

Hon. Mr. McNab.

LAND ACT AMENDMENT.

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A BILL INTITULED

AN Act to amend the Law relating to the Disposition of Crown Land, and also to limit the Aggregation of Private Estates in Land. Title.

5 BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:—

1. The Short Title of this Act is "The Land Act Amendment Act, 1906"; and it shall form part of and be read together with Short Title.
10 "The Land Act, 1892" (hereinafter referred to as "the principal Act").

Interpretation.

2. In this Act, if not inconsistent with the context,—
 “National Endowment land” means land set apart under section *three* hereof :
 “Registrar” means the District Land Registrar in the case of land subject to “The Land Transfer Act, 1885,” and the Registrar of Deeds in the case of other land :
 “Settlement land” means land subject to “The Land for Settlements Consolidation Act, 1900.”

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National Endowment for Educational and other Purposes.

Unsold or unselected Crown lands set apart as a national endowment.

3. (1.) All Crown lands remaining unsold or unselected on the coming into operation of this Act (but not including Settlement land, or land reserved or set aside as endowments or reserves) are hereby set apart as a national endowment for the purposes hereinafter mentioned. 15

(2.) Subject to the provisions hereinafter contained as to revenue, all such lands shall be deemed to remain and be ordinary Crown lands, and shall be dealt with by the Land Board accordingly. 20

National Endowment Account.

(3.) The gross revenue derived from the lands so set apart shall, as and when received, be paid into the Public Account to the credit of a separate account called “The National Endowment Account.”

Application of moneys therein.

(4.) Out of the moneys in the National Endowment Account there shall be paid the cost of the management and administration of the lands so set apart, and the residue shall be applied for or in aid of the following services and purposes, that is to say—(a) Education, (b) Hospitals and Charitable Aid, and (c) Old-age Pensions. 25

Moneys subject to appropriation.

(5.) The moneys in the National Endowment Account shall be subject to the appropriation of Parliament, but shall, without further authority than this Act, be available in aid of the ordinary appropriations or the permanent statutory appropriations for the respective services and purposes aforesaid. 30

Repeal.

(6.) Sections nineteen and twenty of “The Education Reserves Act, 1877,” and section eighty-eight of “The Hospitals and Charitable Institutions Act, 1885,” are hereby repealed. 35

Renewable-lease System.

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Land may be selected on renewable-lease system only.

4. (1.) From and after the coming into operation of this Act no Crown land shall be selected under Part III or Part IV of the principal Act on the cash, occupation-with-right-of-purchase, or lease-in-perpetuity systems.

(2.) All such lands may be selected on renewable lease only (hereby called “the renewable-lease system”). 45

Provisions with respect to renewable leases.

5. (1.) With respect to every renewable lease the following provisions shall apply:—

(a.) The lease shall be for a term of sixty-six years, to be reckoned from the next first day of January or July following the date thereof, and shall, in addition, include the period between the date of the lease and such day.

5 (b.) The yearly rental payable in respect of such lease shall be an amount equal to *five* per centum of the capital value as fixed by the Board in the case of Settlement land, and *four* per centum of such value in the case of other land.

10 (c.) The rental shall be payable in equal parts, half-yearly in advance, on the first day of January and the first day of July in each year to the Receiver of Land Revenue :

15 Provided that with the first half-yearly payment there shall also be paid rent for the period elapsing between the date of the lease and the due date of such half-yearly payment.

(2.) The lessee shall, at least twelve months before the expiration of his lease, have a renewal of the lease of the land, for a similar term of sixty-six years, offered to him at a rental, as fixed by valuation as hereinafter provided, less the value of substantial improvements as similarly fixed.

20 (3.) For the purposes of the *last preceding* subsection a valuation shall be made by an appraiser appointed by the Board—

25 (a.) Of the then value of the fee-simple of the land included in the lease ; and also

(b.) Of the substantial improvements of a permanent character made and then in existence on the land ; and also

30 (c.) Of the fair yearly rental for the term of the new lease, having regard to what would be the then fair market rental of land of similar character held on similar conditions as to the term of the lease and otherwise :

And a copy of such valuation shall be served on the lessee.

35 (4.) If the lessee does not agree to such valuation, he may have the same fixed by arbitration in the manner provided by section seventy-nine of the principal Act.

