

**RURAL AND INDUSTRIES
BANK (No. 2).**

5° Elizabeth II., No. XXXI.

No. 31 of 1956.

**AN ACT to amend the Rural and Industries Bank
Act, 1944-1954.**

[Assented to 7th December, 1956.]

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 Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

1. (1) This Act may be cited as the *Rural and Industries Bank Act Amendment Act (No. 2)*, 1956.

Short title
and citation.

(2) In this Act the Rural and Industries Bank Act, 1944-1954,

Act No. 51 of 1944 as affected by Acts Nos. 38 of 1945 and 53 of 1947 and as amended by Acts Nos. 36 of 1947, 14 of 1949, 40 of 1950, 4 of 1951, 23 of 1953 and 73 of 1954,

is referred to as the principal Act.

(3) The principal Act as amended by this Act may be cited as the Rural and Industries Bank Act, 1944-1956.

Long title
am.

2. The long title of the principal Act is amended by adding before the word "and" in line six the following passage "to establish and carry on the business of a savings bank,".

s. 4 am.

3. Section four of the principal Act is amended by adding after the passage—

Division 2, ss. 51-65—Loans.

in line twenty-one, the following passage—

*Division 2A, ss. 65A-65Y—Savings Bank Division
of Rural Department.*

s. 6 am.

4. Section six of the principal Act is amended by substituting for the interpretation of "Long term loan" the following interpretation:—

"Long term loan" means a loan secured by mortgage and granted for a period of years and in relation to which interest and instalments of principal are payable on such terms and in such manner as are set out in the form of security accepted from the borrower by the Commissioners.

s. 19 am.

5. Section nineteen of the principal Act is amended—

(a) by adding before the word "investment" in line five of paragraph (b) the passage "business of a savings bank, the";

(b) by adding after the word "Governor" in line three of paragraph (h) the passage " , to waive interest on any loan or class of loan".

6. Subsection (2) of section forty of the principal Act is amended— S. 40 (2) am.

- (a) by deleting the word “either” in line five; and
- (b) by adding after the word “deposit” being the last word of the subsection the words “or in a savings bank account”.

7. The principal Act is amended by substituting for the word “DEVELOPMENT” appearing in the heading of Part VI., the word “DEPARTMENT”. Principal Act am.

8. Section forty-six of the principal Act is amended—

- (a) by substituting for the passage commencing with the word “Subject” in line one and ending with the word “things” in line four the following passage:—

In addition to any other powers conferred on them by this Act, the Commissioners have power to carry on, within the Rural Department, the business of banking generally in all forms recognised by law, and without limiting the generality of that power, to—;

- (b) by adding the following paragraphs— (Cl. No. 4 of 1951, s. 3).
 - (j) establish, and to carry on, the business of a savings bank;
 - (k) do all things incidental to the powers conferred on them by this section.

9. Subsection (1) of section forty-eight of the principal Act is amended by adding after the word “stock” in line three the passage “, savings bank account.” S. 48 (1) am.

S. 58 (c) am.

10. Paragraph (c) of section fifty-eight of the principal Act is amended by adding after the word "charge" in line eight the passage "or unless it is agreed between the party in whose favour the prior encumbrance, mortgage or charge has been given and the Commissioners that the prior encumbrance, mortgage or charge shall be deemed to rank in order of priority after the encumbrance, mortgage or charge to be given in favour of the Bank".

Division 2A added.

11. The principal Act is amended by adding after section sixty-five a Division and sections as follow—

*Division 2A.—Savings Bank Division of
Rural Department.*

Inter-pretation.

65A. In this Division of this Act, unless the context otherwise requires—

"depositor" means a person, body or association of persons in whose name or on whose behalf money is held in a savings bank account;

"savings bank account" means a depositor's account in the Savings Bank Division.

Savings bank business to be carried on by Savings Bank Division.

65B. The savings bank business of the Bank shall be carried on by a separate division of the Rural Department which shall be known as the Savings Bank Division.

Moneys not to be held in more than one account by any person.
(Cf. Vic. No. 3777, s. 34).

65C. (1) Unless otherwise expressly provided in this Division, it is not competent for any person either in his own name or in the name of any other person on his behalf or on his account, to deposit or hold at the same time moneys in more than one account in the Savings Bank Division.

Commissioners may consolidate accounts.
(Cf. S.A. 13, 1942, s. 18.)

