

**Nru. 172**

29. 5. 81

**MALTA****KAMRA TAD-DEPUTATI****HOUSE OF REPRESENTATIVES**

ABBOZZ ta' Ligi mressaq mill-Onorevoli Joseph Cassar, M.P., Ministru tal-Finanzi, Dwana u Investimenti Finanzjarji tal-Poplu u moqri għall-Ewwel darba fis-Seduta tat-22 ta' Diċembru, 1980.

A BILL introduced by the Honourable Joseph Cassar, M.P., Minister of Finance, Customs and People's Financial Investments and read the First time at the Sitting of the 22nd December, 1980.

ATT biex ikompli jemenda l-Att ta' l-1967 dwar il-Bank Centrali ta' Malta.

AN ACT further to amend the Central Bank of Malta Act, 1967.

**C. MIFSUD***Skrivan tal-Kamra tad-Deputati***C. MIFSUD***Clerk to the House of Representatives*

## ABBOZZ TA' LIGI

### msejjah

*ATT biex ikompli jemenda l-Att ta' l-1967 dwar il-Bank Ċentrali ta' Malta.*

IL-PRESIDENT, bil-parir u l-kunsens tal-Kamra tad-Deputati, imlaqqgħa f'dan il-Parlament, u bl-awtorità ta' l-istess, hareġ b'ligi dan li ġej:—

Titolu fil-qosor  
u bidu fis-sehh.

1. (1) Dan l-Att jista' jissejjah l-Att ta' l-1981 li jemenda l-Att dwar il-Bank Ċentrali ta' Malta, u għandu jinqara u jiftiehem haġa waħda ma' l-Att ta' l-1967 dwar il-Bank Ċentrali ta' Malta, hawnhekk iżjed 'il quddiem imsejjah "l-Att prinċipali".

(2) Dan l-Att għandu jitqies li beda jsehh fl-1 ta' Jannar, 1981.

Emenda ta'  
l-artikolu 2  
ta' l-Att  
prinċipali.

2. L-artikolu 2 ta' l-Att prinċipali għandu jiġi emendat kif ġej:

(a) fit-tifsira ta' "konvertibbli" l-kliem "b'margini ta' rati tal-kambju konsistenti ma' l-'Articles of Agreement of the International Monetary Fund'" għandhom jifhassru; u

(b) minnufih wara t-tifsira ta' "Ministru" għandha tidhol it-tifsira ġdida li ġejja:

" "Fond għall-Posterità" tfisser il-fond imwaqqaf taht l-artikolu 28A ta' dan l-Att;".

Emenda ta'  
l-artikolu 15  
ta' l-Att  
prinċipali.

3. L-artikolu 15 ta' l-Att prinċipali għandu jiġi emendat kif ġej:

(a) minflok il-paragrafu (ċ) tiegħu għandu jidhol dan li ġej:

"(ċ) jixtri jew ibiegħ muniti tad-deheb jew tal-fidda jew deheb, fidda jew metalli oħra prezzjużi f'forma ta' ingotti:

Izda l-bank ma jistax ibiegħ ingotti tad-deheb sakemm il-valur korrenti tas-suq tal-ingotti tad-deheb li jkollu (kalkolat bil-prezz bil-medja tal-London Fixing Price matul ix-xahar kalendarju li jaħbat minnufih qabel ix-xahar li fih ikun pro-

post li jsir il-bejgħ) ikun inqas mill-valur tal-biljetti ta' flus u tal-muniti maħruġa, barra minn muniti maħruġa għal għanijiet numismatiċi;"

(b) minflok il-partita (i) tal-paragrafu (j) tiegħu għandu jidhol dan li ġej:

"(i) muniti tad-deheb jew tal-fidda jew deheb, fidda jew metalli oħra prezzjużi f'forma ta' ingotti;"

(c) fil-paragrafu (l) tiegħu, minflok il-kliem "fi żmien tnax-il xahar" kull fejn jinsabu għandhom jidhlu f'kull każ il-kliem "fi żmien sentejn";

(d) minnufih wara l-paragrafu (m) tiegħu għandu jżied il-paragrafu ġdid li ġej:

"(mm) jixtri u jbiegħ *commodities* li jinbiegħu u jinxtraw fis-swieq internazzjonali jew ishma ta' *commodities* ikkwotati;"  
u

