

REPRINTED ACT

[WITH AMENDMENTS INCORPORATED]

RESERVE BANK OF NEW ZEALAND

REPRINTED AS ON 1 JANUARY 1975

NOTE—Except where otherwise indicated, all references to money in decimal currency in square brackets and in the Second and Third Schedules were substituted for references to money in the former currency by s. 7 of the Decimal Currency Act 1964.

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THE RESERVE BANK OF NEW ZEALAND ACT 1964

1964, No. 134

An Act to consolidate and amend certain enactments of the General Assembly relating to the Reserve Bank of New Zealand, and to make better provision for the control of overseas exchange and other transactions

[4 December 1964]

WHEREAS it is the sovereign right of the Crown to control currency and credit in the public interest: And whereas for that purpose it is desirable to define more fully the powers and duties of the Reserve Bank of New Zealand as the central bank:

1. Short Title and commencement—(1) This Act may be cited as the Reserve Bank of New Zealand Act 1964.

(2) Sections 31 and 32 of this Act shall come into force on the 1st day of January 1965.

(3) Except as provided in subsection (2) of this section, this Act shall come into force on its passing.

2. Interpretation—In this Act, unless the context otherwise requires,—

["Authorised money-market dealer" means a person (including a body of persons, whether incorporated or not) for the time being approved by the Reserve Bank, by notice in the *Gazette*, as a money-market dealer for the purposes of this Act:1]

"Bank note" or "note" means any negotiable instrument used or circulated, or intended for use or circulation, as currency:

["Credit instrument" means any agreement (whether in writing or not) acknowledging an obligation to pay a sum or sums of money on demand or at any future time or times:1]

"Deputy Governor" means the Deputy Governor of the Reserve Bank appointed under this Act:

["Financial institution" means any person (including a body of persons, whether incorporated or not) who in the course of business—

(a) Borrows money or accepts deposits (whether on demand or for a fixed term) or receives credit (other than normal trade credit) or sells any credit instrument; and also

(b) Lends money or grants credit (other than normal trade credit) or buys or discounts any credit instrument;—

and, without limiting the generality of the foregoing provisions of this definition, includes—

(c) Any person (including a body of persons, whether incorporated or not) who acts as agent or intermediary in any of the transactions aforesaid; and

(d) Any trustee savings bank established under the Trustee Savings Banks Act 1948; and

(e) Any private savings bank as defined in section 2 of the Private Savings Banks Act 1964; and

(f) Any life insurance company, being a company as defined in section 2 of the Life Insurance Act 1908; and includes any branch, division, or office of any such company; and

(g) Any building society as defined in section 2 of the Building Societies Act 1965; and

(h) Any specified person or class of persons (including a body or bodies of persons, whether incor-

porated or not) engaged in the business of borrowing or lending money or buying, selling, or otherwise dealing in credit instruments who is or are declared by the Governor-General, by Order in Council, to be a financial institution or institutions for the purposes of this Act:]

"Governor" means the Governor of the Reserve Bank appointed under this Act:

"Minister" means the Minister of Finance:

"Reserve Bank" or "the Bank" means the Reserve Bank of New Zealand constituted under this Act:

"Trade credit" means credit given or, as the case may require, received in the course of business in relation to the sale or purchase of goods or the provision of services:]

"Trading bank" means any bank named in the First Schedule to this Act:]

"Authorised money-market dealer", "Credit instrument", "Financial institution", and "Trade credit": The definitions of these terms were inserted by s. 2 (1) of the Reserve Bank of New Zealand Amendment Act 1973.

"Trading bank": The definition of this term was substituted for the original definition by s. 2 (2) of the Reserve Bank of New Zealand Amendment Act 1973.

PART I

CONSTITUTION AND FUNCTIONS OF RESERVE BANK OF NEW ZEALAND

3. Reserve Bank of New Zealand—(1) There shall continue to be a bank called the Reserve Bank of New Zealand, which shall be a body corporate with perpetual succession and a common seal and shall be capable of acquiring, holding, and disposing of real and personal property, of suing and being sued, and of doing all such other acts and things as bodies corporate may lawfully do and suffer.

(2) The Bank is hereby declared to be the same body corporate as that which was constituted by the Reserve Bank of New Zealand Act 1933, as amended by section 4 of the Reserve Bank of New Zealand Amendment Act 1936.

(3) The Bank shall continue to have its Head Office in Wellington, and may establish such branches and agencies and appoint such agents in New Zealand or elsewhere as in its discretion it thinks fit.

Cf. 1933, No. 11, s. 3 (1), (2); 1936, No. 1, ss. 4, 9

4. Constitution of Bank—(1) The Bank shall consist of 10 directors, being—

- (a) The Governor;
- (b) The Deputy Governor;
- (c) The Secretary to the Treasury;
- (d) Seven other directors (in this Act referred to as appointed directors), to be appointed from time to time by the Governor-General in Council. Directors appointed under this paragraph shall include one or more persons having industrial or commercial experience.]

(2) The appointed directors shall hold office during the pleasure of the Governor-General in Council and may from time to time be reappointed:

Provided that no such director shall hold office continuously for more than 5 years without reappointment.

(3) *Repealed by s. 3 (2) of the Reserve Bank of New Zealand Amendment Act 1973.*

(4) Not more than one of the appointed directors of the Bank shall at any time be a director of any trading bank, or of any bank carrying on business outside New Zealand.

(5) Any appointed director of the Bank may at any time resign his office by writing under his hand addressed to the Minister.

(6) The validity of the acts of the Bank shall not be affected by any vacancy in its membership or by a breach of subsection (4) of this section.

Cf. 1933, No. 11, ss. 23 (1), (2), 31; 1936, No. 1, ss. 5, 6, 7, 8, 9, 17

Subs. (1) was substituted for the original subs. (1) by s. 3 (1) of the Reserve Bank of New Zealand Amendment Act 1973.

5. Disqualification of directors—(1) No person shall be appointed or continue to hold office as a director of the Bank, whether as Governor or Deputy Governor or otherwise, who—

- (a) Is or becomes a member of Parliament; or
- (b) Is employed as a servant of the Crown in any Government Department; or
- (c) Is employed in the service of any trading bank, or, except as otherwise permitted by or under this Act, is a director of any trading bank or of any bank carrying on business outside New Zealand; or

(d) Being a bankrupt under [the Insolvency Act 1967], has not obtained an order of discharge under that Act.

(2) Nothing in this section shall apply to the Secretary to the Treasury in his capacity as a director of the Bank.

Cf. 1933, No. 11, s. 32 (1) (b)-(e), (3); 1936, No. 1, s. 9

In subs. (1) (d) the Insolvency Act 1967, being the corresponding enactment in force at the date of this reprint, has been substituted for the repealed Bankruptcy Act 1908.

16. Executive committee of Bank—(1) There shall be an executive committee of the Bank, consisting of the Governor, the Deputy Governor, the Secretary to the Treasury, and one other director designated by the Bank with the approval of the Minister:

Provided that should any appointed director of the Reserve Bank be for the time being also a director of the Bank of New Zealand, that director shall, so long as he remains a director of the Bank of New Zealand, be deemed to be the director designated by the Reserve Bank with the approval of the Minister to be a member of the executive committee.

(2) In the absence from any meeting of the executive committee of the director designated by the Reserve Bank, another appointed director nominated by the Bank with the approval of the Minister to be the deputy of the designated director may attend the meeting in his place, and while so attending shall be deemed to be a member of the committee.

(3) The committee shall be competent to deal with any matter within the competence of the Bank, and may at any time, and shall, at the request of the Minister, confer with the Minister on any matter coming within the scope of section 8 of this Act.

(4) Every decision of the executive committee shall be placed before the Bank at its next meeting.

(5) The Governor, or in his absence the Deputy Governor, shall be Chairman of the executive committee, and shall convene meetings of the committee whenever he deems it necessary to do so.

(6) No business shall be transacted by the executive committee unless the Governor, or the Deputy Governor, and the director designated by the Bank, or the deputy of that director, are present.]

This section was substituted for the original s. 6 by s. 4 of the Reserve Bank of New Zealand Amendment Act 1973.

7. Subcommittees of Bank—(1) The Bank may from time to time appoint from among its directors such subcommittees as it thinks fit, with such functions in relation to this Act as the Bank may from time to time determine.

(2) Every such subcommittee shall be subject in all things to the control of the Bank, and no decision of any such subcommittee shall have any operation or effect until it is confirmed at a meeting of the Bank.

Functions of Bank

18. Primary functions of Bank—(1) The primary functions of the Bank shall be—

- (a) To act as the central bank for New Zealand; and
- (b) To ensure that the availability and conditions of credit provided by financial institutions are not inconsistent with the sovereign right of the Crown to control money and credit in the public interest; and
- (c) To advise the Government on matters relating to monetary policy, banking, credit, and overseas exchange; and
- (d) Within the limits of its powers, to give effect to the monetary policy of the Government as communicated in writing to the Bank under subsection (2) of this section, and to any resolution of Parliament in relation to that monetary policy.

(2) For the purposes of this Act, the Minister may from time to time communicate to the Bank the monetary policy of the Government, which shall be directed to the maintenance and promotion of economic and social welfare in New Zealand, having regard to the desirability of promoting the highest level of production and trade and full employment, and of maintaining a stable internal price level.

(3) The Bank shall, as directed by the Minister, regulate and control on behalf of the Government—

- (a) Money, banking, banking transactions, any class of transactions of financial institutions, credit, currency, and the borrowing and lending of money;
- (b) Rates of interest in respect of such classes of transactions as may from time to time be prescribed;
- (c) Overseas exchange, and overseas exchange transactions.

(4) The Bank shall make such loans to the Government and on such conditions as the Minister decides from time to time, in order to ensure the continuing full employment of labour and other resources of any kind.]

This section was substituted for the original s. 8 by s. 5 of the Reserve Bank of New Zealand Amendment Act 1973.

