

**STATE SAVINGS BANK TRANSFER.**

22° GEO. V., No. XXVI.

No. 26 of 1931.

**AN ACT** to approve an Agreement between the State of Western Australia and the Commonwealth Savings Bank of Australia concerning the transfer by the said State of the business and assets of the State Savings Bank to the said Commonwealth Savings Bank of Australia, and for purposes incidental thereto.

[Assented to 16th October, 1931.]

**B**E it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the *State Savings Bank Transfer Act*, 1931, and shall be read together with the State Savings Bank Act, 1906, as reprinted in the Sessional Volume of the Statutes for the year 1926. Short\_title.

2. This Act shall come into operation on a day to be fixed by proclamation, which day, however, shall not be later than one month after this Act has been assented to.\* Operation of this Act.

3. The agreement bearing date the fifteenth day of August, one thousand nine hundred and thirty-one, made between the State of Western Australia of the first part and the Commonwealth Savings Bank of Australia of the second part, a copy of which is set forth in the first schedule to this Act (hereinafter referred to as "the said agreement") is hereby approved subject to the insertion of the paragraph set forth in the second schedule to this Act in the place of paragraph (c) of clause thirteen of the said agreement. Approval of agreement.

4. (1.) All real property and all personal property, moneys, and securities for money not capable of transfer by Transfer of assets and securities.

\*1st November, 1931: See *Gazette*, 20th October, 1931.

delivery, and all obligatory instruments, evidences, and muni-ments, and all powers, rights, claims, and privileges at law or in equity acquired, had or possessed or enjoyed by or vested in the State Savings Bank or the Crown, or any person on behalf thereof, and agreed to be transferred by the State to the Commonwealth Savings Bank of Australia (hereinafter referred to as "the said Bank") shall by virtue of this Act, and without any further conveyance or assurance, pass to and become vested in the said Bank and be deemed and taken to be the property of the said Bank as if the right or title thereto had originally been vested in the said Bank, and, in so far as any entry may be necessary to be made in any register or other public record relating to any of the said property in order to give effect to this section the Registrar of Titles, the Registrar of Deeds, and every other registrar or person having the custody or control of any such register or public record, is hereby authorised to make and shall make in the registers or records in his custody or control all such entries relating to the said property as may be necessary in order that the effect of such entries shall be the same as if the said property or any dealings therewith had been duly transferred to the said Bank.

(2.) Any rights of action or remedies vested in the State Savings Bank or the Crown, or any person on behalf thereof under or by virtue or in respect of the assets agreed to be transferred by the State to the said Bank, shall vest in the said Bank, and may be enforced by and in the name of the said Bank as if such rights of action had originally accrued to and the said remedies had originally been vested in the said Bank.

Superannuation  
allowance of  
transferred officers.

5. (1.) The officers employed in the State Savings Bank who are taken over by the said Bank in accordance with the provisions in that behalf contained in the said agreement shall retain and have preserved to them all their rights and benefits under the Western Australian Superannuation Act, 1871, notwithstanding their transfer to the said Bank.

(2.) In order to give effect to and for the purposes of the provisions of paragraph (c) of clause thirteen of the said agreement (varied as aforesaid) the Government is hereby authorised, upon the arrangements mentioned and provided for in the said paragraph being made, to pay over to the said Bank such sum or sums as may represent the value of the

said rights and benefits under the said Act of all or any of the members of the staff of the State Savings Bank who are transferred to the staff of the said Bank. Every payment made under the authority hereby conferred shall be deemed to have been duly appropriated under the provisions of the said Act, and no further appropriation shall be necessary.

6. All agencies and all contracts of agency existing at the commencement of this Act between the State Savings Bank and any other bank, corporation, body, or person are hereby cancelled, and, as between the State Savings Bank and its agents and principals, all accounts shall forthwith be adjusted, settled, and finalised.

Agencies of the  
State Savings  
Bank cancelled.

7. In so far as trust moneys were at the commencement of this Act held by the State Savings Bank on fixed deposit from trustees in such manner investing such trust moneys, then notwithstanding that such fixed deposits shall have been taken over by the said Bank in pursuance of the said agreement, such fixed deposits shall for the purposes of the law relating to the investment of trust moneys by trustees be deemed still to remain in and to be vested in the State Savings Bank.

Protection of  
trustees.

8. In so far as any of the provisions of the State Savings Bank Act, 1906, of the State are inconsistent with or repugnant to this Act or the said agreement, this Act and the said agreement shall prevail.

This Act and  
agreement to  
prevail.

9. The guarantee of the Government of the due payment of principal and interest as specified in the said agreement shall not be affected by reason of any time granted by the said Bank in the ordinary course of business in respect to any mortgage or other transferred security.

Guarantee not to be  
affected by Bank  
granting time.

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#### THE FIRST SCHEDULE.

