

COMMONWEALTH BANK.

No. 16 of 1932.

An Act to amend the *Commonwealth Bank Act* 1911-1931.

[Assented to 21st May, 1932.]

BE it enacted by the King's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows :—

Short title
and citation.

1.—(1.) This Act may be cited as the *Commonwealth Bank Act* 1932.

(2.) The *Commonwealth Bank Act* 1911-1931* is in this Act referred to as the Principal Act.

(3.) The Principal Act, as amended by this Act, may be cited as the *Commonwealth Bank Act* 1911-1932.

Definition.

2. Section sixty A of the Principal Act is amended by inserting, after the definition of "Constable", the following definition :—

" 'English sterling' means currency which is legal tender in the United Kingdom, and includes—

(a) balances standing to the credit of the Bank at the Bank of England or at any other of its bankers in London ;

(b) Bills of Exchange, or advances secured by Bills of Exchange, which—

(i) are payable in the United Kingdom in currency which is legal tender in the United Kingdom ;

(ii) will mature in not more than three months, and the security for the payment of which Bills is, in the opinion of the Bank, satisfactory ; and

(c) Treasury Bills or other securities of the United Kingdom which will mature in not more than three months : ”.

* Act No. 18, 1911, as amended by No. 24, 1914 ; No. 43, 1920 ; No. 15, 1924 ; No. 18, 1925 ; No. 88, 1927 ; No. 31, 1929 ; and by No. 6, 1931.

3. Section sixty H of the Principal Act is amended—

Denomination,
&c., of notes.

- (a) by inserting in paragraph (a) of sub-section (1.), after the word "Bank;", the word "and";
- (b) by omitting from paragraph (b) of sub-section (1.) the words "except in respect of payments due by the Note Issue Department; and"; and
- (c) by omitting paragraph (c) of sub-section (1.).

4. Section sixty I of the Principal Act is amended by omitting from sub-section (1.) the word "coin" and inserting in its stead the words "or in English sterling".

Disposal of
proceeds of
issue of notes.

5. Section sixty K of the Principal Act is amended—

Reserve.

- (a) by omitting from sub-section (1.) the words "coin and bullion" and inserting in their stead the words "or in English sterling or partly in gold and partly in English sterling"; and

(b) by adding at the end thereof the following sub-sections:—

"(3.) For the purposes of the last preceding sub-section, notes of a denomination not exceeding One pound that have not been presented for payment within twenty years from the date of issue, and notes of a denomination exceeding One pound that have not been presented for payment within forty years from the date of issue, shall be deemed to have been redeemed and the amount of those notes shall be placed to the credit of a reserve account to which shall be debited the amount of any such notes subsequently presented and paid.

"(4.) In the event of the sale of any of the gold held, at the commencement of this sub-section, in the reserve, the difference between the value of the gold as shown in the books of the Bank and the amount realized on the sale of the gold shall not be deemed to be profits within the meaning of section sixty J of this Act, but the amount of the difference shall be transferred to a special reserve account and shall be available, from time to time, as the Board determines, for the purpose of stabilizing exchange or for the purposes of the Note Issue Department."

6. Section sixty L of the Principal Act is amended by omitting from paragraph (b) of sub-section (1.) the words "the amount of gold coin" and inserting in their stead the words "particulars of the reserve".

Monthly
statement of
notes issued
and reserve
held.