

Hon. Mr. McNab.

LAND LAWS AMENDMENT.

ANALYSIS.

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| <p>Title.</p> <p>1. Short Title.</p> <p style="text-align: center;">PART I.
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LAND FOR SETTLEMENTS.</p> <p>62. This Part deemed part of Land for Settlements Consolidation Act.</p> <p>63. No settlement land to be disposed of by lease in perpetuity. Term of lease. Minimum rental. How rental on renewed lease to be determined.</p> <p>64. Provisions as to lease in perpetuity to apply to renewable lease.</p> <p>65. Former provisions as to disposition of settlement land modified.</p> |
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A BILL INTITULED

Title. AN ACT to amend the Land Act, 1892, and the Land for Settlements Consolidation Act, 1900.

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

Short Title. 1. This Act may be cited as the Land Laws Amendment Act, 1907.

PART I.

CROWN LANDS. 10

This Part deemed part of Land Act.

2. This Part of this Act shall be deemed part of and be read together with the Land Act, 1892 (hereinafter in this Part of this Act referred to as the principal Act).

Renewable Leases.

No Crown land to be hereafter leased in perpetuity.

3. After the passing of this Act no Crown land shall be leased by way of a lease in perpetuity, but all Crown lands which might have been so leased under the principal Act or under any other Act may be leased by way of a renewable lease under the provisions hereinafter contained. 15

Renewable lease defined.

4. (1.) A renewable lease is a lease for the term of sixty-six years, with a perpetual right of renewal in manner hereinafter set forth. 20

(2.) The said term of sixty-six years shall be reckoned from the next first day of January or July following the date of the lease, and there shall be added to the said term the period between the date of the lease and the said day. 25

Rental under renewable lease.

5. (1.) The yearly rental payable under a renewable lease shall be an amount equal to four per centum of the capital value of the land as determined by the Board.

(2.) The said rent shall be payable in equal parts every half-year in advance on the first day of January and the first day of July in each year to the Receiver of Land Revenue. With the first half-yearly payment rent shall also be paid for the period elapsing between the date of the lease and the due date of such half-yearly payment. 30

Right of renewal.

6. The owner of a renewable lease shall have a right at the expiration of the said term of sixty-six years to a renewal of the said lease for a further term of sixty-six years, subject in all respects to the same conditions and provisions as the original lease, including the right of renewal, save that the rent shall be determined at the first and at each subsequent renewal in manner hereinafter provided. 35

Valuation prior to expiry of lease.

7. Not earlier than three years and not later than two years before the expiry of a renewable lease the Board shall cause the following valuations to be made by an appraiser appointed by the Board:— 40

- 5 (a.) A valuation of the substantial improvements of a permanent character which are then in existence and unexhausted on the land included in the lease, and which have either been put on the land during the continuance of the lease or have been purchased by the lessee or his predecessors in title as existing at the commencement of the lease :
- 10 (b.) A valuation of the fee-simple of the said land, not taking the said improvements into account :
- 15 (c.) A valuation of the yearly rental for the term of the new lease, having regard to what would be at the time of the valuation a fair market rental for that land under a lease granted for the same term and on the same conditions, but not taking into account the value of the improvements aforesaid. The rental so fixed shall in no case exceed four pounds per centum of the value of the fee-simple of the land determined as aforesaid.

20 8. Not later than eighteen months before the expiry of a renewable lease the Commissioner shall deliver to the lessee a notice in writing requiring him to elect whether he will accept a renewed lease at the rent so fixed as aforesaid, and the notice shall contain or be accompanied by a copy of the aforesaid valuations.

Notice to be given by Commissioner requiring election by lessee.

25 9. Within six months after the receipt of the notice referred to in the *last preceding* section, notice in writing shall be given to the Commissioner by the lessee to the effect either—

Notice of election by lessee.

- 30 (a.) That he accepts the offer of a renewed lease at the rental so fixed ; or
- (b.) That he does not desire a renewed lease, and agrees to the aforesaid valuation of improvements ; or
- (c.) That he does not desire a renewed lease, but requires the improvements to be valued by arbitration ; or
- (d.) That he desires a renewed lease, and requires the value of the land and improvements and the amount of the rental, or any of these matters, to be determined by arbitration.

35 10. If the lessee of a renewable lease omits to give to the Commissioner within the time limited therefor the notice referred to in the *last preceding* section, he shall be deemed to have agreed to accept a renewed lease at the rent mentioned in the notice of the Commissioner, and to have agreed to the valuations contained

40 or referred to in that notice.

Omission by lessee to give notice of election.

45 11. If the Board or Commissioner omits to cause any such valuation to be made or notice to be given as is hereinbefore referred to within the proper time therefor, the lessee may require such valuation to be made, and notice to be given at any time thereafter so long as he remains in possession of the land, whether the term of his lease has or has not already expired, and his right to a renewal of the lease shall not be affected by any such omission or delay.

Omission by Board to make valuation.

50 12. (1.) If the lessee, in accordance with the foregoing provisions, requires any matter to be submitted to arbitration, it shall be determined accordingly by three arbitrators, one to be appointed by the Commissioner, another by the lessee, and the third by the two

Appointment of arbitrators.

other arbitrators ; or, in the event of their failing to agree in any such appointment, then by a Judge of the Supreme Court on the application of the Commissioner or of the lessee.

(2.) If the lessee fails to appoint an arbitrator within two months after being required so to do by notice in writing from the Commissioner, the lessee shall lose his right of having the matter determined by arbitration, and shall be bound by the valuation already made. 5

(3.) Subject to the provisions of this Act the powers and duties of the arbitrators, their mode of appointment, and the procedure to be observed in any such arbitration, and the payment of the costs thereof, shall be determined by regulations made by the Governor in Council in that behalf. 10

(4.) In making their determination the arbitrators shall be subject to the provisions hereinbefore contained as to the valuations made by an appraiser. 15

(5.) The determination of the arbitrators as to the value of the land and of the improvements thereon shall be final and conclusive and shall be binding on the parties, and the lessee shall have a right to a renewal of the lease at the rental so fixed by the arbitrators.

Notice of election by lessee on determination of arbitrators.

13. (1.) The lessee shall, within two months after receiving notice of the determination of the arbitrators, elect whether he will accept a renewed lease at the rent so fixed by the arbitrators, and give notice of his election to the Commissioner. 20

(2.) If he fails to give such notice within the time aforesaid, he shall be deemed to have elected to accept a renewed lease at the said rent. 25

(3.) Any such election shall amount to a binding agreement to accept the lease.