(e) fil-paragrafu (o) tiegħu, minflok il-kliem "ta' deheb u fidda;" għandhom jidhlu l-kliem "ta' deheb, fidda u metalli prezzjużi oħra, ta' *commodities* li jinbiegħu u jinxtraw fis-swieq internazzjonali u ishma ta' *commodities* ikkwotati;"

4. L-artikolu 16 tal-Att prinċipali għandu jiġi emendat kif ġej:

(a) fil-paragrafu (b) tiegħu, minnufih wara l-kliem "fil-paragrafu (h)" għandhom jidhlu l-kliem "u fil-paragrafu (mm)"; u

(b) fil-paragrafu (i) tiegħu, il-kliem "is-subartikolu (2) ta'" għandhom jithassru.

Emenda ta' l-artikolu 16 ta' l-Att prinċipali.

5. Minflok l-artikolu 19 ta' l-Att prinċipali għandu jidhol dan li ġej:

"Rizervi esterni.

19. (1) Il-Bank għandu f'kull żmien iżomm rizerva ta' attiv estern li jikkonsisti f'deheb, fidda jew metalli prezzjużi oħra, fi flejjes esteri konvertibbli, f'*commodities* li jinbiegħu u jinxtraw fis-swieq internazzjonali jew f'ishma ta' *commodities* ikkwotati.

(2) Il-valur tar-rizerva ta' l-attiv estern għandu jkun ta' mhux inqas minn sittin fil-mija tal-valur tal-biljetti tal-flus u tal-munita tal-Bank maħruġa, barra minn muniti maħruġa għal għanijiet numismatiċi, u tad-depożiti passivi tal-Bank:

Iżda l-imsemmi perċentaġġ minimu jista' jiġi varjat mill-Ministru fuq rakkomandazzjoni tal-Bord, u dik il-varjazzjoni għandha tiġi avzata kif imiss fil-Gazzetta.

(3) L-attiv miżmum skond is-subartikolu (1) ta' dan l-artikolu għandu jikkonsisti minn wiehed jew iżjed mill-attiv li ġej approvat mill-Bord:

- (a) ingotti tad-deheb;
- (b) fidda jew ingotti tal-metall prezzjuż ieħor;
- (c) munita tad-deheb jew tal-fidda;
- (d) flus kontanti;
- (e) bilanċi f'bank;
- (f) *money at call*;
- (g) kambjalijiet;
- (h) *bills* tat-Teżor;

Sostituzzjoni ta' l-artikolu 19 ta' l-Att prinċipali.

- (i) ċertifikati ta' depożiti negozjabbli;
  - (j) depożiti b'terminu ma' banek u istituzzjonijiet finanzjarji ta' l-ewwel klassi li jiskadu fi żmien sentejn;
  - (k) titoli negozjabbli ta' l-ewwel klassi li jiskadu fi żmien hmistax-il sena;
  - (l) *commodities* li jinbiegħu u jinxtraw fis-suq internazzjonali jew ishma ta' *commodities* ikkwotati;
  - (m) kull faċilità ta' għid internazzjonali disponibbli malajr, li l-Bank, wara konsultazzjoni ma' l-International Monetary Fund u bl-approvazzjoni tal-Ministru, jikkunsidra xierqa għall-inkluzjoni f'dik ir-riżerva.
- (4) It-titoli miżmuma taht id-disposizzjonijiet tal-paragrafu (k) tas-subartikolu (3) ta' dan l-artikolu li jiskadu f'aktar minn hames snin ma għandhomx jeċċedu l-hamsa u għoxrin fil-mija ta' l-attiv totali msemmi f'dak is-subartikolu.
- (5) Il-valur totali ta' l-attiv miżmum taht id-disposizzjonijiet tal-paragrafu (l) tas-subartikolu (3) ta' dan l-artikolu ma għandu f'ebda każ ikun iżjed minn hmistax fil-mija tal-valur totali tar-riżervi esterni tal-Bank."

Zieda ta' artikolu gdid 19A ma' l-Att prinċipali.

**6. Minnufih wara l-artikolu 19 ta' l-Att prinċipali għandu jidded l-artikolu gdid li ġej:**

"Kumitat ta' Investiment.