(2) Where moneys are so held or deposited contrary to the provisions of subsection (1) of this section, the Commissioners may at any time consolidate the accounts and treat them as one account and make all adjustments on account of interest or otherwise as they consider proper.

(3) This section does not apply to any account relating to money deposited in the Savings Bank Division for a fixed term.

65D. (1) The Commissioners may receive from any person, by way of deposit any sum of money, and shall cause the sum so received to be placed to the credit of such savings bank account or depositor as the person appoints.

Receipt of deposits.

(2) The Commissioners may in their discretion refuse to accept from any person by way of deposit a sum of less than one shilling.

65E. (1) The Commissioners may—

Deposits and withdrawals by or on behalf of infants. (Cf. C'th. Act, s. 157.)

(a) open and keep a savings bank account in the name or for the use or benefit of an infant;

(b) notwithstanding the provisions of paragraph (c) of subsection (2) of this section, pay to an infant who has attained the age of twelve years, or who appears to the officer of the Bank making the payment to have attained that age, the amount or any portion of the amount standing to the credit of the infant in a savings bank account, in the same manner and upon the same conditions as applies or apply to depositors who are not infants, and the payment to the infant is a complete discharge to the Commissioners for that payment, notwithstanding the infant's incapacity;

(c) notwithstanding the provisions of paragraph (c) of subsection (2) of this section, pay any amount or any portion of an amount in a savings bank account standing to the credit of an infant who is under the age of twelve years to a parent or guardian of the infant, or to any other person if

(Cf. C'th. Act, s. 157; S.A. Act, s. 42a.)

the Commissioners are of the opinion that the payment is necessary or advisable, and the payment to the parent, guardian or other person is a complete discharge to the Commissioners for that payment.

Deposits and
withdrawals
by trustee.
(Cf. C'th.
Act, s. 159.)

(2) (a) The Commissioners may open and keep a savings bank account in the name or names of a person or persons, in this section referred to as "the trustee", or "the trustees" who is or are willing to act as trustee or trustees for any other person, whether that other person is under a disability or not, and the Commissioners may pay to the trustee or the trustees the amount or any portion of the amount standing to the credit of the account and the payment to the trustee or trustees is a complete discharge to the Commissioners for that payment.

(b) The Commissioners may, if they think fit, require the production of evidence to their satisfaction of the consent of the beneficiary before any payment is made to the trustee or trustees.

(c) A person other than the trustee or trustees has no claim against the Commissioners in respect of any money received by the Commissioners pursuant to the provisions of this subsection, but nothing in this subsection relieves the trustee or trustees from any legal liability to account for or apply any money paid to him under these provisions.

(3) Where money is held in a savings bank account by a person or persons in trust for any other person, the Commissioners may—

(a) allow the name of another person, as a trustee, to be substituted for the name of an existing or a deceased trustee;

- (b) on the death of a trustee, pay the money standing to the credit of the account to the surviving trustee or trustees and the payment of the money to that trustee or those trustees is a complete discharge to the Commissioners; and
- (c) in the event of the death of a sole trustee or the last surviving trustee, pay the money standing to the credit of the account to the beneficiary and the payment of the money to the beneficiary is a complete discharge to the Commissioners.

65F. (1) The Commissioners may open and keep a savings bank account in the names of two or more than two persons jointly. Joint accounts.

(2) (a) An account so opened and kept may, with the approval of the Commissioners, be operated upon by such person or persons and in such manner as may be authorised by the persons in whose names the account is kept.

(b) On the death of any one of the persons in whose names an account is kept under the provisions of this section the Commissioners may pay the money or a portion of the money standing to the credit of the account to the survivor or survivors, and the payment to the survivor or the survivors is a complete discharge to the Commissioners for that payment.

(c) A person may at the same time deposit or hold moneys both in a savings bank account kept separately in his own name and in one kept in his name jointly with another or others, notwithstanding the provisions of section sixty-five C of this Act.

65G. (1) The Commissioners may open and keep a savings bank account in the name of the estate of a deceased person.

Accounts in name of deceased estates.
(Cf. S.A. Act s. 42 (d) (1) (iii)).

(2) (a) An account so opened and kept may, with the approval of the Commissioners, be operated upon by the executor or administrator for the time being, as the case may be, or where there are more than one executor or administrator, by all or by one or more of them.

