

## New Zealand



### ANALYSIS.

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| <p>Title.<br/>Preamble.</p> <ol style="list-style-type: none"> <li>1. Short Title.</li> <li>2. Act incorporated with "The New Zealand Consolidated Stock Act, 1877."</li> <li>3. Loans declared to be convertible.</li> <li>4. Case of guaranteed loans.</li> <li>5. Annual increases of sinking fund to be computed.</li> <li>6. Stock to be created for increases.</li> <li>7. When loans completely converted, sinking fund set free.</li> </ol> | <ol style="list-style-type: none"> <li>8. When loans partially converted, sufficient sinking fund to be retained.</li> <li>9. Appropriation of sinking fund set free.</li> <li>10. Treasurer may issue seven years' debentures.</li> <li>11. Treasurer to settle form of debenture.</li> <li>12. By whom debentures to be signed.</li> <li>13. Debentures paid off may be renewed.</li> <li>14. Debentures a charge on Consolidated Fund.</li> <li>15. Limit of stock and debentures.</li> <li>16. Agents may exercise powers vested in Colonial Treasurer.</li> <li>17. Existing charges not affected.</li> </ol> <p>Schedule.</p> |
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### 1884, No. 41.

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| Title.  | AN ACT to provide for the Conversion of certain Loans into Consolidated Stock, and setting free the Sinking Funds accrued in respect thereof. <span style="float: right;">[8th November, 1884.]</span>   |
| Preamble.   | WHEREAS in pursuance of "The New Zealand Consolidated Stock Act, 1877" (hereinafter called "the said Act"), certain loans of the Government of New Zealand have been converted into stock; and it is expedient to declare that the loans for which the colony was liable on the thirty-first day of March, in the present year, shall be further convertible; and that the accrued sinking funds upon such of the said loans as may be converted into stock shall be set free: |
|   | BE IT THEREFORE ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—   |
| Short Title.  | 1. The Short Title of this Act is "The Consolidated Stock Act, 1884."  |
| Act incorporated with "The New Zealand Consolidated Stock Act, 1877." | 2. This Act shall be incorporated with and read as a part of the said Act; and the Agents mentioned in this Act shall be the Agents from time to time appointed under the said Act.  |
| Loans declared to be convertible.                                     | 3. So much of all the loans set forth in the Schedule as were outstanding on the thirty-first day of March last, together with the amount of twenty thousand nine hundred pounds of the general purposes loan which fell due on the fifteenth day of October last, shall be and are hereby declared to be convertible into stock.  |
| Case of guaranteed loans.   | 4. The provisions of the fifth section of the said Act shall not apply to the loans or parts of loans guaranteed by the Imperial Government; but, in the case of the conversion of the whole or a part of such guaranteed loans, a reasonable addition to the capital or   |

annual charge may be made, commensurate to the importance which the Agents consider to be attachable to the said conversion.

5. In respect of the loans having sinking funds mentioned in the Schedule, the Colonial Treasurer shall, within each financial year ending on the thirty-first day of March, compute the amount which, from all sources, whether from contributions to the sinking fund or from the produce of accrued investments of the same, including the interest on drawn bonds, will accrue to increase the sinking fund of each loan within each year; and, upon such computation being approved by the Controller and Auditor-General, such amount shall be held to be the amount of increase for the year in respect of each loan for the purposes of this Act.

Annual increases of sinking fund to be computed.

The first computation shall be made for the year ending on the thirty-first day of March, one thousand eight hundred and eighty-five.

Any error in the said computation for any year shall be adjusted in the year in which such error is ascertained, and shall be included in the computation for such last-mentioned year.

6. The Governor in Council may authorize the creation of stock to the amount of the annual increases of sinking fund, computed as above provided; and such stock may be disposed of,—

Stock to be created for increases.

(1.) In the case of loans of which the sinking funds are invested in drawn and cancelled debentures, by exchange for any debentures drawn after the passing of this Act; or

(2.) By sale to the Commissioners or Trustees of the Sinking Funds of any other loans; or

(3.) Otherwise as the Colonial Treasurer directs;

and the proceeds of any such exchange or sale shall be paid into the Public Account, and shall form part of the Consolidated Fund.