9. Particular powers and functions—(1) Without limiting the general power of the Bank to carry on the business of a central bank, the Bank may, whether in New Zealand or elsewhere, do all or any of the following things:

- (a) Accept money on deposit, whether for fixed periods or subject to notice or on current account:
- (b) Borrow money, establish credits, and give or accept guarantees in any currency and on terms providing for repayment or payment, as the case may require, in the same or any other currency:
- (c) Charge, pledge, or deposit by way of security, any part of its assets for any of the purposes of paragraph (b) of this subsection, or for any other purpose whatsoever that may be approved in writing by the Minister:
- (d) Lend money on such security as the Bank may require; and, with the prior consent of the Minister (which may be given in respect of any case or class of case), lend money without security:
- (e) Buy, sell, discount, and rediscount bills of exchange, promissory notes, and treasury bills:
- (f) Buy and sell securities issued or guaranteed by any Government, or issued by any local authority or public body, and such other classes of securities as may be approved from time to time by the Minister:
- (g) With the prior consent of the Minister in each case, underwrite loans:
- (h) Buy, sell, borrow, and otherwise deal in overseas exchange, specie, gold, silver, and other precious metals:
- (i) Acquire, hold, and dispose of land on any tenure:
- (j) Undertake the issue and management of loans for or on behalf of the Government of New Zealand or any local authority or public body in New Zealand or, with the prior consent of the Minister, for or on behalf of the Government of, or any authority or public body constituted or established in, any other country:

(k) Keep registers of stock for or on behalf of the Government of New Zealand or any local authority in accordance with the New Zealand Loans Act 1953 and the Local Authorities Loans Act 1956; keep a register of stock for or on behalf of any other public body in New Zealand; and, with the prior consent of the Minister, keep a register of stock for or on behalf of the Government of, or any authority or public body constituted or established in, any other country:

- (l) Organise a clearing system:
- (m) Act as correspondent or agent for any person:
- (n) Enter into such agreements and arrangements and obtain such assurances as may be necessary or expedient for the conduct of its business and the exercise of its powers:
- (o) Do any other business, or exercise any other powers, incidental to or consequential on any of the provisions of this Act and not prohibited by or under this Act.

(2) Where, pursuant to the powers conferred by paragraph (k) of subsection (1) of this section, the Bank keeps a register of stock for or on behalf of any public body in New Zealand, or for or on behalf of the Government of, or any authority or public body constituted or established in, any other country, the provisions of sections 67 to 79 and sections 81 and 82 of the Local Authorities Loans Act 1956 (which relate to stock issued by a local authority), as far as they are applicable and with any necessary modifications, shall apply as if the stock had been issued and registered under that Act and as if the references in those sections to the local authority were references to that Government, authority, or public body.

[(2A) Any such register as aforesaid may be kept in book form, or in the form of a paper or card record, or by computer or any device by means of which information is recorded or stored. For the purposes of the New Zealand Loans Act 1953 and the Local Authorities Loans Act 1956, if the register is kept by computer or any such device as aforesaid—

- (a) The recording or storing of any information therein shall be deemed to be the entry thereof in the register; and

(b) Any material subsequently derived from information so recorded or stored shall be deemed to be an extract from the register.]

(3) The powers conferred on the Bank by any provision of this Act shall not be construed to limit or affect the powers conferred on it by or under the authority of any other provision of this Act or of any other Act.

Cf. 1933, No. 11, ss. 13, 22; 1934, No. 2, ss. 6, 7; 1936, No. 1, ss. 11, 13, 14; 1936, No. 36, ss. 25, 26; 1946, No. 16, s. 21; 1946, No. 41, s. 4; 1958, No. 7, s. 2; 1964, No. 7, s. 2

Subs. (2A) was inserted by s. 2 of the Reserve Bank of New Zealand Amendment Act 1967.

As to subs. (1) (d) and the borrowing powers of the New Zealand Milk Board, see s. 30 (2) of the Milk Act 1967; and as to the borrowing powers of the New Zealand Apple and Pear Marketing Board, see s. 32 (2) of the Apple and Pear Marketing Act 1971.

As to subs. (1) (h) and special drawing rights from the I.M.F., see s. 3 of the International Finance Agreements Amendment Act 1968.

As to subs. (1) (j) and the borrowing of money by the issue of Treasury Bills, see s. 3A of the New Zealand Loans Act 1953 (as inserted by s. 2 of the New Zealand Loans Amendment Act 1969).

As to subs. (1) (k) and the issue of bonds or stock by the New Zealand Dairy Board, see s. 51A of the Dairy Board Act 1961; as to the registration of Treasury Bills, see s. 3A of the New Zealand Loans Act 1953 (as inserted by s. 2 of the New Zealand Loans Amendment Act 1969); as to the issue of bonds or stock by the New Zealand Wool Marketing Corporation, see s. 39 (4) of the Wool Marketing Corporation Act 1972; and as to stock issued by the Rural Banking and Finance Corporation of New Zealand, see s. 33 of the Rural Banking and Finance Corporation Act 1974.

10. Restrictions on conduct of business of Bank—Except with the authority of the Governor-General in Council, notified in the *Gazette*, it shall not be lawful for the Bank to—

- (a) Engage in trade, or otherwise have a direct interest in any commercial, industrial, financial, or similar undertaking; or
- (b) Purchase or subscribe for the shares of any trading bank or any financial institution in New Zealand or elsewhere; or
- (c) Lend money on the security of any shares that the Bank is prohibited from purchasing.

Cf. 1933, No. 11, s. 14; 1936, No. 1, ss. 9, 15; 1939, No. 41, s. 3

11. Terms and conditions of loans to other Governments—

(1) No loan or advance shall be made by the Bank to the Government of any country other than New Zealand, and

no credit shall be established or guarantee given by the Bank in respect of any such Government, unless the terms and conditions thereof have been approved by the Minister.

(2) The amount of any loss suffered by the Bank in respect of any loan, advance, credit, or guarantee of which the terms and conditions have been so approved shall, without further appropriation than this section, be paid to the Bank out of the Public Account.

Cf. 1946, No. 41, s. 4

12. Government banking business—(1) Subject to the provisions of the Public Revenues Act 1953, the Government shall entrust to the Bank, and the Bank shall undertake, all the money, remittance, exchange, and banking transactions of the Government.

(2) The Bank shall appoint such agents as may be required to enable it to perform its duties under this section.

(3) No charge shall be made by the Bank against the Government for the services of the Bank or its agents under this section.

Cf. 1933, No. 11, s. 21; 1935, No. 41, s. 9

General Provisions

13. Meetings and proceedings of Bank—(1) The Bank shall meet not less frequently than 10 times in every year.

(2) The Governor or Deputy Governor shall convene a special meeting of the Bank at the request in writing of 3 or more of the directors.

(3) At all meetings of the Bank the Governor, or in his absence the Deputy Governor, shall be the Chairman; but in the absence of both of them from any meeting the directors present shall appoint one of their number to be the Chairman for that meeting.

(4) No business shall be transacted at any meeting of the Bank unless at least 5 directors are present.

(5) Decisions of the Bank on any proposal shall be by a majority of the valid votes of the directors present and voting thereon.

(6) The Chairman at any meeting shall have a deliberative vote and, in the case of an equality of votes, a casting vote.

(7) Subject to the provisions of this Act, the Bank may regulate its own procedure.

(8) The Secretary to the Treasury may from time to time authorise the Deputy Secretary or any Assistant Secretary to the Treasury to attend any meeting in his place or, during the intervals between meetings of the Bank, to do any act which the Secretary to the Treasury may do as a director of the Bank. While so attending or acting any such officer shall be deemed to be a director; and the fact that he so attends or acts shall be conclusive proof of his authority to do so.

Cf. 1933, No. 11, s. 5, First Schedule; 1936, No. 1, s. 9

14. Contracts of Bank—(1) Any contract which, if made by private persons, must be by deed shall, if made by the Bank, be in writing under the common seal of the Bank.

(2) Any contract which, if made by private persons, must be in writing signed by the person to be charged therewith may, if made by the Bank, be either in writing under the common seal of the Bank or in writing signed by any person acting on behalf of and under the express or implied authority of the Bank.

(3) Any contract which, if made between private persons, may be made orally may, if made by the Bank, be made in any such manner as aforesaid or orally by any person acting on behalf of and under the express or implied authority of the Bank.

(4) Notwithstanding anything in the foregoing provisions of this section, no contract made by or on behalf of the Bank shall be invalid by reason only that it was not made in the manner provided by this section, if it was made pursuant to a resolution of the Bank or to give effect to a resolution of the Bank in relation to contracts generally or in relation to that particular contract.

(5) The Bank may, by writing under its common seal, empower any person, either generally or in respect of any specified matters, as its attorney to execute documents on its behalf.

(6) A document executed by such an attorney, acting within the powers conferred on him by his appointment, shall bind the Bank, and if executed as a deed shall have the same effect as if it were under the common seal of the Bank.]

Cf. 1933, No. 11, s. 4

Subss. (5) and (6) were added by s. 2 (1) of the Reserve Bank of New Zealand Amendment Act 1974. See s. 2 (2) of that Act.

15. Fees and expenses of directors—The directors, other than the Governor and the Deputy Governor, shall be entitled to receive such fees, travelling allowances, and travelling expenses as may from time to time be determined by the Governor-General in Council.

Cf. 1933, No. 11, s. 33; 1936, No. 1, s. 9

16. Protection of directors for acts done in good faith—No director of the Bank shall be personally liable for any act done by the Bank or by any director thereof in good faith in the course of the operations of the Bank.

PART II

GOVERNOR AND DEPUTY GOVERNOR OF BANK

17. Governor and Deputy Governor of Bank—(1) There shall be a Governor and a Deputy Governor of the Bank, each of whom shall be appointed by the Governor-General in Council for a term of 5 years and shall be eligible for reappointment from time to time.

(2) Without limiting the provisions of section 5 of this Act, a person holding office as the Governor or Deputy Governor of the Bank shall not, without the approval of the Minister in each particular case, hold any office of profit, other than his office as Governor or Deputy Governor, or engage in any occupation for reward outside the duties of his office, or hold any interest in any trading bank or in any bank carrying on business outside New Zealand.

(3) If either the Governor or the Deputy Governor, during his term of office, becomes permanently incapable of performing the duties of his office, he may be removed from office by the Governor-General in Council, on the recommendation of the Minister made at the request of the Bank.

(4) The Governor and the Deputy Governor shall each be entitled to receive out of the funds of the Bank such salary and allowances as may from time to time be fixed in that behalf by the Governor-General in Council.

(5) The persons holding office at the commencement of this Act as Governor and Deputy Governor of the Bank shall be deemed to have been appointed under this section, and each of them shall, unless he sooner dies or resigns, continue to hold office until the expiry of the term of office for which he was appointed before the commencement of this Act.

(6) The Governor or the Deputy Governor may at any time resign his office by writing under his hand addressed to the Minister.

Cf. 1933, No. 11, ss. 24, 25, 26; 1936, No. 1, s. 18.

18. Duties of Governor and Deputy Governor—(1) The Governor shall, on behalf of the Bank, be in permanent control of the administration of the assets and general business of the Bank, with authority to act and give decisions in all matters that are not by this Act or by resolution of the Bank specifically required to be dealt with by the Bank or the executive committee.

(2) In the event of the absence or incapacity of the Governor, from whatever cause arising, the Deputy Governor shall have and may exercise all the powers and functions of the Governor.

(3) The Governor may at any time delegate to the Deputy Governor such of his powers and functions as he thinks fit, including his power of delegation under section 19 of this Act.

(4) The fact that the Deputy Governor exercises any powers or functions of the Governor shall be conclusive proof of his authority to do so, and no person shall be concerned to inquire whether the occasion for his doing so has arisen or has ceased.