(4.) If the lessee fails without reasonable excuse to execute a lease accordingly within one month after the same has been presented to him for execution, the Board may declare that his right of renewal is forfeited, and his right shall thereupon determine. 30

Lessee entitled to value of improvements if lease not renewed.

14. (1.) If the lessee refuses or omits to accept a renewed lease or forfeits his right to obtain the same, the value of the improvements on the land, as determined by valuation or arbitration as aforesaid, shall become a debt due by the Crown to the lessee. 35

(2.) If the said improvements have become for any reason depreciated in value between the date of the valuation or arbitration and the date on which the lessee gives up possession of the land, the amount of this depreciation shall be deducted from the value as so determined. 40

Struck out.

Lessee to have right to minerals without license.

15. (1.) A renewable lease shall not confer upon the lessee any right to extract or remove any minerals from the land. 45

(2.) The term " minerals " in this section includes all minerals, mineral oils, metals, clay, valuable stone, or other valuable materials existing below the surface of the land.

(3.) The value of minerals shall not be taken into account in any determination of the value of the land for the purpose of fixing the rental thereof either at the commencement of the lease or on any renewal thereof. 50

New clause.

15. (1.) A renewable lease shall not confer upon the lessee any right to extract or remove any minerals from the land.

Licensee to have no right to minerals without license.

5 (2.) The term "minerals" in this section includes all minerals, mineral oils, metals, clay, stone, or other valuable materials existing below the surface of the land.

10 (3.) The value of minerals shall not be taken into account in any determination of the value of the land for the purpose of fixing the rental thereof, either at the commencement of the lease or on any renewal thereof.

15 (4.) It shall be lawful for the Board, with the consent of the Minister, to grant to the owner of a renewable lease a license to extract or remove any minerals, except gold, silver, and coal, from the land in consideration of such royalties or other payments, and on such terms and conditions, as the Board and the Minister think fit:

Provided that nothing herein shall interfere with the operation of any enactment relating to mining in respect to the land subject to the lease.

20 (5.) Nothing herein shall be construed to prevent the owner of a renewable lease from using on the land subject to the lease any minerals for any agricultural, pastoral, household, or building purpose.

25 16. (1.) Any owner of a renewable lease or of a lease in perpetuity may at any time make payments to the Receiver of Land Revenue in sums of not less than ten pounds and not exceeding in the whole ninety per centum of the capital value of the land comprised in his lease.

Lessee may pay up to ninety per centum of capital value of land.

30 (2.) The capital value of the land for this purpose means the value in respect of which the rent payable under the said lease is calculated.

(3.) On any such payment being made the rent reserved by the lease shall thereafter abate proportionately.

35 (4.) When and so long as the payments so made are equal in the aggregate to fifty per centum of the said capital value, the lessee shall for the residue of the term have possession of the land freed from all covenants and conditions contained or implied in the lease other than the covenant to pay rent and the conditions as to residence, but the lessee shall not thereby obtain any right to extract minerals or commit any other waste or depreciation of the land.

40 (5.) All moneys so paid shall be a debt due by the Crown to the owner of the lease for the time being, and such debt shall run with the lease, and shall be payable when the lease is renewed or is determined by effluxion of time, forfeiture, surrender, or otherwise.

45 (6.) At any time during the currency of the lease any moneys so paid shall, so far as they exceed fifty per centum of the capital value, be repaid on the application of the person entitled thereto, and thereupon the rent payable under the lease shall be adjusted proportionately.

50 (7.) All moneys so paid by a lessee shall be paid into the Land for Settlements Account, and shall be available for the purposes of the Land for Settlements Consolidation Act, 1900.

(8.) Interest at the rate of four per centum (less one-tenth thereof) shall be paid half-yearly out of the said account on all moneys so paid into it, other than in respect of land under the provisions of the Land for Settlements Consolidation Act, 1900.

(9.) The said interest shall be paid into the Consolidated Fund. 5

(10.) All moneys repayable by the Crown under the foregoing provisions shall be paid out of the Land for Settlements Account without further appropriation than this Act.

Provisions as to leases in perpetuity to apply to renewable leases.

17. Subject to the provisions of this Act, all the provisions of the principal Act prescribing the conditions to be fulfilled by the owners of leases in perpetuity shall, with the necessary modifications, apply to the owners of renewable leases, and all references in the principal Act to leases in perpetuity and to the owners thereof, shall, with respect to land held under renewable leases, be deemed to be references to renewable leases and to the owners thereof. 10 15

Owner of lease in perpetuity may obtain renewable lease in lieu thereof.

18. (1.) Any owner of a lease in perpetuity under the principal Act or the Land for Settlements Consolidation Act, 1900, shall have at any time after the passing of this Act a right to surrender his lease and to obtain in lieu thereof a renewable lease of the same land.

(2.) The rental payable under any renewable lease so obtained shall be five per centum of the capital value of the land in the case of land subject to the provisions of the Land for Settlements Consolidation Act, 1900, and four per centum of the said value in the case of all other land. 20

(3.) The capital value of the land for the purposes of the *last preceding* subsection shall be deemed, at the option of the lessee, to be either the original value of the land as determined at the date of the surrendered lease or the present value of the land (excluding the value of improvements) at the time at which application is made for a renewable lease under the provisions of this section. 25 30

(4.) The said present value of the land shall be determined by valuation or arbitration in the same manner (subject to any necessary modifications or any regulations made in this behalf by the Governor in Council) as is hereinbefore provided in the case of the renewal of a renewable lease. 35

(5.) The determination of the arbitrators under the *last preceding* subsection shall be binding upon the parties; and the lessee shall, so soon as the said determination has been made, be deemed to have agreed to accept a renewable lease at the rental so determined and to surrender his existing lease. 40

(6.) Where any person has within two years after the passing of this Act accepted or agreed to accept a renewable lease under the provisions of this section, and the rental payable thereunder is less than the rental payable under the lease surrendered in exchange therefor, the smaller rental shall be deemed to have been the rental payable by him under the lease so surrendered as from the commencement of the term thereof, and any amount already paid by way of rent in excess of this smaller rental by the lessee (but not by his predecessors in title) shall be credited to him in part payment of the rent payable by him under the renewable lease so obtained by him. 45 50

New subclause.

(7.) The term of a renewable lease granted under the provisions of the *last preceding* subsection shall be calculated from the day on which the term of the surrendered lease commenced.

19. (1.) Every owner of a lease in perpetuity shall have a right at any time hereafter during the existence of the lease to purchase the fee-simple of the land comprised in the lease at a price equal to the capital value of the said land at the time of the purchase thereof.

