every such borrowing or arrangement for payment by instalments shall be subject to such conditions and under such form of security as may be approved by the Minister of Finance. Every such security shall be executed in the name and on behalf of Her Majesty the Queen by the Postmaster-General and, if the Minister of Finance thinks necessary, by that Minister. 15

“(4) The Minister of Finance shall forthwith, without further appropriation than this section, make repayment of any money borrowed under subsection (1) of this section, together with any interest payable in respect of that borrowing, or, as the case may be, make payment of any money payable under subsection (2) of this section, from such account within the Public Account as he may determine, in the event of non-payment by the Postmaster-General. 20 25

“(5) All money paid by the Minister of Finance pursuant to subsection (4) of this section shall be added to the capital liability of the Post Office.

“(6) Any security issued under subsection (3) of this section may, with the agreement of the holder, be redeemed by the Postmaster-General at any time before its maturity. 30

“(7) For the purposes of this section—

“(a) The term ‘borrowing’ includes the obtaining of purchaser’s credit:

“(b) The term ‘security’ includes any debenture, promissory note, bond, or stock.” 35

(2) Section 174 of the principal Act is hereby amended by adding to subsection (1) the following paragraph:

“(e) All money borrowed by the Postmaster-General pursuant to subsection (1) of section 177A of this Act, and all instalments payable under subsection (2) of that section, including any interest payable thereon and any expense incurred in respect thereof, and all money payable by the Postmaster-General under any contract entered into under section 242 of this Act.” 40 45