(b) A person may at the same time deposit or hold moneys both in a savings bank account kept separately in his own name and in one on which he as executor or administrator is entitled to operate under the provisions of this subsection notwithstanding the provisions of section sixty-five C of this Act.

Special
purpose
and trust
estate
accounts.
(Cf. S.A. Act,
s 42 (e) (1)).

65H. (1) The Commissioners may open and keep a savings bank account—

(a) in the name of any person who desires to deposit money therein for a special purpose approved by the Commissioners;

(b) in respect of any trust estate, or any insolvent, bankrupt, sequestered or assigned estate, or any company in liquidation, and assign to it such name or style as the Commissioners decide.

(2) (a) An account so opened and kept may be operated on by the person, trustee, assignee or liquidator at whose instance it was opened; but where a new trustee, assignee or liquidator is appointed in respect of that estate or company, he may, on proof, to the satisfaction of the Commissioners, of the validity of his appointment, operate on the account.

(b) A person may at the same time deposit or hold moneys both in a savings bank account kept separately in his own name and in one on which he is entitled to operate under the provisions of this subsection, notwithstanding the provisions of section sixty-five C of this Act.

65J. (1) The Commissioners may open and keep a savings bank account in the name and on behalf of—

Accounts of local authorities and friendly and other societies, etc.
(Cf. Clth. s. 163, S.A. Act, s. 43).

- (a) the council of any municipality or the board of any road district;
- (b) any lawfully operating friendly or co-operative society, trade or other union or any other society, body or club which society, union, body or club, whether as a corporate or other body, is not engaged in, or formed for the purpose of, trading or acquiring pecuniary profit.

(2) An account so opened and kept may be operated on by the treasurer for the time being of, or such officer or officers as is or are authorised for the time being by, the council, board, society, union, body or club, as the case may be.

65K. The Commissioners may pay to the person or the persons for the time being entitled or authorised to operate on a savings bank account kept in accordance with the provisions of sections sixty-five F, sixty-five G, sixty-five H and sixty-five J the amount or any portion of the amount standing to the credit of the account and the payment to the person or persons so entitled or authorised is a complete discharge to the Commissioners for that payment.

Payment to person entitled to operate savings bank account a good discharge to Commissioners.

65L. It is not competent for any incorporated or unincorporated company or body engaged in or formed for the purpose of trading or acquiring pecuniary profit to deposit or hold in its own name or in the name of any person or other body on its behalf or account any moneys in an account in the Savings Bank Division.

Trading companies not competent to hold moneys in savings bank account.
(Cf. Clth. s. 164, S.A. Act, s. 46).

Deposits
to be made
at duly
appointed
office.
(Cf. Cith.
s. 153;
S.A. Act,
s. 49).

65M. A depositor has no claim against the Commissioners in respect of any deposit unless the deposit was made at a duly appointed or authorised savings bank branch, agency or sub-agency and during the hours during which the branch, agency or sub-agency was open for the receipt of deposits.

Interest.
(Cf. C'th.
ss. 154-155;
S.A. Act
s. 52).

65N. (1) (a) In respect of any amount standing to the credit of a depositor in a savings bank account, the Commissioners may allow interest at such rate as the Commissioners from time to time determine.

(b) No interest is payable by the Commissioners on any sum, being less than one pound, standing to the credit of a depositor in a savings bank account except where the sum stands to the credit of a depositor of a class approved by the Commissioners.

(c) The Commissioners may determine different rates of interest according to the amount standing to the credit of a depositor.

(d) The Commissioners may determine that interest is not payable in respect of so much of the amount as exceeds an amount fixed by them.

(2) (a) Interest to which any depositor becomes entitled under the provisions of this Division shall be calculated once in each year up to the thirty-first day of August and shall be credited to the account of the depositor not later than the fifteenth day of September in that year.

(b) The interest, upon being so credited, becomes principal and subject to any limitation on the amount on which interest is payable, bears interest on and from the first day of September in that year.

(c) The Commissioners are not bound to take into account any fractional part of any month in the calculation of interest under this section nor are they bound to credit to any account any interest less than one penny.

(d) The Commissioners may, if they consider necessary, at any time cause interest accrued on any savings bank account to be calculated and credited to that account.

65P. (1) The Commissioners may, in their discretion, and without disclosing their reasons for so doing.