Owner of lease in perpetuity may purchase fee-simple.

(2.) The said capital value shall be determined by valuation or arbitration in manner hereinafter in this section provided, and shall include the value of all minerals other than gold and silver, but shall not include the value of any improvements placed on the land during the continuance of the lease.

Capital value determined by valuation or arbitration.

(3.) The right of purchase hereby conferred shall be exercised by giving to the Commissioner a notice in writing of the intention of the lessee to purchase the land.

(4.) The delivery of such notice shall constitute a contract between the lessee and the Crown for the purchase and sale of the said land at a price to be determined by valuation or arbitration in manner hereinafter provided, and the full purchase-money of the said land shall be due and payable by the purchaser within one year after the date of the said notice.

(5.) As soon as practicable after the receipt of any such notice the Board shall cause the fee-simple of the said land to be valued by an appraiser to be appointed by the Board, and a copy of the valuation so made shall be delivered to the lessee.

(6.) The valuation so made shall be conclusive unless the lessee, within two months after the delivery of such copy thereof, gives written notice to the Board that he requires the value of the said land to be determined by arbitration.

(7.) If such notice is given as is mentioned in the *last preceding* subsection, the value of the said land shall be determined by arbitration in manner provided by section *twelve* hereof.

(8.) If the lessee makes default in the payment of the said purchase-money, the Board may in its discretion cancel and determine the said contract of purchase, but such cancellation shall not prevent the lessee or his assigns, at any time after the expiration of ten years thereafter, from giving a further notice of intention to purchase, and on such notice the same proceedings may be taken as in respect of a first notice.

Default in payment of purchase-money.

(9.) All costs and expenses incidental to the exercise of the right of purchase conferred by this section shall be paid and borne by the lessee.

(10.) On the completion of such purchase the lease shall determine, but the fee-simple so purchased shall be subject to any right, title, interest, or incumbrance which is vested in any person other than the lessee, and by which at the time of such completion the lease is affected.

Determination of lease.

(11.) The provisions of section *fifty-five* hereof as to the limitation of areas shall apply to the exercise of a right of purchase under this section, as if the purchaser were not already in occupation of the land in respect of which the right of purchase exists.

Section 55 to apply to right of purchase by lessee.

(12.) The Governor may, by Order in Council gazetted, make such regulations as he considers necessary for carrying into effect the provisions of this section.

Regulations.

(13.) The proceeds derived from any sale of land under the provisions of this section shall be paid into the Land for Settlements Account.

(14.) The provisions of this section shall not apply to land which is subject to the provisions of the Land for Settlements Consolidation Act, 1900. 5

Special provision as to renewable leases of land not immediately productive.

20. (1.) In order to facilitate the settlement of land which in the opinion of the Board is not likely to be immediately productive or profitable, any such land may with the consent of the Minister be opened for selection by way of renewable lease on the special conditions contained in this section. 10

(2.) A renewable lease of any such land shall contain a provision that no rent shall be payable thereunder during such period as the Board, with the consent of the Minister, shall determine, not exceeding ten years after the commencement of the first term of sixty-six years. 15

Modification of residence condition in special cases.

21. For the benefit of persons who desire to select rural land for themselves or their families, but whose vocations 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~~):— 20

(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. 25

(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. 30

(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. 35

(e.) All such regulations ~~shall be signed by the Minister, and~~ shall be laid before both Houses of Parliament; and no such regulation shall come into force until approved of by resolution of each House. 40

New paragraph.

(f.) Applicants under this section shall be deferred to all other applicants, and shall as amongst themselves be dealt with in the manner prescribed by sections forty-eight, forty-nine, and fifty hereof in the case of other applicants. 45

New clause.

Renewable leases to be subject to Part III of principal Act.

21A. A renewable lease shall be deemed to have been granted under Part III of the principal Act and to be subject to the provisions thereof as modified by this Act.

Miscellaneous.

22. Section three of the principal Act is hereby amended as follows :—

Section 3 of principal Act amended.

5 (a.) By omitting the words “ the principal officer ” in the definition of “ Surveyor-General,” and substituting therefor the words “ the officer in charge of the technical branch ” ; and

(b.) By inserting the following :—

“ Under-Secretary means the principal officer of the Department of Lands and Survey, or his deputy.”

10 23. Section ten of the principal Act is hereby amended by omitting the words “ *carried on for the purposes of this Act, or of any Act or Acts for the time being in force relating to Native lands,*” and substituting therefor the words “ *lands, whether Crown lands or not.*”

Section 10 of principal Act amended.

15 24. (1.) Section sixty-two of the principal Act is hereby amended by omitting all the words of paragraph (1) thereof after the words “ if made on the same day.”

Section 62 of principal Act amended.

20 (2.) Section sixty-two of the principal Act is hereby further amended by omitting the words “ *in such one of the forms set forth in the Schedules to this Act,*” and substituting therefor the words “ *to the effect that the applicant is legally qualified to acquire the land applied for. Such declaration shall be in such one of the forms prescribed by regulations made by the Governor from time to time by Order in Council gazetted.*”

25 (3.) Schedules A, B, C, D, and E of the principal Act are hereby repealed.

Repeal.

25 25. With respect to the deposit which by section sixty-four of the principal Act as amended by paragraph (4) of section two of the Land Act Amendment Act, 1893, the applicant for unsurveyed land is required to make for the estimated cost of the survey, the following provisions shall be deemed to have applied from the time of the coming into operation of the principal Act :—

Application of deposit on unsurveyed land.

(a.) Such deposits shall be applied in or towards defraying the cost of the survey.

35 (b.) The amount to be credited to each selector pursuant to section sixty-five of the principal Act shall be the amount of his deposit for the estimated cost of the survey.

(c.) Where the area as surveyed exceeds the estimated area applied for, a deposit of the additional cost of the survey shall be made before the application is finally approved.

40 (d.) If the area as surveyed is greater or less than the estimated area applied for, this circumstance shall not exempt the applicant from the forfeiture of his deposit as provided for in paragraph (3) of section sixty-four of the principal Act.

45 26. Section sixty-eight of the principal Act is hereby amended by inserting after the words “ second-class lands ” the words “ or three five thousand acres of third-class lands.”

Section 68 of principal Act amended.

New clause.

50 26A. (1.) When, after the passing of this Act, the owner of a renewable lease makes or proposes to make any improvements on the land subject to the lease, he shall be entitled on application to the Commissioner to have particulars of the nature of such improvements

Provision for recording improvements.

and of the state and condition of the land before the making of such improvements recorded by the Commissioner in such manner as is prescribed by regulations.