40 (5.) Not later than *twelve* months before the expiry of the original lease a notice shall be served by the Commissioner on the lessee requiring him within *three* months after such service, by notice in writing delivered to the Commissioner either personally or by registered post, to elect whether he will accept a renewal of the lease of the said land for a further term of sixty-six years at the rent aforesaid and subject to the same conditions as in the case of the original lease, except as to the amount of rent payable thereunder, and except also as to the provision for renewal.

45 (6.) If the lessee does not within the time aforesaid elect to accept the renewal, or, having elected to accept the same, fails to

execute the new lease within *thirty* days after the same is tendered to him for the purpose, then the land comprised in the lease shall be opened to selection on the renewable-lease system, burdened with the amount of the value of substantial improvements as fixed by the valuation.

(7.) Such amount when paid over to the Receiver of Land Revenue by the incoming lessee shall, if the Commissioner is satisfied that the outgoing lessee has let the new lessee into quiet possession of the lands to be leased, and also that the land as originally leased has not been appreciably damaged by the outgoing lessee, and that none of the improvements on the land which were thereon when the valuation was made have been destroyed or appreciably damaged, be paid to the out-going lessee by the Receiver of Land Revenue on the certificate of the Commissioner.

(8.) If the land itself has been appreciably damaged or any of the improvements have been destroyed or appreciably damaged, then the total value of the depreciation shall be fixed by the Commissioner or some person appointed by him; and the amount so fixed shall be deducted from the amount payable as aforesaid to the outgoing lessee, and shall be returned to the incoming lessee:

Provided that if the damage done to the land has depreciated the capital value on which the rental of the new lease is based, then a sum equivalent to such depreciation shall be deducted from the amount which would otherwise be returned to the incoming lessee as aforesaid, and shall be paid into the Land for Settlements Account.

(9.) Subject to the provisions of this Act, all the provisions of the principal Act prescribing the conditions to be fulfilled by lessees in perpetuity shall, *mutatis mutandis*, apply to lessees of renewable leases and be deemed to be incorporated in renewable leases, and all references in that Act to leases in perpetuity and to the holders thereof shall, with respect to land held under the renewable-lease system, be deemed to be references to renewable leases and to the holders thereof.

Repeal.

(10.) Section one hundred and fifty-seven of the principal Act is hereby repealed.

Existing leases may be surrendered.

6. (1.) Any holder of a lease in perpetuity under the principal Act, and any deferred-payment licensee or lessee of perpetual-lease lands under any Land Act in force before that Act may surrender his lease or license, and, if he so desires, obtain from the Board a renewable lease at a yearly rental calculated in the case of Settlement land at *five* per centum, and in the case of other land at *four* per centum, on the original value of the land at the date of the surrendered lease or license, or, on the application of the lessee or licensee, on a valuation fixed in the manner prescribed by the *last preceding* section.

(2.) If the lessee or licensee does not desire to obtain a lease as aforesaid, the fee-simple of the land comprised in the surrendered

lease or license shall be offered by the Board for sale by public competition, burdened with the value of the improvements ascertained by valuation in the manner aforesaid :

5 or to the lessees thereof.

(3.) The proceeds derived from such sale shall be paid into the Land for Settlements Account, and out of that account the amount received in respect of improvements shall be paid to such lessee or licensee in the manner and subject to the provisions and deductions 10 specified in subsections *seven* and *eight* of the *last preceding* section.

(4.) Section one hundred and fifty of the principal Act is hereby repealed.

Repeal.

7. Any holder of a license for occupation with right of purchase under the principal Act who at the expiration of the term of the 15 license has not exercised his right of purchase shall have a prior right to a renewable lease at a yearly rental of *five* per centum on the original value of the land at the date of the license or, on the application of the holder, on the value of the land (less improvements) at the date of the expiry of the license, ascertained in manner provided by subsection *three* of section *five* hereof.

Licensee with right of purchase entitled to renewable lease in certain cases.

8. (1.) Any lessee of a renewable lease may at any time make payments on account of the capital value of the land comprised in the lease in sums of not less than *twenty* pounds and not exceeding in the whole *ninety* per centum of such capital value.

Payments in reduction of capital value.

25 (2.) On any such payment being made the rent reserved by the lease shall thereafter abate proportionally.