Commissioners may close or refuse to open accounts, etc.

(a) refuse to admit any person, body or association of persons as a depositor;

(b) direct—

(i) that no further moneys shall be accepted for deposit in a savings bank account; or

(ii) that a savings bank account shall be closed.

(2) (a) Where the Commissioners direct that a savings bank account shall be closed, notice in writing of that direction shall be sent to the depositor concerned.

(b) Upon the issue of the notice in writing, interest shall cease to be payable to the benefit of the depositor with respect to that account, but the depositor is, subject to the provisions of paragraph (c) of this subsection, entitled to withdraw the amount standing to his credit as at the date of issue of the notice together with interest, if any, payable thereon to that date.

(c) Where the Commissioners direct that a savings bank account shall be closed under this section, they may in their discretion refuse to allow interest to be credited on any amount deposited in that account and if interest has already been credited on any such amount, may write back the interest so credited.

65Q. (1) Where a savings bank account is opened at a branch of the Bank, a pass book shall forthwith be issued to the depositor or the person at whose instance the account is opened.

Pass books.
(Cf. C^{th.}
s. 152).

(2) Where an account is opened at a savings bank agency or sub-agency a pass book shall be issued to the depositor as soon as is practicable.

(3) A pass book so issued is the property of the Bank and shall, when required by the Commissioners, be produced at such time or times and at such place or places as the Commissioners specify.

Withdrawals.
(Cf. C'th.
s. 156).

65R. (1) Before any money standing to the credit of an account is withdrawn, the Commissioners may require a withdrawal form, duly completed by the depositor or such other person as is authorised or entitled to operate on the account, to be presented to the Bank and may also require the production of the pass book.

(2) The money may be paid to the person presenting the withdrawal form and if that person is not the depositor or other person authorised or entitled to operate on the account, the payment of the money to the person presenting the withdrawal form shall, for all purposes, have the same effect as the payment of the money to the depositor or other person authorised or entitled to operate on the account.

(3) Where a period of notice prior to the withdrawal of any amount standing to the credit of a savings bank account is prescribed, a depositor is not entitled to withdraw that amount until the prescribed notice has been given and has expired.

Withdrawal
by cheque
(Cf C'th.
s. 163;
S.A. Act,
s. 51 (5)).

(4) The Commissioners may in their discretion and subject to the regulations made under this Act, allow the savings bank account of a depositor approved by them to be drawn upon by cheque signed by the depositor or such person as is entitled or authorised to operate on the account, and the payment of any cheque so drawn is a complete discharge to the Commissioners for that payment.

65S. (1) Where a person dies leaving any money not exceeding two hundred pounds standing to his credit in a savings bank account and probate of his will or letters of administration of his estate are not produced to the Commissioners and notice in writing of the existence of a will and of intention to prove it or of intention to take out letters of administration is not given to the Commissioners within one month after the death of the person, the Commissioners may, notwithstanding the provisions of section forty-eight of this Act, in their discretion apply the money—

- (a) in payment of the funeral expenses of the deceased person, or in reimbursing any person who has paid those expenses; and
- (b) in payment of the balance, if any, to the widower or widow or some relation of the deceased person or to such other person as the Commissioners in the circumstances think fit.

(2) A person has no claim against the Commissioners in respect of anything done in pursuance of this section, but nothing in this section relieves the person receiving the money from any liability to account for or apply the money in accordance with law.

65T. Where a person, being illegitimate, dies intestate leaving any money standing to his credit in a savings bank account, the Commissioners may pay the money to the widower or widow of the person or to such natural relation of the person as, in the opinion of the Commissioners, has the best claim thereto, and the receipt of the money by the person to whom the payment is made is a complete discharge to the Commissioners.

Payment
by Commis-
sioners of
deposit not
exceeding
£200 on
death of
depositor.
(*Cr. Cth.*
s. 100).

Payment
on death
intestate of
illegitimate
depositor.

Insanity or
incapacity
of depositor.
(Cf. Cth.
s. 162.).

65U. Where it is proved to the satisfaction of the Commissioners that a person having any money standing to his credit in a savings bank account has become insane or otherwise incapacitated, the Commissioners may, in such cases of urgent necessity as they consider fit, pay the money or any portion thereof to such person as they think proper, and the payment of the money to that person is a complete discharge to the Commissioners.