(2.) Every such record shall be permanently preserved by the Commissioner, and shall at all times be receivable as sufficient evidence of the facts therein recorded in all matters and proceedings touching the value of improvements made on the said land. 5

(3.) The Governor may from time by time, by Order in Council gazetted, make regulations for carrying into effect the provisions of this section, and providing for the payment by lessees of the costs and expenses incurred by the Commissioner in ascertaining the particulars so to be recorded by him. 10

Struck out.

Powers of lessee or licensee to dispose of interest in land.

27. (1.) A lessee or licensee, or a transferee or sublessee of a lessee or licensee, at any time after he has resided continuously for a period not less than two years on the land included in the lease or license may, with the permission of the Board and the Minister, but not otherwise, assign, mortgage, charge, or otherwise dispose of his interest in the land or may sublet the land : 15

Provided that when by reason of special and unforeseen circumstances an assignment, mortgage, sublease, or other disposition becomes, in the opinion of the Board and the Minister, necessary or desirable, such permission may be granted and such disposition may be made although no such residence has taken place. 20

(2.) The foregoing provisions shall apply to all leases and licenses, whether granted before or after the passing of this Act, but shall not apply so as to limit or affect the right of transfer or disposal vested in licensees of pastoral runs under Part VI of the principal Act. 25

(3.) The provisions of this section are in substitution for those of paragraph (1) of section eighty-three of the principal Act, and that paragraph is hereby accordingly repealed. 30

New clause.

Assignment by lessee.

27A. (1.) A lessee or licensee, or the sublessee of a lessee or licensee, shall not be entitled to assign or otherwise dispose of his interest in the land subject to the lease or license except by way of mortgage, or to sublet the land, unless in either case he has resided continuously thereon for a period not less than two years, and then only with the permission of the Board and the Minister : 35

Provided that where by reason of special and unforeseen circumstances an assignment, sublease, or other disposition becomes in the opinion of the Board and the Minister desirable, such disposition may be permitted although no such residence has taken place. 40

(2.) This section shall not apply so as to limit or affect the right of transfer or disposal vested in licensees of pastoral runs under Part VI of the principal Act. 45

(3.) This section is in substitution for paragraph (1) of section eighty-three of the principal Act, and that paragraph is hereby accordingly repealed.

Struck out.

5 28. Paragraph (2) of section one hundred and eleven of the principal Act is hereby amended by omitting the word "fourteen," and substituting therefor the word "twenty-one"; and by inserting after the words "upset price of such lands" the words "or on such lesser price as the Minister on the recommendation of the Board directs."

Leasing of town lands.

New clause.

10 28A. Paragraph (2) of section one hundred and eleven of the principal Act is hereby repealed, and the following substituted therefor:—

Section 111 of principal Act amended.

15 " (2.) May be let for any time not exceeding twenty-one years at a rent not less than five per centum on the upset price of the land, or on such lesser price as the Minister, on the recommendation of the Board, directs, with right to compensation for improvements at the expiration of the lease."

20 29. (1.) All rural lands may be classified by the Board into first-class, second-class, and third-class lands, and the capital value thereof shall be fixed by the Board at the prices following, that is to say:—

Classification and cash price of rural lands.

- 25 (a.) First-class lands, at a capital value not less than *one* pound per acre ;
 (b.) Second-class lands, at a capital value not less than *ten* shillings per acre ; and
 (c.) Third-class lands, at a capital value not less than two shillings and *sixpence* per acre.

(2.) This section is in substitution for section one hundred and twelve of the principal Act, which section is hereby accordingly repealed.

Repeal.

30 30. (1.) Section one hundred and thirteen of the principal Act, as amended by paragraph (4) of section three of the Land Act Amendment Act, 1893, is hereby amended by omitting the words "in the last preceding section."

Section 113 of principal Act amended.

(2.) Paragraph (4) of section three of the Land Act Amendment Act, 1893, is hereby repealed.

Repeal.

35 31. Before disposing of any land under section one hundred and fifteen of the principal Act the Board shall advertise the application at least three times in some newspaper circulating in the district.

Application for unsurveyed land to be advertised.

40 32. Section one hundred and sixteen of the principal Act is hereby amended by inserting after the words "by public auction" the words "or by tender," and after the word "grazing" the words "or other."

Section 116 of principal Act amended.

45 33. Section one hundred and twenty-four of the principal Act is hereby amended by omitting all the words after the word "forfeited" to the end of the third paragraph thereof, and substituting therefor the following words: "and the Board may in any case declare that any rates (not exceeding two years' arrears) due by an outgoing lessee or licensee are a charge upon any moneys received or receivable by the Board from an incoming lessee or licensee for improvements on the land, and may pay to any local authority out of such moneys the amount of the rates so charged thereon."

Payment of rates by Crown tenants.

Thirds and fourths.

34. The right of local authorities to thirds and fourths under section one hundred and twenty-six of the principal Act shall not be affected by the allowance of any rebate under the Crown Tenants' Rent Rebate Act, 1900.

Duration of thirds.

35. ~~Section one hundred and twenty-seven of the principal Act is hereby amended by adding thereto the following paragraph:—~~ 5

“(5-) Nothing herein in section one hundred and twenty-seven of the principal Act shall authorise the payment in respect of any land of any sum greater than the third or fourth, as the case may be, of fifteen years' rent, notwithstanding that the land may be let in succession to two or more different tenants or that the lease or license thereof may be renewed.” 10

New clause.

Section 136 of principal Act amended.

35A. Section one hundred and thirty-six of the principal Act is hereby amended by omitting the words “Surveyor-General,” and substituting therefor the words “Under-Secretary.” 15

Section 151 of principal Act amended.

36. Section one hundred and fifty-one of the principal Act is hereby amended by inserting the words “lessees and” before the word “licensees”; and by adding at the end of the section the following paragraph, which shall be deemed to have been contained in the principal Act as from the date of the passing thereof:— 20

“In the case of any lease or license granted under the authority of any former Land Act which contains provisions for the renewal of such lease or license on its expiration by effluxion of time, nothing in this Act shall take away or affect such right of renewal.” 25

Right of exchange under section 160 of principal Act not to apply to small grazing or pastoral runs.

37. The provisions of section one hundred and sixty of the principal Act, and of section fifteen of the Land Act Amendment Act, 1895, shall not apply to leases of small grazing-runs or pastoral runs, whether granted under the principal Act or any Act thereby repealed.

