

Hon. Mr. Ward.

PUBLIC SECURITIES.

ANALYSIS.

<p>Title.</p> <p>1. Short Title.</p> <p>2. Provisions for insuring safe custody of certain securities.</p> <p>3. Mode in which such securities may be transmitted or inscribed, &c.</p> <p>4. Special provisions as to securities in England.</p> <p>5. Custodians not to part with securities. Proviso.</p>	<p>6. Annual inspection of all securities. Return thereof.</p> <p>7. Repeal.</p> <p>8. Custodians continued in office.</p> <p>9. Regulations may be made.</p> <p>10. Special provisions as to accounts and investments not affected.</p> <p>11. Construction of Act.</p>
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A BILL INTITULED

AN ACT to make Fuller Provision for the Safe Custody of the Securities belonging to Public Offices and Departments. Title.

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

1. The Short Title of this Act is "The Public Securities Act, 1895." Short Title.

2. In order to insure the safe custody of all securities in which any moneys belonging to any of the under-mentioned offices are for the time being invested, that is to say,— Provisions for insuring safe custody of certain securities

- The Post Office,
- The Government Insurance Office,
- The Public Trust Office,
- The Government Advances to Settlers Office,
- The Commissioners of Public Debt Sinking Funds,
- The Treasury,
- Such other public offices or departments as the Governor in Council from time to time declares to be subject to this Act,

the following provisions shall apply—that is to say:—

- (1.) All such securities shall, in respect of each office, be held under three keys by three custodians :
- (2.) The securities in respect of each office shall be kept separate and apart from those of any other office :
- (3.) The securities in respect of each office shall be kept solely for the purposes of that office, and neither such securities nor any proceeds thereof, nor any moneys received by reason of any pledge, payment, or discharge thereof, shall be used for the purposes of any other office :

(4.) With respect to such of the securities as for the time being are held in England, the custodians shall be the Agent-General, the Secretary to the Agent-General, and the Audit Officer in London :

(5.) With respect to such of the securities as for the time being are held in the colony, the custodians shall be the Controller and Auditor-General, or an Audit officer deputed by him in that behalf, and such two other persons as from time to time are appointed in that behalf by the Governor in Council. 5 10

Mode in which such securities may be transmitted or inscribed, &c.

3. In order to facilitate the transmission of such securities to or from London, or the inscription, conversion, exchange, payment, discharge, or other disposition thereof, as occasion requires, for the purposes of the office for which they are held, the following provisions shall apply:— 15

(1.) The custodians may part with the possession of securities on the requisition in writing of the permanent head of such office, or any other officer thereof authorised by him in writing :

(2.) Such requisition shall specify the purpose for which the securities named therein are required : 20

(3.) If any one of the joint custodians is of opinion that such specified purpose is not consistent with the proper purposes of such office, the custodians shall refer the requisition to the Colonial Treasurer, together with a memorandum setting forth their reasons for so doing, and thereupon the Governor in Council shall make such order thereon, not inconsistent with this Act, as he thinks fit, and the custodians shall obey the same : 25

(4.) A copy of every such memorandum and Order in Council shall be forthwith laid before Parliament, if in session, and, if not, then within ten days after the commencement of the next ensuing session thereof. 30

Special provisions as to securities in England.

4. With respect to securities held in England the following special provisions shall apply:— 35

(1.) Any such requisition as aforesaid may be delivered to the Colonial Treasurer, who may telegraph the substance thereof to the Agent-General (being one of the London custodians), and the London custodians may act on any such telegram purporting to come from the Colonial Treasurer : 40

(2.) If the London custodians think fit to act under subsection *three* of the last-preceding section hereof, they shall deliver the therein-mentioned memorandum to the Agent-General, who shall telegraph the substance thereof to the Colonial Treasurer, and the Governor in Council shall thereupon make the order referred to in that subsection : 45

(3.) The Colonial Treasurer shall telegraph to the Agent-General the substance of such order, and the London custodians shall obey the same as disclosed in any telegram purporting to come from the Colonial Treasurer. 50

(4.) A copy of every telegram received by the Colonial Treasurer, and of every order made by the Governor in Council under

this section, shall be laid before Parliament in manner provided by the *last-preceding* section hereof.

5 5. Save as hereinbefore provided, it shall not be lawful for the custodians to part with the custody of any securities: Provided that nothing herein contained shall prejudicially affect any person purchasing or acquiring any such securities in good faith and without notice. Custodians not to part with securities. Proviso.

10 6. (1.) At least once in each year all securities held in the colony shall be inspected by the Controller and Auditor-General, and all securities held in England shall be inspected by the Audit Officer in London. Annual inspection of all securities.

(2.) The Controller and Auditor-General shall lay before Parliament, within thirty days after the beginning of each session thereof, a return of all securities found on each such inspection. Return thereof.

15 7. Section nineteen of "The Public Revenues Act, 1891," and also all the words in section seventy-seven thereof after the words "may be invested," are hereby repealed. Repeal.

20 8. All custodians in office at the time of the passing of this Act shall continue in office until fresh appointments are made by the Governor in Council under this Act. Custodians continued in office.

9. The Governor in Council may from time to time make such regulations as he thinks necessary in order to give full effect to the provisions of this Act; and all such regulations shall be laid before Parliament in manner provided in section *three* hereof. Regulations may be made.

25 10. Excepting as expressly provided by this Act, nothing herein contained shall in any way affect any special provisions of "The Public Revenues Act, 1891" or any other Act relating to any of the accounts of any office or department to which this Act applies, nor interfere with any power of investment given by any statute for the time being in force relating to such office or department. Special provisions as to accounts and investments not affected.

30 11. This Act shall be read with "The Public Revenues Act, 1891." Construction of Act.