

This PUBLIC BILL originated in the HOUSE OF REPRESENTATIVES, and, having this day passed as now printed, is transmitted to the LEGISLATIVE COUNCIL for its concurrence.

House of Representatives,
14th February, 1933.

[AS AMENDED BY THE LEGISLATIVE COUNCIL.]
Legislative Council, 23rd February, 1933.

Right Hon. Mr. Coates.

SMALL FARMS (RELIEF OF UNEMPLOYMENT).

ANALYSIS.

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A BILL INTITULED

AN ACT to make Provision in Relief of Unemployment Title.
for the Settlement of Approved Persons on Small
Farms.

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

Short Title.

1. This Act may be cited as the Small Farms (Relief of Unemployment) Act, 1932-33.

Purpose of this Act.

2. The purpose of this Act is to make provision for the settlement of approved persons on small areas of Crown lands set aside for the purpose and on other lands that are not being utilized to their full extent, and thereby to mitigate the distress resulting from unemployment. 5

Administration.

Governor-General to appoint Minister of Crown to have administration of this Act.

3. The Governor-General may appoint a member of the Executive Council (hereinafter in this Act referred to as the Minister), who shall be charged with the general administration of this Act. 10

Constitution of Board to assist in administration of this Act.

4. (1) For the purposes of this Act there shall be a Board, consisting of not less than *three* nor more than *five* persons, to be appointed by the Governor-General and to hold office during his pleasure, of whom one shall be appointed as Chairman. 15

(2) In the absence of the Chairman from any meeting of the Board the members present shall select one of their number to be the Chairman for the purposes of that meeting. 20

(3) At every meeting the Chairman shall have a deliberative vote, and in case of an equality of votes, shall also have a casting vote.

(4) At every meeting of the Board *three* members shall form a quorum. 25

(5) In the absence from any meeting of the Board of any member being the Permanent Head of a Department of State, he may appoint an officer of his Department to attend such meeting in his stead. While any person attends a meeting of the Board under this subsection he shall be deemed to be a member of the Board. 30

Local committees.

5. (1) For the purpose of assisting in the administration of this Act the Board may appoint such local committees as it thinks fit. 35

(2) Every local committee shall consist of such number of members, not exceeding *three*, as the Board in its discretion determines.

(3) A Commissioner of Crown Lands shall be a member of every local committee, and shall be the Chairman thereof. In the absence of the Commissioner from any meeting of a local committee he may appoint a suitable person as his deputy for the purposes of that meeting. 40

Functions of Board.

5 6. The Board shall endeavour to promote the settlement of approved persons on areas of suitable Crown lands, on terms to be prescribed by the Governor-General in Council.

Board to promote settlement of Crown lands under this Act.

10 7. (1) Where, in the opinion of the Board, sufficient areas of unoccupied Crown lands are not available for the purposes of this Act, the Board may make arrangements for the acquisition by the Crown, by way of purchase or by way of lease with the right of purchase, of suitable areas of private land, or for the resumption of suitable areas of Crown lands held under lease or license.

Private lands may be acquired for purposes of this Act.

15 (2) Except by agreement with the owner or occupier, no land shall be acquired or resumed under this section otherwise than in accordance with the provisions of section *fourteen* of this Act.

20 8. (1) All lands acquired or resumed under this Act shall be disposed of by way of lease on terms prescribed by this Act in that behalf, and on such other terms (if any) not inconsistent with this Act as may from time to time be prescribed by the Governor-General in Council by regulations made under the authority of this Act.

Lands acquired or resumed under this Act to be disposed of by way of lease with right of purchase to approved persons.

25 (2) The following classes of persons and no others shall be qualified to receive leases of land under this section, namely:—

30 (a) Persons who for the time being are registered as unemployed for the purposes of the Unemployment Act, 1930:

(b) Other persons with respect to whom the Board is satisfied that their settlement on the land would tend to reduce unemployment and who, in the opinion of the Board, are suitable for employment in rural occupations.

35 (3) Every lease granted under this section shall be for a term not exceeding *ten* years, and shall confer on the lessee a right (to be exercised during the currency of the lease) to acquire the fee-simple of the land comprised in the lease at any time after the expiration
40 of four years from the commencement of the term, at a price to be fixed in accordance with the following provisions of this Act.

Board may
arrange for
grant of lease
from private
owner to
approved
person as lessee.