New clause.

Section 164 of principal Act amended.

37A. Section one hundred and sixty-four of the principal Act is hereby amended by omitting all words after the word “exceeding,” and substituting in lieu thereof the words “five hundred acres in area.” 30

Not more than one run to be held.

38. Section one hundred and ninety-three of the principal Act is hereby repealed, and the following substituted therefor:— 35

“It shall not be competent for any person, except on the recommendation of the Board and with the approval of the Minister, to hold more than one run of any kind under this Part of this Act, and such recommendation and approval may be given either before or after an application has been made, or a bid given at auction.” 40

Holder of pasturage lease or license may cultivate portion of his run.

39. (1.) With the consent of the Minister the Land Board may permit the holder of any pasturage lease or license under Part VI of the principal Act to cultivate a portion or portions of his run for the purpose of growing winter feed for the stock depastured thereon, and also to plough and lay down in grass, or clear, burn, and sow in grass, or surface sow in grass, an additional area not exceeding three thousand acres, such additional area to be specially valued in the same manner as is provided by section two hundred and seven of the principal Act at the termination of the lease or license, and the value of such improvements as determined by valuation to be paid over by the incoming lessee to the outgoing lessee as is therein provided, notwithstanding that the limit of compensation prescribed by that section may be thereby exceeded. 45 50

(2.) The holder of any such pasturage lease or license may, with the permission of the Land Board, bring such area of his run under crop as is sufficient for the use and maintenance of himself and family only, subject to conditions to be prescribed by the Board as to cultivation thereof by means of a proper rotation of crops, ~~and to~~

5 (3.) *The powers conferred by this section on the lessee or licensee shall be exercisable only on the condition that he shall, on the termination of such lease or license, leave the whole of the aforesaid area ploughed or cultivated properly laid down in good permanent cultivated grasses and*
 10 *clovers to the satisfaction of the Board.*

40. Section two hundred and twenty-one of the principal Act is hereby amended by omitting the words "unsold Crown lands within one quarter of a mile," and substituting therefor the words "unfenced and uncultivated pastoral lands not within one mile of a homestead
 15 but within one quarter of a mile."

Depasturing stock on Crown land.

New clause.

40A. (1.) The Board may, with the approval of the Minister, lease by auction, for growing, cutting, or removing flax, any area not exceeding two thousand acres, for a term not exceeding fourteen
 20 years, at such upset yearly rental as may be determined by the Board.

Flax leases.

(2.) On the expiration of the said lease a new lease may be granted to the former lessee, without auction, for a further term not exceeding fourteen years, at a rental to be determined by the Board
 25 not sooner than twelve months nor later than six months before the expiration of the first term.

(3.) This section shall apply both to land under the principal Act and to land under the Land for Settlements Consolidation Act, 1900.

30 (4.) The Governor may from time to time make such regulations as he deems necessary to give full effect to this section.

(5.) Section two hundred and twenty-eight of the principal Act and paragraph (8) of section three of the Land Act Amendment Act, 1893, are hereby repealed.

35 41. Section two hundred and thirty-five of the principal Act is hereby amended by adding after the word "prisons," in paragraph (2) thereof, the words "police-stations, post and telegraph offices."

Reserves for police-stations, &c.

40 42. Nothing in the Kauri-gum Industry Act, 1898, shall affect or interfere with the powers of the Land Board under Part VII of the principal Act in respect of kauri-gum reserves.

Powers of Land Board over kauri-gum reserves.

45 43. Section one hundred and forty-four of the principal Act is hereby amended by omitting all words from and including "on first-class land" to "ten shillings per acre," and substituting therefor the words "to the value of one pound for every acre of first-class land, ten shillings for every acre of second-class land, and two shillings and sixpence for every acre of third-class land."

Section 144 of principal Act amended.

50 44. Section one hundred and seventy-four of the principal Act is hereby amended by inserting at the commencement thereof the words "Except on the recommendation of the Board and with the approval of the Minister," and by omitting the words "or (4) Who is disqualified under any provision of this Act."

Section 174 of principal Act amended.

Section 244 of principal Act amended.

45. Section two hundred and forty-four of the principal Act is hereby amended by omitting the words "six hundred and forty acres," and substituting therefor the words "the limits of area fixed by this Act for Crown lands of a similar character and class."

Deductions for expenses from moneys payable in respect of royalties.

46. The Receiver of Land Revenue shall deduct from all moneys payable to any local authority *under any Act* in respect of royalties received for the cutting of timber or flax on Crown lands a sum equal to *ten* pounds per centum of such moneys as expenses incidental to the receipt of such royalties and to the granting of the licenses or leases under which they are payable.

Sale of Crown lands for certain purposes.

47. (1.) The Board may, with the consent in each case of the Minister, dispose of any Crown lands by way of sale in fee-simple as a site for a dairy factory, cheese-factory, *fruit-preserving factory*, or creamery.

(2.) No allotment so disposed of shall exceed five acres or be sold at a less price than one pound per acre.

(3.) The provisions of the principal Act relating to declaration, formal application, or public auction shall not apply to a sale of land under the provisions of this section.

Landless applicants to have preference.

48. (1.) In cases where a ballot is required those applicants who are landless shall have preference over those who are not, and the decision of the Board as to which of the applicants are landless shall be final and conclusive.

(2.) An applicant is landless within the meaning of this section if he does not hold under any tenure such area of land, whether Crown land or not, as is in the opinion of the Board sufficient for the maintenance of himself and his family.

(3.) In the case of a husband and wife (except when they are judicially separated), if either of them is not landless, neither of them shall be deemed to be landless.

Preference to certain other classes of applicants.

49. In cases where a ballot is required preference shall be given, subject to the preference provided for in the *last preceding* section, to the following classes of applicants, who shall rank equally with each other :—

(a.) Married men with children:

(b.) Widowers with children:

(c.) Widows with children:

(d.) Married women with children, and judicially separated from their husbands.

Preference to former unsuccessful applicants.

50. In cases where a ballot is required preference shall be given, subject to the preference provided for in the last *two* preceding sections, to applicants who within the previous two years have competed *at least twice* unsuccessfully at any other land-ballot, whether under the principal Act or under the Land for Settlements Consolidation Act, 1900.

Regulations as to conduct of ballots.

51. (1.) The Governor may by Order in Council make regulations as to the mode in which ballots are to be conducted, in order to render effectual the provisions as to preference contained in this Act.

(2.) In default of any such regulations, or so far as they do not extend, the Board shall have power to make any such arrangements for this purpose as it considers fit.

