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Hon. Mr. Duncan.

TENANTS' RIGHTS.

ANALYSIS.

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| <p>Title.</p> <p>1. Short Title.</p> <p>2. Provision in lease for compensation extended.</p> | <p>3. Where lease determined by forfeiture, &c.</p> <p>4. Lessor's lien on compensation.</p> <p>5. Existing leases.</p> <p>6. Future leases.</p> |
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A BILL INTITULED

AN ACT to amend the Law relating to the Payment of Compensation for Lessees' Improvements. Title.

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

1. The Short Title of this Act is "The Tenants' Rights Act, 1903." Short Title.

2. Where in any lease provision is made for payment to the lessee, on the expiration of the lease by effluxion of time, of compensation for improvements effected by the lessee on the demised property, such provision shall also apply in the case of the determination of the lease otherwise than by effluxion of time. Provision in lease for compensation extended.

3. Where such determination is in consequence of the non-payment of rent, or of the breach or non-observance of any condition of the lease, whether express or implied, the compensation shall, if payable by an incoming tenant, be paid in the first instance to the lessor. Where lease determined by forfeiture, &c.

4. In any case, whether such compensation is payable by the lessor or is paid to him by an incoming tenant, the lessor may retain thereout— Lessor's lien on compensation.

(a.) The costs and expenses properly incurred by him in assessing the amount of compensation;

(b.) The amount of rent (if any) due and owing at the date of the determination of the lease; and

(c.) The amount of damages (if any) sustained by the lessor through the breach or non-observance on the part of the lessee of any covenant or condition of the lease;

and shall pay the surplus (if any) to the lessee on demand.

5. The foregoing provisions of this Act shall, on and after the commencement of this Act, be deemed to be inserted in every lease referred to in section *two* hereof granted prior to the commencement of this Act, anything in any such lease to the contrary notwithstanding. Existing leases.

Future leases.

6. Every lease granted after the commencement of this Act of lands heretofore or hereafter set apart by the Crown as endowment lands shall contain or be deemed to contain a provision for payment to the lessee, on the determination of his lease, of compensation for improvements effected by him on the demised property, and sections *three* and *four* hereof shall apply to every such lease. 5

By Authority: JOHN MACKAY, Government Printer, Wellington.—1903.