

This PUBLIC BILL originated in the LEGISLATIVE ASSEMBLY, and, having this day passed, is now ready for presentation to the LEGISLATIVE COUNCIL for its concurrence.

W. R. McCOURT,
Clerk of the Legislative Assembly.

*Legislative Assembly Chamber,
Sydney, 19 March, 1931.*

New South Wales.



ANNO VICESIMO PRIMO

GEORGII V REGIS.

Act No. . . . , 1931.

An Act to reduce the rates of interest payable in New South Wales in certain cases; to amend the Claims against the Government and Crown Suits Act, 1912, and certain other Acts; and for purposes connected therewith.

BE it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of
5 the same, as follows:—

1. (1) This Act may be cited as the "Reduction of Short title.
Interest Act, 1931."

(2) This Act shall commence on a day to be Commence-
appointed by the Governor and notified by proclamation ment.
10 published in the Gazette.

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2. (1) This Act shall be read and construed subject Construction.
to the Commonwealth of Australia Constitution Act
and so as not to exceed the legislative power of the
State to the intent that where any enactment thereof
5 would but for this subsection have been construed as
being in excess of that power this Act shall nevertheless
be valid to the extent to which it is not in excess of
that power.

(2) In this Act the expression "the Crown" does
10 not include the Hunter District Water Supply and
Sewerage Board, the Water Conservation and Irrigation
Commission, the Main Roads Board of New South
Wales, the Metropolitan Meat Industry Board, Metro-
15 metropolitan Water, Sewerage and Drainage Board, the
Metropolitan Transport Trust, the Newcastle and
District Transport Trust, the Railway Commissioners
for New South Wales, the Superannuation Board of
New South Wales, the Sydney Harbour Trust Com-
mission, and the Government Insurance Office of New
20 South Wales.

3. (1) This Act shall not apply to any obligation Application
of Act.
or agreement whereby any person is bound or has
agreed to pay any interest outside New South Wales
to any person other than a resident of New South
25 Wales.

(2) This Act shall not apply to any obligation
or agreement whereby any person is bound or has
agreed to pay interest to the Crown, to any Minister of
the Crown as such, to any person on behalf of the Crown,
30 or to the Commissioners of the Government Savings
Bank of New South Wales.

(3) This Act shall not extend to interest in respect
of any period prior to the commencement of this Act.

4. Notwithstanding the provisions of any Act or Interest on
Government
securities.
35 any agreement, prospectus, or security issued under any
Act, or coupon attached thereto, there shall be payable
by the Colonial Treasurer as and from the commence-
ment of this Act, out of funds legally available for that
purpose, interest upon any security of the Government
of

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of New South Wales issued in New South Wales at the rate of three per centum per annum and at no higher rate.

Any appropriation of the Consolidated Revenue Fund for the payment of interest upon any such security of the Government of New South Wales shall be construed so as to preclude any funds being legally available or applicable for the payment of such interest at any higher rate.

10 **5.** (1) An obligation to pay interest however arising shall be deemed to be satisfied by payment of interest at the rate prescribed by this Act and appropriate to the case. Variation of obligations to pay interest.

(2) Any agreement for the payment of interest which provides for the payment of interest at a rate in excess of the rate prescribed by this Act, and appropriate to the case, shall in respect of such excess be void and unenforceable by any means whatsoever.

(3) This section shall extend to an obligation arising and to an agreement made before the commencement of this Act as well as to an obligation arising and an agreement made thereafter, but shall only extend to interest accruing after such commencement.

(4) This section shall take effect notwithstanding any agreement to the contrary.

(5) This section does not extend to any obligation or agreement whereby the Crown or the Commissioners of the Government Savings Bank of New South Wales are bound or agree to pay interest upon moneys deposited with it or them.

6. The prescribed rates of interest for the purposes of section five of this Act shall be as follows:— Prescribed rates of interest.

(a) rate upon any loan for a fixed term upon the security of any property—

- 35 (i) upon first mortgage ... five per centum per annum;
- (ii)

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	(ii) upon second or any subsequent mortgage only ...	six per centum per annum ;
5	(b) rate upon verdict or judgment debt	five per centum per annum ;
10	(c) rate upon purchase price of goods which may be included in instalment upon the hire-purchase of the goods	five per centum per annum ;
15	(d) rate upon purchase price of land upon purchase by instalments ...	five per centum per annum ;
20	(e) rate for money held upon deposit—	
	(i) rate on money at short call or any period less than three months	one and one-half per centum per annum ;
25		
	(ii) rate on fixed deposit—	
	(a) for three months and any period less than six months	two per centum per annum ;
30		
	(b) for six months and any period less than twelve months	two and one-half per centum per annum ;
35		
	(c)	

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5	(c) for twelve months and any period less than two years	two and three- quarters per centum per annum;
10	(d) for two years or any greater period... ..	three per centum per annum.
15	(f) rate in any other case not above specified	five per centum per annum.

7. Where interest is included in an instalment of purchase money of land or goods at any higher rate than five per centum per annum, either party to the agreement in default of readjustment of the amount of the periodical payments by consent may apply to the court of petty sessions nearest to the place of abode of the debtor and holden before a stipendiary or police magistrate for a readjustment of the payments.

Hire-
purchase
agreements.

The court may determine the amount of the periodical payments to be made, having regard to the rates of interest prescribed by this Act.

8. The Claims against the Government and Crown Suits Act, 1912, is amended—

Amendment
of Act No.
27, 1912,
s. 11.

(a) by omitting subsection two of section eleven and by inserting in lieu thereof the following new subsection :—

(2) No execution or attachment or process in the nature thereof shall be issued against the property or revenues of the State in any action suit or other proceeding but where any judgment is given against the State the Prothonotary or the Registrar of the Court in which the judgment is obtained, shall give to the party in whose favour a judgment is given a certificate in the form of the Second Schedule to this Act.

(b)

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(b) by inserting next after the Schedule the Sec. 11 (2).
following new Schedule:—

SECOND SCHEDULE.

FORM OF CERTIFICATE OF JUDGMENT.

5 (Title and number of Action or Suit.)

I HEREBY certify that AB of &c., did on
the day of obtain a judgment
of the Supreme Court (or District Court of the
10 District as the case may be) in his favour and that by such
judgment the sum of £ is due to him.

Dated this day of 19

Prothonotary (or Registrar).

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