

Act No. 7, 1910.

An Act to promote the sale of private land under closer settlement conditions; to amend the Closer Settlement Acts and the Government Savings Bank Act, 1906; and for purposes consequent thereon or incidental thereto. [19th August, 1910.]

BE it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales in Parliament assembled, and by the authority of the same, as follows:—

*Preliminary.*

**1.** This Act may be cited as the "Closer Settlement Promotion Act, 1910." Short title.

**2.** In this Act,—

Definitions.

"The Bank" means the Government Savings Bank.

"The Bank Act" means the Government Savings Bank Act, 1906.

"The Commissioners" means the Commissioners of the Bank.

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*Closer Settlement Promotion.*

“The Closer Settlement Acts” means the Closer Settlement Act, 1904, the Closer Settlement (Amendment) Act, 1906, the Closer Settlement (Amendment) Act, 1907, and the Closer Settlement (Amendment) Act, 1909.

Other expressions have the same meanings as in the Closer Settlement Acts and the Bank Act.

*Approval of applicant and valuation of land.*

Application to  
bring land under  
Act.

**3.** Any three or more persons who are qualified to make and hold settlement purchases, and who desire to purchase under this Act from the same owner any private lands, may, upon entering into agreements for that purpose with such owner, apply to the Minister to bring the said lands under this Act, and the Minister shall thereupon notify the Commissioners that such application has been made.

Such agreements, applications, and notices shall be in the prescribed form, and such applications shall be accompanied by the prescribed fee.

Valuation of land.

**4.** The Minister on being satisfied—

- (a) that the lands the subject of such application are suitable for settlement ;
- (b) that the applicants are qualified as aforesaid ; and
- (c) that such lands do not exceed a home maintenance area for each applicant,

may cause a valuation of such lands to be made jointly by an Advisory Board and the Commissioners.

If such Board and the Commissioners do not agree in the valuation, they may make separate valuations, in which case the lower of such valuations shall be deemed to be the valuation for the purposes of this Act.

Where valuation  
is less than price.

**5.** If the amount at which the land has been so valued is less than the price fixed in the agreement, the agreement shall, after the expiration of such period as may be prescribed by regulation, stand rescinded as to such land, unless in the meantime the vendor agrees to reduce the price to the amount of the valuation, or the parties, with the consent of the Minister, given on the recommendation of the Advisory Board, confirm the agreement with or without any alteration.

Where persons drop  
out of application.

**6.** Where in any such application the number of the original applicants is for any cause reduced, the application may be proceeded with as to the remaining applicants : Provided that if such number is reduced, the consent of the Minister must be obtained.

Any other duly qualified person may, with the consent of the Minister, be substituted for any original applicant.

**7.**

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**7.** Upon approval by the Minister of any such application, the vendor may surrender to the Crown the land agreed to be purchased in order that the purchaser may acquire such land as a settlement purchase, and obtain the advance from the Commissioners as hereinafter in this Act provided. Surrender by vendor to Crown.

*Vesting of land in purchaser.*

**8.** On the surrender of the land to the Crown, and on the purchaser paying to the Bank a deposit of five per centum of the amount of the proposed advance by the Bank under this Act, the land shall, subject to the mortgage being given by him as hereinafter provided, vest in the purchaser as a settlement purchase, and shall, subject to this Act, be deemed to be held under the provisions of the Closer Settlement Acts: Land to vest as a settlement purchase.

Provided that—

- (a) allowance by a local land board shall not be necessary to the title of the purchaser;
- (b) such title shall commence from the date of the surrender;
- (c) residence shall commence within twelve months from such date, but may be extended under section twenty-nine of the Closer Settlement Act, 1904, to any date within five years of such surrender on the terms and conditions therein mentioned;
- (d) the instalments in the said section mentioned, shall, subject to the Minister's power to postpone payments in accordance with the said section, be paid to the Commissioners in pursuance of this Act in repayment of the advance;
- (e) in addition to the consent of the Minister, the approval of the Commissioners shall be obtained before the holder under this Act of a settlement purchase before grant transfers, conveys, assigns, leases, mortgages, or charges the same.

*Loans by Bank and securities for loans.*

**9.** (1) Upon the surrender as aforesaid, the Commissioners shall, on a mortgage being given as hereinafter provided, and on being satisfied as to the purchaser's title, pay to the vendor the whole or part of the purchase money not exceeding the amount of the valuation of the land made as aforesaid: Loan by the Bank.

Provided that if the limit of the total amount which the Bank may advance under this Act has been reached, or the Commissioners have no money available for loan under this Act, the advance may be refused.

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(2) Subject to this Act, any money advanced by the Bank, and so paid to the vendor shall be deemed to be an advance by way of loan to the purchaser from the Advance Department under the Bank Act, and shall be secured by mortgage of the said land given by the purchaser to the Commissioners under that Act, and the provisions of that Act shall apply to such advance and any mortgage given under this Act to secure repayment of same.

