



ANALYSIS

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1. Short Title

2. Power to require finance companies
to hold Government stock
3. Consents under regulations

1970, No. 2

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

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

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. Power to require finance companies to hold Government stock—(1) The principal Act is hereby amended by inserting, after section 28, the following section:

“28A. (1) Without limiting the generality of any of the provisions of this Act, the Governor-General may from time to time by Order in Council make regulations requiring any finance company to hold in Government stock, during such periods or at such times in each year as may be prescribed in the regulations, an amount at least equal to such percentage of its borrowings as may from time to time be fixed by Order in Council.

“(2) Any regulations made for the purposes of this section may make provision defining terms used in the regulations, and in particular may, for the purposes of this section and of the regulations,—

“(a) Define a finance company to mean a person, company, society, or association (whether incorporated or not) in such circumstances relating to the borrowing of any money and the investing of any money in the course of business, and at such times, as may be prescribed in the regulations:

“(b) Define Government stock, borrowings, and investments.

“(3) Without limiting the generality of the foregoing provisions of this section, any such regulations may be so made as to apply to any amount borrowed (whether within or outside New Zealand), or to any amount invested, in the course of business by any such person, company, society, or association as aforesaid before the commencement of the regulations or at any time thereafter, and not for the time being repaid.”

(2) Section 28A of the principal Act (as inserted by subsection (1) of this section) shall be deemed to have come into force on the 26th day of June 1969.

3. Consents under regulations—(1) Section 50A of the principal Act (as inserted by section 3 of the Reserve Bank of New Zealand Amendment Act 1968) is hereby amended—

(a) By inserting in subsection (1), after the word “Minister”, where that word firstly and thirdly occurs in that subsection, the words “or the Bank”:

(b) By omitting from subsection (1) the words “the Minister’s consent”, and substituting the words “the Minister’s or the Bank’s consent”.

(2) The said section 50A is hereby further amended by adding the following subsection:

“(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.”