

SUPPLEMENTARY ORDER PAPER.

HOUSE OF REPRESENTATIVES.

(In substitution of Supplementary Order Paper No. 50.)

Wednesday, the 16th Day of October, 1912.

LAND LAWS AMENDMENT BILL.

Mr. **MACDONALD**, in Committee, to move the following new clauses as in Part IB:—

PART IB.

PURCHASE OF FREEHOLD OF LEASE-IN-PERPETUITY (SETTLEMENT) LANDS.

This Part to be read with Land Act.

20AA. This Part of this Act shall form part of and be read together with the Land for Settlements Act, 1908, which Act is in this Part of this Act referred to as the principal Act.

Interpretation.

20BB. In this Part of this Act, if not inconsistent with the context,—

“Notice” means a notice in writing signed by a lessee of land held under lease in perpetuity of the lessee’s intention to purchase the fee-simple of the land:

“Original capital value” means the amount upon which the yearly rental of five per centum was computed at the date of the lease.

Owner of lease in perpetuity may purchase fee-simple.

20CC. (1.) The owner of a lease in perpetuity shall have a right at any time hereafter during the existence of the lease to purchase the fee-simple of the land comprised in the lease at the original capital value, hereinafter called “the purchase price.”

(2.) The right of purchase hereby conferred shall be exercised by giving notice to the Commissioner.

(3.) The delivery of the notice to the Commissioner shall constitute a contract between the lessee and the Crown for the purchase and sale of the said land.

(4.) The lessee shall in the notice notify whether he elects to purchase for cash or upon deferred payments.

Purchases for cash.

20DD. If the lessee elects to purchase for cash—

(a.) He shall within three months after the delivery of the notice pay the purchase price, together with all rent accrued and accruing due under the lease up to the date of the delivery of the notice, and also interest at *five* per centum per annum on the price from that date to the date of payment, and upon such payments being made in full, the purchase shall be deemed to have been completed.

(b.) If he makes default in any such payment within the time aforesaid, the Board may, in its discretion, cancel and determine the contract of purchase, and the lessee shall continue to hold the land under his lease in perpetuity, but in such case the lessee shall not be entitled to again give a notice until the expiration of *five* years from the delivery of the first-mentioned notice.

Purchases on deferred payment.

20EE. If the lessee elects to purchase upon deferred payments,—

- (a.) He shall, within three months after the delivery of the notice, pay a deposit equal to ten per centum of the purchase price, together with all rent accrued and accruing due under the lease up to the date of the delivery of the notice.
- (b.) Upon such payment the lease shall determine, and he shall hold the land under license to occupy, but such license shall be subject to any right, title, interest, or incumbrance existing or vested in any person other than the lessee affecting the lease at the time of such determination.
- (c.) The license to occupy shall provide for the payment of the balance of ninety per centum of the purchase price by equal annual instalments extending over a period of nine years, with a right to the licensee to pay off at any time the whole or any part of the purchase price then remaining unpaid, and shall also provide for the payment by the licensee of interest half-yearly at the rate of *five* per centum per annum from the date of the delivery of the notice upon such part of the purchase price as shall for the time being remain unpaid.
- (d.) The license to occupy shall be in the prescribed form, and shall contain (and the right of the licensee shall be subject to) such provisions for forfeiture of the right and interest of the licensee in the event of his failure to pay any instalment of the purchase price or to make any payment of interest as may be prescribed.
- (e.) Upon payment of the purchase price in full and of all interest, the purchase shall be deemed to be completed.

Computation of payments to be made by Commissioner.

20FF. The computation of the purchase-price and of all other payments to be made as herein provided, whether the lessee elects to purchase for cash or on deferred payments, shall be made by the Commissioner or by some person appointed by the Commissioner in that behalf, and by such computation the purchase-price and all such other payments shall be conclusively ascertained and determined for all purposes.

On completion of purchase Crown grant to be issued to purchaser.

20GG. (1.) On the completion of a purchase by the lessee in the case of purchase for cash or by the licensee in the case of a purchase on deferred payments, the Board shall certify to the Minister that the lessee or licensee is entitled to a Crown grant of the land purchased, and a Crown grant accordingly shall in due course be issued to him.

(2.) The fee-simple so granted shall continue to be subject to any right, title, interest, or incumbrance existing or vested in any person other than the lessee or licensee at the time of such completion.

Section 97 of the Land Act, 1908, to apply to right of purchase by lessee.

20HH. The provisions of section ninety-seven of the Land Act, 1908, as to the limitation of areas shall apply to the exercise of a right of purchase under this Part of this Act as if the purchaser were not already in occupation of the land in respect of which the right of purchase exists.

Regulations.

20II. The Governor may, by Order in Council, make such regulations as he considers necessary for carrying into effect the provisions of this Part of this Act.

Moneys payable into Land for Settlements Account.

20JJ. The proceeds derived from any sale of land under the provisions of this Part of this Act shall be paid into the Land for Settlements Account.