7. When any loan is completely converted or paid off, the sinking fund accruing on that loan shall be held to be set free.

When loans completely converted, sinking fund set free.

8. When any loan is partially converted, the Sinking Fund Commissioners or Trustees shall retain in their hands such amount in money or securities as will be sufficient, in their opinion, for the redemption of the balance of the loan outstanding and interest thereon, and the balance of sinking fund over and above such amount shall be held to be set free. But it is hereby expressly provided that if, from any cause, it is found that the amount so retained is insufficient, then the difference shall be a charge upon, and shall be paid out of, the Consolidated Fund without further appropriation by Parliament.

When loans partially converted, sufficient sinking fund to be retained.

9. Any sinking fund set free shall be employed and is hereby appropriated as follows: First, a sufficient amount shall be applied to extinguish such an amount of the stock or the debentures hereinafter mentioned as by the provisions herein may have been created on account of increases of the sinking fund in respect of the loan to which the sinking fund set free belongs. The balance shall be paid into the Public Account, and shall form part of the Public Works Fund.

Appropriation of sinking fund set free.

10. Pending the operations for converting loans and creating the stock authorized to be created under the provisions of this Act and the said Act, the Colonial Treasurer may, when so authorized

Treasurer may issue seven years' debentures.

by an Order in Council in that behalf, create debentures to an amount not exceeding in the whole the amount of such stock; and may borrow and raise moneys from time to time by the sale, hypothecation, or mortgage of such debentures, or may exchange the same for securities convertible under this Act, as the Colonial Treasurer thinks fit.

Treasurer to settle form of debenture.

11. Every such debenture shall bear interest at such rate, not exceeding five pounds per centum per annum, and shall be in such form, and shall have a currency, not exceeding seven years, as the Colonial Treasurer directs.

By whom debentures to be signed.

12. Every such debenture shall be signed by the Colonial Treasurer or by one or more of the Agents, and shall be countersigned by the Controller and Auditor-General, or by an officer of the Audit to be appointed by the Controller and Auditor-General from time to time for that purpose.

Debentures paid off may be renewed.

13. If any such debenture is made payable at a less period than seven years, and is paid off, the Colonial Treasurer may create a debenture or debentures to an amount equal to the amount so paid off: Provided that no such last-mentioned debenture shall be made payable at a later period than seven years after the date of the issue of the debenture so paid off.

Debentures a charge on Consolidated Fund.

14. The interest and principal of every such debenture shall be payable at such time and place as the Colonial Treasurer prescribes, and all such interest and principal shall be a charge upon, and shall be issued and paid out of, the Consolidated Fund.

Limit of stock and debentures.

15. The amount of stock created and of debentures outstanding shall not at any time together exceed the total amount of stock which may be created under the provisions of this Act and the said Act.

Agents may exercise powers vested in Colonial Treasurer.

16. The Agents may, when so authorized by the Colonial Treasurer, and subject to such instructions and limitations as he thinks fit, exercise all the powers vested in the Colonial Treasurer by this Act.

Existing charges not affected.

17. Nothing in this Act shall be held to prejudice or affect any security heretofore charged on the revenues of New Zealand.

Schedule.

#### SCHEDULE.

- "The New Zealand Loan Act, 1856."
- "The New Zealand Loan Act, 1860."
- "The New Zealand Loan Act, 1863."
- "The Consolidated Loan Act, 1867."
- "The Defence and Other Purposes Loan Act, 1870."
- "The Immigration and Public Works Loan Act, 1870."
- "The General Purposes Loan Act, 1873."
- "The Westland Loan Act, 1873."
- "The New Zealand Loan Act, 1876."
- "The New Zealand Loan Act, 1877."
- "The New Zealand Consol Stock Act, 1877."
- "The New Zealand Loan Act, 1879."
- "The New Zealand Colonial Inscribed Stock Loan Act, 1882."
- "The Auckland Loan Act, 1863."
- "The Wellington Loan Act, 1866."
- "The Nelson Loan Act, 1874."
- "The Lyttelton and Christchurch Railway Loan Ordinance, 1860."
- "The Canterbury Loan Ordinance, 1862."
- "The Otago Loan Ordinance, 1862."