

Act No. 18 of 1987

**PERMANENT BUILDING SOCIETIES (AMENDMENT)
BILL 1986***

NEW SOUTH WALES



EXPLANATORY NOTE

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

The object of this Bill is to amend the Permanent Building Societies Act 1967 so as—

- (a) to provide that certain regulations under that Act shall be made only with the concurrence of the Minister for Housing; and
- (b) to provide that certain orders under that Act shall be made only with the concurrence of the Minister for Co-operative Societies.

Clause 1 specifies the short title of the proposed Act.

Clause 2 is a formal provision that gives effect to the Schedule of amendments to the Principal Act.

Schedule 1 (1) (a) and (b) amend provisions relating to the prescription of activities which the primary objects of a society should generally comprise so as to provide that such an activity may be prescribed only with the concurrence of the Minister for Housing.

Schedule 1 (1) (c) provides that the Minister administering section 4A (5) of the Principal Act shall, before fixing the maximum rate of interest which may be charged by a society in respect of primary loans, obtain the concurrence of the Minister for Co-operative Societies (in addition to consulting an advisory committee and obtaining the concurrence of the Treasurer).

* Amended in committee—see table at end of volume.

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Schedule 1 (2) (a) provides that the percentage of the value of a society's assets for the purposes of section 11A of the Principal Act which must be associated with its primary objects (50 per cent if no other percentage is prescribed) shall not be prescribed without the concurrence of the Minister for Housing.

Schedule 1 (2) (b) provides that regulations relating to the determination of a society's assets for the purposes of section 11A of the Principal Act shall not be made unless the Minister for Housing concurs.

Schedule 1 (3) provides that the percentage of the money advanced by a society during a financial year which must be secured by mortgages over owner-occupied residential land (60 per cent if no other percentage is prescribed) shall not be prescribed without the concurrence of the Minister for Housing.
