

PROJET DE LOI

ENTITLED

The Decimal Currency (Bailiwick of Guernsey) Law, 1970 *

[CONSOLIDATED TEXT]

NOTE

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* Ordres en Conseil Vol. XXII, p. 560; as amended by the Machinery of Government (Transfer of Functions) (Guernsey) Ordinance, 2003 (No. XXXIII of 2003, Recueil d'Ordonnances Tome XXIX, p. 406); the Organisation of States' Affairs (Transfer of Functions) Ordinance, 2016 (No. IX of 2016).

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ARRANGEMENT OF SECTIONS

1. Bills of exchange and promissory notes.
2. Conversion of references to shillings and pence in certain instruments.
3. Conversion of bank balances.
4. Payment of certain periodical payments.
5. Application of regulations made by the Industrial Assurance Commissioner and the Chief Registrar of Friendly Societies.
6. Registered stock transferable in multiples of one penny.
7. Payments after end of transitional period.
8. Amendment of references to shillings and pence in enactments and statutory instruments.
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SCHEDULE Method of Calculating in Certain Cases the Amount in New Pence Corresponding to an Amount in Shillings and Pence.

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The Decimal Currency (Bailiwick of Guernsey) Law, 1970

THE STATES, in pursuance of their Resolution of the thirteenth day of December, nineteen hundred and sixty-seven, have approved the following provisions which, subject to the Sanction of Her Most Excellent Majesty in Council, shall have force of law in the Bailiwick of Guernsey.

Bills of exchange and promissory notes.

1. (1) A bill of exchange or promissory note drawn or made on or after the appointed day shall be invalid if the sum payable is an amount of money wholly or partly in shillings or pence.

(2) A bill of exchange or promissory note for an amount wholly or partly in shillings or pence dated the fifteenth day of February, nineteen hundred and seventy-one, or later, shall be deemed to have been drawn or made before the fifteenth day of February, nineteen hundred and seventy-one, if it bears a certificate in writing by a banker that it was so drawn or made.

Conversion of references to shillings and pence in certain instruments.

2. (1) On and after the appointed day any references to an amount of money in the old currency contained in an instrument to which this section applies shall, in so far as it refers to an amount in shillings or pence, be read as referring to the corresponding amount in the new currency calculated in accordance with the provisions of the Schedule to this Law.

(2) If a reference to an amount of money in the old currency contained in an instrument to which this section applies is altered so as to make it read as it would otherwise fall to be read in accordance with subsection (1) of this section, the alteration shall not affect the validity of the instrument and, in the case of a bill of exchange or promissory note, shall not be treated as a material alteration for the purposes of section sixty-three of the Law of 1958.

(3) This section applies to instruments of any of the following descriptions drawn, made or issued before the appointed day, namely –

- (a) cheques and other instruments to which section eighty-four of the Law of 1958 applies,
- (b) bills of exchange other than cheques,
- (c) promissory notes,
- (d) money orders and postal orders,
- (e) any warrant issued by or on behalf of the Director of Savings for the payment of a sum of money,
- (f) any document issued under the authority of the States Insurance Authority which is intended to enable a person to obtain payment of the sum mentioned in the document but is not a bill of exchange,
- (g) any document not mentioned in the foregoing paragraphs which is intended to enable a person to obtain through a banker payment of any sum mentioned in the document.

Conversion of bank balances.

3. (1) Where the amount of the balance standing to the credit or debit of an account at a bank on or after the appointed day is not a whole number of pounds, so much of that amount as is in shillings or pence may be treated as the corresponding amount in the new currency calculated in accordance with the provisions of the Schedule to this Law.

(2) In this section the expression "**bank**" includes the following, that is to say –

- (a) the National Savings Bank,
- (b) any trustee savings bank within the meaning of the Trustee Savings Banks Act, 1969,
- (c) any organisation formed in the Bailiwick (whether before or after the passing of this Law) which does not fall within any of the preceding paragraphs, but, being an organisation in the nature of a bank, accepts deposits of money for the benefit of the persons making the deposits, and, in the case of all deposits so accepted –
 - (i) accumulates the produce of the deposits (so far as not withdrawn) at compound interest, and
 - (ii) returns the deposits and produce to the depositor after deducting any necessary expenses of management but without deriving any benefit from the deposits or produce.

Payment of certain periodical payments.

4. (1) This section applies to any amount of money in the old currency payable on or after the appointed day as one of a series of payments of the same amount payable periodically, whether pursuant to an instrument or otherwise, not being an amount mentioned in subsection (3) of this section.

