



**THE PRIVATE SAVINGS BANKS (GOVERNMENT  
SECURITIES) ORDER 1980**

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KEITH HOLYOAKE, Governor-General

ORDER IN COUNCIL

At the Government Buildings at Wellington this 22nd day of January 1980

Present:

THE RIGHT HON. R. D. MULDOON PRESIDING IN COUNCIL

PURSUANT to section 34c of the Reserve Bank of New Zealand Act 1964, His Excellency the Governor-General, acting by and with the advice and consent of the Executive Council, hereby makes the following order.

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ORDER

**1. Title and commencement**—(1) This order may be cited as the Private Savings Banks (Government Securities) Order 1980.

(2) This order shall come into force on the 1st day of February 1980.

**2. Interpretation**—In this order—

“Approved low-start mortgage” means any advance made by a savings bank on the security of a mortgage—

(a) Which requires the mortgagor to make to the mortgagee during the early part of its term payments that are less than those required to be made by the mortgagor to the mortgagee during the latter part of its term; and

(b) Which is of a kind approved by the Reserve Bank of New Zealand for the purposes of this order:

“Approved securities” means securities which are issued pursuant to the Public Finance Act 1977 and which are registered in a register kept in New Zealand; and includes Government of Western Samoa stock issued and registered in New Zealand after the 1st day of August 1976.

**3. Minimum holdings of approved securities**—(1) Subject to sub-clause (2) of this clause, every private savings bank as defined in section 2 of the Private Savings Banks Act 1964 shall hold approved

securities of an amount equal to not less than 54 percent of the difference between all money deposited in the bank and the aggregate of—

- (a) The amount required by section 15 of that Act to be kept immediately available; and
- (b) The amount for the time being invested in approved low-start mortgages.

(2) Unless the Minister of Finance otherwise permits, the approved securities bearing interest at the rate of  $3\frac{3}{4}$  percent per annum held by each private savings bank immediately before the commencement of this order shall continue to be so held until the securities mature, or can be redeemed owing to a reduction for any reason in the amount of approved securities required to be held. Any such redemption shall be made in chronological order commencing from the earliest date of maturity.

**4. Revocation**—The Private Savings Banks (Government Securities) Order (No. 3) 1978\* is hereby revoked.

P. G. MILLEN,  
Clerk of the Executive Council.

\*S.R. 1978/285

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#### EXPLANATORY NOTE

*This note is not part of the order, but is intended to indicate its general effect.*

This order, which comes into force on 1 February 1980, reduces the minimum amount of approved securities required to be held by each private savings bank. The present ratio of 56 percent is reduced to 54 percent.

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Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 24 January 1980.

This order is administered in the Reserve Bank of New Zealand.