

(In substitution for Supplementary Order Paper No. 6.)

## SUPPLEMENTARY ORDER PAPER.

### HOUSE OF REPRESENTATIVES.

Thursday, the 24th Day of August, 1905.

EDUCATION BOARD OF THE DISTRICT OF OTAGO EMPOWERING BILL.

Amendments proposed by His Excellency the Governor:—

Clause 2: To insert the following definition:—

“ Minister ” means the Minister of Education.

Omit clause 3 and substitute the following new clauses:—

3. The said Board may from time to time, with the consent of the Minister, lease the said lands or any part thereof for any term not exceeding twenty-one years,—

(a.) With the provision that the lessee may at any time before the expiration of the term have a new lease for a further term, not exceeding twenty-one years, containing the same covenants and provisions (including this present provision), at a rent to be fixed by valuation equal to the letting-value of the land without having regard to the value of any buildings or improvements thereon; or

(b.) With a provision that before the expiration of the term a new lease for a further term not exceeding twenty-one years, containing the same conditions and provisions (including this present provision), shall be put up to public auction at the upset price of the annual value of the land only (to be fixed by valuation), without having regard to the value of any buildings or improvements thereon, subject to a condition that in the event of any person other than the lessee becoming entitled to the new lease, then such person shall, before being let into possession, pay to the lessee the value of such buildings and improvements (to be fixed by valuation), whether erected or made by the lessee or any former lessee or tenant of all or any of the lands included in the lease; or

(c.) With a provision that the lessee may at any time before the expiration of the term, at his option, either have a new lease, as provided by subparagraph (a) hereof, or have a new lease put up to public auction under subparagraph (b) hereof.

3A. Every valuation under the *last preceding* section shall be made by three independent persons, one to be appointed by the said Board, one by the lessee, and the third by the two persons so appointed; and the lease may contain any subsidiary matter to give due effect to the provisions of the said section.

General  
conditions of  
leasing.

3B. The powers of leasing given by this Act shall be subject to the conditions and exceptions following:—

(a.) Every lease shall, except where it is otherwise expressly provided, be sold by public auction or public tender, of which notice has been given in some newspaper circulating in Dunedin at least once not less than thirty days before the sale, and twice after such first notice and before the sale:

Provided that a lease that has been offered as aforesaid and not sold may, at any time within twelve months thereafter, be sold by private contract, at a rent not less than the reserved rent when it was so offered; or it may at any time, either before or after the expiration of twelve months, be again offered by public auction or tender under this Act.

(b.) Every lease shall take effect in possession or within six months from its date.

(c.) The rent reserved shall, subject to the provisions of this section, be a rack-rent without fine, premium, or foregift, but need not be uniform for the whole term:

Provided that the amount paid for valuation of buildings and improvements by an incoming tenant to either the outgoing tenant or the local authority shall not be deemed to be a premium.

(d.) Every such lease may contain such covenants, conditions, and provisions, not inconsistent with this Act, as the Board thinks fit.

Power to  
borrow.

3c. (1.) The Board may from time to time borrow money, not exceeding in the whole the sum of ten thousand pounds, on the security of any leases made under this Act, but without power of sale.

(2.) Such money may be raised in the manner provided by "The Local Bodies' Loans Act, 1901," except that the preliminary steps required by sections seven to thirteen of that Act need not be taken.

(3.) It shall be lawful for the Colonial Treasurer to advance the said sum of ten thousand pounds, or such less sum as he thinks fit, under the provisions of Part II. of "The Local Bodies' Loans Act, 1901," as if for a public work, but without it being necessary to make and levy a special rate.

(4.) The Colonial Treasurer may agree with the said Board that the first payment of interest on the loan shall be made on a day to be fixed by him, being not later than two years from the date of the loan or of the first advance on account thereof; or he may himself (without further appropriation than this Act) pay out of the Consolidated Fund the annual charges on the loan for such period not exceeding two years as he thinks fit.

Clause 4: Omit the words "net proceeds arising from the sale of the said lands, or any part thereof may," and substitute the words "moneys so raised shall"; insert after the words "may think fit" the words "and the Minister approves."