(2) Subject to the provisions of this Law, where an amount of money to which this section applies is not a whole number of pounds, so much of it as is in shillings or pence may be paid by paying the corresponding amount in the new currency calculated in accordance with the provisions of the Schedule to this Law.

(3) This section does not apply to –

- (a) an amount payable to an employee or the holder of

any office by way of wages, salary or other remuneration, or

- (b) the amount of any payment payable to or by a registered friendly society or industrial assurance company under a friendly society or industrial assurance company contract made before the appointed day.

(4) In paragraph (b) of the last preceding subsection the following expressions have the meanings hereby respectively assigned to them, that is to say –

"contract" in relation to a friendly society, means a contract made by a registered friendly society with a member of the society in the course of its business in the Bailiwick whether contained in the rules of the society or not; and in relation to an industrial assurance company, means a contract of assurance made by an industrial assurance company in the course of its industrial assurance business in the Bailiwick,

"industrial assurance company" and **"industrial assurance business"** have the meanings assigned to them by section one of the Industrial Assurance Act, 1923 as amended by Part II of Schedule 6 to the Companies Act, 1967,

"registered friendly society" means a friendly society registered in any part of the United Kingdom under the Friendly Societies Act, 1896 or a branch so registered under that Act of a friendly society so registered.

Application of regulations made by the Industrial Assurance Commissioner and the Chief Registrar of Friendly Societies.

5. Any regulations made by the appropriate authority under subsection (2) or subsection (6) of section six or by the Industrial Assurance Commissioner by virtue of subsection (5) of section seven of the Decimal Currency Act, 1969 (payments under friendly society and industrial assurance company contracts) shall extend to payments to which paragraph (b) of subsection (3) of the preceding section refers and to the records of such payments.

Registered stock transferable in multiples of one penny.

6. (1) Any registered stock which immediately before the appointed day is transferable in multiples of one penny shall on and after the appointed day be transferable instead in multiples of one new penny except in so far as, in the exercise of any power in that behalf, other provision is or has been made as to the amounts in which that stock is to be transferable as from that or any later day.

(2) In any prospectus or other document issued before the appointed day that sets out the terms on which any such registered stock is to be issued or held, any reference to one penny as the amount in multiples of which that stock is to be transferable shall on and after that day be read as a reference to one new penny.

(3) Where the amount of the balance of any such registered stock standing in the name of any person immediately before the appointed day in an account in the register is not a whole number of pounds, so much of that amount as is in shillings or pence shall on and after that day be treated as the corresponding amount in the new currency calculated in accordance with the provisions of the Schedule to this Law.

(4) In this section "**registered stock**" includes inscribed stock, and "**the register**", in relation to any registered stock, means any register or book in which that stock is registered or inscribed.

Payments after end of transitional period.

7. Where an amount of money in the old currency which is not a whole number of pounds falls to be paid after the end of the transitional period, the amount payable in respect of so much of it as is in shillings or pence shall be the corresponding amount in the new currency calculated in accordance with the provisions of the Schedule to this Law.

Amendment of references to shillings and pence in enactments and statutory instruments.

8. (1) Subject to the provisions of this section and of any order made under section nine of this Law, where an enactment or statutory instrument

passed or made before the appointed day contains a reference to an amount of money in the old currency which is not a whole number of pounds, that reference shall, in so far as it refers to an amount in shillings or pence, be read on and after that day as referring to the equivalent of that amount in the new currency.

- (2) Subsection (1) of this section –
- (a) does not apply to any reference contained in this Law or any instrument made thereunder or in any other enactment or statutory instrument relating to coinage or currency, whenever passed or made, and
 - (b) in the case of an enactment or statutory instrument passed or made after the passing of the Decimal Currency Ordinance, 1968^a, does not apply if a contrary intention appears.

Supplementary power to amend enactments etc. referring to shillings and pence.

9. Where an enactment or statutory instrument passed or made before the appointed day contains a reference to an amount of money in the old currency which is not a whole number of pounds, the appropriate authority may by order –

- (a) if the equivalent of that amount in the new currency is not a new penny or a multiple thereof, substitute for that reference a reference to such amount in the new currency as in the opinion of the appropriate authority making the order is the appropriate multiple of a new halfpenny (or if the case so requires a reference to a new halfpenny),
- (b) make such other amendment in that enactment or statutory instrument as in the opinion of the appropriate authority is appropriate for securing either

^a Recueil d'Ordonnances Tome XV, p. 363.