Decision of Board to be final.

52. The decision of the Board as to the rejection or preference of any applicant shall be final and conclusive.

53. Before taking a ballot or otherwise disposing of applications for land the Board may, in such manner as it thinks fit, inquire into all matters affecting an applicant's suitability or his right of preference under this Act, and may reject any applicant who refuses or fails to answer any inquiries as to such matters to the satisfaction of the Board.

Board may examine applicants before ballot.

54. (1.) Every person who has been successful in any land-ballot, whether under the principal Act or under the Land for Settlements Consolidation Act, 1900, and who has made any disposition of his allotment or any part thereof, whether by way of assignment or sublease, shall be disqualified for the period of five years after the date of such disposition from taking part in any land-ballot, whether under the principal Act or under the Land for Settlements Consolidation Act, 1900.

Restriction on successful applicant who has disposed of allotment.

(2.) In all cases not included in the preceding subsection a selector who makes an assignment of his lease or license shall be disqualified for five years thereafter from obtaining any lease or license under the principal Act, unless under special circumstances and with the permission of the Board.

55. (1.) No person shall be capable of acquiring under Part III or Part IV of the principal Act any land which, together with all other land (whether Crown land or not) owned, held, or occupied under any tenure, either severally or jointly or in common with any other person, would exceed a total area of ~~three~~ five thousand acres calculated in manner hereinafter provided.

Limit of area to be acquired.

Struck out.

(2.) No married woman (other than a married woman who has obtained a judicial separation or a protection order) shall be capable of acquiring under Part III or Part IV of the principal Act any land which, together with all other land (whether Crown land or not) owned, held, or occupied under any tenure, either severally or jointly or in common with any other person, and whether at law or in equity, would exceed a total area of one thousand five hundred acres calculated in manner hereinafter provided.

(3.) This section shall apply to the acquisition of any lease or license by assignment, and to the taking of a sublease of land included in any lease or license, in the same manner as to the original acquisition of such a lease or license.

(4.) Nothing in this section contained shall prevent the acquisition of any lease or license by any executor, administrator, trustee, or beneficiary under any will or intestacy.

(5.) Nothing in this section contained shall prevent the assignment of any lease or license to any person by way of mortgage.

(6.) In estimating for the purposes of this section the area of land already owned, held, or occupied by any person no account shall be taken of land vested in such person as a trustee, mortgagee, executor, or administrator only, if the persons beneficially interested in such land have no beneficial interest in the lease or license so acquired.

(7.) For the purpose of computing the total area mentioned in this section every acre of first-class land shall be reckoned as ~~four~~ seven and a half acres, and every acre of second-class land shall be reckoned as ~~one~~ two and a half acres.

(8.) Any land which has not been classified shall for the purposes of this section, if of an unimproved value of one pound per acre or up-

wards, be deemed to be first-class land; and if of an unimproved value of less than one pound but not less than ten shillings, shall be deemed to be second-class land; and if of an unimproved value of less than ten shillings, shall be deemed to be third-class land.

(9.) Land held under lease, the term of which expires within ~~three~~ *six* 5 months, shall not be deemed to be land held or occupied within the meaning of this section, unless the lessee has a right to a renewal of such lease.

Repeal.

(10.) Sections ninety-three and ninety-six of the principal Act, and paragraph (11) of section three of the Land Act Amendment Act, 1893, are hereby repealed.

Selector may acquire additional land.

56. In any case where in the opinion of the Board the land held 10 by a selector is insufficient for the maintenance of himself and family, the Board may in its discretion, but subject to the approval of the Minister, permit him to acquire any land, whether contiguous or not, without such land being first opened for public selection, and notwithstanding 15 any restriction contained in the principal Act as to the number of sections which any selector may hold.

Board may create easements.

57. The Board shall have power in granting any lease or license to create thereby any right-of-way, water-rights, or other easements, 20 so as to make the same appurtenant to the land comprised in the lease or license, or so as to make that land subject thereto.

Powers of executors, &c., on death of lessee or licensee.

58. (1.) On the death of the owner of any lease or license his 25 executors or administrators shall have power to assign the lease or license to any qualified person, but the consent of the Board shall be necessary for any such assignment.

(2.) The executors, administrators, or trustees of the deceased 30 owner of any lease or license may continue to hold the same in trust for the persons beneficially entitled thereto under the will or intestacy of the deceased, and the conditions as to residence may be fulfilled by the persons so beneficially entitled, or by any of them, as if they were the 30 owners of the lease or license.

(3.) If no probate is granted or letters of administration issued 35 within ~~three~~ *six* months after the death of the owner of a lease or license, and the Commissioner of Crown Lands is of opinion that the lease or license is of so small a value that it is expedient to exercise the powers 35 hereby conferred upon him, he may either sell the lease or license and execute a transfer of the same to any qualified person, and receive the purchase-money on account of the persons entitled thereto under the will or intestacy of the deceased, or he may execute a transfer of the lease or license to the persons entitled thereto under the said will or intestacy, 40 or to any one or more of them in trust for all.

Repeal.

(4.) Section one hundred and fifty-four of the principal Act and section nine of the Land Act Amendment Act, 1895, are hereby repealed.

Section 182 of principal Act amended.

59. Section one hundred and eighty-two of the principal Act 45 is hereby amended by inserting after the words "existing lessee" the words "not earlier than two years, and" in the first paragraph thereof.

Deposit where only one application.

60. Where there is only one application for any land, the deposit 50 required by section sixty-three of the principal Act shall be calculated on the upset price, and shall be paid not later than the hour fixed for the ballot; and where the hour for the ballot is not fixed, the deposit

shall be paid not later than noon on the first day that the office is opened for business following that on which the application was received, and if not then paid the application shall lapse.

Purchaser failing to fulfil conditions liable to forfeiture of interest in cash lands under Part III of principal Act.

5 **61.** (1.) If any purchaser of cash lands under Part III of the principal Act, holding the same under a certificate of occupation, fails to fulfil the conditions as to improvements contained in section one hundred and forty-eight of that Act within the time therein limited, the Board may declare that his estate and interest in the said land is forfeited, and the said estate and interest shall thereupon
10 cease and determine.

(2.) In the case of any such forfeiture the improvements on the land shall be dealt with as provided in sections seventy-two to seventy-seven of the principal Act.

15 (3.) This section shall apply to persons who have become purchasers of such lands as aforesaid before the coming into operation of this Act, but in the case of such persons no such forfeiture shall take place if within the period of seven years after the coming into operation of this Act they fulfil the said conditions as to improvements.

