

APPENDIX

AMENDMENT TO LENDING POWERS OF RESERVE BANK

Section 21 of the Finance Act, 1946, reads as follows :—

21. (1) The Reserve Bank of New Zealand may from time to time grant accommodation by way of overdraft—

- (a) To the Government of New Zealand :
- (b) To any Department of State or statutory authority having power to carry on any business or to borrow moneys on overdraft :
- (c) To any Board or other authority having statutory powers in relation to the marketing of any New Zealand produce, for the purpose of financing the purchase and marketing of such produce.

(2) Notwithstanding anything to the contrary in any Act, accommodation under paragraph (a) of the last preceding subsection in respect of the Public Account may be granted by the Reserve Bank and received by the Government up to any amount not exceeding the amount of the investments for the time being held by the Treasury under subsection two of section thirty-nine of the Public Revenues Act, 1926.

(3) Paragraph (gg) of subsection one of section thirteen of the Reserve Bank of New Zealand Act, 1933, as set out in section twelve of the Reserve Bank of New Zealand Amendment Act, 1936, and the said section twelve are hereby repealed.

Section 4 of the Finance Act (No. 2), 1946, reads as follows :—

4. (1) The Reserve Bank of New Zealand may from time to time, upon such terms and conditions, whether as to security or otherwise, as may be approved by the Minister of Finance, advance moneys to the Government of any other country in respect of the purchase of any New Zealand produce for export to that country, or guarantee any such advance that may be made by any other bank.

(2) The amount outstanding in respect of any advances or guarantees under this section shall not at any time exceed in the aggregate the sum of ten million pounds.

(3) If any loss is suffered by the Reserve Bank of New Zealand in respect of any such advance or guarantee, the amount of the loss shall, without further appropriation than this section, be paid to the Reserve Bank out of the Consolidated Fund.

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