(3.) All sums paid under this section by the lessee shall as and when received be paid into the Land for Settlements Account.

30 (4.) When payments equal to *fifty* per centum of such value have been made, the lessee shall for the residue of the term of the lease have possession of the land freed from all covenants and conditions contained or implied in the lease other than the covenant to pay rent.

35 (5.) If on the expiry of the lease the lessee obtains a renewal of the lease, the amount paid by him under this section shall at his option either be taken into account in determining the rental for the new lease, or be paid to him out of the Land for Settlements Account ; and if he does not obtain a renewal such amount shall be paid to him out of that account.

40 9. With respect to the Land for Settlements Account the following provisions shall apply :—

Provisions as to moneys paid into Land for Settlements Account.

(a.) All moneys paid into that account under the provisions of this Act shall be available for the purposes of "The Land for Settlements Consolidation Act, 1900" :

45 (b.) All such moneys (other than moneys in respect of Settlement lands) shall bear interest at the yearly rate of *four* per centum :

(c.) Such interest shall be paid out of that account into the National Endowment Account in the case of national endowment land and into the Consolidated Fund in the 50

case of other land, and the payments shall be made half-yearly on the thirtieth day of September and the thirty-first day of March :

- (d.) All sums payable out of that account under the provisions of this Act shall be payable without further appropriation than this Act. 5

Modification of Residence Conditions in Special Cases under the Renewable-lease System.

Modification of residence conditions in special cases.

10. In order to enable persons who desire to select rural land for themselves or their families, but whose avocations are such as to prevent them from complying with the residence conditions of the principal Act, the following provisions shall have effect with respect to rural lands (not being pastoral lands) :— 10

- (a.) The Governor may from time to time make special regulations under which such persons may select land on the renewable-lease system with absolute or qualified relief from the residence conditions of the principal Act. 15
- (b.) Such regulations may impose special conditions as to the area which may be selected and the improvements which must be effected and special limitations or restrictions on the disposal of the land or any part thereof by sale, lease, mortgage, devise, or otherwise. 20
- (c.) Such regulations may modify the provisions of the principal Act or this Act in the case of lands to which they relate.
- (d.) In the case of lands selected under such regulations, the provisions of the principal Act and this Act shall be deemed to be modified in so far as they are inconsistent with the regulations, but not further or otherwise. 25

Limitation of Private Estates in Land.

Provisions for limiting private estates in land.

11. In order to limit the aggregation of private estates in land the following provisions shall have effect :— 30

- (a.) Within twelve months after the coming into operation of this Act the Valuer-General shall cause to be prepared a list called "the Excess Estate Provisional List" (hereinafter referred to as the "provisional list"), showing— 35
- (i.) The name of every person who whether alone or with any other person or persons is, on the date of the coming into operation of this Act, the owner of rural land in fee-simple the unimproved value of which, ascertained by valuation made under "The Government Valuation of Land Act, 1896," as on that date, exceeds *fifty* thousand pounds : 40
- (ii.) The area and locality of such land, with sufficient particulars to identify the same :
- (iii.) The unimproved value of the land, the value of improvements, and the total capital value. 45
- (b.) The provisional list shall be gazetted.

