

CONCURRENCE COPY

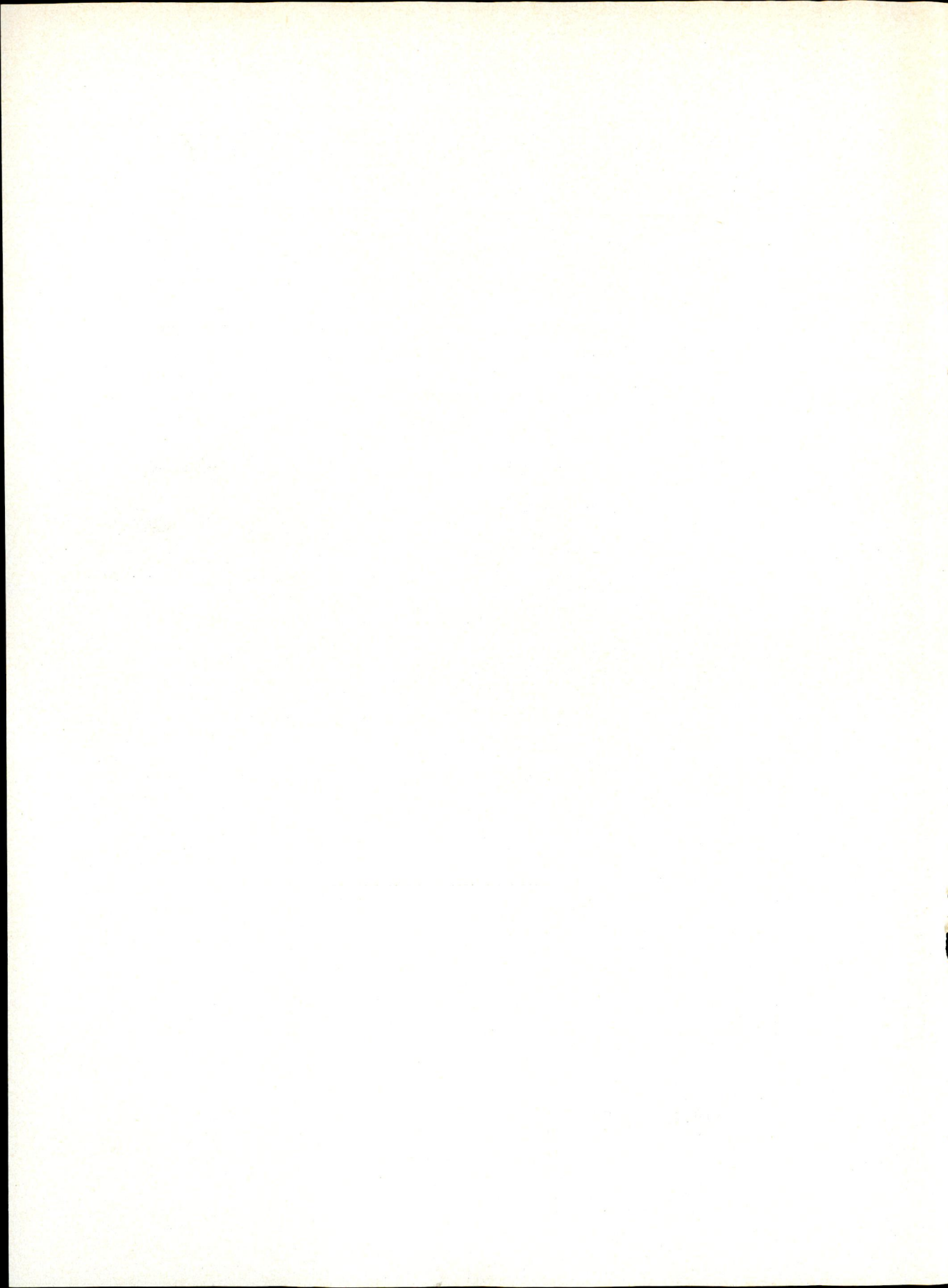
LOCAL GOVERNMENT (POWERS OF INVESTMENT) AMENDMENT BILL, 1983

EXPLANATORY NOTE

(This Explanatory Note relates to this Bill as introduced into Parliament)

The object of this Bill is to amend Part VII of the Local Government Act, 1919, so as to regulate the power of a council to invest money held by it surplus to its immediate expenditure requirements.