(5) A delegation of any power or function under this section shall not prevent the exercise of the power or function by the Governor, and may be revoked at any time.

(6) In the event of both the Governor and the Deputy Governor being unable for any reason to carry out their duties, the Minister may appoint one of the other directors or an officer of the Bank or any other person to act as Governor for the time being; and any person so appointed shall, so long as his appointment continues, have all the powers and functions of the Governor:

Provided that if the absence from duty or other disability of both the Governor and the Deputy Governor extends over a period of more than one month, no person shall, after the expiry of that month, be appointed to act or continue to act as the Governor of the Bank except with the approval of the Governor-General in Council.

(7) Any person, other than a director of the Bank, who is appointed pursuant to this section to act as the Governor shall while so acting be deemed to be a director of the Bank.

Cf. 1933, No. 11, s. 27; 1936, No. 1, ss. 9, 19

19. Governor may delegate to officers of Bank—(1) The Governor may at any time, by writing under his hand, delegate to any officer of the Bank such of his powers and functions as he thinks fit.

(2) Subject to any general or special directions given or conditions attached by the Governor, any officer to whom any powers or functions are delegated under this section may exercise them in the same manner and with the same effect as if they had been conferred directly by this Act and not by delegation.

(3) Where any officer of the Bank purports to act pursuant to any delegation under this section he shall be presumed to be acting in accordance with the terms of the delegation, in the absence of proof to the contrary.

(4) A delegation under this section shall be revocable at will.

(5) A delegation of any power or function under this section shall not prevent the exercise of the power or function by the Governor.

PART III

BANK NOTES

20. Issue of bank notes by Bank—(1) The Bank shall have the sole right to issue bank notes in New Zealand.

(2) Every note so issued shall be a legal tender to the amount expressed in the note.

(3) The Bank shall determine the denominations, form, design, content, and material of its bank notes.

Cf. 1933, No. 11, ss. 13 (1) (a), 15 (1), 20, 23 (3) (h)

21. Bank notes may be deemed not to be in circulation—

(1) The Bank may at any time not earlier than 20 years from the last day of issue by it of any particular series of bank notes, and shall not later than 40 years from that day, deem any notes of that series that are still outstanding to be no longer in circulation.

(2) Any bank note issued by any other bank before the 1st day of August 1934 (being a bank note in respect of which the Reserve Bank assumed liability by virtue of section 15 of the Reserve Bank of New Zealand Act 1933), that is not presented for payment before the 1st day of August 1976, shall on the last-mentioned date be deemed not to be in circulation.

(3) Where, pursuant to subsection (1) or subsection (2) of this section any bank notes are deemed not to be in circulation, an amount equivalent to the value thereof shall thereupon be paid by the Reserve Bank into the Public Account; but the Bank shall continue to be liable to pay any such note on presentation at the Head Office of the Bank, and shall be entitled to recover from the Public Account, without further appropriation than this section, the value of any such note so paid.

Cf. 1933, No. 11, s. 15 (6)

22. Calling in of bank notes—(1) The Bank may, from time to time, with the prior consent of the Minister, and by notice published in the *Gazette*, call in any of the bank notes, or all bank notes of any series, that have been issued by the Bank (whether before or after the commencement of this Act), or in respect of which the Bank has assumed liability under section 15 of the Reserve Bank of New Zealand Act 1933.

(2) Every such notice shall take effect on such date as is specified in the notice in that behalf.

(3) On the taking effect of the notice all bank notes to which it applies shall cease to be legal tender; but the Bank shall continue to be liable to pay any such note on presentation at the Head Office of the Bank.

23. Defacing bank notes—(1) Every person commits an offence and is liable on summary conviction to a fine not exceeding [£100] who—

(a) Without lawful authority, defaces any bank note, whether by means of any writing, printing, stamp, mark, or erasure, or otherwise howsoever; or

(b) Being a party to any such defacement of a bank note, pays away, parts with, puts in circulation, demands payment of, or deposits or offers to deposit in any bank any bank note so defaced.

(2) The endorsement of any bank note for the purpose of identification or for any other lawful purpose is not an offence within the meaning of this section.

Cf. 1908, No. 11, s. 10; 1935, No. 23, ss. 2 (1), 4

As to the laying of an information under this section, see s. 52A of this Act.

24. Reproduction or imitation of bank notes—(1) For the purposes of this section, the term "bank note" has the same meaning as in section 263 of the Crimes Act 1961.

[(2) Every person commits an offence and is liable on summary conviction to a fine not exceeding \$200 who, without the prior authority of the Reserve Bank, makes, designs, engraves, prints, reproduces in any manner, or uses, issues, or publishes in any form, whether by advertisement or otherwise, any thing resembling or having a likeness to the whole or any part of a bank note. On the conviction of a person for any such offence, it shall be lawful for the Court to order the destruction of the thing in respect of which the offence was committed, and any copies thereof, and any plates, blocks, dies, and other instruments used or capable of being used for printing or reproducing any such thing which are in the possession of the offender.]

(3) If any person whose name appears on any such thing as aforesaid, or on any document containing any such thing, refuses, without lawful excuse, to disclose to a member of the Police on being so required the name and address of the person by whom the thing or document was made, designed, engraved, printed, reproduced, or published, he commits an offence and is liable on summary conviction to a fine not exceeding [£200].

(4) The fact that the name of any person appears on any thing in respect of which that or any other person is charged with an offence under subsection (2) of this section, or on any other thing used or distributed in connection with the thing to which the charge relates, shall, in the absence of proof to the contrary, be sufficient evidence that the first-mentioned person caused to be made the thing to which the charge relates.

Cf. 1938, No. 20, s. 46

Subs. (2) was substituted for the original subs. (2) by s. 6 of the Reserve Bank of New Zealand Amendment Act 1973.
As to the laying of an information under this section, see s. 52A of this Act.

PART IV

OVERSEAS EXCHANGE AND OTHER TRANSACTIONS

25. Exchange rates—(1) The rates at which the Bank exchanges New Zealand currency for other currencies shall be fixed from time to time by the Bank:

Provided that [the par value of the New Zealand dollar in terms of the Articles of Agreement of the International Monetary Fund] may from time to time be determined by the Minister after consultation with the Governor of the Bank.

(2) The Bank may from time to time prescribe or approve the rates of exchange to be used in classes of transactions involving the conversion of New Zealand currency into the currency of any other country, or the conversion of the currency of any other country into New Zealand currency.

(3) Every person commits an offence [against this Act] who is a party to any transaction which involves the conversion of New Zealand currency into the currency of any other country, or the conversion of the currency of any other country into New Zealand currency, at a rate of exchange other than that for the time being fixed or approved under this section.

Cf. 1933, No. 11, s. 16; 1934, No. 2, s. 8; 1936, No. 1, s. 16; 1960, No. 118, s. 4 (1); Finance Emergency Regulations 1940 (No. 2), regs. 2, 3 (2) (reprinted S.R. 1953/113)

In subs. (1), in the proviso, the words in square brackets were substituted for the words "the relationship between New Zealand currency and United Kingdom currency for immediate delivery in London" by s. 2 (1) of the Reserve Bank of New Zealand Amendment Act 1968.

In subs. (3) the words in square brackets were substituted for the words "and is liable on summary conviction to a fine not exceeding \$1,000" (as amended by s. 7 of the Decimal Currency Act 1964) by s. 4 (1) of the Reserve Bank of New Zealand Amendment Act 1968.

126. Appreciation or depreciation of assets of Bank on alteration of exchange rate—(1) In the event of an alteration at any time in the relative par values established with the International Monetary Fund (in this section referred to as the Fund) of the New Zealand dollar and any other currency, or in the basic rate of exchange, as specified by the Minister under paragraph (b) of subsection (2) of this section, between the New Zealand dollar and any other currency,—

(a) The Bank shall pay into the Public Account a sum equal to the amount of any appreciation of the Bank's assets, after deducting the amount of any appreciation of its liabilities, resulting from such alteration; or, as the case may require,

(b) The Minister shall, without further appropriation than this section, pay to the Bank out of the Public Account a sum equal to the amount of any depre-

ciation of the Bank's assets, after deducting the amount of any depreciation of its liabilities, resulting from such alteration:

Provided that if the net settlement arising from the application of this subsection in any financial year is less than \$500,000, no such payment shall be made by the Bank or the Minister, as the case may be, in respect of that year.

(2) For the purposes of this section—

(a) The assets and liabilities of the Bank at the time of any such alteration shall be deemed to include all overseas assets and liabilities that the Bank has agreed to acquire or sell, or in respect of which it has entered into any form of indemnity relating to such alterations; and

(b) The Minister may from time to time, after consultation with the Governor of the Bank, specify by notice in writing to the Bank a basic rate of exchange between the New Zealand dollar and any other currency,—

(i) For which no fixed par value is established with the Fund at the time of notice; or

(ii) Which has been allowed to depart from its par value established with the Fund to an extent which exceeds the permissible limits agreed to under the rules of the Fund; or

(iii) From which the New Zealand dollar has been permitted to depart by more than the permissible limits agreed to under the rules of the Fund; and

(c) Any sum payable by the Bank or the Minister under subsection (1) of this section shall be determined by the change in the New Zealand currency value of the Bank's overseas assets and liabilities, at the close of business on the last business day before the declaration of a new par value, or the specification for the time being of a basic rate of exchange by the Minister for any currency under paragraph (b) of this subsection, converted at the relative par value or at the rate specified by the Minister, immediately before and after the declaration of the new par value or such specification by the Minister, as the case may be:

Provided that should a basic rate of exchange be specified by the Minister for any currency under paragraph (b) of this subsection and that currency subsequent to such specification

regains a parity within the permissible limits of its declared par value under the rules of the Fund on any day, the agreed par value shall be deemed to have been declared on that day.

(3) The Minister may from time to time borrow on the security of and charged upon the public revenues of New Zealand such sums of money as are required to be paid by him to the Bank under this section. All money borrowed under the authority of this subsection shall be borrowed under and subject to the provisions of the New Zealand Loans Act 1953, and shall, as and when borrowed, be paid to the Public Account.]

This section was substituted for the original s. 26 (as amended by s. 2 of the Reserve Bank of New Zealand Amendment Act 1968) by s. 7 (1) of the Reserve Bank of New Zealand Amendment Act 1973. See s. 1 (2) of that Act.

[26A. Temporary suspension of foreign exchange business—

(1) Where he is satisfied that it is necessary or expedient in the public interest to do so, the Governor may from time to time, with the prior consent of the Minister, by notice in writing to all trading banks or to all authorised dealers in foreign exchange, or to all trading banks and all such dealers, direct that—

(a) Subject to any exceptions specified in the notice, no trading bank shall, except with permission granted by the Bank, effect until further notice, in the course of banking business, any foreign exchange transaction or foreign exchange transactions of such kinds as are specified in the notice:

(b) Subject to any exceptions specified in the notice, no authorised dealer in foreign exchange shall, except with permission granted by the Bank, deal until further notice in any foreign exchange or foreign exchange of such kinds as are specified in the notice.