- 5 (c.) Any owner whose name appears in the gazetted list may, within twenty-one days after the gazetting thereof, appeal in the prescribed manner to the Assessment Court under "The Government Valuation of Land Act Amendment Act, 1900," on the ground that such list is inaccurate as to him in any specified particular.
- 10 (d.) On the hearing of the appeal the said Court shall either confirm or alter the list as to the appellant, and the list so confirmed or altered shall be final as to him in so far as respects the subject-matter of the appeal.
- 15 (e.) As soon as conveniently may be after the time for appeal has expired or, as the case may be, after all appeals have been disposed of, the Valuer-General shall compile from the provisional list a roll called "the Excess Estate Provisional Roll" (hereinafter referred to as "the provisional roll"), showing the names of the owners and the area, locality, and values of their lands as appearing in the provisional list or, in case of appeal, as confirmed or altered by the Assessment Court.
- 20 (f.) The provisional roll shall be gazetted, and shall be final and conclusive.
- 25 (g.) Forthwith on the expiration of *ten* years after the coming into operation of this Act the Valuer-General shall compile and gazette a list called "the Excess Estate Reduction List" (hereinafter referred to as the "reduction list"), showing, in the case of every person whose name is on the provisional roll as an owner, and who at the expiration of such period is still the owner, whether alone or with any other person or persons, of rural land in fee-simple the unimproved value whereof then exceeds *fifty* thousand pounds in the aggregate, as shown on the valuation roll then in force,—
- 30 (i.) The name of the owner ;
- 35 (ii.) The area and locality of the land, with sufficient particulars to identify it ; and
- (iii.) The unimproved value thereof, the value of improvements, and the total capital value as shown on the valuation roll.
- 40 (h.) The reduction list shall be gazetted, and thereupon it shall be the duty of each Registrar in whose district any of such land is situate to register the same against the title to the land by recording a memorandum that the land is subject to the Excess Estate Reduction List.
- 45 (i.) Whilst such registration continues, no dealing with the land shall in any way affect the operation of the succeeding provisions of this Act relating to excess estates, anything in "The Land Transfer Act, 1885," or any other Act to the contrary notwithstanding.
- 50 (j.) The reduction list shall be subject to appeal, confirmation, and alteration, and therefrom shall be compiled a roll called "the Excess Estate Reduction Roll" (hereinafter referred to as "the reduction roll"), in the same manner

and subject to the same provisions as in the case of the provisional list and roll, and for that purpose paragraphs (c) to (f) hereof shall, *mutatis mutandis*, apply, references to the provisional list and roll being read as references to the reduction list and roll respectively.

- (k.) On registering the reduction roll against the land the Registrar shall in each case cancel the registration of the reduction list against that land, but the provisions of paragraph (i) hereof shall continue without break, and shall apply to the reduction roll in lieu of to the reduction list.
- (l.) After registering the reduction roll against all land in his district subject to that roll, the Registrar shall cancel the registration of the reduction list in every case where land subject thereto is not also subject to the reduction roll.
- (m.) Such cancellation shall be effected by registering against the title to the land a memorandum that the land has ceased to be subject to the reduction list.
- (n.) In the case of each owner the whole of the lands subject to the reduction roll, wherever the same are situate, shall be deemed to comprise his excess estate.

Minister may sell excess portion of estate.

12. (1.) As soon as conveniently may be after the registration of the reduction roll the Minister shall in the case of each owner of an excess estate proceed to sell such portion thereof as on the report of the Valuer-General is deemed necessary in order to reduce the unimproved value of the residue to not more than fifty thousand pounds in the aggregate.

(2.) The sale shall be by public auction, either together or in lots, at such time and place and subject to such terms and conditions as the Minister thinks fit.

(3.) For the purpose of vesting the land in the purchaser the Valuer-General shall execute a deed of conveyance or memorandum of transfer, as the case may require, from himself, by his official description only, to the purchaser, with or without the addition of any other parties, and containing a recital that the sale has been made under this Act.

(4.) Upon the execution of such conveyance or transfer the land shall vest absolutely in the purchaser or transferee named therein for an estate in fee-simple discharged from all mortgages, charges, claims, estates, or interests of what kind soever.

(5.) On the registration of such conveyance or transfer the Registrar shall cancel in manner aforesaid the registration of the reduction roll in so far as relates to the land comprised in such conveyance or transfer.

Purchase-money to be paid to Public Trustee.

13. The purchase-money derived from such sale shall be applied first in defraying the costs and charges incurred by the Minister or the Valuer-General in and about such sale and the completion thereof, including all costs incurred in surveying, roading, and subdividing the land and preparing it for sale, and the surplus shall be paid over to the Public Trustee, who shall hold the same for the persons entitled thereto as hereinafter provided.

14. (1.) Every person having any estate or interest in the land so sold or injuriously affected thereby, or suffering any damage from the sale, shall be entitled to full compensation for the same from the owner of the excess estate.

Compensation to person having interest in land or injuriously affected by sale.

5 (2.) For the purpose of assessing and procuring payment of such compensation the provisions of "The Public Works Act, 1905," in the case of land taken for a public work, shall, *mutatis mutandis*, apply with such modifications and alterations as are prescribed by regulations under this Act.

10 (3.) The amount of the award of the Compensation Court shall in each case be a charge on the owner's excess estate, and such charge shall, by force of this Act, have priority over all incumbrances and dealings subsequent to the registration of the reduction roll.