19A. (1) Għandu jkun hemm Kumitat li jkun magħruf bħala l-Kumitat ta' Investiment (hawnhekk iżjed "il quddiem imsejjah "il-Kumitat") li għandu jkollu l-funzjoni li jifformula l-*policy* li għandu jimxi fuqha l-Bank fit-tmexxija ta' l-attiv estern miżmum taht l-artikolu 19 ta' dan l-Att u li jamministra u jikkontrolla l-Fond għall-Posterità stabbilit skond l-artikolu 28A ta' dan l-Att.

(2) Il-Kumitat ikun mahtur mill-Ministru.

(3) Il-Kumitat ikun magħmul minn *Chairman* u għaxar membri oħra u jkun kompost kif ġej:

(a) tliet membri, li l-iktar wiehed anzjan minnhom ikun *Chairman*, magħzula mill-Ministru minn fost diretturi jew uffiċjali tal-Bank;

(b) membru magħżul mill-Ministru minn fost uffiċjali pubbliċi fil-Ministeru responsabbli għal finanzi;

(ċ) żewġ membri magħzula mill-Ministru minn fost diretturi jew uffiċjali ta' banek, jew korpijiet imwaqqfin b'liġi jew ta' kumpanniji li fihom il-Gvern jew korporazzjoni mwaqqfa b'liġi jkollha l-ikbar interess;

(d) membru magħżul mill-Ministru minn fost membri tat-*trade union* li jkollha l-akbar numru ta' membri f'Malta;

(e) erba' membri, li jkunu Membri tal-Parlament, tnejn minnhom ikunu magħzula mill-Prim Ministru u t-tnejn l-oħra mill-Kap ta' l-Oppożizzjoni.

(4) Il-Kumitat jista' jaġixxi minkejja li jkollu xi vakanza fost il-membri tiegħu, iżda, ikun x'ikun in-numru tal-membri, il-Kumitat ma għandux jaġixxi jekk ma jkunx hemm għall-inqas sitt membri preżenti.

(5) Il-Ministru jkollu s-setgħa li jagħmel regola-  
menti li jippreskrivu l-proċedura li għandu jimxi fuqha  
il-Kumitat. Bla hsara għal dak li ntqal qabel il-Kumitat jista'  
jirregola l-proċedura tiegħu stess.

7. Minnufih wara s-subartikolu (3) ta' l-artikolu 22 ta' l-Att prin-  
cipali għandu jidded is-subartikolu ġdid li ġej:

Emenda ta'  
l-artikolu 22  
ta' l-Att  
prinċipali.

"(4) Il-kontijiet tal-bank u l-imsemmi rapport, flimkien mal-  
kontijiet tal-Fond għall-Posterità li għandhom jitqiegħdu magħ-  
hom quddiem il-Kamra skond is-subartikolu (6) ta' l-artikolu 28A ta'  
dan l-Att, għandhom jiġu diskussi mill-Kamra fuq mozzjoni ippre-  
zentata mill-Ministru għal hekk kemm jista' jkun malajr li jkun  
ħares id-disposizzjonijiet ta' qabel ta' dan l-artikolu. Għandha tit-  
tiehed mhux inqas minn seduta waħda għad-diskussjoni ta' dik il-  
mozzjoni.

8. Minflok l-artikolu 23 ta' l-Att prinċipali għandu jidhol dan li  
ġej:

Sostituzzjoni ta'  
l-artikolu 23  
ta' l-Att  
prinċipali.

"Kif jiġu  
stabbiliti  
u allokati  
profitti.

23. (1) Bla hsara għad-disposizzjonijiet li ġejjin ta'  
dan l-artikolu, il-profitti netti tal-Bank ta' kull sena finanzjarja  
għandhom jiġu stabbiliti mill-Bank wara li tithallas in-nefqa  
kollha korrenti għal dik is-sena u wara li jsir dak il-provvedi-  
ment kif jidhirlu xieraq għal krediti inesigibbli u dubbjużi,  
għal deprezzament fl-attiv, għal kontribuzzjonijiet għall-fondi  
tal-persunal u tal-pensjoni u għar-riżervi u kontingenzi l-oħra  
kollha.

(2) Il-profitti u t-telf dovuti għal xi rivalutazzjoni  
ta' l-attiv jew passiv nett tal-Bank f'deheb, fidda jew metall  
prezzjuż ieħor, *commodities*, kambju esteru jew titoli jew  
ishma esteri, li ssir minhabba xi aġġustament fil-valur esteru  
tal-lira Maltija skond l-artikolu 38 ta' dan l-Att għandhom  
ikunu esklużi meta jinħadmu l-profitti u t-telf annwali tal-  
Bank u għandhom ikunu akkreditati jew addebitati, skond il-  
każ, f'kont speċjali li jissejjaħ il-Kont ta' Rivalutazzjoni; u  
l-bilanċ f'dak il-kont għandu jsir dwaru skond kif imsemmi  
fis-subartikolu (3) ta' dan l-artikolu.