THIS agreement made the fifteenth day of August 1931 between the State of Western Australia (hereinafter called the Government) of the first part and the Commonwealth Savings Bank of Australia (hereinafter called the Bank) of the second part witnesseth as follows:—

1. That the Government hereby transfers to the Bank and the Bank hereby accepts the business and assets of the Western Australian Government Savings Bank (hereinafter referred to as the "said State Savings Bank") upon the terms and conditions hereinafter appearing.

2. That the Government hereby transfers to the Bank and the Bank hereby accepts the liabilities of the said State Savings Bank as on the thirtieth day of June one thousand nine hundred and thirty amounting to the sum of £8,551,076 15s. 4d. (eight million five hundred and fifty-one thousand and seventy-six pounds fifteen shillings and fourpence).

3. That the Government hereby transfers to the Bank and the Bank hereby accepts in satisfaction of the assets of the said State Savings Bank as on the thirtieth day of June one thousand nine hundred and thirty the assets as set out in the three next succeeding clauses of this agreement.

4. That the Government shall transfer and hand over to the Bank securities of the Government included in the assets of the said State Savings Bank at their book value of £7,342,078 15s. 7d. (seven million three hundred and forty-two thousand and seventy-eight pounds fifteen shillings and sevenpence) as follows:—

	£	s.	d.
Metropolitan Waterworks, Goldfields Water Supply			
Debentures .. .. .	309,603	19	9
Debenture under Agricultural Lands Purchase Act	257,135	6	7
Water Boards' Debentures .. .. .	30,695	19	5
Local Inscribed Stock Certificates .. .. .	4,258,251	9	0
Land Drainage Act Debentures .. .. .	7,267	18	1
Treasury Bills .. .. .	230,150	0	0
Treasury Bonds .. .. .	438,802	12	9
W.A. Government Debentures .. .. .	6,210	0	0
Commonwealth Government Inscribed Stock	1,803,961	10	0
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	£7,342,078	15	7

The Government shall also transfer and hand over to the Bank the other securities and assets of the said State Savings Bank at their book value of £1,013,669 9s. 2d. (one million and thirteen thousand six hundred and sixty-nine pounds nine shillings and twopence) as follows:—

	£	s.	d.
Mortgages on Freehold .. .. .	39,113	1	8
Municipal Debentures .. .. .	126,595	3	6
Road Board Debentures .. .. .	184,136	9	10
Fixed Deposits .. .. .	500,000	0	0
Cemetery Board Debentures .. .. .	256	0	3
Furniture and fittings .. .. .	1,110	5	11
Interest accrued and outstanding .. .. .	162,458	8	0
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	£1,013,669	9	2

The Government hereby guarantees the due payment of principal and interest in respect of all and any securities handed over to the Bank in accordance with this agreement.

5. That the Government shall transfer to the Bank the title free of all easements and encumbrances of the various premises included in the assets of the said State Savings Bank with the exception of the Barrack street property which will be retained by the Government and valued in their books at £66,096 9s. 10d. (sixty-six thousand and ninety-six pounds nine shillings and tenpence) inclusive of the said Barrack street property.

6. The net difference in amount between the liabilities and assets so transferred by the Government to the Bank £129,232 0s. 9d. plus the book value of the said Barrack street property shall be paid to the Bank in cash at Perth or such other point in the State of Western Australia as may be mutually arranged.

7. As from the first day of October one thousand nine hundred and thirty-one the Government shall have the right to borrow from time to time from the Bank seventy (70) per centum of such sum or sums as the Bank shall from time to time notify to be the increase in the amount of depositors' balances in Western Australia. Should the Government upon receiving any such notification not require the whole of such seventy (70) per centum of increased depositors' balances the Bank shall be entitled to retain such part of the seventy (70) per centum as shall not be availed of by the Government. For the purpose of this clause the Bank shall notify the Government of the true amount of such increase in the said depositors' balances on the first day of each quarter in every year namely on the first days of January April July and October. For the purpose of computing the increase of the said depositors' balances any interest credited to depositors' accounts during the relative quarter shall be regarded as deposits. In the event of the said depositors' balances decreasing in any quarter or quarters the amount of the decrease or decreases shall be set off against subsequent increases before the Government shall be entitled to any additional advance hereunder.

8. The Government shall arrange for the issue to the Bank of securities of the Commonwealth Government for the amount of the seventy (70) per centum of increased depositors' balances or such other proportion thereof as the Government may borrow. Such securities shall have such currency as may be required by the Government but not exceeding twenty-five (25) years and shall bear interest at the rate of one per centum above the highest rate of interest allowed by the Bank from time to time on depositors' balances. Provided that so long as any of these securities are held by the Bank there shall be an adjustment made between the Bank and the Government under which the net rate of interest paid by the Government and received by the Bank on the total amount of such securities held by the Bank in each half year ending 30th June and 31st December shall be one per centum per annum above the highest rate of interest allowed on depositors' balances during that half year.

