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Right Hon. Sir J. G. Ward.

LAND SETTLEMENT FINANCE AMENDMENT.

ANALYSIS.

<p>Title.</p> <p>1. Short Title.</p> <p>2. In certain cases allotments may exceed 200 acres.</p> <p>3. Section 5 of principal Act amended.</p>	<p>4. Price of land may be fixed by arbitration.</p> <p>5. Expenses of arbitration to be payable by parties thereto.</p> <p>6. Land Settlement Finance Commissioners may be appointed.</p>
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A BILL INTITULED

AN ACT to amend the Land Settlement Finance Act, 1909. Title.

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

1. This Act may be cited as the Land Settlement Finance Amendment Act, 1910, and shall form part of and be read together with the Land Settlement Finance Act, 1909 (hereinafter referred to as the principal Act). Short Title.

2. Notwithstanding anything to the contrary in paragraph (d) of section five of the principal Act, an allotment may exceed two hundred acres in area if the purchase-money appropriated to that allotment in the agreement does not exceed *two thousand five hundred* pounds, but an allotment shall not in any case exceed *five hundred* acres. In certain cases allotments may exceed 200 acres.

3. Section five of the principal Act is hereby amended— Section 5 of principal Act amended.

(a.) By omitting from paragraph (d) thereof *the word "fifty," and substituting the word "twenty-five," and by omitting from the same paragraph the words "and certified as correct by a licensed surveyor," and substituting therefor the words "and showing the particulars hereinbefore mentioned sufficiently to enable the Board to consider and deal with the said agreement."*

(b.) By omitting from paragraph (f) the word "certified." New.

3A. (1.) There shall be annexed to the agreement mentioned in sections two and three of the principal Act a statutory declaration to be made and signed by every party to such agreement, that such agreement contains and states true, full, and complete particulars of the purchase-money or other consideration, and all other terms and conditions for and upon which the vendor agrees to sell, and the purchasers to purchase the land comprised in such agreement. Particulars of agreement to be verified.

(2.) If the vendor is a company such declaration shall be made and signed by the manager of such company.

New.

Examination as to
fitness of members.

3B. When considering an application and agreement under section eight of the principal Act, the Board shall have power to examine any of the proposed members of an association as to the means he possesses for purchasing and working the land and erecting suitable buildings thereon, and also as to his general ability to properly cultivate the land and comply with the requirements of the Act and regulations.

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Struck out.

Price of land may
be fixed by
arbitration.

4. (1.) Where an agreement has been submitted to the Board of Land Purchase Commissioners in accordance with the provisions of section eight of the principal Act, and the Board is of opinion that the price of the land as specified in the agreement is excessive, the following provisions shall apply:—

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(a.) Before making any report upon the said agreement the Board, on behalf of the purchasers, may agree with the vendor to submit to arbitration the matter of the said price:

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(b.) Upon such agreement the vendor and the Board shall each appoint an arbitrator, and the arbitrators so appointed shall determine what is a fair and reasonable price for the land proposed to be acquired:

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(c.) The price so determined by the arbitrators shall be deemed to be included in the agreement in lieu of the price originally stated therein:

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(d.) The Board and the vendor shall be bound by the determination of the arbitrators as aforesaid, and the Board shall thereupon report that the price so fixed is fair and reasonable.

(2.) This section shall be deemed to be a submission within the meaning of the Arbitration Act, 1908.

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(3.) Nothing in this section shall be so construed as to impose on the Board any obligation to accept any price fixed by the arbitrators in excess of the price originally specified in the agreement.

Expenses of
arbitration to be
payable by parties
thereto.

5. (1.) The expenses of conducting any arbitration proceedings under the *last preceding* section (including the remuneration payable to the arbitrators in respect of their services) shall be payable by the vendor and purchasers respectively in such proportions as the arbitrators in their award determine.

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(2.) The amount payable as aforesaid to the arbitrators as remuneration for their services shall in each case be determined by the Minister of Finance.

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(3.) All moneys payable under this section may in the first place be paid out of the Consolidated Fund, without further appropriation than this section, and on such payment shall become a debt due to the Crown by the person liable to pay the same in accordance with the award of the arbitrators, and may be recovered accordingly at any time after the expiration of twelve months from the date of the award.

