



**THE PRIVATE SAVINGS BANKS (GOVERNMENT SECURITIES)
REGULATIONS 1984**

DAVID BEATTIE, Governor-General

ORDER IN COUNCIL

At the Government Buildings at Wellington this 12th day
of March 1984

Present:

THE RIGHT HON. SIR ROBERT MULDOON PRESIDING IN COUNCIL
PURSUANT to 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 regulations.

REGULATIONS

1. Title and commencement—(1) These regulations may be cited as
the Private Savings Banks (Government Securities) Regulations 1984.

(2) These regulations shall come into force on the 1st day of April 1984.

2. Interpretation—In these regulations—

“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 these regulations:

“Government securities”—

(a) Means—

(i) Any New Zealand Government stock or Treasury bills issued
and registered in New Zealand; and

(ii) Any Government of Western Samoa stock which is both issued and registered in New Zealand after the 1st day of August 1976; and

(b) Includes any other securities that the Reserve Bank of New Zealand may approve for the purpose of these regulations.

3. Minimum holdings of Government securities—(1) Subject to subclause (2) of this regulation, every private savings bank, as defined in section 2 of the Private Savings Banks Act 1983, shall hold at all times Government 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 regulations made under the Private Savings Banks Act 1983 to be kept in cash, on current account or in other investments 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 Government securities bearing interest at the rate of 3¾ percent per annum held by each private savings bank immediately before the commencement of these regulations 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 Government 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 1980* is hereby revoked.

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

*S.R. 1980/3

EXPLANATORY NOTE

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations, which come into force on 1 April 1984, prescribe the minimum amount of Government securities required to be held by private savings banks.

The regulations replace the Private Savings Banks (Government Securities) Order 1980.

The main difference is that the regulations contain a new definition of the term "Government securities" in place of the definition of the term "approved securities".

"Government securities" is defined to mean—

(a) Government stock or Treasury bills issued and registered in New Zealand;

(b) Government of Western Samoa stock issued and registered in New Zealand after 1 August 1976;

(c) Any other securities approved by the Reserve Bank of New Zealand.

This definition is the same as that contained in the Building Societies Investments Regulations 1983 and the Trustee Banks (Government Securities) Regulations 1984.

The ratios under the new regulations remain the same as those applying under the Private Savings Banks (Government Securities) Order 1980.

Issued under the authority of the Regulations Act 1936.

Date of notification in *Gazette*: 15 March 1984.

These regulations are administered in the Reserve Bank of New Zealand.