(3) B'seħħ mis-sena 1985, u f'intervalli ta' ħames  
snin wara, il-Ministru għandu kemm jista' jkun malajr wara  
li tghaddi dik is-sena jew dak l-intervall jagħmel proposti dwar  
x'għandu jsir mill-bilanċ ta' debitu jew kreditu fil-Kont fl-  
aħħar tas-sena ta' qabel u għandu jiehu hsieb li dawk il-  
proposti jitqiegħdu quddiem il-Kamra tad-Deputati mhux  
iktar tard mill-ewwel seduta tal-Kamra wara t-30 ta' April tas-  
sena li fiha jsiru l-proposti, flimkien ma' mozzjoni li l-Kamra  
tapprova l-imsemmija proposti. Għandha tittiehed mhux inqas  
minn seduta waħda għad-diskussjoni ta' dik il-mozzjoni.

(4) Wara li jsiru dawk l-allokazzjonijiet kif  
imsemmi fis-subartikoli (2) u (3) ta' l-artikolu 18 ta' dan l-Att,  
dak li jifdal mill-profitti netti stabbiliti kif intqal qabel għand-  
hom jithallsu —

(a) dak il-perċentaġġ tiegħu, li ma jkunx inqas  
minn ħamsin fil-mija, kif il-Ministru jista' jiddeċiedi, lill-  
Fond għall-Posterità, u

(b) il-bilanċ ta' dawk il-profitti, lill-Gvern."

Żieda ta' artikolu ġdid 28A ta' l-Att prinċipali.

9. Minnufih wara l-artikolu 28 ta' l-Att prinċipali għandu jżied l-artikolu ġdid li ġej:

"Fond għall-Posterità. 28A. (1) Għandu jitwaqqaf fond, f'dan l-Att imsemmi "il-Fond għall-Posterità", li fih jiġu allokat:

(a) bis-saħħa ta' dan l-Att u mingħajr aktar awtorità, kull somma li għandha tithallas fil-Fond taht l-artikolu 23 ta' dan l-Att; u

(b) dawk l-ammonti l-oħra mill-Fond Konsolidat li minn żmien għal żmien ikunu awtorizzati b'Att ta' Approprjazzjoni.

(2) Il-Fond għall-Posterità jista' wkoll bl-approvazzjoni tal-Ministru jinfetaħ għal parteċipazzjoni minn banek, minn korporazzjonijiet imwaqqfa b'liġi, minn kumpanniji li fihom il-Gvern jew korporazzjoni mwaqqfa b'liġi jkollha l-ikbar interess u minn dik il-klassi jew dawk il-klassijiet l-oħra ta' persuni li l-Ministru jista' minn żmien għal żmien b'ordni jispeċifika.

(3) Il-Fond għall-Posterità għandu jkun immexxi u kkontrollat mill-Kumitat ta' Investment stabbilit skond l-artikolu 19A ta' dan l-Att u jkun amministrat għall-Kumitat mill-Bank.

(4) L-attiv tal-Fond għall-Posterità jista' jiġi investit f'Malta jew barra minn Malta kif il-Kumitat jista', bl-approvazzjoni tal-Ministru, minn żmien għal żmien jiddeċiedi.

(5) Il-Bank għandu jzomm kontijiet separati għall-Fond. Dawn il-kontijiet għandhom jiġu verifikati minn udituri mahtura kull sena skond is-subartikolu (1) ta' l-artikolu 21 ta' dan l-Att. Il-Ministru jista' f'kull żmien jitlob lid-Direttur ta' Verifika jew lil dik il-persuna l-oħra li jista' jahtar għal hekk, sabiex teżamina u tissottometti rapport fuq, il-kontijiet tal-Fond.

(6) Kopja tal-kontijiet annwali ċertifikati mill-udituri għandha tintbagħat lill-Ministru li għandu jiehu hsieb li titqiegħed quddiem il-Kamra tad-Deputati u tiġi pubblikata fil-Gazzetta flimkien mal-Kontijiet tal-Bank kif provdut fl-artikolu 22 ta' dan l-Att.