9. (1) In lieu of arranging for the acquisition of any land by the Crown for the purposes of this Act, the Board may, with the approval of the Minister and subject to the provisions of section *fourteen* hereof as to appeals, arrange for a lease of any land to be granted direct to an approved person by the owner or other person having authority to grant such lease. 5

(2) Every such lease shall be granted subject to the same terms and conditions (including the right to acquire the fee-simple) as if the land had been acquired by the Crown for the purposes of this Act. 10

(3) If for any reason the owner or other qualified person refuses or fails to execute a lease for the purposes of this section, such lease may, by direction of the Board, be executed by a Commissioner of Crown Lands for and on behalf of the owner or other person as aforesaid. 15

(4) At any time after the expiration of four years from the commencement of the lease, but not later than six months after the expiration of the term of the lease, if the lessee has not exercised his right to acquire the fee-simple, the land comprised in the lease may be acquired by the Crown on the same terms as those on which the lessee could have acquired the same. 20

Valuation of Land.

Valuation of
land disposed of
by lease under
this Act.

10. (1) Before any land is disposed of by way of lease under this Act (whether such land is ordinary Crown land, or has been acquired by the Crown for the purposes of this Act, or is disposed of by the owner or other competent person direct to the lessee), the Board shall cause to be made a valuation of the land, showing separately :— 25 30

(a) The unimproved value of the land as at the date of the proposed lease; and

(b) The value of any improvements on such land at that date.

(2) The valuations aforesaid may be fixed by agreement between the owner or other prospective lessor *and any mortgagee or mortgagees of the land* and the Board, and in default of agreement shall be determined by the Board. 35

(3) The valuations made pursuant to this section shall be duly recorded in an office of the Department of Lands and Survey, and certified copies thereof, signed by or on behalf of the Chairman of the Board, shall be delivered to the prospective lessor and the prospective lessee. 40

(4) All references in this Act to the unimproved value of any land or to the value of improvements shall, unless the context otherwise requires, be deemed to be references to such values as ascertained in accordance with this section.

Rent.

11. (1) The annual rent payable under leases granted under this Act, whether such leases are of Crown lands, or of lands acquired by the Crown, or of other lands, shall be fixed by the Board, and shall not in any case be less than five per centum of the unimproved value of the land as at the date of the lease or than two and one-half per centum of the capital value of such land at that date.

Computation of rent.

(2) For the purposes of this section the capital value of any land shall be deemed to be the sum of the unimproved value thereof and the value of the improvements thereon as fixed in accordance with the last preceding section.

12. The rent payable during the first four years of the term of any lease granted under or in accordance with this Act shall, in case of default by the lessee, be paid out of the Unemployment Fund.

Payment of rent to be guaranteed by the Unemployment Board for four years.

Acquisition of Fee-simple.

13. (1) The price at which a lessee may acquire the fee-simple of any lands disposed of by way of lease in accordance with this Act shall be determined in accordance with regulations, but shall not be less in any case than the aggregate of the amounts following:—

Price at which lessee may acquire fee-simple.

- (a) The unimproved value of the land as at the date of the acquisition of the fee-simple; and
- (b) The value of the lessor's interest in the improvements as at the date of the lease.

(2) For the purposes of this section the unimproved value of any land shall be determined in the manner prescribed by section ten of this Act.

Special Provisions as to Disposal of Land that is not being adequately used.

14. (1) If with respect to any land suitable for occupation under this Act the Board is of opinion that such land, as to the whole or any part thereof, is not being adequately used, it may, with the approval of

Compulsory acquisition or other dealing with land that is not being adequately used.

the Minister, give to the owner and, if the owner is not also the occupier, to the occupier, *and to every mortgagee of such land*, notice to the following effect:—

(a) That it is intended to acquire such land, by purchase or lease, for the purposes of this Act; or 5

(b) That it is intended to arrange for the disposal of such land, by way of lease under this Act, without the land being first acquired by the Crown; or 10

(c) In the case of Crown land held under lease or license, that it is intended to resume possession of such land for the purpose of disposing of it by lease under this Act.

(2) Within twenty-eight days after receipt of such notice the owner, and, if the owner is not also the occupier, the occupier, *and every mortgagee of such land*, shall have a right of appeal to a Stipendiary Magistrate on either of the grounds following, namely:— 15

(a) That the land is being utilized for productive purposes to a reasonable extent; or 20

(b) That in the event of the land to which the notice relates being taken, or resumed, or disposed of under this Act, the residue of the land in the occupation of the appellant would not be sufficient for the reasonable requirements of himself and his family. 25

(3) After hearing the persons interested, the Magistrate shall give his decision and cause the same to be certified by the Clerk of the Magistrate's Court, who shall forthwith transmit the same to the Board, and the Board shall give notice of the decision to the appellant. 30

(4) Any owner or occupier (being an appellant under subsection *two* hereof) may within fourteen days after the receipt by him of notification of the decision of the Magistrate appeal therefrom to the Supreme Court. 35

Special as to Mortgaged Lands.