Depositors'
Unclaimed
Fund.
(Cf. Cth.
s. 165;
S.A. Act,
s. 60).

65V. (1) The Commissioners may cause a savings bank account, other than an account in the name or on behalf of an infant, which has not been operated on by the deposit or withdrawal of any money for a period of not less than seven years and the pass book relating to which has not been produced to the Bank, to be closed, and the money standing to the credit of the account so closed shall be carried in the name of the depositor to a fund to be called the "Depositors' Unclaimed Fund".

(2) The money so carried to that fund shall, on the application of the person who, in the opinion of the Commissioners, is entitled to receive it, be paid to that person without interest thereon for the period during which it remained in the fund and the receipt by that person of the payment is a complete discharge to the Commissioners.

(3) The moneys in the Depositors' Unclaimed Fund may from time to time be lent out and invested by the Commissioners in the same manner as the other funds of the Savings Bank Division and any interest earned from the moneys so lent or invested shall be added to and form part of the general profits of the Savings Bank Division.

65W. (1) The Commissioners may in their discretion invest the moneys in deposit in the Savings Bank Division—

Investment
of moneys
in Savings
Bank
Division.
(Cf. S.A.
Act, s. 32).

- (a) in the purchase of any securities of or guaranteed by the Government of this State or of or guaranteed by the Government of any other State in the Commonwealth of Australia;
- (b) in the purchase of any securities of or guaranteed by the Government of the Commonwealth of Australia;
- (c) in the purchase of any bonds, debentures, or other securities issued by any Municipal Council or Road Board or by any authority constituted by or under an Act passed by the Parliament of this or of any other State or of the Commonwealth;
- (d) in making any deposit with any other Bank;
- (e) in any investments which are from time to time authorised by any Act of the State for the investment of trust funds;
- (f) in any other prescribed manner.

(2) The Commissioners may in their discretion lend moneys in deposit with the Savings Bank Division to a person or body for the purchase or erection of a dwelling or for any other prescribed purpose against the security of land or such other security as may be prescribed.

65X. (1) The Commissioners may from from time to time as they consider necessary—

Agencies,
etc.
of Savings
Bank
Division.
(Cf. S.A.
Act, s. 37).

- (a) establish agencies and sub-agencies in any part of the State and abolish any agency or sub-agency so established;

- (b) authorise or appoint any person, firm, company, institution or corporation or, with the consent of the Minister under whom he is serving, any Government officer to act as agent, sub-agent or assistant agent of the Savings Bank Division for the receipt and repayment of deposits or for the receipt of deposits only;
- (c) revoke any authorisation or appointment made under paragraph (b) of this sub-section; and
- (d) pay to an agent, sub-agent or assistant agent such remuneration, allowance or commission as they may determine.

(2) The Commissioners may make and issue such general or other orders and directions as they think fit for carrying into effect the objects of this section.

Other provisions of this Act not affected by this Division.

65Y. The provisions of this Division do not derogate from or otherwise affect the other provisions of this Act.

S 90 am.

12. Section ninety of the principal Act is amended—

- (a) by adding before the word “suspend” in line thirteen the words “waive the payment of interest due on any loan or any class of loan and”;
- (b) by adding after the word “which” in line one of paragraph (ii) of the proviso the words “any interest is waived or”.

13. The principal Act is amended by adding after section ninety a new section as follows—

S. 90A
added.

90A. (1) (a) Where the Commissioners are of the opinion that an applicant for a loan would, if the loan is granted, be unable for any period to pay interest on the loan, they may, having regard to the nature of the security proposed, but subject to the approval of the Minister and the consent of the Governor, approve of a loan being made to the applicant free of interest for that period.

Power to
approve
free of
interest
loans.

(b) Where a loan to be made in respect of an agency in the Government Agency Department or to a settler in connection with the purchase of a farm in a close settlement scheme is so approved, the approval shall be subject also to the consent of the Treasurer.

(2) Where a loan free of interest for any period is made by the Commissioners to any person, no portion of that period shall be taken into account for the purpose of any statute of limitation.

14. Section one hundred and six of the principal Act is amended by adding after paragraph (8) a paragraph as follows—

S 106 nm.

(8a) All matters arising from or incidental to and consistent with the provisions of Division 2A of Part VI. of this Act, or which are necessary to fully and effectually give effect to the object and purposes of, and the powers contained in, that Division.