9. That all new securities issued in terms of this agreement shall be in the form of instalment debentures or stock which shall secure repayment of the principal amount of the loan together with interest thereon by half-yearly instalments of principal and interest combined. The amount of each half-yearly instalment except the last to be six months' interest on the total amount of the principal sum originally so secured together with one half of one ( $\frac{1}{2}$ ) per centum per annum of the total amount of the principal sum originally so secured. The amount of the last half-yearly instalment to be the balance of principal outstanding at the beginning of the last half-year together with six (6) months' interest thereon.

That the amount of each half-yearly instalment shall be applied:

- (a) In payment of interest for 6 months on the amount of principal outstanding at the beginning of the half year and
- (b) In reduction of principal.

10. That the Bank shall keep a separate account of the amalgamated business in the State of Western Australia, and the resultant profit or loss on such business shall after each half-yearly balance has been struck be equally divided between or borne by the Bank and the Government.

11. That the Bank will allow interest on depositors' balances at such rates and on such terms and conditions as the Bank may from time to time determine.

12. The Treasurer for the time being of the State of Western Australia shall become a member of the Savings Bank Advisory Board to advise the Bank in respect of the following matters:—

- (a) Rates of interest payable to depositors.
- (b) Maximum amount on which interest shall be paid to depositors.
- (c) Nature of investments and terms and conditions of loans to be made by the Bank out of Savings Bank funds.

13. The Bank agrees to take over and employ on such terms and conditions as the Bank may decide all officers who are at the date of amalgamation exclusively employed in the business of the said State Savings Bank subject to each officer signing and conforming to the usual form of officer's agreement used by the Bank. Provided always that such officers shall preserve their existing and accruing rights as set out hereunder:—

- (A) long service leave or pay in lieu thereof (including pay to dependants on death of an officer)
- (B) in the case of female officers payment on marriage
- (C) members of the said staff who are employed by the Bank shall while so employed retain all their rights and privileges under the Western Australian Superannuation Act and be subject to all their obligations under such Act which have accrued and would have accrued if their services with the State Savings Bank had continued unless or until other arrangements are made by the Bank under the Commonwealth Bank Officers' Superannuation Fund. The Bank will in respect of such members contribute to the State Superannuation Fund on the same basis as the State Savings Bank at present contributes pending such other arrangements being made. The Act ratifying this agreement shall authorise the State Superannuation Fund upon a mutual agreement being arrived at between the Bank and the said Fund to pay over to the Bank such sum or sums representing the value of the rights of all or any members of the staff who are transferred to the staff of the Bank.

14. The figures as on the thirtieth day of June one thousand nine hundred and thirty have been taken as the basis for this agreement but as such figures have necessarily varied since that date the necessary adjustments shall in due course be made.

15. This agreement to be for a period of twenty-five (25) years from this date the Government to have the option of continuing the arrangement for a further period not exceeding an additional twenty (20) years.

16. It is hereby understood and agreed that any variations of conditions of amalgamation which may subsequently be allowed to other States who amalgamate their Savings Bank business with the Bank shall be advised to the Government so that they may should they so desire take advantage of such variations and the Bank hereby undertakes to grant such variations to the Government.

17. It is hereby declared and agreed that this agreement shall be subject to ratification by the Parliament of the State of Western Australia and the approval of the Commonwealth Treasurer.

Signed by the Honourable Sir James Mitchell, K.C.M.G., Premier and Colonial Treasurer of the State of Western Australia in the presence of—  
S. Bennett.

JAMES MITCHELL,  
Premier and Colonial Treasurer of Western Australia.

Signed by Ernest Cooper Riddle, Governor of the Commonwealth Bank of Australia, with the authority of the Board of the Commonwealth Bank of Australia in the presence of—  
B. Latham.

E. C. RIDDLE.

I, James Henry Scullin, Prime Minister, acting for and on behalf of the Treasurer of the Commonwealth of Australia, approve of the within agreement, dated this fifteenth day of August, one thousand nine hundred and thirty-one.

(Signed) J. H. SCULLIN.

Witness to signature—

(Sgd.) H. J. Sheehan.

#### THE SECOND SCHEDULE.

Members of the said staff who are employed by the Bank shall while so employed retain all their rights and privileges under the Western Australian Superannuation Act and be subject to all their obligations under such Act which have accrued and would have accrued if their services with the State Savings Bank had continued, unless or until other arrangements acceptable to such members and to the Government are made by the Bank under the Commonwealth Bank Officers' Superannuation Fund.

Unless and until such other arrangements are made the cost of granting to any such member his rights and privileges, under the Western Australian Superannuation Act, shall be apportioned between the Government and the Bank in the same ratio as the total salary drawn by such member during his service under the Government bears to the total salary drawn by him during his service with the Bank.

The Act ratifying this agreement shall authorise the Government upon such arrangements as aforesaid being made to pay over to the Bank such sum or sums as may represent the value of the rights of all or any of the members of the staff who are transferred to the staff of the Bank.