

1978/217



**THE PRIVATE SAVINGS BANKS (GOVERNMENT  
SECURITIES) ORDER (NO. 2) 1978, AMENDMENT NO. 1**

KEITH HOLYOAKE, Governor-General

**ORDER IN COUNCIL**

At the Government House at Wellington this 7th day of August 1978

Present:

HIS EXCELLENCY THE GOVERNOR-GENERAL 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.

**ORDER**

**1. Title and commencement**—(1) This order may be cited as the Private Savings Banks (Government Securities) Order (No. 2) 1978, Amendment No. 1, and shall be read together with and deemed part of the Private Savings Banks (Government Securities) Order (No. 2) 1978\* (hereinafter referred to as the principal order).

(2) This order shall come into force on the day after the date of its notification in the *Gazette*.

**2. Interpretation**—The principal order is hereby amended by inserting, after clause 1, the following clause:

“1A. In this order—

“‘Approved low-start mortgage’ means any advance made by a savings bank on the security of a mortgage which is of a form approved by the Reserve Bank of New Zealand for the purposes of this order:

“‘Approved securities’ means securities issued pursuant to the Public Finance Act 1977 that 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) Clause 2 of the principal order is hereby amended by revoking subclause (1), and substituting the following subclause:

“(1) 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 56 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) Clause 2 (2) of the principal order is hereby amended by omitting the words “Government securities” wherever they occur, and substituting in each case the words “approved securities”.

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

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#### EXPLANATORY NOTE

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

This order provides that the Government securities ratio requirement of the private savings banks may be met by the holding of Government of Western Samoa stock as well as New Zealand Government securities.

The order also provides for private savings banks to deduct approved low-start mortgages from their deposits for the purposes of calculating their ratio requirements.

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Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 10 August 1978.

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