(2) Every notice issued under subsection (1) of this section shall remain in force until it is revoked by further notice given in writing by the Governor to all trading banks or, as the case may be, to all authorised dealers in foreign exchange or to all trading banks and all such dealers.

(3) An obligation on a person to do a thing on a day on which he is prevented from doing it by a notice under this section or is unable to do it by reason of any such notice shall be deemed to be complied with if he does it as soon as practicable after the notice is revoked.

(4) Where any transaction to which a notice issued under this section applies is subject to the provisions of the Bills of

Exchange Act 1908 or the Banking Act 1908, then, in relation to that transaction, every day on which the notice remains in force shall be deemed to be a non-business day for the purposes of the Bills of Exchange Act 1908.

(5) For the purposes of this section—

“Authorised dealer in foreign exchange” means any person (including a body of persons, whether incorporated or not) authorised by the Bank, pursuant to this Act or to regulations made under this Act, to deal in foreign exchange:

“Foreign exchange” means foreign currency or foreign securities as defined in section 28 of this Act.]

This section was inserted by s. 8 of the Reserve Bank of New Zealand Amendment Act 1973.

27. External reserves—(1) It shall be the duty of the Bank to endeavour, within the limits of its powers, to maintain, in addition to any holdings of gold, an adequate level of overseas exchange reserves.

(2) The Bank shall from time to time inform the Minister of the overseas exchange position and prospects, and of the level of overseas exchange reserves that the Bank regards as adequate.

(3) The Bank may from time to time by notice in writing to trading banks prescribe the maximum amount or amounts that those banks may hold in overseas exchange in respect of their New Zealand business in all forms or in specified currencies, and may require those banks to sell to the Reserve Bank all or part of their holdings, in respect of their New Zealand business, in excess of the maximum amount or amounts so prescribed.

(4) The manner of computing overseas exchange holdings for the purposes of subsection (3) of this section shall be prescribed by the Reserve Bank.

(5) In the exercise of its powers under subsection (3) of this section, it shall be the duty of the Reserve Bank to ensure that there is no unfair discrimination among trading banks.

(6) It shall be the duty of every trading bank to which a notice under this section relates to comply with the notice within 2 business days after the delivery thereof, or within such further time as the Reserve Bank may allow.

Cf. 1933, No. 11, s. 17; 1950, No. 5, s. 4

As to the inclusion of special drawing rights from the I.M.F. in the term “overseas exchange”, see s. 3 of the International Finance Agreements Amendment Act 1968.

28. Control of overseas exchange and other transactions—

(1) In addition to any other power to make regulations conferred by this Act, the Governor-General may from time to time, by Order in Council, if he is satisfied that it is necessary to do so for the purpose of safeguarding in the public interest the credit, overseas resources, or development of New Zealand, make regulations providing for the prohibition, restriction, regulation, and control of overseas exchange transactions, and of other transactions affecting or likely to affect at any time the overseas resources of New Zealand.

(2) Without limiting the generality of subsection (1) of this section, regulations may be made for the purposes of that subsection in respect of all or any of the following matters:

- (a) The taking, sending, or transfer of money or securities to or from New Zealand;
- (b) The registration of securities in the names of, or the issue, transfer, or delivery of securities to, or the furnishing of information in relation to the ownership or acquisition of or control over securities or rights or interests therein by, persons not ordinarily resident in New Zealand, or companies that are under the effective control of such persons or of bodies corporate incorporated outside New Zealand, or nominees, trustees, or agents of such persons or of such companies or bodies corporate; or the transfer to overseas registers of securities;
- (c) The commencement of business in New Zealand by companies incorporated outside New Zealand;
- (d) The disposal of foreign currency and foreign securities accruing to, held by, or at the disposal of persons resident, whether permanently or temporarily, in New Zealand;
- (e) Any dealing or transaction having the effect of a purchase, borrowing, sale, loan, or exchange of foreign currency or foreign securities;
- (f) The consideration for, and methods of settlement for, exports (including re-exports) from and imports into New Zealand, and the disposal of the overseas proceeds of exports and re-exports;
- (g) The acquisition, surrender, transfer, disposition, or provision of, or other dealings in, property, goods, money, securities, services, or work, or rights or interests in respect of any such things, or any other benefit, in New Zealand in consideration in whole or in part for the acquisition, surrender, transfer,

disposition, or provision of, or other dealings in, property, goods, money, securities, services, or work, or rights or interests in respect of any such things, or any other benefit, outside New Zealand; or any arrangement or transaction having the like effect.

(3) Any regulations made for the purposes of paragraph (a) of subsection (2) of this section may provide—

- (a) For the search, by authorised officers, of persons about to depart from New Zealand;
 - (b) For the production to authorised officers of money or securities that such persons have with them;
 - (c) For the examination and search, by authorised officers, of articles that such persons have or are taking with them, and the examination and search of ships and aircraft, for the purpose of discovering any money or securities;
 - (d) For the examination and search, by authorised officers, of articles or goods consigned or otherwise taken or sent from New Zealand to a destination outside New Zealand, for the purpose of discovering whether there are being sent with such articles or goods any money or securities;
 - (e) For the seizure, by authorised officers, of money or securities so produced or discovered, unless such officers are satisfied that the taking or sending thereof does not involve a contravention of the regulations;
 - (f) For the forfeiture of money or securities so seized.
- (4) Any regulations made for the purposes of paragraph (d) or paragraph (g) of subsection (2) of this section may provide that those regulations shall be deemed to have come into force on the 16th day of October 1964, or on any later date.

(5) For the purposes of this section, unless the context otherwise requires,—

“Authorised officer”, in relation to any matter, means any officer or agent of the Bank acting or employed in that matter with the written authority of the Minister, and any officer of Customs within the meaning of [the Customs Act 1966], and any member of the Police;

“Foreign currency” means the bank notes or other currency, postal notes, or money orders of any country other than New Zealand; and includes promissory notes and bills of exchange payable otherwise than in New Zealand currency:

"Foreign securities" means—

(a) Any security in respect of which the principal is repayable, or interest is payable, in any country other than New Zealand, or in any foreign currency; and

(b) Any security registered or inscribed or situated outside New Zealand; and

(c) Any security issued by a body corporate having its head office outside New Zealand, whether or not the security is registered or inscribed on a register in New Zealand—
and includes—

(d) Gold situated outside New Zealand; and

(e) Any debt or money due or accruing due to, or any sum held in any account for, a person in New Zealand by a person outside New Zealand; and

(f) Any right to receive payment of any sum of money in any country other than New Zealand; and

(g) Any right to receive payment of any amount of foreign currency:

"Gold" includes gold coin, gold bullion, retorted gold, gold ores, gold amalgam, gold alloys, precipitates containing gold, slag, concentrates, tailings, and residues; but, with the exception of gold coin, does not include things manufactured of gold:

"Head office", in relation to a body corporate, means the centre of its administrative management:

"Money" includes the bank notes and other currency, postal notes, and money orders of New Zealand or any other country; and also includes promissory notes and bills of exchange:

"Person" includes a corporation sole and also a body of persons, whether incorporated or not:

"Securities" includes shares, stock, bonds, debentures, debenture stock, mortgages, liens, treasury bills, coupons or warrants representing dividends or interest, and life or endowment insurance policies, in whatever currency the securities are expressed and whether they are situated in New Zealand or elsewhere; and also includes any document or means whereby the right to the ownership or provision of any money or security, or any interest therein, may be exercised; but does not include promissory notes or bills of exchange.

(6) For the purposes of this section, an individual shall be deemed to be ordinarily resident in New Zealand at any time if at that time—

(a) He is domiciled in New Zealand; or

(b) He is residing in New Zealand and his usual place of abode is, and has been for the immediately preceding period of 12 months, in New Zealand, whether or not he has been occasionally or temporarily absent from New Zealand during that period.

(7) For the purposes of this section—

(a) A body corporate shall be deemed to be ordinarily resident in New Zealand if it is incorporated in New Zealand or has its head office in New Zealand:

(b) Where any body corporate incorporated outside New Zealand and carrying on business through a branch or branches in New Zealand does not have its head office in New Zealand, each such branch shall be deemed to be a separate person and shall, together with the person in New Zealand for the time being having control of the business in New Zealand, be deemed to be ordinarily resident in New Zealand, and such persons shall in respect of the branch be jointly and severally liable accordingly; but nothing in this paragraph shall be construed to relieve the body corporate from any obligation or liability to any penalty under this Act or under any regulations made under this Act.

(8) For the purposes of this section, any reference to the transfer of any security includes a reference to a transfer of the security by way of loan, mortgage, pledge, or bailment, whether in respect of a legal or an equitable interest.

(9) For the purposes of this section—

(a) Money shall be deemed to be taken or sent if it is taken or sent by telegraph or post or by means of any draft, letter of credit, traveller's cheque, or transfer of account, or by any means whatsoever; and

(b) The making, in respect of a person who is not ordinarily resident in New Zealand, of a book entry whose effect is either to create a credit overseas, or to extinguish a debit overseas, in the name of a person who is ordinarily resident in New Zealand shall be deemed to be the taking or sending of money out of New Zealand.

Cf. 1933, No. 11, s. 12A (2) (c), (4); 1960, No. 118, s. 3 (1); 1964, No. 7, s. 3 (1); Finance Emergency

Regulations 1940 (No. 2), regs. 2, 3, 4, 7, 10 (S.R. 1953/113; 1963/176)

In subs. (5), in the definition of the term "authorised officer", the Customs Act 1966, being the corresponding enactment in force at the date of this reprint, has been substituted for the repealed Customs Act 1913.

As to the term "overseas exchange", see s. 3 of the International Finance Agreements Amendment Act 1968.

As to control of exchange, see S.R. 1965/158.

As to overseas investment, see S.R. 1974/117.

28A. *Inserted by s. 2 (1) of the Reserve Bank of New Zealand Amendment Act 1970 and repealed by s. 14 (2) of the Reserve Bank of New Zealand Amendment Act 1973.*

29. **Dealings in gold**—(1) In addition to any other power to make regulations conferred by this Act, the Governor-General may from time to time, by Order in Council, make regulations providing for the prohibition, restriction, regulation, and control of dealings in gold, and conferring powers and functions on the Bank in respect thereof.

(2) Without limiting the generality of subsection (1) of this section, regulations may be made for all or any of the following purposes:

(a) Prohibiting the export of gold:

(b) Prohibiting dealings in gold without the consent of the Bank:

(c) Requiring persons to offer or sell gold to the Bank:

(d) Authorising the Bank to fix the price or prices of gold for any purpose.

