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# STAATSKOERANT

VAN DIE REPUBLIEK VAN SUID-AFRIKA

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REPUBLIC OF SOUTH AFRICA

# GOVERNMENT GAZETTE

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DEPARTEMENT VAN DIE EERSTE MINISTER.

DEPARTMENT OF THE PRIME MINISTER.

No. 1186. 5 Julie 1972.

No. 1186. 5th July, 1972.

Hierby word bekend gemaak dat die Staatspresident sy goedkeuring geheg het aan die onderstaande Wet wat hierby ter algemene inligting gepubliseer word:—

It is hereby notified that the State President has assented to the following Act which is hereby published for general information:—

No. 100 van 1972: Poskantoor-Herreëlingswysigingswet, 1972.

No. 100 of 1972: Post Office Re-adjustment Amendment Act, 1972.

## POST OFFICE RE-ADJUSTMENT AMENDMENT ACT, 1972. Act No. 100, 1972

**ACT**

To amend the Post Office Re-adjustment Act, 1968, in order to provide for the raising of loans by the Postmaster-General, the methods by which such loans may be raised and the defrayal of costs in connection with such loans, and to apply certain provisions of the Exchequer and Audit Act, 1956, and of the General Loans Act, 1961, in respect of such loans; to amend sections 52 and 52B of the Exchequer and Audit Act, 1956, in order to provide for the investment of working balances of the Department of Posts and Telegraphs with the National Finance Corporation of South Africa or financial institutions outside the Republic, and for the conversion of a part of the outstanding loan liability of that Department into permanent capital; and to provide for incidental matters.

*(Afrikaans text signed by the State President.)  
(Assented to 16th June, 1972.)*

**BE IT ENACTED** by the State President, the Senate and the House of Assembly of the Republic of South Africa, as follows:—

1. The following sections are hereby inserted in the Post Office Re-adjustment Act, 1968, after section 6:

“Borrowing of moneys to finance capital expenditure.

6A. (1) Notwithstanding anything to the contrary in any law contained, but subject to the provisions of section 18 of the General Loans Act, 1961 (Act No. 16 of 1961), as applied by section 6D, the Postmaster-General may, in accordance with the provisions of section 6B, with the approval of the Minister given in consultation with the Minister of Finance, by way of loans raise money to finance expected capital expenditure of the department, not exceeding in respect of any financial year an amount which represents the difference between an amount appropriated by Parliament for capital expenditure of the department during that financial year and an amount, appropriated by Parliament in respect of the said financial year, to be made available by the Treasury in terms of section 52A of the Exchequer and Audit Act, 1956 (Act No. 23 of 1956), for capital expenditure of the department: Provided that during the period in which a Post Office Part Appropriation Act is in operation, the Postmaster-General may so borrow such sums of money, not exceeding seventy-five per cent of the amount which could have been so borrowed during the preceding financial year, as he may deem fit.

Insertion of sections 6A, 6B, 6C and 6D in Act 67 of 1968.

(2) No expenditure shall be incurred out of moneys borrowed under subsection (1) unless such expenditure is authorized by a Post Office Appropriation Act.

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(3) The State President may in any particular case at his discretion direct that the provisions of this Act and of the sections of the General Loans Act, 1961, as applied by section 6D, or any such provision, except the provisions of this section and section 19 of the said General Loans Act, 1961, shall not apply in respect of any loan raised or being raised outside the Republic in accordance with the terms and conditions approved by him.

(4) The Minister of Finance may, with regard to loans raised or securities issued in terms of the provisions of this Act, guarantee the repayment of any loan or the capital sum of any promissory note, debenture or other security and the payment of interest on and the payment of expenditure incurred in connection with any such loan or any such promissory note, debenture or other security, or guarantee the reimbursement of any loss which may be sustained by the South African Reserve Bank in respect of any such guarantee furnished by that Bank with regard to any such loan or any such promissory note, debenture or other security.

Method of  
raising  
loans.

6B. (1) The Postmaster-General may from time to time as he may deem fit, wholly or partly by means of stock, bonds or debentures issued in the Republic or elsewhere, or partly by means of such stock and partly by means of such bonds or debentures, raise any sum of money which he is by this Act authorized to raise, or provide any security which is to be lodged in terms of any agreement entered into under subsection (3), and may for the purposes of any such agreement, issue any other security which is to be lodged thereunder.

(2) Any stock, bonds or debentures thus issued, shall be redeemable within a fixed period not exceeding thirty years.

(3) The Postmaster-General may, subject to the provisions of subsections (4) and (5), enter into an agreement with any government or any bank or financial institution in a foreign country (including any international bank or institution) providing for a loan referred to in section 6A, against the issue of any security which is to be lodged under or for the purposes of such agreement, of any amount in such foreign currency as he may deem fit to acquire, whether or not the Postmaster-General is authorized to raise any such loan or any part thereof, and whether or not the period during which the Postmaster-General is in terms of any such agreement entitled to draw the whole or any part thereof (other than a repaid amount referred to in subsection (6)), falls within more than one financial year.

(4) The Postmaster-General shall not under subsection (3) enter into any agreement by which he is bound to draw any amount.