Special provisions as to mortgaged lands.

15. (1) Any land may be acquired or may be disposed of by way of lease under this Act, notwithstanding that it may be subject to a mortgage or may form part of a larger area that is subject to a mortgage: 40

~~Struck out.~~

5 Provided that not less than twenty-eight days' notice of intention to acquire or to dispose of any land as aforesaid shall be given by the Board to the mortgagee or mortgagees, and any objections or representations made by a mortgagee shall be considered by the Board before the land is acquired or disposed of as aforesaid.

~~Now.~~

10 ~~Provided always that neither the price at which it is intended to acquire any land or interest in land, nor the terms and conditions of any lease which it is proposed to grant, shall be fixed until the mortgagee or mortgagees have been given an opportunity to make such objections or representations as they think fit with respect thereto or~~
15 ~~generally with respect to the proposed acquisition or disposition, and such objections or representations (if any) have been considered by the Board.~~

(2) In any case to which the *last preceding* subsection relates the mortgagee shall be deemed to have consented
20 to the acquisition of the land and to its disposal by way of lease and to the terms of such lease.

~~Struck out.~~

25 In the event of the mortgagor making default in the payment of interest under the mortgage, or, where there are two or more mortgages, under the first mortgage, or in the repayment of principal, under such mortgage or first mortgage, as the case may be, the rent derived from any lease under this Act shall, on application made to the
30 Board by the mortgagee, be applied in payment of such interest or principal, and, where the lessee has acquired the fee-simple of the land comprised in a lease under this Act, the purchase-money shall in like manner be applied towards the repayment of any capital sums
35 outstanding in respect of such mortgage. On the acquisition by the Crown of the land comprised in any lease to which this section relates or on the acquisition of the fee-simple of such land by the lessee, the land shall
40 be deemed to be released from every such mortgage as aforesaid.

Now.

~~(3) In the event of the mortgagor making default in the payment of interest under any mortgage of land disposed of by way of lease as aforesaid, the rent derived from the lease shall, on application made to the Board by the mortgagee, be applied in satisfaction to the extent thereof of such interest, and where there are two or more mortgages may be so applied towards satisfaction of the claims of the several mortgagees in the order of their priority.~~ 5 10

~~(4) Where the lessee has acquired the fee simple of the land comprised in a lease under this Act, the purchase-money shall be applied in repayment to the extent thereof of any capital sums outstanding in respect of the mortgage, or, where there are two or more mortgages, towards the repayment of the several capital sums in the order of their priority.~~ 15

~~(5) On the acquisition by the Crown by way of purchase of the land comprised in any lease to which this section relates, or on the acquisition of the fee simple of any such land by the lessee and on payment of the price, the land shall be deemed to be released from all mortgages to which it may theretofore have been subject.~~ 20

Acquisition, &c., of Private Land as consideration for Improvements. 25

Acquisition,
&c., of private
land as
consideration
for
improvements
effected out
of public
moneys.

16. The Minister may enter into an agreement with the owner of any land that, as consideration for the making of improvements on such land out of public moneys, such owner will, for the purposes of this Act, convey, transfer, or lease to the Crown or lease to an approved person any portion of such land mentioned in such agreement. 30

Miscellaneous.

This Act to be
in addition to
provisions of
Part I of
Unemployment
Amendment
Act, 1932.

17. (1) This Act shall be in addition to and not in substitution for the provisions of Part I of the Unemployment Amendment Act, 1932. 35

(2) Any moneys available for expenditure under the said Part I may be used for the purposes of this Act,

Now.

~~and any land acquired for the purposes of the said Part may be disposed of as if it had been acquired for the purposes of this Act.~~ 40

18. Any notice required by this Act to be given to the owner or occupier of any land or to any mortgagee shall be given in writing, and may be delivered to him or to his attorney or agent, or be left at the usual or last
5 known place of abode or business of such person, his attorney or agent, or be sent by post to such usual or last known place of abode or business.

Notices, how to be given.

19. The provisions of the Land Act, 1924, shall apply with respect to the execution of leases and other
10 documents required for the purposes of this Act.

Execution of leases.

20. The Field Inspectors and other officers of the Department of Lands and Survey shall, with respect to lands acquired or disposed of under this Act, have the same powers of entry and inspection as they have with
15 respect to lands subject to the Land Act, 1924.

Powers of inspection of lands disposed of under this Act.

21. The Governor-General may from time to time, by Order in Council, make all such regulations as may be necessary for the purposes of giving full effect to the intent and purpose of this Act.

Regulations.