(3) In this section, the term "gold" has the same meaning as in subsection (5) of section 28 of this Act.

30. **Valuation of gold held by Bank**—The book value of gold owned by the Bank shall not at any time exceed its value in New Zealand currency computed by reference to the market price of fine gold in London.

Cf. 1939, No. 41, s. 5

PART V

REGULATION OF BANKING AND CREDIT

31. **Trading banks to make returns to Reserve Bank**—

(1) In this section, the expression "appointed day", in relation to monthly returns, means the day of the month from time to time appointed for the purpose of such returns by the Governor of the Reserve Bank, by notice in writing to the trading banks.

(2) Within 10 business days after the appointed day in every month, every trading bank shall send to the Head Office of the Reserve Bank at Wellington a monthly return of its principal liabilities and assets, and of its unexercised overdraft authorities, made up to the close of business on the appointed day and signed by 2 of the principal officers of the bank to which the return relates.

(3) Every such return shall be in the form in the Second Schedule to this Act, and shall be prepared in accordance with the directions specified in that form and with such instructions, not inconsistent with those directions, as may from time to time be given by the Reserve Bank by notice in writing to the trading banks:

Provided that, without limiting the provisions of the Acts Interpretation Act 1924, minor variations in the form and in the directions specified therein, recommended by the Reserve Bank after consultation with the trading banks and approved by the Minister, shall not vitiate the form or the returns made thereby so long as the form retains its essential nature as a monthly statement of principal liabilities and assets.

(4) A summary of the monthly returns made under this section, in a form to be determined from time to time by the Reserve Bank and approved by the Minister, shall be sent forthwith by the Reserve Bank to the Minister, and to the Treasury for publication in the *Gazette*. Any such summary may disclose any information supplied in the monthly returns by particular trading banks.

(5) The Reserve Bank may from time to time by notice in writing to trading banks require them to supply to the Head Office of the Reserve Bank at Wellington, in addition to the monthly returns, such other returns or information relating to their New Zealand business as may be specified in the notice and as may reasonably be ascertained by the trading banks from their records; and may from the information so obtained prepare and publish such statements as the Bank thinks fit; but no such statement shall disclose any information so supplied by any particular trading bank unless—

(a) The same information has been supplied by that bank in a monthly return made by that bank under subsection (2) of this section; or

(b) That bank has agreed to the disclosure.

(6) No trading bank shall be required under this section to furnish any information with respect to the identity or affairs of any particular customer.

(7) If, without lawful justification or excuse, any trading bank—

- (a) Fails to comply in any respect with any of the provisions of this section or of any requirements of the Reserve Bank thereunder; or
- (b) Makes any return or statement or furnishes any information, required to be made or furnished by or under this section, which is incorrect in any material particular—

that bank commits an offence and is liable on summary conviction to a fine not exceeding [£4,000] and, if the offence is a continuing one, to a further fine not exceeding [£2,000] for every day on which the offence has continued.

(8) Until the coming into force of this section pursuant to subsection (2) of section 1 of this Act, the provisions of section 46 of the Reserve Bank of New Zealand Act 1933 shall continue in force, notwithstanding the repeal of that Act by this Act.

Cf. 1933, No. 11, s. 46 (1)–(4); 1935, No. 23, s. 5; 1936, No. 1, s. 24; 1946, No. 16, s. 37 (3)

32. Additional particulars to be contained in monthly returns of Bank of New Zealand—(1) To each of its monthly returns under subsection (2) of section 31 of this Act the Bank of New Zealand shall append a supplementary return in the form in the Third Schedule to this Act showing the amount of the liabilities and assets of the Long-term Mortgage Fund of that bank. The supplementary return shall be made up to the same date and signed by the same persons as the monthly return to which it is appended.

(2) Until the coming into force of this section pursuant to subsection (2) of section 1 of this Act, the provisions of section 6 of the Banking Amendment Act 1935 and of the First Schedule to that Act shall continue in force, notwithstanding the repeal of those provisions by this Act.

Cf. 1935, No. 23, s. 6

33. Trading banks to hold liquid assets—(1) The Reserve Bank may from time to time, with the approval of the Minister, by notice in writing to all trading banks, require them to—

- (a) Hold balances at the Reserve Bank; or
 - (b) Hold assets of a specified kind or kinds, including balances at the Reserve Bank,—
- of such minimum amount as may be specified in the notice.

(2) For the purposes of any such notice, the minimum amount of such balances or assets to be held by every trading bank may be specified by the Reserve Bank as an amount equivalent to—

- (a) A percentage of all or any specified part or parts of the trading bank's deposit liabilities in respect of its New Zealand business, as shown in any return made under section 31 of this Act; or
- (b) A percentage of all or any specified part or parts of its assets in respect of its New Zealand business, as shown in any such return; or
- (c) Both a percentage in accordance with paragraph (a) of this subsection and a percentage in accordance with paragraph (b) thereof; or
- (d) An amount to be determined in any other manner.

(3) For the purposes of this section, the Reserve Bank may if it thinks fit specify different percentages in respect of different classes of deposit liabilities or assets.

(4) A notice given under this section shall apply uniformly to all trading banks, and shall take effect on the expiry of 2 business days after the delivery of the notice or at such later time as may be specified therein.

(5) A copy of the notice shall be published in the *Gazette*.

(6) If any trading bank fails to comply with a notice under this section, the Reserve Bank may by a further notice in writing to that bank direct that during a period specified in the direction that bank shall discontinue, or limit in any manner specified in the direction, the granting of credit or the making of investments, and shall not pay any dividend; and on the service of the notice on that bank it shall not be lawful for it to grant any credit or make any investments or pay any dividend during the period so specified.

(7) Without prejudice to subsection (6) of this section, if any trading bank knowingly fails to comply with a notice under subsection (1) of this section it commits an offence and is liable on summary conviction to a fine not exceeding [£4,000] and, if the offence is a continuing one, to a further fine not exceeding [£2,000] for every day during which the offence has continued.

Cf. 1933, No. 11, s. 45; 1936, No. 1, s. 23

34. Control of bank credit and interest rates—(1) The Reserve Bank may from time to time, where it is satisfied that it is necessary or expedient in the public interest to do so, by

notice in writing to all trading banks, give them directions as to the policy to be followed in relation to advances, discounts, and investments, and in relation to rates of interest payable to or by them, and, without limiting the generality of the foregoing provisions of this subsection, as to—

- (a) The aggregate amounts and limits of advances, discounts, and investments for the time being deemed appropriate;
 - (b) The classes of advances and discounts that should be encouraged or restricted or refused; and the classes of investments that may or may not be made or held;
 - (c) The rates of discount chargeable by trading banks;
 - (d) The rates of interest to be paid to or by trading banks.
- (2) A notice given under this section shall apply uniformly to all trading banks.
- (3) Nothing in this section shall—
- (a) Authorise the Reserve Bank to require any trading bank to disclose the identity of any particular customer; or
 - (b) Affect the validity or enforceability, as between any trading bank and any other person, of any transaction.
- (4) If any trading bank, without lawful justification or excuse, fails to comply with any direction given under this section, it commits an offence and is liable on summary conviction to a fine not exceeding [\$4,000], and, if the offence is a continuing one, to a further fine not exceeding [\$2,000] for every day on which the offence has continued.

Cf. 1933, No. 11, s. 45A; 1960, No. 118, s. 5

As to interest on deposits, see S.R. 1972/61.

As to private savings banks interest rates, see S.R. 1974/127.

As to trustee savings banks interest rates, see S.R. 1974/128.

[34A. Control of interest rates and lending of financial institutions—(1) The Reserve Bank may from time to time make recommendations to any class or classes of financial institutions (other than trading banks) with respect to the policy to be followed in their business.

(2) The Reserve Bank may, from time to time, with the consent of the Minister, where it is satisfied that it is necessary or expedient in the public interest to do so, by notice in writing to any class or classes of financial institutions (other than trading banks) give them directions as to the policy to be

followed in relation to lending and investments. Without limiting the generality of the foregoing provisions of this subsection, directions under this subsection may relate to—

- (a) The aggregate amounts of lending and investments for the time being that the Bank considers appropriate;
 - (b) The classes of loans that should be encouraged or restricted or refused, and the classes of investments that may or may not be made or held.
- (3) Nothing in this section shall—
- (a) Authorise the Reserve Bank to require any financial institution to disclose the identity of any particular customer; or
 - (b) Affect the validity or enforceability, as between any financial institution and any other person, of any transaction.
- (4) The Governor-General may from time to time, by Order in Council, specify the rates of interest to be paid to or by financial ~~institutions~~ (other than trading banks). Different rates may be so specified according to the term of the obligation, or to different classes of deposits, borrowing, or lending as defined in the order, or to the amount of such deposit, borrowing, or lending.
- (5) If any financial institution without lawful justification or excuse fails to comply with any direction or order given or made under subsection (2) or subsection (4) of this section, it commits an offence, and is liable on summary conviction to a fine not exceeding \$4,000 and, if the offence is a continuing one, to a further fine not exceeding \$2,000 for every day on which the offence has continued.]

This section was inserted by s. 9 of the Reserve Bank of New Zealand Amendment Act 1973.

In subs. (4) the word "institutions" has been substituted for the word "instructions", an obvious error which has been corrected in this reprint.

[34B. Supply of information by financial institutions—

(1) The Reserve Bank may from time to time, with the consent of the Minister, by notice in writing to any financial institution (other than a trading bank), or by notice in the *Gazette* applying to any specified class of financial institution (other than a trading bank), require the institution or, as the case may be, institutions of that class to supply to the Bank such returns or information relating to the assets and liabilities of its business or their businesses as may be specified in the notice.

(2) Nothing in this section shall authorise the Bank to require any financial institution to disclose the identity of any particular customer.

(3) If without lawful justification or excuse any financial institution—

- (a) Fails to comply in any respect with any requirement of the Bank under subsection (1) of this section; or
- (b) Makes any return or furnishes any information required to be made or furnished under subsection (1) of this section which is incorrect in any material particular—

that institution commits an offence, and is liable on summary conviction to a fine not exceeding \$2,000 and, if the offence is a continuing one, to a further fine not exceeding \$1,000 for every day on which the offence has continued.]

This section was inserted by s. 10 of the Reserve Bank of New Zealand Amendment Act 1973.

[34c. Financial institutions to hold specified assets—

(1) The Governor-General may from time to time, by Order in Council, require all or any specified class or classes of or any specified financial institutions (other than trading banks)—

- (a) To hold balances at the Reserve Bank or a trading bank; or
- (b) To hold Government or local authority securities; or
- (c) To hold assets of such kind or kinds as may be specified in the order, including balances at the Reserve Bank and a trading bank and Government and local authority securities, or any one or more of such balances or securities,—

of such minimum amount as is specified in the order:

Provided that no order under this subsection shall require any building society that, by an Order in Council under section 63 of the Building Societies Act 1965, is designated as a society with which trustees may invest trust funds by way of deposit to hold a lesser amount of any asset than the amount prescribed for such asset by or pursuant to regulations made under the said section 63.

