

## LAND SETTLEMENT PROMOTION AMENDMENT BILL

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### EXPLANATORY NOTE

THIS Bill makes miscellaneous amendments to the Land Settlement Promotion Act 1952.

*Clause 2* revives until 31 August 1962 the provisions of the principal Act relating to personal residence on farm land which expired on 31 August 1955. The effect of this provision will be that in the case of transactions entered into after 13 August 1959 and before 31 August 1962 persons purchasing or leasing farm land must be farmers who will reside on the land for at least three years and farm it for their own use and benefit, unless exempted from this requirement by the Land Valuation Court under section 29 of the principal Act.

*Clause 3*: Section 24 of the principal Act provides that the consent of the Land Valuation Court to any transaction is not required where the purchaser or lessee does not own any other farm land, has not after the passing of that Act created any trust in respect of farm land, and (as proposed to be amended by *clause 2*) either intends to reside personally on the land and farm it exclusively for his own use and benefit or the Minister has consented to the transaction, and the purchaser or lessee deposits a statutory declaration to this effect with the District Land Registrar or the Registrar of Deeds. The effect of *subclause (1)* of this clause will be that the provisions of section 24 will apply only where the purchaser or lessee enters into the transaction solely on his own behalf as the person beneficially entitled under the transaction. In other cases the consent of the Court will be necessary.

*Subclause (2)* provides that, for the purposes of section 24 of the principal Act prescribing the cases in which the consent of the Land Valuation Court to a transaction is not required, land held by the parent of a child under seventeen years of age shall be treated as being held by the child also, and land in which any person has any interest, whether legal or equitable and whether vested or contingent, under any trust or will or intestacy shall be treated as being owned by that person.

The effect of this amendment will be that in those cases the child or, as the case may be, the beneficiary under the trust or will or intestacy will not be treated as landless, and the consent of the Court will be required to the transaction.

*Clause 4* provides that, unless the Minister has consented in writing to the transaction, the Land Valuation Court or the Committee may not make an order consenting to any transaction where the purchaser or lessee is a trustee and any beneficiary under the trust is under seventeen years of age, or where the purchaser is a company having less than ten members and any shareholder is under seventeen years of age or is a trustee for a beneficiary under that age.

*Clause 5*: Section 31 (1) of the principal Act provides that, in addition to considering certain specified matters, the Land Valuation Committee, when considering whether the acquisition of the land would cause an undue aggregation of farm land, must take into account such other matters as, having regard to the circumstances of each particular case, the Committee considers relevant. *Subclause (1)* of this clause replaces this general provision with a provision that the Committee must consider whether a refusal of consent would result in an unavoidable and substantial hardship to the owner of the land.

*Subclause (2)*: Section 31 (2) (a) of the principal Act provides that, for the purposes of considering any question of aggregation, land in respect of which the purchaser or lessee has created a trust is to be considered as still owned by him, unless the Minister or the Committee or the Court has consented to the transaction. The effect of this subclause is that the consent of the Minister or the Committee or the Court will not operate to exclude from consideration any land in respect of which the purchaser or lessee has created a trust, unless the application is substantially in accordance with the statements made by the purchaser or lessee for the purpose of obtaining that consent.

*Subclause (3)* provides that for the purposes of considering any question of aggregation, land held by the parent of a child under seventeen years of age shall be treated as land held by the child also, and land in which any person has any interest, whether legal or equitable and whether vested or contingent, under any trust or will or intestacy shall be treated as being owned by that person. The fact that a refusal of consent would result in the vendor being unable to obtain an excessive price for the land is not to be a ground for deciding that the refusal would cause unavoidable and substantial hardship to him.

*Clause 6* provides that, where land is held by trustees under a settlement or declaration of trust, the conditions as to personal residence and farming may be fulfilled by any of the beneficiaries under the trust, or by any person or persons approved by the Minister, or as the Committee or the Court directs.

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*Hon. Mr Skinner*

## LAND SETTLEMENT PROMOTION AMENDMENT

### ANALYSIS

Title	4. Consent of Minister required in certain cases
1. Short Title	5. Amending provisions as to undue aggregation
2. Purchasers to reside personally on farm land	6. Personal residence on land held by trustees
3. Dispensing with consent of Court	

### A BILL INTITULED

**An Act to amend the Land Settlement Promotion Act 1952**

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

1. **Short Title**—This Act may be cited as the Land Settlement Promotion Amendment Act 1959, and shall be read together with and deemed part of the Land Settlement Promotion Act 1952 (hereinafter referred to as the principal Act).