20 *New clauses.*

Encouragement of wood-pulp industry.

25 **61A.** (1.) In order to aid in the establishment of the wood-pulp industry for paper-making, the Governor may from time to time set apart land not suitable for close settlement or for leasing under the small-grazing-run system of a total area not exceeding *fifty* thousand acres.

(2.) The land so set apart may be disposed of by way of lease in such areas and on such terms and conditions as may be fixed by special regulations to be made under this section :

30 Provided that no person shall be granted a lease over a greater area than *thirty* thousand acres of such land, and no lease shall be for a longer term than *twenty-one* years or shall include any right of renewal.

(3.) The provisions of this Act relating to the limit of area that may be held by any applicant shall not apply to the granting of a
35 lease hereunder.

(4.) The right to utilise the water-power of any stream on the land so disposed of, and the right to cut, fell, remove, or in any way utilise any timber growing thereon, may be provided for in the regulations to be issued under this section.

40 (5.) Any land set apart under this section, if situated within the boundaries of a mining district under the Mining Act, 1905, shall remain subject to the provisions of that Act.

Crown land in exchange for private land.

45 **61B.** (1.) It shall be lawful for the Governor, whenever he deems it expedient in the public interest, to grant in fee-simple any area of Crown land which is subject to the provisions of the principal Act in exchange for the fee-simple of any other land which in his opinion is of approximately equal value, and on any such exchange to pay or receive by way of equality of exchange any sum not exceeding ten per centum of the estimated value of the Crown land so
50 granted.

(2.) Any sum so payable by the Crown by way of equality of exchange shall be paid out of moneys to be appropriated by Parlia-

ment, and any sums so receivable by the Crown shall be paid to the Receiver of Land Revenue.

(3.) All land acquired by the Crown by any such exchange shall become Crown land and be subject to the provisions of the principal Act.

Board may set apart blocks of land under homestead system.

61c. (1.) The Board may from time to time, subject to the approval of the Minister, set apart areas of rural land and declare the same available for selection and occupation without payment, but subject to the conditions as to cultivation and residence hereinafter set forth.

Board to publicly notify opening of such lands.

(2.) The Board shall give public notice of all areas of land so set apart.

Area that may be selected.

(3.) With respect to all such areas of land the following conditions shall apply:—

(a.) The area allowed to be selected by each person of the age of eighteen years and upwards shall not exceed two hundred acres, and for persons under eighteen years of age fifty acres:

Provided that the total quantity to be selected by any one family or number of persons forming one household shall not exceed five hundred acres.

Residence conditions.

(b.) Residence on the land selected shall be compulsory, and shall commence in the case of bush lands within one year and in the case of open lands within six months after the application has been approved by the Board, and thereafter such residence shall be continuous for a period of seven years.

Selector to erect dwellinghouse.

(c.) Within eighteen months after such approval by the Board the selector shall erect on his selection a permanent dwellinghouse of wood or other materials in conformity with any regulations made under this Act.

A certain area shall be cultivated.

(d.) In each year there shall be brought under cultivation one-fourteenth of the area of each selection if open land and one-twenty-eighth if bush land, so that at the end of the term of seven years one-half of the selection if open land and one-fourth if bush land shall be under cultivation.

Forfeiture for non-performance of conditions of selection.

(4.) Non-performance of any of the foregoing conditions shall render the selection void, and the right of the selector therein and to all improvements thereon shall be forfeited, and the land may be again declared available for selection and occupation under this section.

Payment of cost of survey.

(5.) Selectors under this section shall be required to deposit the necessary cost of survey:

Provided that on the recommendation of the Land Board the Minister may advance the cost of such survey, and in such case the selector shall pay the same, together with interest thereon at the rate of *five* per centum per annum, by ten equal half-yearly instalments commencing at the expiration of two years from the approval by the Board of his selection.

Grant to issue at end of seven years.

(6.) If the conditions mentioned in subsection *three* hereof and the provisions of the *last preceding* subsection are duly observed, a grant shall at the expiration of the said period of seven years be issued for the land selected.

(7.) All the provisions of the principal Act relating to applications and the manner of dealing with the same by the Land Board shall, *mutatis mutandis*, apply to applications under this section.

Provisions of Land Act to apply.

PART II.

LAND FOR SETTLEMENTS.

5

62. This Part of this Act shall be read together with and be deemed part of the Land for Settlements Consolidation Act, 1900 (hereinafter in this Part of this Act referred to as the principal Act).

This Part deemed part of Land for Settlements Consolidation Act.

63. (1.) After the passing of this Act no land acquired under the principal Act or subject to the provisions thereof (hereinafter called settlement land) shall be disposed of by way of lease in perpetuity, but all such land may be disposed of by way of renewable lease in accordance with the provisions of Part I of this Act, but subject to the provisions hereinafter contained.

No settlement land to be disposed of by lease in perpetuity.

15 (2.) The term of the lease shall be thirty-three years, with a perpetual right of renewal for further successive terms of thirty-three years.

Term of lease.

20 (3.) No such lease shall be granted at a lower yearly rental than five pounds per centum of the capital value of the land as determined by the Minister in accordance with section fifty-one of the principal Act.

Minimum rental.

25 (4.) On the renewal of any renewable lease of settlement land the rental shall be determined as in the case of a renewable lease of Crown lands under Part I of this Act, save that the said rental may amount to but shall not exceed five pounds per centum of the then value of the land as determined in accordance with the provisions of Part I of this Act.

How rental on renewed lease to be determined.

30 64. All provisions contained in the principal Act or its amendments with respect to leases in perpetuity shall apply to renewable leases, except so far as expressly excluded or modified by the provisions of this Act.

Provisions as to lease in perpetuity to apply to renewable lease.

New clause.

35 64A. (1.) It shall be lawful for the Governor on the recommendation of the Board, in acquiring land voluntarily under the provisions of the principal Act, to agree with the seller of the land that he shall receive and accept as part of the consideration for the sale thereof a lease or license under Part III, Part V, or Part VI of the Land Act, 1892, of or in respect of such area and for such term as the said Board thinks fit, not exceeding the maximum area or term prescribed by the said Act; and any such lease or license may be by way of extension of a lease or license which has not yet expired.

Power to grant lease as part of consideration on acquiring lands.

40 (2.) On any such agreement being entered into it shall be the duty of the Commissioner of Crown Lands, when so required by the Minister, to carry it into effect by executing a lease or license in accordance with the terms thereof.

45

Struck out.