(5) If the Postmaster-General enters into any agreement in terms of subsection (3), there shall not under such agreement be drawn in respect of any financial year a sum in excess of such portion of the amount which the Postmaster-General is in terms of this Act authorized to raise in respect of that financial year, as the Minister, in consultation with the Minister of Finance, may approve: Provided

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that in determining for the purposes of this subsection any sum which has been drawn, any repaid amounts referred to in subsection (6) which have again been drawn, shall not be taken into account: Provided further that in determining during any financial year the unexercised borrowing powers for the purposes of section 32 of the Exchequer and Audit Act, 1956 (Act No. 23 of 1956), the Controller and Auditor-General shall, in relation to any loan under any such agreement, take into account only the sum which has for the purposes of that agreement been so approved in respect of that financial year.

(6) An agreement under subsection (3) may provide that any moneys borrowed in terms thereof may at any time during the currency of the agreement be repaid either in whole or in part, whether or not the currency of the agreement extends over a period falling within more than one financial year, and that any amount so repaid shall again be available in terms of the agreement: Provided that the amount owing under the agreement shall at no time exceed the sum or the aggregate of the sums approved in terms of subsection (5).

(7) Any such agreement may be signed by any person authorized thereto in writing by the Postmaster-General.

(8) The provisions of section 6C shall apply with reference to all expenses in connection with the making of an agreement under subsection (3), and all interest and management charges payable under such an agreement shall be paid from the fund out of moneys appropriated for that purpose: Provided that where the South African Reserve Bank has in terms of this Act been appointed as agent for the purposes of any loan agreement referred to in subsection (3), the interest and any charges in the nature of a minimum interest payment payable under the relative agreement, shall be paid by that Bank.

(9) In the case of a loan under subsection (1) and in the case of an agreement for a loan under subsection (3), the Postmaster-General may, in anticipation of the raising of the loan or any portion thereof or the drawing of any sum against the loan, as the case may be, borrow, by way of advances from a bank or any other source which is convenient, such sums as may be required.

Costs of raising loans.

6C. The expenses necessarily incurred in connection with the raising of money by means of loans in terms of section 6A and the issue of securities therefor, including discount (if any), commission (if any) and all other expenses incidental to the raising of such money and the issue of such securities, shall be paid out of the amounts raised, and the authorized amount of the loans shall be increased accordingly.

Application of section 32 of Act 23 of 1956, and of sections 7 to 12 inclusive and sections

6D. (1) Notwithstanding the provisions of section 2 (2) of the Exchequer and Audit Act, 1956, the provisions of section 32 of that Act shall apply with regard to the raising of money under this Act: Provided that the reference therein to section 31 of that Act shall be construed as a reference to section 52C of that Act.

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15, 16, 18, 19 and 20 of Act 16 of 1961. (2) The provisions of sections 7 to 12 inclusive and of sections 15, 16, 18, 19 and 20 of the General Loans Act, 1961, shall, in so far as such provisions are not inconsistent with the provisions of this Act, *mutatis mutandis* apply with reference to the raising of money and the issue of securities in terms of this Act.

(3) In the application of the sections referred to in subsection (2), any reference therein and, unless inconsistent with the context, in any law referred to therein, to—

- (a) the Governor General, shall be construed as a reference to the Minister acting in consultation with the Minister of Finance, save in the case of sections 16 and 18, where such a reference shall be construed as a reference to the Postmaster-General;
- (b) the Minister of Finance or the Treasury, shall be construed as a reference to the Postmaster-General.”.

2. The following section is hereby substituted for section 52 of the Exchequer and Audit Act, 1956: Amendment of section 52 of Act 23 of 1956, as substituted by section 7 of Act 25 of 1970.

“Investment of working balances. 52. An Administration may invest with the National Finance Corporation of South Africa, established under section 2 of the National Finance Corporation Act, 1949 (Act No. 33 of 1949), or with such other financial institutions outside the Republic as may be expressly approved by the Minister of Transport, in the case of the Railway Administration, or the Minister of Posts and Telegraphs, in the case of the Postal Administration, on short call deposit any available portion of the working balances retained at its disposal in terms of section 5 of the Public Debt Commissioners Act, 1969 (Act No. 2 of 1969).”.

3. (1) Section 52B of the Exchequer and Audit Act, 1956, is hereby amended by the addition of the following subsections: Amendment of section 52B of Act 23 of 1956, as inserted by section 25 of Act 67 of 1968.

“(3) An amount of one hundred and ninety-nine million rand of that portion of the aggregate of loans (including the liability referred to in subsection (2)) made available to the Postal Administration by the Treasury with effect from the first day of April, 1968, and which on the first day of April, 1972, had not been repaid to the Treasury, shall be deemed to be permanent capital made available to that Administration with effect from the last-mentioned date, and the said amount shall not be repayable to the Treasury.

(4) The Administration shall pay to the Treasury a dividend of six per cent per annum on the permanent capital referred to in subsection (3), and, save as may be otherwise agreed between the Treasury and the Administration, payment of the said dividend shall be effected in equal half-yearly instalments.”.

(2) The provisions of subsection (1) shall be deemed to have come into operation on the first day of April, 1972.

4. This Act shall be called the Post Office Re-adjustment Short title. Amendment Act, 1972.