(2) If any financial institution fails to comply with an order under this section, the Reserve Bank may, by notice in writing to that institution, direct that during a period specified in the direction that institution shall discontinue, or limit in any manner specified in the direction, the granting of credit or the making of investments, and shall not pay any dividend; and on the service of the notice on that institution.

it shall not be lawful for it to grant any credit or make any investments or pay any dividend in breach of that notice during the period so specified.

(3) If any financial institution knowingly fails to comply with an order under subsection (1) of this section, it commits an offence and is liable on summary conviction to a fine not exceeding \$4,000 and, if the offence is a continuing one, to a further fine not exceeding \$2,000 for every day during which the offence has continued.]

This section was inserted by s. 11 of the Reserve Bank of New Zealand Amendment Act 1973.

As to private savings banks minimum holdings of Government securities, see S.R. 1975/29.

As to trustee savings banks minimum holdings of Government securities, see S.R. 1975/32.

As to building societies investments, see S.R. 1973/211.

As to life insurance investments, see S.R. 1973/236.

As to finance companies investments, see S.R. 1969/216.

35. Inspection of books of trading banks or other financial institutions and supply of information—(1) The Reserve Bank may authorise any of its officers to inspect the books and accounts and other records of any trading bank [or other financial institution] in any case where, in the opinion of the Reserve Bank,—

- [(a) The trading bank or financial institution has failed to comply with any provision of this Act, or of any regulations or Order in Council made thereunder, or of any regulations or Order in Council which continue in force as if made under this Act pursuant to subsection (6) of section 14 of the Reserve Bank of New Zealand Amendment Act 1973, or of any notice, direction, or requirement given or imposed under such provision; or]
- (b) The trading bank [or other financial institution] has made a return or furnished any information which is incorrect in any material particular; or
- (c) It is desirable in the public interest that an inspection be made.

(2) In any case to which subsection (1) of this section applies, the Reserve Bank may, in addition to or instead of exercising its power under that subsection, by notice in writing to the trading bank [or other financial institution] require that bank to furnish to it, within the time specified in the notice, such information as in the circumstances the Reserve Bank thinks necessary.

(3) Every officer of the Reserve Bank claiming to exercise any authority under this section shall, when required to do

so by an officer of the trading bank [or other financial institution], produce written evidence of his authority.

(4) Every person commits an offence and is liable on summary conviction to a fine not exceeding [£1,000] who, without lawful justification or excuse, hinders, obstructs, or delays, in the conduct of any inspection for the purposes of this section, any person duly authorised by the Reserve Bank to make such inspection.

[(5) Any trading bank or other financial institution commits an offence if, without lawful justification or excuse,—

(a) It fails to comply with any requirement of the Reserve Bank under subsection (2) of this section; or

(b) It makes any return or statement or furnishes any information required to be made or furnished which is incorrect in any material particular,—

and is liable on summary conviction to a fine not exceeding \$4,000 and, if the offence is a continuing one, to a further fine not exceeding \$2,000 for every day on which the offence has continued:

Provided that nothing in this section shall authorise the inspection of any book or accounts containing information that will reveal the identity or affairs of any particular customer or require the furnishing of information with respect to the identity or affairs of any particular customer.]

Cf. 1933, No. 11, s. 46 (6), (7)

In subs. (1), (1) (b), (2), and (3) the words in square brackets were inserted by s. 12 (1) of the Reserve Bank of New Zealand Amendment Act 1973.

In subs. (1), para. (a) was substituted for the original para. (a) by s. 12 (2) of the Reserve Bank of New Zealand Amendment Act 1973.

In subs. (2), s. 12 of the Reserve Bank of New Zealand Amendment Act 1973 should have inserted the words "or other financial institution" after the words "require that bank".

Subs. (5) was substituted for the original subs. (5) by s. 12 (3) of the Reserve Bank of New Zealand Amendment Act 1973.

36. Repealed by s. 13 of the Reserve Bank of New Zealand Amendment Act 1973.

37, 38. Repealed by s. 14 (1) of the Reserve Bank of New Zealand Amendment Act 1973.

PART VI

ACCOUNTS OF RESERVE BANK

39. Financial year of Bank—The financial year of the Bank shall end on the 31st day of March.

Cf. 1933, No. 11, s. 35

40. Payment of surplus to Public Account—After such provision has been made as the Bank, with the approval of the Minister, thinks proper for bad and doubtful debts, depreciation in assets, superannuation and retiring allowances for the staff, transfers to reserves, and other matters usually provided for by central banks or for which provision is considered appropriate by the Bank, the surplus for each financial year shall be paid to the Public Account.

Cf. 1933, No. 11, s. 36; 1934, No. 2, s. 11; 1936, No. 1, s. 9

41. Weekly statements—(1) The Bank shall as soon as practicable after the close of business on the weekly balancing day of each week make up and transmit to the Minister and to the Treasury a statement of its assets and liabilities as at the close of business on that day.

(2) The statement shall be in a form to be determined by the Bank and approved by the Minister.

(3) A copy of every such statement shall be forthwith published in the *Gazette*.

(4) The Governor may from time to time appoint such day of the week as he thinks fit to be the weekly balancing day for the purposes of this section.

Cf. 1933, No. 11, s. 37; 1946, No. 16, s. 37 (1), (2)

42. Annual accounts—(1) Within 3 months after the close of every financial year the Bank shall furnish to the Minister and to the Treasury copies of its accounts for the year, certified by the Auditor or Auditors of the Bank.

(2) A copy of the accounts so certified shall be forthwith published in the *Gazette*.

Cf. 1933, No. 11, s. 38

43. Auditors—I (1) The Governor-General in Council may from time to time appoint one or more persons (whether as individuals or as the members from time to time of any firm or firms), being persons qualified for appointment as auditors of a company under the Companies Act 1955, to be the Auditor or Auditors of the Bank.]

(2) Every such appointment shall be for a term not exceeding 2 years, but any person appointed as Auditor shall continue in office until his successor comes into office.

(3) Any person appointed as Auditor shall be eligible for reappointment.

(4) The Auditor or Auditors shall be entitled to receive from the funds of the Bank such fees as [the Minister] from time to time prescribes.

(5) The persons in office as the Auditors of the Bank on the commencement of this Act shall continue in office as if they had been appointed under this section, until the expiry of the term of office for which they were appointed.

Cf. 1936, No. 1, s. 21

Subs. (1) was substituted for the original subs. (1) by s. 2 (1) of the Reserve Bank of New Zealand Amendment Act 1971.

In subs. (4) the words "the Minister" were substituted for the words "the Governor-General in Council" by s. 2 (2) of the Reserve Bank of New Zealand Amendment Act 1971.

44. Annual report—(1) Within 3 months after the close of every financial year the Bank shall furnish to the Minister a general report on the operations of the Bank during that year and related matters, together with a copy of the Bank's accounts for that year and such particulars as the Minister may require.

(2) The report shall be signed by the Governor and the Deputy Governor:

Provided that in the absence or other disability of either the Governor or the Deputy Governor the Bank may appoint one of its members to sign the report in his place.

(3) A copy of the report and accounts shall be laid before Parliament within 28 days after their receipt by the Minister if Parliament is then in session, and, if not, then within 28 days after the commencement of the next ensuing session.

Cf. 1933, No. 11, s. 38 (2); 1936, No. 1, s. 20

45. Penalty for false statements, etc.—Every director or officer of the Bank, and every other person, who verifies any statement or account required to be furnished to the Minister or to the Treasury pursuant to this Act, or who is concerned in delivering or transmitting the same to the Minister or to the Treasury, knowing the same to be false in any material particular, commits an offence and is liable on summary conviction to a fine not exceeding [\$400].

Cf. 1933, No. 11, s. 40; 1936, No. 1, s. 9

PART VII

MISCELLANEOUS PROVISIONS

46. Exemption of Reserve Bank from taxation—The Reserve Bank shall be exempt from public taxation (not including local rates) to the same extent as the Crown.

Cf. 1933, No. 11, s. 52

47. Application of Banking Act to Reserve Bank—

(1) Sections 19 to 26 of the Banking Act 1908 and section 3 of the Banking Amendment Act 1935 shall apply with respect to the Reserve Bank.

(2) Except as provided in subsection (1) of this section and in subsection (1) of section 9 of the Statutes Amendment Act 1946 (which relates to banking hours), the provisions of the Banking Act 1908 shall not apply with respect to the Reserve Bank.

Cf. 1935, No. 23, s. 2

48. Conflict with other Acts—In the event of any conflict between this Act and the provisions of the Banking Act 1908, or of any other Act relating to any bank or to the business of banking, the provisions of this Act shall prevail.

Cf. 1933, No. 11, s. 51

49. Obligations under this Act not limited by trusts, etc.—

No obligation or limitation imposed on any person by or by virtue of any Act or instrument determining his functions or powers or by virtue of any trust or otherwise howsoever shall prevent or excuse that person from complying with any provision of this Act or of any regulations made thereunder, or with any direction, notice, requirement, or condition given or imposed under any such provision.

Cf. Finance Emergency Regulations 1940 (No. 2), reg. 20 (S.R. 1953/113)

50. Regulations—The Governor-General may from time to time, by Order in Council, make regulations for all or any of the following purposes:

- (a) Providing for such matters as are necessary to enable the Minister or the Reserve Bank to exercise any powers and functions conferred on the Minister or the Bank by this Act or by any regulations made for any of the purposes of this Act;
- (b) Providing for the granting, refusal, and revocation of consents, permissions, and exemptions in respect of any matters to which any regulations made under this Act relate; and authorising the imposition, variation, and revocation of conditions subject to which such consents, permissions, and exemptions may be granted;
- (c) Providing for the furnishing of information and the production of books or documents to the Minister or the Bank or any other person for any of the

purposes of any such regulations, and for the verification of any such information:

- (d) Authorising the Minister or the Bank or any other person to exercise any discretionary power or authority for the purposes of any such regulations:
- (e) Providing for the delegation of any of the powers or functions of the Minister (including the power of delegation) or the Bank under any such regulations:
- (f) Prescribing forms for the purposes of this Act or of any such regulations, in any case where a form is not prescribed by this Act:
- (g) Providing for and regulating the giving or service of notices for the purposes of this Act or of any such regulations, and the effect of such notices:
- (h) Providing for such matters as are contemplated by or necessary for giving full effect to the provisions of this Act and for the due administration thereof:
- (i) Prescribing offences against any such regulations, and prescribing fines not exceeding in respect of any such offence **[\$400]** and, in the case of a continuing offence, **[\$40]** for every day on which the offence has continued.

