

FINANCE BILL

EXPLANATORY NOTE

Clause 1 relates to the Short Title.

Clause 2: By the Harbours Development and Loan Authorisation Act 1964 of the Parliament of Western Samoa, the Government of Western Samoa is authorised to borrow money for harbour development purposes in Western Samoa. Under that authority that Government intends to raise a loan of up to £(N.Z.)1,000,000 from the public in New Zealand by the issue of stock registered by the Reserve Bank of New Zealand.

This clause authorises the Minister of Finance to guarantee that loan up to a maximum of £(N.Z.)1,000,000.

Clause 3: In March 1964 gales blew over some 10,000 acres of radiata pine in the Eyrewell Forest, Canterbury, which forest is owned by the Crown. To enable the timber to be salvaged quickly before it rots, and to conserve the Christchurch City Council's resources in its Bottle Lake plantations for future use, an arrangement has been entered into with that Council whereby it will suspend felling in its plantation, and the Crown will make advances to it by way of loan at a rate not exceeding £24,000 a year so as to recoup the Council for its loss of revenue from the plantation. These advances will be repaid from future revenue from the plantation when felling there is resumed.

Clause 4: A company is to be formed for the purpose of purchasing, stock-piling, and selling timber extracted from the Eyrewell Forest consequent on those gales. This clause authorises the Minister of Finance to make advances to the company by way of loan not exceeding £100,000 in the aggregate.

Clause 5 repeals the Training Ships Act 1908 and revokes the regulations made under that Act. That Act was passed for the purpose of training boys for the Merchant Service, but has not been operated for at least 43 years, and may now be regarded as spent.

Clause 6 authorises the Apple and Pear Marketing Board to pay to the National Provident Fund such amount as the Minister of Finance approves for the purpose of providing a retiring allowance for the former Chairman of the Board and on his death an annuity for his widow.

Hon. Mr Lake

FINANCE

ANALYSIS

Title	
1. Short Title	4. Advances to timber stockpiling company
2. Guarantee of Western Samoan Government loan	5. Training Ships Act 1908 repealed
3. Advances to Christchurch City Council	6. Retiring allowance for former Chairman of Apple and Pear Marketing Board Schedule

A BILL INTITULED

An Act to make provision with respect to public finance and other matters

BE IT ENACTED by the General Assembly of New Zealand
5 in Parliament assembled, and by the authority of the same,
as follows:

1. **Short Title**—This Act may be cited as the Finance Act 1964.

2. **Guarantee of Western Samoan Government loan**—
10 Whereas by the Harbours Development and Loan Authorisation Act 1964 of the Parliament of Western Samoa the Government of Western Samoa is authorised to borrow money on the security of stock issued by that Government for harbour development purposes in Western Samoa: And
15 whereas pursuant to that authority the Government of Western Samoa intends to borrow in New Zealand an amount not exceeding one million pounds in New Zealand currency on the security of stock issued by that Government and

registered in New Zealand by the Reserve Bank of New Zealand on behalf of that Government: And whereas it is expedient that the repayment of the principal secured by that stock and the payment of the interest payable in respect thereof should be guaranteed by the Minister of Finance on behalf of Her Majesty the Queen: Now, therefore, be it enacted as follows: 5

(1) The Minister of Finance may from time to time, on behalf of Her Majesty the Queen, give in respect of any money, not exceeding one million pounds in New Zealand currency, borrowed in New Zealand by the Government of Western Samoa as aforesaid by the issue of stock registered in New Zealand by the Reserve Bank of New Zealand on behalf of that Government, and in respect of any interest thereon, any guarantee, indemnity, or security upon or subject to such terms and conditions as the Minister thinks fit. 10 15

(2) Any amount required to be paid by the Minister of Finance on behalf of Her Majesty the Queen by virtue of any guarantee, indemnity, or security given by him under this section may, without further appropriation than this section, be paid out of the Consolidated Revenue Account or out of such other account as the Minister directs. 20

(3) It shall be lawful for a trustee, unless expressly forbidden by the instrument (if any) creating the trust, to invest any trust funds in his hands in any stock in respect of which the Minister of Finance has given a guarantee or indemnity or security under this section. 25

(4) Every memorandum of transfer of any such stock shall be exempt from stamp duty.

3. Advances to Christchurch City Council—(1) Subject to the provisions of subsection (2) of this section, the Minister of Finance may from time to time, on behalf of Her Majesty the Queen, make advances from money appropriated by Parliament for the purpose to the Christchurch City Council to recoup the Council for its loss of revenue while it suspends felling from its Bottle Lake plantation by agreement with the Minister in order to expedite the extraction of trees damaged by gales at Eyrewell Forest. 30 35

(2) No such advances shall be made at a rate exceeding twenty-four thousand pounds a year; and no such advances shall continue to be made for more than one month after normal felling is resumed in the Council's Bottle Lake plantation, or later than the thirty-first day of March, nineteen hundred and sixty-six. 40

(3) The Christchurch City Council may from time to time, without complying with the provisions of the Local Authorities Loans Act 1956, borrow money from the Minister of Finance under this section, and shall repay any money so borrowed in
5 such manner as the Council and the Minister may agree.

(4) This section shall be deemed to have come into force on the first day of April, nineteen hundred and sixty-four.

4. Advances to timber stockpiling company—(1) The Minister of Finance may from time to time, on behalf of Her
10 Majesty the Queen, make advances, not exceeding one hundred thousand pounds in the aggregate, from money appropriated by Parliament for the purpose to any company incorporated or to be incorporated in New Zealand which has among its objects the business of purchasing, stockpiling,
15 and reselling timber extracted from the Eyrewell Forest consequent upon the gales which occurred at that forest.

(2) Any advance made under this section shall be made upon or subject to such terms and conditions as the Minister of Finance thinks fit.

20 (3) The Minister of Finance may from time to time, on behalf of Her Majesty the Queen, enter into agreements with any such company for the purpose of giving full effect to this section.

5. Training Ships Act 1908 repealed—(1) The Training
25 Ships Act 1908 is hereby repealed.

(2) The regulations specified in the Schedule to this Act are hereby revoked.

6. Retiring allowance for former Chairman of Apple and Pear Marketing Board—The Apple and Pear Marketing
30 Board may pay, out of the Apple and Pear Industry Account, such amount as the Minister of Finance approves to the National Provident Fund for the purpose of enabling the National Provident Fund Board to pay to James Hislop Parker, Esquire, the former Chairman of the Apple and Pear
35 Marketing Board, a retiring allowance from and including the date of his retirement as Chairman until his death, and on his death to pay an annuity during widowhood to the person who is his wife at the date of the passing of this Act.

SCHEDULE

REGULATIONS REVOKED

Regulations	<i>Gazette Reference</i>
Regulations under the Training Ships Act 1908 made by Order in Council on 7 January 1907	1907, Vol. I, p. 21.
Regulations under the same Act made by Order in Council on 7 May 1907	1907, Vol. I, p. 1666.
Regulations under the same Act made by Order in Council on 4 December 1908	1909, Vol. I, p. 16.
Regulations under the same Act made by Order in Council on 20 September 1909	1909, Vol. II, p. 2393.
Regulations under the same Act made by Order in Council on 24 April 1911	1911, Vol. I, p. 1450.
Regulations under the same Act made by Order in Council on 16 September 1912	1912, Vol. II, p. 2740.