(7) Il-profitti netti tal-Fond għal kull sena finanzjarja għandhom jiġu stabbiliti mill-Kumitat u wara li jsir dak il-provvediment li jidhirlu xieraq għal deprezzament ta' l-attiv u għar-riżervi u fil-kontingenzi l-oħra kollha.

(8) Il-profitti stabbiliti skond id-disposizzjonijiet tas-subartikolu (7) ta' dan l-artikolu għandhom jithallsu lil dawk li jipparteċipaw fil-Fond bi proporzjon skond l-ammont tas-sehem tagħhom, is-sehem tal-Gvern ikun daqs il-ħlasijiet kollha li jsiru fil-Fond skond is-subartikolu (1) ta' dan l-artikolu.

(9) Il-profitti riċevuti mill-Gvern skond is-subartikolu (8) ta' dan l-artikolu għandhom jintużaw kif ġej:

(i) terz biex jithallsu l-ispejjeż meħtieġa għad-difiza, għat-tħaris u għall-iżvilupp ta' l-ambjent, u għal proġetti infrastrutturali;

(ii) terz bħala parti mill-kontribuzzjoni li għandha tithallas mill-Fond Konsolidat taht l-Att ta' l-1956

dwar is-Sigurtà Nazzjonali, dwar is-sena li tiġi minnufih wara s-sena li fiha jithallsu l-profitti;

(iii) parti minn sitta f'investimenti vijabbli f'pajjiżi anqas żviluppati;

(iv) parti minn sitta bħala riżerva speċjali għal għajjnuna lil min jintlaqat minn diżastri naturali jew għu f'Malta jew barra minn Malta.”

10. Minflok l-artikolu 38 ta' l-Att prinċipali għandu jidhol dan li ġej:

Sostituzzjoni ta' l-art.kolu 38 ta' l-Att prinċipali.

“Valur esteru tal-lira Maltija.

38. Il-valur esteru tal-lira Maltija għandu jkun stabbilit u wara jista' jiġi aġġustat jew sospiż mill-Ministru fuq ir-rakkomandazzjoni tal-Bank u bil-kunsens tal-Prim Ministru, wara li jitqiesu l-obbligi ta' Malta skond id-disposizzjonijiet ta' l-Articles of Agreement tal-International Monetary Fund. Avviż ta' meta tiġi stabbilita, aġġustata jew sospiża jkun pubblikat fil-Gazzetta malajr kemm jista' jkun.”

11. L-artikolu 39 ta' l-Att prinċipali għandu jiġi emendat kif ġej:

Emenda ta' l-artikolu 39 ta' l-Att prinċipali.

(a) fis-subartikolu (1) tiegħu, minflok il-kliem “flus oħra” għandhom jidhlu l-kliem “attiv ieħor”; u

(b) fis-subartikolu (2) tiegħu —

(i) minflok il-kliem “mill-parità” għandhom jidhlu l-kliem “mill-valur esteru” u minflok il-kliem “mal-parità ta' ” għandha tidhol il-kelma “skond”; u

(ii) il-proviso tiegħu għandu jithassar.

### Għanijiet u Ragunijiet

L-Għanijiet ta' dan l-Abbozz huma dawk murija fil-*White Paper* ippubblikata llum. B'mod partikolari l-Abbozz jipprovdi għal dan li ġej:

(1) Sabiex jipprojbixxi l-bejgħ ta' deheb kemm-il darba il-valur tiegħu fis-suq ma jkunx iżjed mill-valur tal-flus fiċ-ċirkolazzjoni bil-ghan li bil-mod il-mod il-valur tad-deheb ikun daqs il-valur tal-flus Maltin;

(2) Sabiex barra minn deheb il-Bank ikun jista' jinkludi ma' l-attiv barrani tiegħu metalli oħra prezzjużi u, b'limitazzjonijiet preskritti, *commodities* li jinbiegħu u jinxtraw fis-swieq internazzjonali u ishma ta' *commodities* ikkwotati;

(3) Sabiex jitwaqqaf fond, imsejjaħ Fond għall-Posterità, li fih jiġu trasferiti kull sena mill-inqas nofs il-profitti tal-Bank u li jista' jinfetaħ biex fih jipparteċipaw banek, korporazzjonijiet u korpjiet u persuni oħra;