Cf. 1933, No. 11, s. 12A (4), (4A); 1960, No. 118, s. 3 (1); 1964, No. 7, s. 3 (1); Finance Emergency Regulations 1940 (No. 2), regs. 16–19 (S.R. 1953/113)

150A. Consents under regulations—(1) Where pursuant to any regulations made under this Act the prior consent of the Minister **[[or the Bank]]** is required to the entry into any transaction or the execution of any instrument, and any such transaction or instrument is entered into or executed without such consent having been obtained, the Minister may at any time thereafter, in his discretion, give his consent to the entry into the transaction or the execution of the instrument, as the case may require; and thereupon, subject to the terms of the consent, the transaction or instrument, and any relationship, rights, or interests created thereby or arising thereunder, shall, if they or any of them would otherwise be invalid by reason of the prior consent of the Minister **[[or the Bank]]** not having been given, be as valid and effectual as if **[[the Minister's or the Bank's consent]]** had been obtained before the entry into the transaction or the execution of the instrument.

(2). Any consent pursuant to subsection (1) of this section may be given—

- (a) In respect of such transactions, instruments, or persons or classes of transactions, instruments, or persons as the Minister may determine, or in respect of any specified transaction, instrument, or person:
- (b) Wholly or partly and either unconditionally or subject to such conditions as the Minister thinks fit.]

[(3) Any consent pursuant to subsection (1) of this section to the entry into any transaction or the execution of any instrument shall be deemed to be a consent given under the regulations requiring consent to such entry or execution.]

This section was inserted by s. 3 of the Reserve Bank of New Zealand Amendment Act 1968.

In subs. (1) the words in the first and second sets of double square brackets were inserted by s. 3 (1) (a) of the Reserve Bank of New Zealand Amendment Act 1970, and the words in the third set of double square brackets were substituted for the words "the Minister's consent" by s. 3 (1) (b) of that Act.

Subs. (3) was added by s. 3 (2) of the Reserve Bank of New Zealand Amendment Act 1970.

51. Offences against regulations—Without prejudice to paragraph (i) of section 50 of this Act, every person commits an offence against this Act who—

- (a) With intent to deceive, makes any false or misleading statement or any material omission in any offer or declaration made for the purposes of any regulations under this Act or in any communication with or application to the Minister or the Bank or any other person (whether in writing or otherwise) for the purposes of any such regulations:
- (b) Resists, obstructs, or deceives any person who is exercising or attempting to exercise any power or function under any such regulations:
- (c) Without lawful excuse, acts in contravention of or fails to comply in any respect with any provision of any such regulations or any direction, notice, requirement, or condition given or imposed under any such regulations.

Cf. 1933, No. 11, s. 12A (4); 1960, No. 118, s. 3 (1); Finance Emergency Regulations 1940 (No. 2), reg. 21 (1) (S.R. 1953/113)

52. Penalties for offences—(1) Every person who commits an offence against this Act for which no penalty is provided elsewhere than in this section is liable on conviction on indictment—

(a) In the case of an individual, to imprisonment for a term not exceeding 12 months, or to a fine not exceeding [£2,000], and, if the offence is a continuing one, to a further fine not exceeding [£1,000] for every day on which the offence has continued, or to both such imprisonment and such fine:

(b) In the case of a body corporate, to a fine not exceeding [£4,000] and, if the offence is a continuing one, to a further fine not exceeding [£2,000] for every day on which the offence has continued.

(2) If on the conviction of any person for any wilful offence in respect of any currency that currency or any part of it is found to be the property of the convicted person, that currency or that part of it shall be deemed to be forfeited and to become the property of the Crown, and may be sold or otherwise disposed of as the Minister may direct.

(3) Repealed by s. 4 (3) of the Reserve Bank of New Zealand Amendment Act 1968.

Cf. 1933, No. 11, s. 12A (4); 1960, No. 118, s. 3 (1); Finance Emergency Regulations 1940 (No. 2), regs. 21 (2), (3), 22 (S.R. 1953/113)

As to offences of finance companies relative to investments, see regulation 16 of S.R. 1969/216.

As to offences relative to interest on deposits, see regulation 9 of S.R. 1972/61.

52A. Time for laying information for certain offences—Notwithstanding anything in section 14 of the Summary Proceedings Act 1956, any information for an offence against section 23 or section 24 of this Act may be laid within 2 years from the time when the matter of the information arose.]

This section was inserted by s. 5 of the Reserve Bank of New Zealand Amendment Act 1968.

53. Certain regulations to continue in force under this Act—(1) The Finance Emergency Regulations 1940 (No. 2), as heretofore amended, shall continue in force, as if they had been made under this Act, until they are revoked thereunder.

(2) The Export Licences Regulations 1938 shall be deemed to be and always to have been valid, and shall continue to have effect as if made under this Act, so far as they relate to the proceeds of exports of goods from New Zealand.

This section is spent; the Finance Emergency Regulations 1940 (No. 2) were revoked by S.R. 1965/158/16 and the Export Licences Regulations 1938 were revoked by S.R. 1966/90/13.

54. Repeals and savings—(1) The enactments specified in the Fourth Schedule to this Act are hereby repealed.

(2) Without limiting the provisions of the Acts Interpretation Act 1924, the repeal of the said enactments shall not affect any document made or any thing whatsoever done under any of the provisions of paragraphs (kk) to (km) of subsection (1) of section 13 of the Reserve Bank of New Zealand Act 1933, as inserted by subsection (1) of section 2 of the Reserve Bank of New Zealand Amendment Act 1964. Every such document or thing, so far as it is subsisting or in force at the commencement of this Act, shall continue and have effect as if it had been duly made or done under the corresponding provisions of section 9 of this Act and as if the last-mentioned section had been in force when the document was made or the thing was done; and any agreement, guarantee, assurance, act, matter, or thing made, given, commenced, or in progress under the said paragraphs (kk) to (km) may accordingly be continued, perfected, completed, and enforced under this Act.

SCHEDULES

FIRST SCHEDULE

Sections 2, 36

TRADING BANKS

[Australia and New Zealand Banking Group Limited.]

Bank of New South Wales.

Bank of New Zealand.

The Commercial Bank of Australia Limited.

The National Bank of New Zealand Limited.

The words in square brackets were substituted for the words "Australia and New Zealand Bank Limited" by s. 11 (1) of the Australia and New Zealand Banking Group Act 1970 (Private).

Section 31 (3)

SECOND SCHEDULE

MONTHLY RETURN TO BE MADE BY TRADING BANKS

Name of Bank:

STATEMENT OF PRINCIPAL LIABILITIES ⁽¹⁾ AND ASSETS ⁽²⁾ AND UNEXERCISED OVERDRAFT AUTHORITIES IN RESPECT OF NEW ZEALAND BUSINESS as at the close of business on

LIABILITIES:	\$	\$
1. Demand deposits in New Zealand .....		.....
2. Time deposits in New Zealand .....		.....
3. Liabilities elsewhere than in New Zealand incurred in respect of New Zealand business .....		.....
4. Bills payable and all other liabilities in New Zealand, including balances due to other banks but excluding shareholders' funds .....		.....
ASSETS:		
1. Balances at Reserve Bank of New Zealand .....		.....
2. Reserve Bank of New Zealand notes .....		.....
3. New Zealand coin .....		.....
4. Assets elsewhere than in New Zealand held in respect of New Zealand business .....		.....
5. Advances in New Zealand and discounts of bills payable in New Zealand (excluding advances and discounts included under item 6)—		
(a) Advances .....	.....
(b) Discounts .....	.....
6. Term loans in New Zealand (including special export finance) .....		.....
7. Investments held in New Zealand—		
(a) Government securities .....	.....
(b) Other investments .....	.....
8. Cheques and bills drawn on other banks in New Zealand and balances with and due from other banks in New Zealand (excluding balances with Reserve Bank of New Zealand) .....		.....
9. Book value of land, buildings, furniture, fittings, and equipment in New Zealand .....		.....
10. All other assets in New Zealand .....		.....
AGGREGATE OF UNEXERCISED OVERDRAFT AUTHORITIES IN NEW ZEALAND .....		.....

(Signatures of 2 of the principal officers of bank)

⁽¹⁾ Excluding shareholders' funds, contingencies, inter-branch accounts within New Zealand, and certain transit items (see directions).

⁽²⁾ Excluding inter-branch accounts within New Zealand, contingencies, and certain transit items (see directions).

SECOND SCHEDULE—continued

Directions

1. This statement is to be prepared every month as at the close of business on the day of the month appointed under section 31 of the Reserve Bank of New Zealand Act 1964 and forwarded to the Reserve Bank in Wellington within 10 business days thereafter.

2. Any accounts in New Zealand between the head office and a branch, or between different branches in New Zealand, shall not be included as liabilities or assets.

3. Contingent liabilities or assets shall not be included as liabilities or assets.

4. Subject to any instructions that may be given by the Reserve Bank, items in transit may be excluded from this statement.

5. Amounts may be shown in this statement to the nearest multiple of [\$2,000].

THIRD SCHEDULE

Section 32 (1)

SUPPLEMENTARY RETURN BY BANK OF NEW ZEALAND

STATEMENT of the amount of liabilities and assets of the Long-term Mortgage Department of the Bank of New Zealand on the day of 19.....

Liabilities		Assets	
	\$		\$
Capital		Loans	
Debentures and debenture stock		Deposits with bank	
Advances from bank		Other assets	
Other liabilities			

Section 54 (1)