Consolidated text

that any amount payable thereunder will be a new halfpenny or a multiple thereof or that any amount payable thereunder will be a new penny or a multiple thereof,

- (c) if that reference is part of a rate, percentage, proportion, formula or other basis of calculation, make such amendment in the enactment or statutory instrument as in the opinion of the appropriate authority is appropriate for securing that the basis of calculation is expressed in the new currency and in convenient terms.

(2) An order under this section –

- (a) may include such consequential, supplementary or transitional provisions as the appropriate authority making the order thinks fit, and
- (b) may be revoked or varied by a subsequent order.

(3) An order under this section shall not come into operation before the appointed day.

(4) No order altering the rate of any tax shall be made under this section.

(5) Any order made by the appropriate authority under this section, other than an order so made by the Chief Pleas of Sark, shall be laid before the States of Guernsey or the States of Alderney, as the case may be, as soon as may be after the making thereof and, if at that meeting or at the next subsequent meeting, the States of Guernsey or the States of Alderney, as the case may be, resolve that the order be annulled, the order shall cease to have effect but without prejudice to anything done thereunder or to the making by the appropriate authority of any new order.

(6) The amendment of any provision by an order under this section shall not prejudice any power to amend or vary that provision conferred by any other enactment.

(7) In this section the expression "**the appropriate authority**" means –

- (a) in relation to the amendment of an enactment or statutory instrument applying to the Island of Guernsey or to the Island of Guernsey and to either or both of the other Islands of the Bailiwick, the States of Guernsey [Policy & Resources Committee],
- (b) in relation to the amendment of an enactment or statutory instrument applying only to the Island of Alderney, the States of Alderney Finance Committee,
- (c) in relation to the amendment of an enactment or statutory instrument applying only to the Island of Sark, the Chief Pleas of Sark.

NOTES

In section 9, the words in square brackets in paragraph (a) of subsection (7) were substituted by the Organisation of States' Affairs (Transfer of Functions) Ordinance, 2016, section 2, Schedule 1, paragraph 15(a), with effect from 1st May, 2016.¹

The functions, rights and liabilities of the Treasury and Resources Department and of its Minister or Deputy Minister arising under or by virtue of this Law were transferred to and vested in, respectively, the Policy & Resources Committee and its President or Vice-President by the Organisation of States' Affairs (Transfer of Functions) Ordinance, 2016, section 1, Schedule 1, paragraph 15(a), with effect from 1st May, 2016, subject to the savings and transitional provisions in section 3 of the 2016 Ordinance.²

The following Orders have been made under section 9:

Family Allowances, Social Insurance and Non-Contributory Pensions (Decimalisation of the Currency) (Guernsey) Regulations, 1971;

Family Allowance, Social Insurance and Non-Contributory Pensions (Decimalisation of the Currency) (Amendment) (Guernsey) Regulations, 1971;

Family Allowances, Social Insurance and Non-contributory Pensions (Decimalisation of the Currency) (Amendment) (No. 2) (Guernsey) Regulations, 1971.

Amendments of States Resolutions relating to income tax.

10. (1) Subject to the provisions of the next succeeding subsection, where a Resolution of the States passed before the appointed day in pursuance of the provisions of any Law relating to income tax contains a reference to an amount of money in the old currency which is not a whole number of pounds, that reference shall, in so far as it refers to an amount in shillings or pence, be read on and after that day as referring to the equivalent of that amount in the new currency.

(2) Where a Resolution of the States as aforesaid contains a reference to an amount of money in the old currency which is not a whole number of pounds, that reference may, if it is part of a rate, proportion, formula or other basis of calculation, be read subject to such amendment as is appropriate for securing that –

- (a) the basis of calculation is expressed in the new currency and in convenient terms, and
- (b) the product may be read as the corresponding amount in the new currency calculated in accordance with the provisions of the Schedule to this Law.

Modification of forms.

11. (1) Where any form set out in an enactment or statutory instrument passed or made before the appointed day is designed to accommodate references to sums of money wholly or partly in shillings or pence, the form may be used with such modifications as are necessary to enable it to accommodate references to sums of money wholly or partly in new pence.

(2) The foregoing subsection is without prejudice to any other provision authorising the modification of any such form.

Special modifications of Bills of Exchange (Guernsey) Law, 1958.

12. (1) The following days, namely the eleventh, twelfth and thirteenth days of February, nineteen hundred and seventy-one, shall be non-business days for the purposes of the Law of 1958; but on those days –

- (a) a cheque or other instrument to which section eighty-four of the Law of 1958 applies may be presented by a banker (whether or not he is the person on whom it is drawn) to a banker for payment, and
- (b) a banker to whom such a cheque or other instrument has at any time been so presented for payment may pay it and may debit the account of his customer with the amount thereof,

as if those were business days.