50 65. (1.) In every case in which settlement land is to be disposed of by way of lease under the provisions of section forty-nine of the principal Act, those provisions shall be subject to the modifications hereinafter in this section contained.

Former provisions as to disposition of settlement land modified.

(2.) Save as hereinafter provided, such land shall not be disposed of by way of ballot, but shall be disposed of by way of public tender, and shall be leased to the applicant who makes the highest tender, subject, however, to the provisions as to the minimum rental hereinbefore contained.

(3.) The provisions of the said section forty-nine of the principal Act as to the preference of certain classes of applicants over others shall not apply to the disposal of land by way of tender.

(4.) If two or more applicants tender the same amount for the same allotment, the right to the lease shall be determined as between them by ballot in accordance with the provisions of the principal Act, with any necessary modifications. The provisions of the said Act as to the preference of certain classes of applicants over others shall continue to apply to a ballot taken under this subsection.

(5.) The Governor may, by Order in Council gazetted, make regulations with respect to the procedure to be adopted in disposing of settlement land by tender or ballot as aforesaid.

New clause.

Leases without competition in certain cases.

65A. Before any land acquired under the principal Act is opened for public selection the Board may, with the approval of the Minister, grant a renewable lease of any allotment thereof without competition to any person who has been employed on such land by the late owner thereof for at least five years immediately preceding its acquisition at a rental to be determined by the Board, being not less than *five* pounds per centum of the capital value of the land as fixed by the Minister in accordance with section fifty-one of the principal Act:

Provided that such person shall make the necessary declaration and otherwise comply with the conditions required to be performed by an applicant for Crown lands.

Value of land taken compulsorily under principal Act, how calculated.

66. (1.) When any land is taken compulsorily under the provisions of the principal Act, the value thereof for the purpose of assessing compensation shall be the capital value of that land as assessed in the valuation roll in force under the provisions of the Government Valuation of Land Act, 1896, at the time when the requisition is gazetted for the taking of that land:

Provided that if the owner proves that the value of the land so to be taken has increased since the date of the said valuation, the amount of such increase shall be added to the said valuation.

(2.) There shall be payable by way of compensation, in addition to the value of the land ascertained as aforesaid, a sum calculated in manner following:—

(a.) Where the value ascertained as aforesaid exceeds fifty thousand pounds, an addition of ~~two pounds ten shillings per centum of such value~~ *ten pounds per centum in respect of fifty thousand pounds, and of five pounds per centum in respect of the residue of the said value:*

Struck out.

(b.) Where the said value does not exceed fifty thousand pounds but exceeds twenty-five thousand pounds, an addition of five pounds per centum of such value:

(c.) Where the said value does not exceed ~~twenty-five~~ *fifty* thousand pounds, an addition of ten pounds per centum of such value.

Provisions as to leases in perpetuity, &c.

67. Subject to the provisions contained in this Part of this Act, all the provisions of Part I of this Act with respect to leases in

perpetuity and to renewable leases (except the provisions of sections twenty and twenty-one hereof) shall apply respectively to leases in perpetuity and renewable leases of settlement land.

Struck out.

5 **68.** The provisions of paragraphs (1), (2), and (4) of section twelve of the principal Act shall not apply to land required to be taken merely in order to adjust, rectify, or make more convenient the boundary of any estate acquired under that Act.

Section 12 of principal Act modified.

10 **69.** Paragraph (2) of Section thirteen of the principal Act is hereby amended by omitting the words "~~such borough,~~" and substituting therefor the words "~~any borough,~~" "*having a population of not less than fifteen thousand inhabitants according to the latest census returns.*"

Section 13 of principal Act amended.

15 **70.** (1.) Notwithstanding anything to the contrary in the principal Act, land acquired under that Act may, with the consent of the Minister, be disposed of to any local authority by way of sale in fee-simple for any public work.

Land required for public work may be sold.

(2.) The price shall in each case be fixed by the Minister, and shall not be less than the cost of the land (including in the cost all

20 expenses incurred under the principal Act in connection with the land).

(3.) The proceeds of the sale shall be paid into the Land for Settlements Account.

25 **71.** (1.) The Governor may from time to time exchange any land acquired under the principal Act for any other land, and may on such exchange pay or receive any sum by way of equality of exchange, and the land acquired by such exchange shall be deemed to have been acquired under the principal Act.

Power to exchange lands.

30 (2.) All sums so paid shall be paid out of the Land for Settlements Account, and all sums so received shall be paid into that account.

72. Regulations under the principal Act may be made applicable only to one or more settlements, or to one or more sections of a settlement, specified in such regulations.

Regulations.

35 **73.** Section eight of the Land for Settlements Amendment Act, 1901, is hereby repealed.

Repeal.

New clauses.

PART III.

GENERAL.

40 **74.** Paragraph (1) of section fourteen of the Cheviot Estate Disposition Act, 1893, is hereby repealed, and the following substituted in lieu thereof:—

Leases of grazing-farms, Cheviot.

45 " (1.) Not sooner than two years and at least twelve months before the expiration of the lease by effluxion of time (unless the Governor decides that the whole or part of the land included therein is suitable for close settlement or subdivision), a new lease shall be offered to the existing lessee at a rental not less than *five* per centum on the total capital value of the land, less the value of

improvements effected thereon, to be ascertained as provided in section one hundred and eighty-two of the Land Act, 1892.

“(1A.) Such new lease shall be for the same term and shall contain the same conditions as the expiring lease, but shall not be further renewed. 5

“(1B.) If the land comprised in the lease is deemed suitable for close settlement or subdivision as aforesaid, or if the lessee does not elect to accept a renewal as above mentioned, or fails to execute a lease within thirty days after the same is tendered to him for that purpose, or in case of the expiry or determination of the lease by surrender or forfeiture, the lessee shall not have any right of renewal, but shall be entitled to full valuation for improvements of a substantial character effected on the land as hereinafter provided, and the land shall revert to the Crown and be available for disposal as provided by this Act.” 10 15

75. (1.) In the case of any lease of any education reserve or endowment or of any part thereof granted either before or after the passing of this Act by the School Commissioners in whom such reserve or endowment is vested by virtue of the Education Reserves Act, 1877, no transfer, sublease, or mortgage of any such lease shall be valid until and unless the written consent thereto of the said Commissioners has been obtained. 20 25

(2.) Nothing in this section shall apply to any transfer, sublease, or mortgage made or granted, or agreed to be made or granted, before the passing of this Act, or to any transfer executed by a mortgagee by virtue of a mortgage granted or agreed to be granted before the passing of this Act. 30

Leases of
education
reserves.