

No. II.

CONDITIONAL
PURCHASERS'
RELIEF.

An Act to further promote settlement on lands conditionally purchased from the Crown by providing for the reduction of the annual payments in respect thereof, and for the reduction of the rate of interest now payable upon certain conditional purchases; to make further provision for the conversion of conditional purchases and conditional leases into homestead selections; and to effect such amendments in such statutes as may be necessary for the aforesaid purposes. [14th July, 1896.]

Preamble.

WHEREAS it is expedient to further promote settlement on lands conditionally purchased from the Crown, by providing for the reduction of the annual payments in respect thereof, and for the reduction of the rate of interest now payable upon certain conditional purchases, and to make further provision for the conversion of conditional purchases and conditional leases into homestead selections: Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows:—

Short title, &c.

1. This Act may be cited as the "Conditional Purchasers' Relief Act," and shall be read with the "Crown Lands Act of 1895," and the Acts specified in the first section thereof.

Reduction of annual
payments on
conditional
purchases.

2. Subject to the provisions hereinafter contained, the Minister may reduce the rate of one shilling per acre per annum now payable in respect of a conditional purchase to ninepence per acre per annum, or (if the case so admit) to sixpence per acre per annum, and where the rate shall have been reduced under this Act to ninepence per acre per annum, may further reduce the rate to sixpence per acre per annum; and in any such case any annual payments in respect of the said conditional purchase accruing due after the date fixed for the operation of the reduction may be made at the reduced rate as determined by the Minister. The rate of annual payments in respect of a conditional purchase within a special area (whether the value of such conditional purchase has been determined by appraisalment or not)

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special areas.

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not) may, subject to the provisions hereinafter contained, be reduced to three-fourths or one-half of the rate payable previous to the first reduction under this Act :

Provided always that the Minister shall in every such case so determine the rate that the annual payments, as reduced, will extinguish the balance of purchase money, together with the interest thereon within the period of sixty-six years from the date when the instalment of purchase money first succeeding the deposit became due.

3. Before any reduction is made by the Minister in respect of any conditional purchase, an application for such reduction shall be made in the prescribed manner by the holder of the conditional purchase, or, if the same is held by way of mortgage, then by the person who holds subject to the mortgage, and shall be accompanied by a declaration and fee as prescribed; and a reduction shall not be made to any applicant whose home and place of abode is not established on a holding of which the conditional purchase in respect of which the reduction is applied for forms part. A holding for the purposes of this section shall mean a continuous block, or portions separated by roads or watercourses, and may include land held in fee simple and conditional purchases or conditional leases of the same or different series, provided that the conditional purchases (included in such holding) in respect to which the reduction may be made shall not exceed an area of one thousand two hundred and eighty acres in the Eastern Division, or two thousand five hundred and sixty acres in the Central or Western Division: Provided that nothing herein shall prevent the Minister from making a reduction (subject to such conditions as he may deem expedient) in any case where he is satisfied that the applicant, although not resident as hereinbefore required, holds the land *bonâ fide* for his sole use and benefit, and is not in a position to pay the instalments at the original rate, and is not the holder under any tenure of a greater total area in this Colony than is necessary for the maintenance of a family, such total area not exceeding in any case one thousand two hundred and eighty acres in the Eastern Division or two thousand five hundred and sixty acres in the Central or Western Divisions: Provided further that this reduction under the last proviso shall not run with the land, but shall attach only as a concession to the applicant personally.

Conditions precedent to a reduction.

4. In any case where the Minister is satisfied, with or without a report from the Local Land Board, that the holder for the time being of the conditional purchase, in respect of which a reduction has been granted (or, if the same is held by way of mortgage, then that the person who holds, subject to the mortgage), has ceased to keep his home and place of abode thereon, or that the declaration accompanying the application for the reduction contains any false statement, the Minister may direct that payments at the rate obtaining previous to any reduction shall be resumed; and in any such case payments at the said rate shall be resumed from and after such date as the Minister may specify for that purpose.

Reduction may be cancelled in certain events.

5. The rate of interest payable on the balance of purchase money for the time being unpaid upon conditional purchases applied for before the first day of January, in the year one thousand eight hundred and eighty-five, and subject to the provisions of section eight of the "Lands Acts Amendment Act, 1875," but not brought under the provisions of section thirty-five of the "Crown Lands Act of 1884," shall be reduced to four per centum per annum, such reduction taking effect as from the first day of January, in the year one thousand eight hundred and ninety-six :

Reduction in the rate of interest on repealed Act conditional purchases.