15 (4.) The moneys available in the hands of the Public Trustee (after deducting his proper charges) shall be applied in or towards satisfying the award in such manner and to such extent as the award or other order of the Compensation Court directs, and the surplus (if any) shall be paid to the owner of the excess estate or other the
20 person who establishes his title thereto.

15. (1.) In every case where the owner of rural land in fee-simple disposes of the same or any part thereof by way of sale or lease the instrument of disposition shall have subscribed thereto or indorsed thereon a statutory declaration by the purchaser or lessee
25 that, including the land comprised in the instrument, he is not the owner, tenant, or occupier, either by himself or with any other person or persons, of any lands anywhere in New Zealand exceeding in the whole the limit specified in the *Schedule* hereto.

Statutory declaration by purchaser or lessee of rural land.

30 (2.) The following provisions shall have effect in the case of every such instrument where such declaration is not subscribed thereto or indorsed thereon, or, if so subscribed or indorsed, is untrue in any material particular:—

35 (a.) If the declaration is not so subscribed or indorsed, the Registrar shall not register the instrument, and if registered in breach of this provision the registration shall be void for all purposes and shall be cancelled.

40 (b.) If the declaration is untrue in any material particular, the declarant shall be liable, on conviction by indictment, to imprisonment for any term not exceeding *two* years, or to a fine not exceeding *five* hundred pounds, or to both imprisonment and fine:

45 Provided that it shall be a sufficient defence if he satisfies the Court that he had no intention to evade or avoid the provisions of this section, and also that the untrue statement was not wilfully made.

General.

16. For all the purposes of this Act the following provisions shall have effect:—

Classification of land.

50 (a.) "Rural land," "First-class land," "Second-class land," and "Third-class land," mean, in the case of Crown land, land classified as such respectively, and, in the case of other than Crown land, land which would be so classified if it were such Crown land:

- (b.) A certificate by the Land Board of the district in which any land is situate specifying the classification of such land shall be conclusive evidence of the classification until the certificate is cancelled or varied by the Board.
- (c.) The Board shall give such certificate as to any specified land whenever so requested by the Minister or the owner, and for that purpose shall cause the land to be classified or reclassified, as the case may require. 5
- (d.) Whenever requested so to do by the Minister the Board shall also classify or reclassify all or any specified portion of the land comprised in its district. 10

17. Pastoral lands shall not be disposed of under the renewable-lease system.

18. In addition to the powers conferred upon him by the principal Act, the Governor may from time to time make regulations thereunder for all or any of the following purposes:— 15

- (a.) The mode of keeping and administering the National Endowment Account :
- (b.) The effective classification of lands for the purposes of this Act, and the forms of certificates relating thereto : 20
- (c.) The forms of application for leases, renewals, and otherwise under this Act, and the procedure in dealing with and disposing of the same :
- (d.) The mode of making valuations under this Act, and the procedure in connection therewith : 25
- (e.) The forms of leases, lists, rolls, declarations, and other official documents under this Act :
- (f.) The duties and functions of the Valuer-General in preparing lists and rolls under this Act :
- (g.) The procedure on appeals under this Act : 30
- (h.) The mode of conducting sales under this Act, and the procedure in connection therewith :
- (i.) The procedure on compensation claims under this Act, and the modification of "The Public Works Act, 1905," for the purposes of such claims : 35
- (j.) The registration of charges created by this Act, and the procedure for enforcing and satisfying such charges :
- (k.) Any other purposes for which regulations are contemplated or required, or which he deems necessary in order to give full effect to this Act. 40

19. The principal Act and its amendments are hereby modified in so far as they are inconsistent with this Act, but not further or otherwise.

Restriction as to
pastoral lands.

Regulations.

Principal Act
modified.

SCHEDULE.

Schedule.

LIMIT OF AREA.

ONE thousand acres of first-class land, or
Five thousand acres of second-class land, or
Ten thousand acres of third-class land.

In computing the aforesaid limit, every acre of first-class land shall be deemed to be equivalent to five acres of second-class land or ten acres of third-class land, and every acre of second-class land shall be deemed to be equivalent to two acres of third-class land.

By Authority: JOHN MACKAY, Government Printer, Wellington.—1906