

# Public Debts Act 1867

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**An Act to make provision for the conversion and consolidation of Provincial Loans into Colonial Stock and for other purposes.**

**Preamble.**

Whereas by certain Acts and Ordinances passed by the Superintendent and Provincial Councils of the several Provinces of the Colony of New Zealand the Superintendents of such Provinces have been authorized to raise loans and the principal and interest of each such loan have been charged upon the public revenues of the Province on account of which such loan has been authorized to be raised And whereas it is expedient to provide for the conversion and consolidation of such Provincial liabilities into Colonial Stock upon equitable terms And whereas by certain Acts of the General Assembly of New Zealand intituled respectively "The Southland Provincial Debt Act 1865" and "The Southland Provincial Debt Act Amendment Act 1866" it was enacted that the Colonial Treasurer should on or before the first day of January one thousand eight hundred and sixty-eight pay in cash certain debts of the Province of Southland with interest thereon ascertained and certified in the manner in the said Act provided to certain persons or corporations who might on or before the thirtieth day of June one thousand eight hundred and sixty-seven come in and take advantage of the operation of the said Acts And whereas the Colonial Treasurer was authorized by the said Acts to issue debentures sufficient to raise the sums so to be paid in liquidation of the said debts and the whole of the revenues arising from the Waste Lands of the Crown in the Province of Southland were impounded and appropriated for the liquidation of the said debts and the payment of the principal and interest of the moneys to be borrowed on the security of the said debentures And whereas certain sums amounting in the whole to forty- two thousand pounds have been from time to time advanced by the General Government to the Provincial Government of Southland and it is expedient that the said sums should be paid And whereas it is expedient that the land revenues of the Province of Southland should cease to be so impounded and that the Province of Southland should be placed on the same footing in respect of such debts as that in which other Provinces of the Colony will or may be placed by the operation of this Act in respect of any loans authorized to be raised by such Provinces and that the said recited Acts should be amended in that behalf And whereas for the purposes of telegraph extension lighthouses colonial defence the redemption of Taranaki debentures and marine survey there is required the sum of two hundred and sixty thousand pounds And whereas under the provisions of "The Surplus Revenues Adjustment Act 1867" the Provinces of Otago and Southland are indebted to the General Government in the sum of thirty-two thousand pounds and it is expedient to add the amount thereof to the loans of the said Provinces and to borrow sufficient money to pay the same And whereas the General Assembly has resolved to authorize the conversion and consolidation of the public loans of the Colony of New Zealand including the Provincial loans into one loan to be called "The New Zealand Consolidated Loan" and until such conversion and consolidation shall be effected and with a view to facilitate the same it is expedient to empower the Governor to borrow upon short dated debentures such sums as may be required for the purposes specified in the Schedule B. to this Act

**Be it therefore enacted by the General Assembly of New Zealand in Parliament assembled and by the authority of the same as follows—**

**1 Short Title.**

The Short Title of this Act shall be “The Public Debts Act 1867.”

**2 Provincial Loans charged on Consolidated Revenue.**

The principal interest and sinking fund payable upon all Provincial debentures already issued or which may hereafter be issued in accordance with the provisions of this Act under the authority of any of the Acts or Ordinances of the Superintendent and Provincial Council of any Province of the Colony specified in the Schedule A. to this Act shall from and after the passing of this Act be charged upon and paid out of the consolidated revenue of the Colony of New Zealand and the Colonial Treasurer shall from and after such day or days as shall be fixed by the Governor by proclamation in respect of the debentures of any particular Province pay all such interest and sinking fund as the same shall become due at such times and places as such interest and sinking fund may be payable.

**3 Interest to be repaid by Provinces.**

All sums of money which may under the provisions of this Act be paid by the Colonial Treasurer for interest and sinking fund on account of any of the Provinces shall be charged against the Province in respect of which such payment may have been made and shall in accordance with the provisions of “The Public Revenues Act 1867” be deducted from any moneys payable to such Province.

**4 No further issue of Guaranteed Provincial Debentures except with consent of Colonial Treasurer.**

From and after the passing of this Act it shall not be lawful for any Superintendent or other person to borrow any money whatever upon the authority of any of the Acts or Ordinances specified in Schedule A. to this Act and all debentures issued after the passing hereof upon the authority of any such Act or Ordinance save and except such as may be issued under the authority provided in clause five of this Act shall be absolutely null and void.

**5 Colonial Treasurer may authorize sale of balance of Provincial Bonds.**

If it shall appear that any part of the moneys authorized to be borrowed by any such provincial Act or Ordinance shall not have been so borrowed before the passing of this Act the Colonial Treasurer by authority in writing may upon the request of the Superintendent direct that the balance of such provincial loan or any part thereof shall be sold and that the moneys realized therefrom shall be paid over to the Provincial Treasurer of such Province for the public uses thereof.