Provided

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Provided always that—

- (a) the aforesaid reduction in the rate of interest shall not operate in respect of any interest which may have accrued before the date hereinbefore mentioned for the taking effect thereof in any case;
- (b) nothing in this section contained shall affect the provisions of section forty-eight of the "Crown Lands Act of 1895."

Conversion of conditional purchases and leases into homestead selections.

6. After the commencement of this Act any conditional purchase, together with any conditional lease held by virtue thereof, or any conditional purchases or conditional purchases and conditional leases (whether of the same or different series, and although including more than one block) held by the same person, may be converted into a homestead selection, subject to the general provisions of the "Crown Lands Act of 1895" in that behalf, and to the following provisions:—

- (a) Application for conversion shall be made to the Minister in the prescribed form, and the conversion shall be subject to the approval of the Minister.
- (b) If the land included in the application is the subject of any mortgage or charge, an application by the mortgagor shall not be valid without the consent in writing of the person having the mortgage or charge.
- (c) The applicant shall be at the date of application, and shall have been for at least six months preceding that date in *bonâ-fide* residence, within the meaning of section twenty-nine of the "Crown Lands Act of 1895," on the land included in his application.
- (d) No conditional purchase or conditional lease in respect of which a liability to forfeiture has been incurred shall be converted into a homestead selection while that liability to forfeiture continues.
- (e) It shall be immaterial whether the land was wholly or in part applied for before, or shall be applied for after, the commencement of this Act, or whether in the case of a conditional purchase a certificate of due compliance with the conditions applicable has or has not been issued: Provided that no purchase or lease applied for since the first day of January, one thousand eight hundred and eighty-five, shall be converted into a homestead selection unless or until the application for such purchase or lease has been confirmed.
- (f) An application for conversion shall not be approved unless payment has been made for such improvements on the land as are by any enactment directed to be paid for.
- (g) The fact that the area may exceed one thousand two hundred and eighty acres shall not be a bar to conversion, provided that the area shall not exceed one thousand two hundred and eighty acres in the Eastern or two thousand five hundred and sixty acres in any other Division unless the Minister (who may refer to the Local Land Board for report) shall be satisfied that a larger area is necessary for the maintenance of a family.
- (h) After approval of conversion, the Governor may issue a homestead grant of the land.
- (i) All moneys paid as interest on land held under conditional purchase, or as rent on land held under conditional lease, shall be taken to have been paid for the occupation or use of the land while the land was held under conditional purchase or conditional lease; but all moneys paid by way of purchase money

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money on land held under conditional purchase, and not applied, as in the next subsection mentioned, towards the payment of interest as aforesaid, shall be credited towards the rent of the homestead selection.

- (j) In respect of any conditional purchase converted into a homestead selection, interest on the balance of purchase money owing on such conditional purchase shall be paid up to the date of the issue of the homestead grant, but may be taken (wholly or in part) out of any moneys paid by way of purchase money as aforesaid.
- (k) Notwithstanding anything in section seventeen of the "Crown Lands Act of 1895" the Governor shall have power from time to time to waive the condition of residence attaching to any homestead selection converted into such under the provisions of this Act in any case where the land is, at the date of commencement of this Act, held *bonâ fide* by way of mortgage or security: Provided that no one waiver shall operate over a longer period than one year, and during the period of waiver the annual rent shall be three and a half instead of two and a half per centum per annum of the capital value of the land.
- (l) Upon the forfeiture to the Crown of any land held under a homestead grant issued under the provisions of this section in any case where at the date of application for conversion the land was held by way of mortgage or security, the Governor may, for any reason which he may deem sufficient, grant tenant right in the improvements on such land to the last holder of the mortgage or security.

7. (i) The annual rent of the homestead selection from the date of issue of the grant shall be two and one-half per centum of the capital value of the homestead selection. Rent of homestead selections.

(ii) Such capital value for the first ten year period which shall commence from the date of issue of the grant shall be taken to be—

- (a) in the case of a conditional purchase (whether a residential or a non-residential conditional purchase not being within a special area) one pound per acre;
- (b) in the case of a conditional purchase within a special area, at the price of the conditional purchase;
- (c) in the case of a conditional lease, the sum represented by capitalising the annual rent of the lease on a two and a half per centum basis;

or, if the applicant make request in his application for an appraisement, or at the direction of the Minister, the capital value of the whole land included in the application shall be determined by appraisement; and any such appraisement shall, so far as procedure is concerned, be subject to the provisions of section six of the "Crown Lands Act of 1889":

Provided that no appraisement shall be made of land which has been appraised within the previous two years.

8. The Governor may exercise for the purposes of this Act any power of making regulations conferred upon him under the "Crown Lands Act of 1884" or the "Crown Lands Act of 1889." Power to make regulations.