(4) Sabiex jitwaqqaf Kumitat ta' Investiment li jkun responsabbli għat-tnekkija u l-kontroll tal-Fond għall-Posterità u sabiex jifformula l-*policy* li għandha tithares mill-Bank fl-amministrazzjoni ta' l-attiv barrani tiegħu;

(5) Sabiex profitti li l-Gvern jagħmel mill-flus investiti fil-Fond għall-Posterità jiġu trasferiti f'kontijiet maħsuba għal kontribuzzjonijiet taħt l-Att ta' l-1956 dwar is-Sigurtà Nazzjonali, għal investimenti f'pajjiżi inqas żviluppati, għal għajjnuna lil min jintlaqat minn diżastri naturali u għal spejjeż li għandhom x'jaqsmu mad-difiża, mat-tarifi ta' l-ambjent, u ma' proġetti infrastrutturali.

**A BILL**

**entitled**

*AN ACT further to amend the Central Bank of Malta Act, 1967.*

BE IT ENACTED by the President, by and with the advice and consent of the House of Representatives, in this present Parliament assembled, and by the authority of the same, as follows:—

- |   |  |
|---|--|
| Short title and commencement.                 | <p><b>1.</b> (1) This Act may be cited as the Central Bank of Malta (Amendment) Act, 1981, and shall be read and construed as one with the Central Bank of Malta Act, 1967, hereinafter referred to as "the principal Act".</p> <p>(2) This Act shall be deemed to have come into force on the 1st day of January, 1981.</p>   |
| Amendment of section 2 of the principal Act.  | <p><b>2.</b> Section 2 of the principal Act shall be amended as follows:</p> <p>(a) in the definition of "convertible" the words "at exchange rate margins consistent with the Articles of Agreement of the International Monetary Fund" shall be deleted; and</p> <p>(b) immediately after the definition of "Minister" there shall be inserted the following new definition:</p> <p style="padding-left: 40px;">" "Posterity Fund" means the fund established under section 28A of this Act;".</p> |
| Amendment of section 15 of the principal Act. | <p><b>3.</b> Section 15 of the principal Act shall be amended as follows:</p> <p>(a) for paragraph (c) thereof there shall be substituted the following:</p> <p style="padding-left: 40px;">"(c) purchase or sell gold or silver coin or gold, silver or other precious metals in bullion form:</p>  |

Provided that the Bank shall not sell gold bullion so long as the current market value of its holding of gold bullion (reckoned at the average London Fixing price during the calendar month immediately preceding the month of the

proposed sale) is less than the value of the Bank's notes and coins issued, excluding coins issued for numismatic purposes;";

(b) for item (i) of paragraph (j) thereof there shall be substituted the following:

"(i) gold or silver coin or gold, silver or other precious metals in bullion form;";

(c) in paragraph (1) thereof, for the words "within twelve months" wherever they occur there shall be substituted in each case the words "within two years";

(d) immediately after paragraph (m) thereof there shall be added the following new paragraph:

"(mm) purchase and sell internationally traded commodities and quoted commodity shares;"; and

(e) in paragraph (o) thereof, for the words "gold and silver;" there shall be substituted the words "gold, silver and other precious metals, internationally traded commodities and quoted commodity shares;".

4. Section 16 of the principal Act shall be amended as follows:

(a) in paragraph (b) thereof, immediately after the words "paragraph (h)" there shall be inserted the words "and paragraph (mm)"; and

(b) in paragraph (i) thereof, the words "subsection (2) of" shall be deleted.

Amendment of  
section 16  
of the  
principal Act.

5. For section 19 of the principal Act there shall be substituted the following:

"External  
reserves.

19. (1) The Bank shall at all times maintain a reserve of external assets consisting of gold, silver or other precious metals, convertible foreign exchange, internationally traded commodities or quoted commodity shares.

(2) The value of the reserve of external assets shall not be less than sixty per centum of the value of the Bank's notes and coins issued, excluding coins issued for numismatic purposes, and of the deposit liabilities of the Bank:

Provided that the said minimum percentage may be varied by the Minister on the recommendation of the Board, and such variation shall be duly notified in the Gazette.

(3) The assets held in accordance with subsection (1) of this section shall consist of one or more of the following assets approved by the Board:

- (a) gold bullion;
- (b) silver or other precious metal bullion;
- (c) gold or silver coin;
- (d) cash;
- (e) bank balances;
- (f) money at call;
- (g) bills of exchange;
- (h) Treasury bills;
- (i) negotiable certificates of deposits;

Substitution of  
section 19  
of the  
principal Act.