**6 Colonial Treasurer may issue short dated Debentures.**

The Colonial Treasurer may instead of authorizing the sale of such provincial loan or part of a loan authorize the issue of short dated debentures under the provisions of this Act.

**7 Governor to appoint Agents to borrow on short dated Debentures.**

In order to facilitate the conversion and consolidation of the public loans of the Colony and pending such consolidation to avoid the issue of long dated debentures Be it enacted that for the services and purposes specified in the Schedule B. to this Act it shall be lawful for the Governor of New Zealand to appoint an agent or agents who shall have full power and authority to borrow and raise any sum or sums of money not exceeding the sum of one million one hundred and fourteen thousand pounds and to take up the same sum or sums of money in debentures from time to time by the sale hypothecation or mortgage of such debentures as such agent or agents may deem expedient.

**8 Interest on such Debentures not to exceed seven per cent. &c.**

Every debenture issued under this Act shall bear interest after a rate not exceeding seven pounds for every one hundred pounds by the year and shall be for such sum and in such form and with or without coupons attached and shall be signed on behalf of the Colony and shall be transferable and negotiable in such manner as such agent or agents shall prescribe.

**9 Where principal and interest repayable.**

The interest and principal of every such debenture shall be payable at such times and places as such agent or agents shall name Provided that the principal moneys secured by any such debenture shall not be made payable at a later period than three years after the date of issue thereof.

**10 Such Debentures charged on Consolidated Revenue.**

All moneys borrowed under the authority of this Act and the interest and sinking fund thereon shall be a charge upon and shall be payable out of the Consolidated Revenue of New Zealand.

**11 Appropriation clause.**

The moneys authorized to be borrowed by this Act are hereby appropriated and shall be applied to the purposes specified in the Schedule B. to this Act and the Colonial Treasurer is hereby authorized to apply the said moneys to the said purposes accordingly.

**12 Repeal of part of certain Acts of the General Assembly.**

All the provisions of "The Southland Provincial Debt Act 1865" except those contained in the first five clauses and in the seventh clause thereof and all the provisions of "The Southland Provincial Debt Act Amendment Act 1866"

except those contained in the first five clauses and in the seventh clause thereof are hereby repealed.

**13 Act not to affect existing securities.**

Nothing in this Act contained shall be held to prejudice alter or vary any security or securities heretofore charged upon the Revenues of New Zealand or any part of them.

## Schedule A

By what Government.	Under what Authority.	Total Amount Authorized.	Rate of Interest.
		£	
Auckland	“Auckland Loan Act 1863”	500,000	6 per cent.
Taranaki	“Taranaki Loan Ordinance 1862”	25,000	8 per cent.
Ditto	“Taranaki Loan Ordinance 1863”	50,000	7 per cent.
Wellington	“Wellington Loan Acts 1854 and 1855” Nos. 6 and 9	50,000	8 per cent.
Ditto	“Wellington Loan Act 1862” No. 11	25,000	8 per cent.
Ditto	“Wellington Loan Act 1866” No. 3	50,000	8 per cent.
Ditto	“Wellington Loan Act 1866” No. 11	30,000	10 per cent.
Hawke’s Bay	“Hawke’s Bay Loan Acts 1863–4”	60,000	6 per cent.
Nelson	“Nelson Debentures Act 1858”	29,000	8–10 per cent.
Ditto	“Nelson Lunatic Asylum Act 1862”	5,000	
Ditto	“Nelson Waterworks Loan Act 1864”	20,000	8 per cent.
Canterbury	“Canterbury Loan Ordinance 1856”	30,000	8 per cent.
Ditto	“Christchurch Railway Loan Act 1860”	300,000	6 per cent.
Ditto	“Canterbury Loan Ordinance 1862”	500,000	6 per cent.
Otago	“Otago Loan Ordinance 1856”	35,000	10 per cent.
Ditto	“Otago Loan Ordinance 1861–2”	50,000	8 per cent.
Ditto	“Otago Loan Ordinance 1862”	500,000	6 per cent.
Ditto	“Otago Harbour Loan Ordinance 1862”	50,000	8 per cent.
Ditto	“Otago Public Buildings Loan Ordinance 1862”	50,000	8 per cent.

### Schedule B

	£	s.	d.
For payments to be made under "The Southland Provincial Debt Act 1865" and "The Southland Provincial Debt Act, 1866" any sum not exceeding	380,000	0	0
For liabilities of the Provinces of Otago and Southland under "The Surplus Revenues Adjustment Act 1867" a sum not exceeding	32,000	0	0
For a liability of the Province of Southland to the General Government a sum not exceeding	42,000	0	0
For the purposes of Telegraph Extension Lighthouses Colonial Defence the Redemption of Taranaki Debentures and Marine Survey a sum not exceeding	260,000	0	0
For taking up the total unraised and unissued debentures authorized by the several Acts specified in Schedule A. to this Act a sum not exceeding	400,000	0	0
Total not exceeding	£1,114,000	0	0