

1977/276



**THE PRIVATE SAVINGS BANKS (GOVERNMENT
SECURITIES) ORDER (NO. 2) 1977**

RICHARD WILD, Administrator of the Government

ORDER IN COUNCIL

At the Government House at Wellington this 25th day of October
1977

Present:

HIS EXCELLENCY THE ADMINISTRATOR OF THE GOVERNMENT IN COUNCIL

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

ORDER

- 1. Title and commencement**—(1) This order may be cited as the
Private Savings Banks (Government Securities) Order (No. 2) 1977.
(2) This order shall come into force on the 31st day of October 1977.

2. Minimum holdings of Government securities—(1) Every private
savings bank as defined in section 2 of the Private Savings Banks Act
1964 shall hold Government securities of an amount equal to not less
than 58 percent of the difference between all money deposited in the
bank and the amount required by section 15 of that Act to be
kept immediately available.

- (2) The Government securities required to be held in respect of
money deposited in ordinary accounts, thrift club accounts, and special
purpose accounts, shall be not less than the amount specified in
subclause (1) of this clause and shall be Government Securities which—
- (a) Are purchased from the Minister or his nominee; and
 - (b) Bear interest at the rate of $3\frac{3}{4}$ percent per annum; and
 - (c) Mature on such date and are subject to such other conditions
(if any) as the Minister may determine from time to time:

Provided that the Minister may from time to time determine that
each private savings bank may hold a specified amount of Govern-
ment securities which bear interest at a rate of other than $3\frac{3}{4}$ percent
per annum.

3. Revocation—The following orders are hereby consequentially revoked:

- (a) The Private Savings Banks (Government Securities) Order 1977*:
- (b) The Private Savings Banks (Government Securities) Order 1977, Amendment No. 1†.

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

*S.R. 1977/90
†S.R. 1977/196

EXPLANATORY NOTE

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

This order reduces the minimum amounts of Government securities required to be held by private savings banks. The present ratios of 64 percent on deposits in investment accounts and 62 percent on other deposits are both reduced to 58 percent as from 31 October 1977.

Issued under the authority of The Regulations Act 1936.
Date of notification in *Gazette*: 28 October 1977.
This order is administered in the Reserve Bank of New Zealand.