(j) time deposits with first class banks and financial institutions maturing within two years;

(k) marketable securities of first class standing maturing within fifteen years;

(l) internationally traded commodities or quoted commodity shares;

(m) any readily available international drawing facility, which the Bank, after consultation with the International Monetary Fund and with the approval of the Minister, considers suitable for inclusion in such reserve.

(4) The securities held under the provisions of paragraph (k) of subsection (3) of this section which mature beyond five years shall not exceed twenty-five per centum of the total assets referred to in that subsection.

(5) The total value of the assets held under the provisions of paragraph (l) of subsection (3) of this section shall at no time exceed fifteen per centum of the total value of the external reserve of the Bank.”.

Addition of  
new section 19A  
to the  
principal Act.

6. Immediately after section 19 of the principal Act there shall be added the following new section:

“Investment  
Committee.

19A. (1) There shall be a Committee to be known as the Investment Committee, (hereinafter referred to as “the Committee”) which shall have the function of formulating the policy to be followed by the Bank in the management of the external assets held under section 19 of this Act and of managing and controlling the Posterity Fund established in terms of section 28A of this Act.

(2) The Committee shall be appointed by the Minister.

(3) The Committee shall consist of a Chairman and ten other members and shall be composed as follows:

(a) three members, of whom the most senior shall be the Chairman, selected by the Minister from among directors or officials of the Bank;

(b) one member selected by the Minister from among public officers in the ministry responsible for finance;

(c) two members selected by the Minister from among directors or officials of banks, or corporations established by law or of companies in which the Government or a corporation established by law has a majority interest;

(d) one member selected by the Minister from among members of the trade union having the largest membership in Malta;

(e) four members, being Members of Parliament, two of whom shall be chosen by the Prime Minister and the other two by the Leader of the Opposition.

(4) The Committee may act notwithstanding any vacancy in its membership, but, whatever the membership, it shall not act unless six members are present.

(5) The Minister shall have power to make regulations prescribing the procedure to be followed by the Committee. Subject as aforesaid the Committee may regulate its own procedure.”.

7. Immediately after subsection (3) of section 22 of the principal Act there shall be added the following new subsection:

Amendment  
of section 22  
of the  
principal  
Act.

“(4) The accounts of the Bank and the report aforesaid together with the accounts of the Posterity Fund laid with them before the House under subsection (6) of section 28A of this Act, shall be debated by the House on a motion presented by the Minister for that purpose as soon as practicable after he has complied with the foregoing provisions of this section. Not less than one sitting shall be allotted for the debate on such a motion.”.

8. For section 23 of the principal Act there shall be substituted the following:

Substitution of  
section 23  
of the  
principal Act.

“Deter-  
mination  
and  
allocation  
of profits.

23. (1) Subject to the following provisions of this section, the net profits of the Bank for each financial year shall be determined by the Bank after meeting all current expenditure for that year and after making such provision as it thinks fit for bad and doubtful debts, depreciation in assets, contributions to staff and pension funds and all other reserves and contingencies.

(2) The profits and losses which are attributable to any revaluation of the Bank's net assets or liabilities in gold, silver or other precious metal, commodities, foreign exchange or foreign securities or shares, made as a result of any adjustment of the external value of the Malta pound in terms of section 38 of this Act shall be excluded from the computation of the annual profits and losses of the Bank and shall be credited or debited, as the case may be, to a special account to be called the Revaluation Account; and the balance in such account shall be dealt with in accordance with subsection (3) of this section.

(3) With effect from the year 1985, and at intervals of five years thereafter, the Minister shall as early as practicable after the end of such year or interval, make proposals as to how any debit or credit balance in the Account at the end of the previous year shall be dealt with and shall cause such proposals to be laid before the House of Representatives not later than the first sitting of the House after the 30th day of April of the year in which the proposals are made, together with a motion that the House approves the said proposals. Not less than one sitting shall be allotted for the debate on such a motion.

(4) After such allocations as are referred to in subsections (2) and (3) of section 18 of this Act have been made, the remainder of the net profits established as aforesaid shall be paid —

(a) as to such percentage thereof, being not less than fifty per centum, as the Minister may direct, to the Posterity Fund; and

(b) as to the balance of such profits, to the Government.”.

