

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.

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House of Representatives,
12th October, 1910.

[AS AMENDED BY THE LEGISLATIVE COUNCIL.]

[AS REPORTED FROM THE CONFERENCE ON THE BILL.]

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. Particulars of agreement to be verified.</p> <p>5. Examination as to fitness of members.</p>	<p>6. Land Settlement Finance Commissioners may be appointed.</p> <p>7. Limited liability of members. Repeal.</p> <p>8. Assurance Fund.</p> <p>9. Unoccupied allotment may be let.</p> <p>10. No person to hold more than one allotment.</p> <p>11. Expenses of administration of Act.</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."

4. (1.) There shall be annexed to the every agreement mentioned in under sections two and three five of the principal Act a statutory declaration to be made and signed by every party to person who has executed 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 body corporate such declaration shall be made and signed by the manager of such company on behalf of such body corporate by an officer thereof.

New.

Reserves.

4A. (1.) An agreement under section five of the principal Act may provide that any area or areas of the land comprised in that agreement shall be reserved as a site for a school, church, cemetery, recreation-ground, or dairy factory, or for any other purpose of common utility to the members of the association. 5

(2.) The boundaries of the said reserves shall be determined by the agreement, and shall be set forth in the plan of subdivision referred to in section five of the principal Act.

(3.) All such reserves shall be excluded from the scheme of subdivision of the said land into allotments in accordance with the said section. 10

(4.) The association may deal with or dispose of (whether by sale, gift, lease, or otherwise howsoever) any such reserve in such manner as the association thinks fit for carrying into effect the purpose of the reservation thereof. 15

(5.) So long as any such reserve remains vested in the association, the Governor may from time to time, by Order in Council made at the request of the association, change the purpose of the reservation thereof. 20

(6.) So long as any such reserve remains vested in and occupied by the association, the association shall in respect thereof be exempt from land-tax and rates, and from all liability under the Fencing Act, 1908, in respect of any boundary between the reserve and any allotment. 25

Examination as to fitness of members.

5. When considering an application and agreement under section eight of the principal Act, the Board, or any person appointed by it in that behalf, shall have power to examine on oath 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, 30

New.

and also as to any other matters which the Board in its absolute discretion deems relevant with respect to the question whether the agreement is fit and proper to be confirmed under the principal Act. 35

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, 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. 40

(2.) In particular it shall be the duty of such Commissioners—
Paragraphs (a) and (b) transposed. 45

(a.) 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;

(ab.) To arrange with the vendor as to the price of the land desired to be acquired by the purchasers; 50

(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.

Struck out.

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.

(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.

(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.

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.

(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.

(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.

(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.

(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.

(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.

Struck out.

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

Unoccupied
allotment may
be let.

Struck out.

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.

(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. 5

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. 10

(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.

New Clauses inserted by the Conference on the Bill.

Restrictions on the acquisition of land purchased under the principal Act.

10A. (1.) All land which after the commencement of this Act is transferred by an association to a purchaser under the principal Act shall thereupon become and at all times thereafter remain subject to this section. 15

(2.) It shall not be lawful for any person to acquire an interest in any land which is subject to this section if the unimproved value of such land together with the unimproved value of all other land of any description owned, held, or occupied by him in New Zealand under any tenure, either severally or jointly, or in common with any other person exceeds the sum of two thousand five hundred pounds. 20 25

(3.) In this section, —

“Interest” includes any estate or interest, whether freehold or leasehold, legal or equitable, vested or contingent, and whether in possession, remainder, or reversion;

“Unimproved value” means the unimproved value of the unincumbered fee-simple as appearing on the district valuation roll for the time being in force under the Valuation of Land Act, 1908. 30

(4.) No District Land Registrar shall at any time register any transfer or other disposition of any land which is subject to this section, unless the instrument of such disposition is accompanied by a statutory declaration made by or on behalf of the transferee or other person acquiring an interest in the land by virtue of such disposition, to the effect that neither he nor any other person acquires by virtue of such disposition any interest in breach of this section. 35 40

(5.) If any person acquires any interest in land in breach of this section the Supreme Court may, in an action against him at the suit of the Crown, order that within such time as the said Court determines (being not more than twelve months from the date of such order) he shall by way of alienation, surrender, or other disposition divest himself of the interest which he has so acquired. 45

(6.) No trust, contract, or other obligation shall so operate as to prevent or render illegal any alienation, surrender, or other disposition authorized by the said Court in any such order.

(7.) If any person makes default in obeying any such order of the Supreme Court, he shall be liable to a penalty equal to *one-half* of the value of the interest which he has so acquired in breach of this section. 50

New.

(8.) The said penalty shall be recoverable by action in the Supreme Court at the suit of the Crown.

5 (9.) In lieu of an action for the recovery of the said penalty the Supreme Court may, on the application of the Crown, enforce the said order in the same manner as in the case of injunctions issued by the said Court.

10 (10.) No disposition of any land which is subject to this section, and no agreement for any such disposition, shall be invalid merely because such disposition is contrary to the provisions of this section.

(11.) Every certificate of title at any time issued in respect of any land which is subject to this section shall have written thereon a memorandum stating that all dispositions of the land included in that certificate are subject to the restrictions imposed by this section.

15 (12.) Nothing in this section shall apply to—

(a.) The acquisition of any interest by way of mortgage or other security ;

(b.) The acquisition of any interest by a trustee, executor, or administrator, as such ;

20 (c.) Any interest acquired in trust for any religious, educational, charitable, or public purpose.

(13.) Nothing in this section shall apply to any land which at the time when it becomes legally vested in a purchaser from the association is not subject to the Land Transfer Act, 1908.

25 (14.) Section twenty-five of the principal Act is hereby repealed, but shall continue to apply to all land which has been transferred by an association to a purchaser before the commencement of this Act. Repeal.

30 10B. No agreement entered into after the commencement of this Act for the purchase of land by an association shall be capable of confirmation by the Governor until or unless the land included in that agreement has become subject to the Land Transfer Act, 1908. All land purchased under the principal Act to be subject to the Land Transfer Act.

35 11. Except as otherwise provided by **the principal Act or 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. Expenses of administration of Act.

New.

40 12. For the purpose of providing a fund out of which the expenses incurred in the management of an association can be paid, and out of which losses caused to the association by the defaults of purchasers or otherwise can be met, the following provisions shall apply to every association which is incorporated by any Order in Council made after the commencement of this Act : Expenses of management of associations.

45 (a.) On the execution of the transfer or conveyance of an allotment in pursuance of section

New.

eighteen or section twenty-six of the principal Act, the purchaser of that allotment shall pay to the association a sum equal to one-half per centum of the purchase-money 5 of that allotment.

- (b.) The said sum shall be payable in addition to the said purchase-money, and not as part thereof.