FOURTH SCHEDULE

ENACTMENTS REPEALED

- 1908, No. 11—The Banking Act 1908: Section 10. (1957 Reprint, Vol. 1, p. 414.)
- 1933, No. 11—The Reserve Bank of New Zealand Act 1933. (1957 Reprint, Vol. 13, p. 277.)
- 1934, No. 2—The Finance Act 1934: Part I. (1957 Reprint Vol. 5, p. 99; Vol. 13, p. 312.)
- 1935, No. 23—The Banking Amendment Act 1935: Sections 2, 4, 5, and 6, and the First Schedule. (1957 Reprint, Vol. 1, pp. 411, 420, 421; Vol. 13, pp. 313, 314.)
- 1935, No. 41—The Finance Act (No. 2) 1935: Section 9. (1957 Reprint, Vol. 5, p. 104; Vol. 13, pp. 296, 314.)
- 1936, No. 1—The Reserve Bank of New Zealand Amendment Act 1936. (1957 Reprint, Vol. 13, p. 315.)
- 1936, No. 16—The Finance Act 1936: Section 49. (1957 Reprint, Vol. 5, p. 107; Vol. 13, p. 317.)
- 1936, No. 36—The Finance Act (No. 2) 1936: Sections 25 to 27. (1957 Reprint, Vol. 5, p. 108; Vol. 13, pp. 287, 318.)
- 1938, No. 20—The Statutes Amendment Act 1938: Section 46. (1957 Reprint, Vol. 12, pp. 24, 62; Vol. 15, p. 136.)
- 1939, No. 8—The Emergency Regulations Act 1939. (1957 Reprint, Vol. 4, p. 595.)
- 1939, No. 41—The Reserve Bank of New Zealand Amendment Act 1939. (1957 Reprint, Vol. 13, p. 318.)
- 1940, No. 1—The Emergency Regulations Amendment Act 1940. (1957 Reprint, Vol. 4, p. 600.)
- 1946, No. 16—The Finance Act 1946: Sections 21, 37. (1957 Reprint, Vol. 5, pp. 139, 140; Vol. 13, pp. 286, 304, 319.)
- 1946, No. 41—The Finance Act (No. 2) 1946: Section 4. (1957 Reprint, Vol. 5, p. 141; Vol. 13, pp. 287, 320.)
- 1947, No. 66—The Emergency Regulations Continuance Act 1947. (1957 Reprint, Vol. 4, p. 600.)
- 1948, No. 35—The Finance Act 1948: Section 2. (1957 Reprint, Vol. 5, p. 148; Vol. 13, pp. 293, 320.)
- 1950, No. 5—The Reserve Bank of New Zealand Amendment Act 1950. (1957 Reprint, Vol. 13, p. 321.)
- 1958, No. 7—The Reserve Bank of New Zealand Amendment Act 1958.
- 1959, No. 30—The Post Office Act 1959: Subsection (7) of section 250.
- 1960, No. 118—The Reserve Bank of New Zealand Amendment Act 1960.
- 1961, No. 68—The Western Samoa Act 1961: So much of the Second Schedule as relates to the Emergency Regulations Amendment Act 1940.
- 1963, No. 64—The Emergency Regulations Amendment Act 1963.
- 1964, No. 7—The Reserve Bank of New Zealand Amendment Act 1964.

THE RESERVE BANK OF NEW ZEALAND
AMENDMENT ACT 1967

1967, No. 115

An Act to amend the Reserve Bank of New Zealand Act 1964
[23 November 1967]

1. *Short Title*—This Act may be cited as the Reserve Bank of New Zealand Amendment Act 1967, and shall be read together with and deemed part of the Reserve Bank of New Zealand Act 1964 (hereinafter referred to as the principal Act).

2. *This section inserted subs. (2A) in s. 9 of the principal Act.*

THE RESERVE BANK OF NEW ZEALAND
AMENDMENT ACT 1968

1968, No. 135

An Act to amend the Reserve Bank of New Zealand Act 1964
[18 December 1968]

1. *Short Title*—This Act may be cited as the Reserve Bank of New Zealand Amendment Act 1968, and shall be read together with and deemed part of the Reserve Bank of New Zealand Act 1964 (hereinafter referred to as the principal Act).

2. (1) *This subsection amended the proviso to s. 25 (1) of the principal Act.*

(2)–(5) *Repealed by s. 7 (2) of the Reserve Bank of New Zealand Amendment Act 1973.*

3. *This section inserted s. 50A in the principal Act.*

4. (1) *This subsection amended s. 25 (3) of the principal Act.*

(2) *This subsection amended Part II of the First Schedule to the Summary Proceedings Act 1957.*

(3) *Section 52 of the principal Act is hereby consequentially amended by repealing subsection (3).*

5. *This section inserted s. 52A in the principal Act.*

THE RESERVE BANK OF NEW ZEALAND AMENDMENT ACT 1970

1970, No. 2

An Act to amend the Reserve Bank of New Zealand Act 1964
[4 June 1970]

1. **Short Title**—This Act may be cited as the Reserve Bank of New Zealand Amendment Act 1970, and shall be read together with and deemed part of the Reserve Bank of New Zealand Act 1964 (hereinafter referred to as the principal Act).

2. *Repealed by s. 14 (2) of the Reserve Bank of New Zealand Amendment Act 1973.*

3. (1) (a) and (b) *These paragraphs amended s. 50A (1) of the principal Act.*

(2) *This subsection added subs. (3) to s. 50A of the principal Act.*

THE RESERVE BANK OF NEW ZEALAND AMENDMENT ACT 1971

1971, No. 125

An Act to amend the Reserve Bank of New Zealand Act 1964
[8 December 1971]

1. **Short Title**—This Act may be cited as the Reserve Bank of New Zealand Amendment Act 1971, and shall be read together with and deemed part of the Reserve Bank of New Zealand Act 1964 (hereinafter referred to as the principal Act).

2. (1) *This subsection substituted a new subsection for subs. (1) of s. 43 of the principal Act.*

(2) *This subsection amended s. 43 (4) of the principal Act.*

THE RESERVE BANK OF NEW ZEALAND AMENDMENT ACT 1973

1973, No. 16

An Act to amend the Reserve Bank of New Zealand Act 1964 so as to reaffirm the sovereign right of the Crown to control currency and credit for the purpose of maintaining a stable value for money and in the public interest, and to define more fully and extend the functions, powers, and duties of the Reserve Bank of New Zealand [18 August 1973]

1. **Short Title and commencement**—(1) This Act may be cited as the Reserve Bank of New Zealand Amendment Act 1973, and shall be read together with and deemed part of the Reserve Bank of New Zealand Act 1964 (hereinafter referred to as the principal Act).

(2) Section 7 of this Act shall be deemed to have come into force on the 22nd day of June 1972.

(3) Except as provided in subsection (2) of this section, this Act shall come into force on the 1st day of September 1973.

2. (1) *This subsection inserted the definitions of the terms "Authorised money-market dealer", "Credit instrument", "Financial institution", and "Trade credit" in s. 2 of the principal Act.*

(2) *This subsection substituted a new definition for the term "Trading bank" in s. 2 of the principal Act.*

3. (1) *This subsection substituted a new subsection for subs. (1) of s. 4 of the principal Act.*

(2) Section 4 of the principal Act is hereby further amended by repealing subsection (3).

4. *This section substituted a new section for s. 6 of the principal Act.*

5. *This section substituted a new section for s. 8 of the principal Act.*

6. *This section substituted a new subsection for subs. (2) of s. 24 of the principal Act.*

7. (1) *This subsection substituted a new section for s. 26 of the principal Act.*

(2) Section 2 of the Reserve Bank of New Zealand Amendment Act 1968 is hereby consequentially amended by repealing subsections (2) to (5).

8. *This section inserted s. 26A in the principal Act.*

9. *This section inserted s. 34A in the principal Act.*

10. *This section inserted s. 34B in the principal Act.*

11. *This section inserted s. 34C in the principal Act.*

12. (1) *This subsection amended s. 35 (1), (2), and (3) of the principal Act.*

(2) *This subsection substituted a new paragraph for para. (a) of s. 35 (1) of the principal Act.*

(3) *This subsection substituted a new subsection for subs. (5) of s. 35 of the principal Act.*

13. **Repealing provisions as to declaration of persons to be trading banks**—The principal Act is hereby further amended by repealing section 36.

14. **Consequential repeals and amendments, and savings**—

(1) The principal Act is hereby further amended by repealing section 28A (as inserted by section 2 (1) of the Reserve Bank of New Zealand Amendment Act 1970) and sections 37 and 38.

(2) The enactments specified in the Schedule to this Act are hereby repealed.

(3) (a) *This paragraph amended s. 24 (1) of the Trustee Savings Banks Act 1948 (reprinted 1973, vol. 2, p. 1682).*

(b) *This paragraph amended s. 36B (2) of the Trustee Savings Banks Act 1948 (reprinted 1973, vol. 2, p. 1689).*

(4) Section 17 of the Private Savings Banks Act 1964 is hereby amended by inserting in subsection (1), after the words "this Act" where they first occur, the words "and of section 34c of the Reserve Bank of New Zealand Act 1964 (as inserted by section 11 of the Reserve Bank of New Zealand Amendment Act 1973)".

(5) The Building Societies Act 1965 is hereby amended—

(a) By omitting from subsection (12) of section 57 (as added by section 6 of the Building Societies Amendment Act 1970) the words "subsections (3) to (7)", and substituting the words "subsections (3) to (6)":

(b) By omitting from subsection (6) of section 58 the words "any such order, the society and", and substituting the words "any order under section 34A of the Reserve Bank of New Zealand Act 1964 (as inserted by section 9 of the Reserve Bank of New Zealand Amendment Act 1973)".

(6) Every regulation or Order in Council made before the commencement of this Act under section 28A of the principal Act or under any enactment specified in the Schedule to this Act and in force immediately before the commencement of this Act shall continue in force after the commencement of this Act as if it had been made under the principal Act as amended by this Act.

SCHEDULE

Section 14 (2)

ENACTMENTS REPEALED

- 1948, No. 62—The Trustee Savings Banks Act 1948: Section 23, subsection (4) of section 24 (as substituted by section 2 (1) of the Trustee Savings Banks Amendment Act 1969), subsections (2) and (3) of section 31 (as added by section 10 (3) of the Trustee Savings Banks Amendment Act 1964), section 34, and section 37A (as inserted by section 13 of the Trustee Savings Banks Amendment Act 1964). (Reprinted, 1971, Vol. 4, p. 2631.)
- 1964, No. 9—The Private Savings Banks Act 1964: Subsections (2) and (3) of section 5, section 14, subsection (3) of section 17 (as substituted by section 4 (1) of the Private Savings Banks Amendment Act 1972), and sections 18 and 20.
- 1964, No. 10—The Trustee Savings Banks Amendment Act 1964: Section 13. (Reprinted, 1971, Vol. 4, p. 2657.)
- 1965, No. 22—The Building Societies Act 1965: Section 55A (as inserted by section 5 of the Building Societies Amendment Act 1970), subsection (7) of section 57, and subsections (1) to (5) of section 58.
- 1969, No. 31—The Trustee Savings Banks Amendment Act 1969. (Reprinted, 1971, Vol. 4, p. 2660.)
- 1970, No. 2—The Reserve Bank of New Zealand Amendment Act 1970: Section 2.
- 1970, No. 117—The Building Societies Amendment Act 1970: Section 5.
- 1972, No. 122—The Private Savings Banks Amendment Act 1972: Section 4.

THE RESERVE BANK OF NEW ZEALAND
AMENDMENT ACT 1974

1974, No. 118

An Act to amend the Reserve Bank of New Zealand Act 1964

[8 November 1974]

1. Short Title—This Act may be cited as the Reserve Bank of New Zealand Amendment Act 1974, and shall be read together with and deemed part of the Reserve Bank of New Zealand Act 1964 (hereinafter referred to as the principal Act).

2. (1) *This subsection added subss. (4) and (5) to s. 14 of the principal Act.*

(2) Every appointment of an attorney made by the Bank before the commencement of the principal Act which would have been valid if this section had been in force when the appointment was made is hereby declared to be and always to have been validly made.

The Reserve Bank of New Zealand Act 1964 is administered in the Reserve Bank of New Zealand.