Addition of  
new section 28A  
to the  
principal Act.

9. Immediately after section 28 of the principal Act there shall be added the following new section:

"Posterity  
Fund.

28A. (1) There shall be established a fund, in this Act referred to as the "Posterity Fund", to which shall be allocated:

(a) by virtue of this Act and without further authority, any sum payable to the Fund under section 23 of this Act; and

(b) such other amounts out of the Consolidated Fund as may from time to time be authorised by an Appropriation Act.

(2) The Posterity Fund may also with the approval of the Minister be made open to participation by banks, by corporations established by law, by companies in which the Government or a corporation established by law has a majority interest and by such other class or classes of persons as the Minister may from time to time by order specify.

(3) The Posterity Fund shall be managed and controlled by the Investment Committee established in terms of section 19A of this Act and shall be administered for the Committee by the Bank.

(4) The assets of the Posterity Fund may be invested in Malta or overseas as the Committee may, with the approval of the Minister, from time to time, determine.

(5) The Bank shall keep separate accounts for the Fund. These accounts shall be audited by auditors appointed annually in terms of subsection (1) of section 21 of this Act. The Minister may at any time request the Director of Audit or such other person as he may appoint for the purpose, to make an examination of, and submit a report on, the accounts of the Fund.

(6) A copy of the annual accounts certified by the auditors shall be transmitted to the Minister who shall cause them to be laid before the House of Representatives and published in the Gazette together with the Accounts of the Bank as provided in section 22 of this Act.

(7) The net profits of the Fund for each financial year shall be determined by the Committee and after making such provision as it thinks fit for depreciation in assets and all other reserves and contingencies.

(8) The profits determined in accordance with the provisions of subsection (7) of this section shall be paid to the participants in the Fund in proportion to the amount of their participation, the participation of the Government being equal to all payments made to the Fund under subsection (1) of this section.

(9) The profits received by the Government in terms of subsection (8) of this section shall be utilised as follows:

(i) as to one-third to meet expenses required for the purpose of defence, environmental conservation and development, and infrastructural projects;

(ii) as to one-third as part of the contribution payable out of the Consolidated Fund under the National Insurance Act, 1956, in respect of the year immediately following the year in which the profits are paid;

(iii) as to one-sixth in viable investments in less developed countries;

(iv) as to one-sixth as a special reserve for the relief of hardship caused by natural disasters or famine in Malta or abroad."

10. For section 38 of the principal Act there shall be substituted the following:

Substitution of section 38 of the principal Act.

"External value of the Malta pound.

38. The external value of the Malta pound shall be determined and may be subsequently adjusted or suspended by the Minister on the recommendation of the Bank and with the consent of the Prime Minister, having due regard to the obligations that Malta has assumed in accordance with the provisions of the Articles of Agreement of the International Monetary Fund. Notice of such determination, adjustment or suspension shall be published in the Gazette at the earliest opportunity."

11. Section 39 of the principal Act shall be amended as follows:

Amendment of section 39 of the principal Act.

(a) in subsection (1) thereof, for the words "other currencies" there shall be substituted the words "other assets"; and

(b) in subsection (2) thereof —

(i) for the words "from the parity" there shall be substituted the words "from the external value" and for the words "with the parity" there shall be substituted the words "in terms of"; and

(ii) the proviso thereof shall be deleted.

### Objects and Reasons

The Objects of the Bill are those set out in the White Paper published today. In particular the Bill provides for the following:-

(1) To prohibit the sale of gold bullion unless its market value exceeds the value of the currency in circulation with the object of gradually covering Maltese currency by gold;

(2) To allow the Bank to include other precious metals besides gold and, within prescribed limits, internationally traded commodities and quoted commodity shares, among its external assets;

(3) To establish a fund, called Posterity Fund, to which at least half the Bank's profits will be transferred each year and in which participation may be extended to banks, corporations and other bodies and persons;

(4) To set up an Investment Committee which shall be responsible for the management and control of the Posterity Fund and for the formulation of the policy to be followed by the Bank in the management of its external assets;

(5) To channel the profits accruing to Government from the monies invested in the Posterity Fund into accounts destined for contributions under the National Insurance Act, 1956, investments in less developed countries, relief of hardship caused by natural disasters and for expenses relating to the defence, conservation of the environment, and infrastructural projects.