(2) Notwithstanding anything in section thirteen of the Law of 1958, a bill of exchange or promissory note –

- (a) shall be due and payable on the tenth day of February, nineteen hundred and seventy-one, if the last day of grace for it under that section falls on the eleventh or twelfth day of February, nineteen hundred and seventy-one, and
- (b) shall be due and payable on the fifteenth day of February, nineteen hundred and seventy-one, if that last day of grace falls on the thirteenth or fourteenth day of February, nineteen hundred and seventy-one.

Interpretation.

13. (1) In this Law –

"the appointed day" means the fifteenth day of February, nineteen hundred and seventy-one,

"enactment" includes an Ordinance whether made under an Order in Council or otherwise,

"the Law of 1958" means the Bills of Exchange (Guernsey) Law, 1958^b,

"the new currency" means the new currency of the Islands of Guernsey, Sark, Herm and Jethou provided for by the Decimal Currency Ordinance, 1968, and the new currency of the Island of Alderney provided for by the Decimal Currency (Alderney) Ordinance, 1970,

"the old currency" means the currency of the Islands of Guernsey, Sark, Herm and Jethou and the currency of the Island of Alderney in force before the appointed day,

"statutory instrument" includes any regulation, order, rule, byelaw or other instrument of a similar nature, applying to persons in general or to any substantial class or classes of persons, made in any of the Islands of Guernsey, Alderney or Sark under any Act of Parliament, Order in Council, Ordinance, or Order of the Royal Court,

"the transitional period" means the period beginning with the appointed day and ending with such day as shall be appointed by order under subsection (1) of section sixteen of the Decimal Currency Act 1969.

(2) Except in so far as the context otherwise requires, any reference in this Law to any enactment or instrument is a reference to it as amended, and includes a reference to it as applied, by or under any other enactment or instrument, including this Law.

Citation.

14. This Law may be cited as the Decimal Currency (Bailiwick of Guernsey) Law, 1970.

^b Ordres en Conseil Vol. XVII, p. 384.

NOTE

The Law received Royal Sanction on 17th December, 1970 and was registered on the Records of the Island of Guernsey and came into force on 2nd February, 1971.

SCHEDULE

Sections two, three,
four and six

METHOD OF CALCULATING IN CERTAIN CASES THE AMOUNT IN NEW
PENCE CORRESPONDING TO AN AMOUNT IN SHILLINGS AND PENCE

The amount in the new currency corresponding to an amount in shillings,
shillings and pence or pence shall be calculated as follows –

- (a) for any whole two shillings or multiple thereof the corresponding amount in the new currency shall be taken to be ten new pence or that multiple thereof, and
- (b) for any amount or remaining amount of less than two shillings shown in column 1 of the following Table the corresponding amount in the new currency shall be taken to be the amount (if any) in new pence shown opposite that amount in column 2 of that Table (and accordingly an amount or remaining amount of one penny shall be disregarded).

TABLE

Amount in old currency				Corresponding amount in new pence
1d.	...	...	...	—
2d.	...	...	...	1p
3d.	...	...	...	1p
4d.	...	...	...	2p
5d.	...	...	...	2p
6d.	...	...	...	3p
7d.	...	...	...	3p
8d.	...	...	...	3p

9d.	...	...	...	4p
10d.	...	...	...	4p
11d.	...	...	...	5p
1s. 0d.	...	...	...	5p
1s. 1d.	...	...	...	5p
1s. 2d.	...	...	...	6p
1s. 3d.	...	...	...	6p
1s. 4d.	...	...	...	7p
1s. 5d.	...	...	...	7p
1s. 6d.	...	...	...	7p
1s. 7d.	...	...	...	8p
1s. 8d.	...	...	...	8p
1s. 9d.	...	...	...	9p
1s. 10d.	...	...	...	9p
1s. 11d.	...	...	...	10p

¹ These words were previously substituted by the Machinery of Government (Transfer of Functions) (Guernsey) Ordinance, 2003, section 2, Schedule 1, paragraph 1(b), Schedule 2, paragraph 1(b), with effect from 6th May, 2004.

² The functions, rights and liabilities of the Treasury and Resources Department and its Minister arising under or by virtue of this Law were previously transferred to and vested in them, respectively, from the Advisory and Finance Committee and its President by the Machinery of Government (Transfer of Functions) (Guernsey) Ordinance, 2003, section 1, Schedule 1, paragraph 1(b), Schedule 2, paragraph 1(b), with effect from 6th May, 2004, subject to the savings and transitional provisions in section 4 of the 2003 Ordinance.