The Bill also contains a savings provision in relation to certain existing investments.



**LOCAL GOVERNMENT (POWERS OF INVESTMENT)
AMENDMENT BILL, 1983**

No. , 1983.

A BILL FOR

An Act to amend Part VII of the Local Government Act, 1919, in relation
to the investment powers of councils.

[MR GORDON—12 *October*, 1983.]

Local Government (Powers of Investment) Amendment.

BE it enacted by the Queen'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 the same, as follows:—

5 Short title.

1. This Act may be cited as the "Local Government (Powers of Investment) Amendment Act, 1983".

Commencement.

2. (1) Sections 1 and 2 shall commence on the date of assent to this 10 Act.

(2) Except as provided by subsection (1), this Act shall commence on such day as may be appointed by the Governor in respect thereof and as may be notified by proclamation published in the Gazette.

Interpretation.

15 **3.** In this Act, except in so far as the context or subject-matter otherwise indicates or requires—

"appointed day" means the day appointed and notified under section 2 (2);

20 "council" has the meaning ascribed to that expression in section 4 of the Principal Act;

"Principal Act" means the Local Government Act, 1919.

Amendment of Act No. 41, 1919.

4. The Principal Act is amended in the manner set forth in Schedule 1.

Local Government (Powers of Investment) Amendment.

Savings.

5 **5. (1)** This section applies to an investment of money made by a council under the Principal Act before the appointed day, being an investment of a kind which, on or after that day, a council may not make under the Principal Act, as amended by this Act.

(2) The amendments made by this Act to the Principal Act do not affect the validity of an investment of money to which this section applies.

(3) A council shall not, after 31st December, 1986, have or continue an investment of money to which this section applies.

10

SCHEDULE 1.

(Sec. 4.)

AMENDMENTS TO THE PRINCIPAL ACT.

(1) (a) Section 116 (a)—

After “expenditure;”, insert “and”.

15 (b) Section 116 (b)—

Omit “cheques; and”, insert instead “cheques.”.

 (c) Section 116 (c)—

Omit the paragraph.

(2) (a) Section 186 (8)—

20 Omit the subsection.

 (b) Section 186 (9)—

Omit “such investments”, insert instead “the investment of moneys paid into a reserve for loan repayment”.

Local Government (Powers of Investment) Amendment.

SCHEDULE 1—*continued.*

AMENDMENTS TO THE PRINCIPAL ACT—*continued.*

(c) Section 186 (10)—

Omit the subsection.

5 (d) Section 186 (11)—

10 Omit “or invested in any such loan by subscribing thereto or by purchasing at their current market value any securities issued in respect of any such loan or any securities referred to in or approved or prescribed under subsection (8) and paying any interest accrued in respect of such securities from the last preceding due date”.

(3) Part VII, Division 5—

After Division 4, insert:—

DIVISION 5.—*Powers of investment.*

15 **Council's powers of investment of money.**

201. (1) This section applies to money held by a council, being money that is not for the time being required for any of the purposes for which the money may be applied.

20 (2) A council may invest money to which this section applies (subject to the conditions, if any, upon which the council holds the money)—

(a) in any security authorised by the Trustee Act, 1925; or

(b) in any prescribed investment,

and not otherwise.

25 (3) An ordinance prescribing an investment for the purposes of subsection (2) (b) shall not be made except with the approval of the Treasurer.

Local Government (Powers of Investment) Amendment.