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Land Settlement
Finance
Commissioners may
be appointed.

6. (1.) For the purpose of assisting intending purchasers under the principal Act, and of otherwise furthering the objects of that Act, the Governor may from time to time appoint one or more fit persons,

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being members of the Public Service, to be Land Settlement Finance Commissioners, and shall from time to time, by Order in Council, make regulations prescribing the powers and duties of those Commissioners and the fees (if any) payable for their services.

- 5 (2.) In particular it shall be the duty of such Commissioners—
- (a.) To arrange with the vendor as to the price of the land desired to be acquired by the purchasers ;
- (b.) To arrange with the intending members of an association to be formed under the principal Act as to the most suitable area of land to be acquired thereunder ;
- 10 (c.) To endeavour to find such land as may be suited for the purposes of the association ; and
- (d.) To render such assistance in forming the association as may be deemed advisable.

15 *New.*

7. (1.) The debentures issued by an association shall be allocated to the several allotments in the proportion specified in the agreement pursuant to paragraph (h) of section five of the principal Act, and every such debenture shall be a charge on the allotment to which it is so allocated and on no other allotment. Limited liability of members.

20 (2.) All payments made on account of purchase-money and interest by the purchaser of an allotment shall (together with the interest accruing from any investment thereof) be available for the payment of the sum secured by the debentures allocated to that allotment, and of the interest from time to time accruing due thereon ; and, subject thereto, shall be applied towards the expenses of the Public Trustee in administering the affairs of the association in the proportion specified as aforesaid.

30 (3.) On payment of all moneys due under the mortgage made on the purchase of any allotment, the liability of the purchaser in respect of the debentures allocated to that allotment, as aforesaid, shall cease and determine.

(4.) Subsection five of section thirteen of the principal Act is hereby repealed. Repeal.

35 8. (1.) In addition to the moneys required by section eighteen of the principal Act to be paid by the purchaser of an allotment, there shall be paid a sum equal to one-half per centum of the purchase-money of the allotment. Assurance Fund.

40 (2.) All such sums shall be paid by the Public Trustee into an account to be called "The Land Settlement Finance Assurance Fund."

(3.) The moneys to the credit of the said fund shall from time to time be invested by the Public Trustee as he thinks fit, and any interest accruing from such investment, which is not immediately required, shall be similarly invested.

45 (4.) The said fund, and the investments for the time being representing the same, shall be available for the payment by the Public Trustee of any principal or interest due on any debenture allocated to an allotment the purchaser of which has made default in payments due by him to the association.

50 (5.) If the moneys to the credit of the said fund are at any time insufficient for the purpose aforesaid, the provisions of section thirteen of the principal Act shall apply, but not otherwise.

New.

(6.) The Public Trustee may, if he thinks fit, from time to time advance out of the Assurance Fund any moneys required for the administration of any allotment the purchaser of which has made default in payments due by him to the association. 5

(7.) All moneys paid out of the Consolidated Fund under section thirteen of the principal Act, or out of the Assurance Fund under subsection *six* of this section, in respect of any allotment shall, together with interest at the rate of five per centum per annum, be repaid by the Public Trustee into the Consolidated Fund or Assurance Fund, as the case may be, out of any moneys which may subsequently accrue from the sale or other disposition of that allotment. 10

Unoccupied allotment may be let.

9. (1.) In case of the default of any purchaser of an allotment in complying with the conditions of his mortgage, the Public Trustee may let the allotment pending a resale to any person, whether a member of the association or not, for any term and on such conditions as he thinks fit, subject to determination of the term at two month's notice. 15

(2.) The person to whom any such allotment is let, as aforesaid, shall not be required to make any declaration as to the area of land held by him. 20

No person to hold more than one allotment.

10. (1.) It shall not be lawful for any person at any one time to hold or have an interest (otherwise than as mortgagee) in more than one allotment of land acquired under the principal Act.

(2.) Every certificate of title issued on the purchase from an association of an allotment shall have written thereon a memorandum that it is issued subject to the restrictions imposed by the principal Act and this Act. 25

Expenses of administration of Act.

11. Except as otherwise provided by this Act, the expenses incidental to the administration of the principal Act shall (without further appropriation than this Act) be payable out of moneys from time to time appropriated by Parliament for the purposes of the Land for Settlements Act, 1908. 30