10 2. **Purchasers to reside personally on farm land**—(1) Section twenty-four of the principal Act is hereby amended by omitting from paragraph (c) of subsection one the words “before the thirty-first day of August, nineteen hundred and fifty-five”, and substituting the words “after the thirteenth day  
15 of August, nineteen hundred and fifty-nine, and before the thirty-first day of August, nineteen hundred and sixty-two”.

(2) Section twenty-nine of the principal Act is hereby amended by omitting from paragraph (b) of subsection one the words “before the thirty-first day of August, nineteen hundred and fifty-five”, and substituting the words “after the thirteenth day of August, nineteen hundred and fifty-nine, and before the thirty-first day of August, nineteen hundred and sixty-two”.

(3) Section thirty-three of the principal Act is hereby amended by omitting the words “before the thirty-first day of August, nineteen hundred and fifty-five”, and substituting the words “after the thirteenth day of August, nineteen hundred and fifty-nine, and before the thirty-first day of August, nineteen hundred and sixty-two”.

**3. Dispensing with consent of Court**—(1) Section twenty-four of the principal Act is hereby amended by inserting in paragraph (a) of subsection one, after the words “or lessee”, the words “enters into the transaction solely on his own behalf as the person beneficially entitled thereunder and”.

(2) Section twenty-four of the principal Act is hereby further amended by adding to subsection three the following paragraphs:

“(e) Land owned, leased, held, or occupied by a parent of any child under the age of seventeen years shall be deemed also to be owned, leased, held, or occupied by that child:

“(f) Land in which any person has any estate or interest, whether legal or equitable and whether vested or contingent, under any trust or will or intestacy shall be deemed to be owned by that person.”

**4. Consent of Minister required in certain cases**—(1) The principal Act is hereby amended by inserting, after section twenty-nine, the following section:

“29A. Notwithstanding anything in this Act, where—

“(a) The purchaser or lessee under any transaction is a trustee and any person beneficially entitled under the trust is under the age of seventeen years at the date of the transaction; or

“(b) The purchaser or lessee under any transaction is a company the members of which are less than ten in number and—

5           “(i) Any member of the company is under the age of seventeen years at the date of the transaction; or

10           “(ii) Any member of the company holds any shares as a trustee under a trust and any beneficiary under the trust is under the age of seventeen years at the date of the transaction,—

the Court or the Committee, as the case may be, shall not make an order consenting to the transaction unless the Minister has consented in writing to the transaction.”

15           (2) Section twenty-nine of the principal Act is hereby amended by inserting in subsection one, after paragraph (a), the following paragraph:

          “(aa) In any case to which section twenty-nine A of this Act applies, that the Minister has consented in writing to the transaction; and”.

20   **5. Amending provisions as to undue aggregation—**(1) Section thirty-one of the principal Act is hereby amended by repealing paragraph (e) of subsection one, and substituting the following paragraph:

25           “(e) Whether a refusal of consent would result in an unavoidable and substantial hardship to the owner of the land.”

          (2) Section thirty-one of the principal Act is hereby further amended by adding to paragraph (a) of subsection two the words “and nothing in the application before the

30   Committee or the Court substantially differs from or conflicts with any statement made by the purchaser or lessee for the purpose of obtaining that consent”.

          (3) Section thirty-one of the principal Act is hereby further amended by adding to subsection two the following paragraphs:

35           “(e) Land owned, leased, held, or occupied by a parent of any child under the age of seventeen years shall be deemed also to be owned, leased, held, or occupied by that child:

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“(f) Land in which any person has any estate or interest, whether legal or equitable and whether vested or contingent, under any trust or will or intestacy shall be deemed to be owned by that person:

“(g) Unavoidable and substantial hardship shall not be deemed to result solely because refusal of consent to a transaction would result in the owner of the land being unable to obtain the benefit of an excessive rent, sale price, or other consideration.” 5

6. **Personal residence on land held by trustees**—Section 10 thirty-two of the principal Act is hereby amended by inserting, after subsection three, the following subsection:

“(3A) Where land is held by trustees under any deed or declaration of trust, the conditions as to residence and as to farming the land may be fulfilled by the persons beneficially entitled thereto under the trust, or by any of them, or by any person or persons approved by the Minister, or as the Committee or the Court directs.” 15