SCHEDULE 1—*continued.*

AMENDMENTS TO THE PRINCIPAL ACT—*continued.*

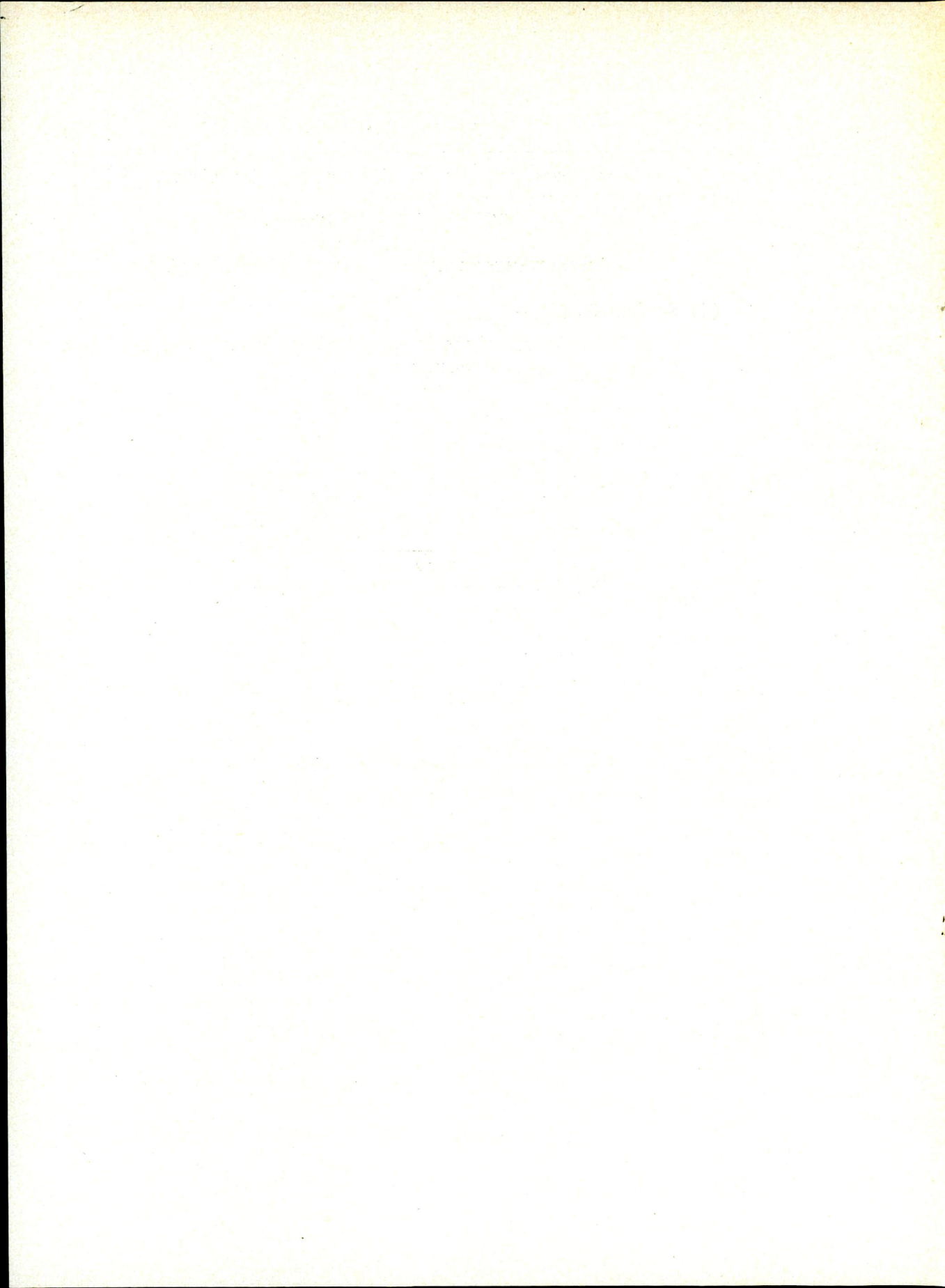
(4) Section 208 (5)—

5 Omit “or in any of the investments in which moneys paid into a
reserve for loan repayment may be invested”.

BY AUTHORITY

D. WEST, GOVERNMENT PRINTER, NEW SOUTH WALES—1983

(40c)



**LOCAL GOVERNMENT (POWERS OF INVESTMENT)
AMENDMENT ACT, 1983, No. 124**

New South Wales



ANNO TRICESIMO SECUNDO

ELIZABETHÆ II REGINÆ

Act No. 124, 1983.

