

The following Bill, which will in due course be presented to the House of Representatives for enactment, is published for general information.

## A BILL FOR

AN ORDINANCE TO AMEND THE SAVINGS BANK ORDINANCE (CHAPTER 204)

[By notice, see section 1]

BE IT ENACTED by the Legislature of the Federation of Nigeria as follows—

1. This Ordinance may be cited as the Savings Bank (Amendment) Ordinance, 1958, and shall come into operation upon such date as shall be appointed by the Governor-General by notification in the *Gazette* after signification of the pleasure of Her Majesty thereon.

Title.
Commence- ment.
Enactment.
Short title and commence- ment.

Amendment  
of section 9  
of  
Cap. 204.  
No. 6 of  
1952.

2. Section 9 of the Savings Bank Ordinance is amended by the repeal of subsection (1) (as the same was substituted by the Savings Bank (Amendment) Ordinance, 1952) and of subsection (2) and the substitution therefor of the following new subsections—

"(1) Interest shall be payable at the rate of two and one half per cent per annum on all deposits up to the amount of £30,000 in respect of any one depositor and no interest shall be payable on that portion of any deposit which exceeds £30,000.

(2) The Governor-General in Council may, with the consent of the Secretary of State and upon giving three months notice thereof in the *Gazette*, vary such rate of interest or prescribe such other limit or limits for the payment of interest or the payment of varying rates of interest.

(2A) Interest shall not be payable on any fraction of a pound and shall not commence to accrue after deposit until the next following first day or fifteenth day of the month, whichever shall be the earlier. Interest shall cease on the fifteenth day or the last day of the month, whichever shall be the later, preceding the day on which a deposit is withdrawn."

Effective  
date.

3. The amendments effected by section 2 shall take effect in respect of deposits existing on the 1st day of September, 1958, with effect from that date, and the repeal effected by that section shall not affect the operation of the repealed subsections prior to that date.

#### *Objects and Reasons*

The amendment has two effects. It provides that interest shall accrue in respect of each half month that a deposit exists in the Savings Bank, instead of for each whole month, which is an amendment of benefit to depositors. It also removes the provision that interest at 2½ per cent was payable only in respect of deposits up to £2,000 (which is the limit on deposits by individuals) and then by decreasing amounts to ½ per cent on amounts over £30,000, and substitutes a flat rate of 2½ per cent on deposits up to £30,000 with no interest on deposits in excess of that sum. The Savings Bank is not considered suitable for deposits in excess of that sum.

For the convenience of the public on the 5th June, 1958, notice of the intention to change the interest rate was given in the *Gazette* prior to this publication of the Bill. The amendments are intended to take effect on the 1st September next.

A. ROSU,  
Minister of Communications and Aviation,  
Federation of Nigeria  
(Temporarily charged with such  
responsibilities within Nigeria)

(Bills 566)  
CS1113