An Act to amend Part VII of the Local Government Act, 1919, in relation to the investment powers of councils. [Assented to, 15th December, 1983.]

Local Government (Powers of Investment) Amendment.

BE it enacted by the Queen'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 the same, as follows:—

Short title.

1. This Act may be cited as the "Local Government (Powers of Investment) Amendment Act, 1983".

Commencement.

2. (1) Sections 1 and 2 shall commence on the date of assent to this Act.

(2) Except as provided by subsection (1), this Act shall commence on such day as may be appointed by the Governor in respect thereof and as may be notified by proclamation published in the Gazette.

Interpretation.

3. In this Act, except in so far as the context or subject-matter otherwise indicates or requires—

"appointed day" means the day appointed and notified under section 2 (2);

"council" has the meaning ascribed to that expression in section 4 of the Principal Act;

"Principal Act" means the Local Government Act, 1919.

Amendment of Act No. 41, 1919.

4. The Principal Act is amended in the manner set forth in Schedule 1.

Local Government (Powers of Investment) Amendment.

Savings.

5. (1) This section applies to an investment of money made by a council under the Principal Act before the appointed day, being an investment of a kind which, on or after that day, a council may not make under the Principal Act, as amended by this Act.

(2) The amendments made by this Act to the Principal Act do not affect the validity of an investment of money to which this section applies.

(3) A council shall not, after 31st December, 1986, have or continue an investment of money to which this section applies.

SCHEDULE 1.

(Sec. 4.)

AMENDMENTS TO THE PRINCIPAL ACT.

(1) (a) Section 116 (a)—

After "expenditure;", insert "and".

(b) Section 116 (b)—

Omit "cheques; and", insert instead "cheques."

(c) Section 116 (c)—

Omit the paragraph.

(2) (a) Section 186 (8)—

Omit the subsection.

(b) Section 186 (9)—

Omit "such investments", insert instead "the investment of moneys paid into a reserve for loan repayment".

Local Government (Powers of Investment) Amendment.

SCHEDULE 1—*continued.*AMENDMENTS TO THE PRINCIPAL ACT—*continued.*

(c) Section 186 (10)—

Omit the subsection.

(d) Section 186 (11)—

Omit “or invested in any such loan by subscribing thereto or by purchasing at their current market value any securities issued in respect of any such loan or any securities referred to in or approved or prescribed under subsection (8) and paying any interest accrued in respect of such securities from the last preceding due date”.

(3) Part VII, Division 5—

After Division 4, insert:—

DIVISION 5.—*Powers of investment.***Council's powers of investment of money.**

201. (1) This section applies to money held by a council, being money that is not for the time being required for any of the purposes for which the money may be applied.

(2) A council may invest money to which this section applies (subject to the conditions, if any, upon which the council holds the money)—

(a) in any security authorised by the Trustee Act, 1925; or

(b) in any prescribed investment,

and not otherwise.

(3) An ordinance prescribing an investment for the purposes of subsection (2) (b) shall not be made except with the approval of the Treasurer.

Local Government (Powers of Investment) Amendment.

SCHEDULE 1—*continued.*

AMENDMENTS TO THE PRINCIPAL ACT—*continued.*

(4) Section 208 (5)—

Omit “or in any of the investments in which moneys paid into a reserve for loan repayment may be invested”.

In the name and on behalf of Her Majesty I assent to this Act.

J. A. ROWLAND,
Governor.

Government House,
Sydney, 15th December, 1983.