(3) The Commissioners may require the fees and expenses authorised by the Bank Act to be paid by the purchaser before any such advance is made, or may debit the same to the borrower's account with the Bank to be paid on redemption of the loan.

(4) Any difference between the amount of any proposed advance and the price of the land shall, with the consent of the Minister, be paid by the purchaser to the vendor or arranged for between them before the advance is made, and in the latter event the vendor shall have no right in respect of the same against the Bank, or any security held by the Bank, in respect of the advance.

Repayment by instalments.

**10.** The said advance, with interest thereon at the rate of four per centum per annum, shall be repaid to the Bank by the purchaser in instalments as prescribed by the Closer Settlement Acts, as if such advance were the amount of the capital value of a settlement purchase made by the purchaser under the said Acts.

Liability of mortgagee who is under 21.

**11.** Any person under the age of twenty-one years who executes any mortgage in pursuance of this Act shall be subject to the same liabilities and have the same rights in respect of the mortgage as if he were of the full age of twenty-one years.

Maximum amount of loan.

**12.** Notwithstanding the provisions of the Bank Act, an advance to any one person under this Act may exceed two thousand pounds, but shall not exceed two thousand five hundred pounds.

Amendment of ss. 5, 47, and 50 of Bank Act.

**13.** Section five of the Bank Act is amended by adding at the end of the definition of the term "Crown Lands Acts" the following words "the Closer Settlement Promotion Act, 1910, and any Acts amending the same."

Section forty-seven of the Bank Act is amended by inserting the following words at the end of the section:—“(vi) Upon deposit in the Treasury available at call such sum as the Commissioners shall consider necessary to set aside for the purpose of purchasing debentures from the Advance Department.”

Section fifty of the Bank Act, is amended—

- (a) by inserting after "exceed" the words "except with the consent of the Governor";
- (b) by omitting the words after "pounds" where firstly occurring to the end of the section and inserting "nor shall further debentures be issued while the Commissioners have to the credit of their working account a sum exceeding fifty thousand pounds."

**14.**

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**14.** The Commissioners shall not, in any financial year of the Bank, make advances under this Act, exceeding in the whole, ten hundred thousand pounds. Limit of total annual advances by Bank.

**15.** The Commissioners may, under the Bank Act, make advances to the holder of a settlement purchase under this Act, in respect of improvements effected thereon after the making of the original advance under this Act. Advances on improvements.

And in the event of sale after forfeiture or foreclosure as hereinafter provided, the value of such improvements shall be determined by the Commissioners, and from the proceeds of such sale the Commissioners shall pass to the credit of the Advance Department of the Bank such sum (not exceeding the amount owing) as may be represented by the value of the improvements.

*Forfeiture.*

**16.** Upon the forfeiture of any holding subject to a mortgage to the Commissioners under this Act, all moneys paid under such mortgage, together with the land and the improvements thereon, shall vest in the Commissioners. Where land is forfeited.

In such case the land may be resold as a settlement purchase to any person approved by the Minister. The person purchasing shall after the holding has been transferred to him by the Commissioners hold the land subject to the fulfilment by him of any conditions prescribed by the Closer Settlement Acts binding upon the former holder, but free from any liability to forfeiture for breach of any such conditions prior to purchase by him, provided that any unfulfilled improvement conditions must be performed within six months from the date of purchase.

On such re-sale the purchaser shall give a mortgage to the Commissioners to secure the moneys due in connection with the loan to the former holder, and shall pay any further moneys owing on the purchase to the Commissioners, in cash, or by instalments extending over such period not exceeding four years, as may be fixed by the Commissioners, and pending repayment such further moneys shall be a charge on the lands.

If the Commissioners are unable to re-sell at a price sufficient to repay them the moneys due in connection with the loan to the former holder, they may, with the consent of the Minister, reduce the amount of the price, so as to effect a sale, and may take a mortgage in such reduced amount.

Any profit or loss arising from a re-sale, as aforesaid, or any sale in pursuance of a foreclosure order, or in pursuance of the mortgage, shall after the repayment of moneys advanced on improvements as provided by section fifteen of this Act be credited or debited to the reserve fund hereinafter referred to.

*Issue*

*Closer Settlement Promotion.**Issue of grant.*

Issue of grant.

**17.** Upon a finding by the local land board that the conditions required by the Closer Settlement Acts have been fulfilled, and on repayment of the advance made by the Commissioners, and all interest thereon, and any fees, costs, and expenses properly chargeable thereto, the Governor may issue a grant.

*General and supplemental.*

Application of proceeds of debentures to advances.

**18.** The proceeds of the issue of debentures by the advance department of the Bank, may be applied in making advances in pursuance of this Act.

Deposit of moneys set apart for advances and not required.

**19.** Any sums of money set apart by the Commissioners for advances under this Act may be deposited with the Colonial Treasurer until required at a rate of interest, not less than three and one half per centum per annum, to be agreed upon between the Commissioners and the said Treasurer.

Deficiency in reserve fund of bank.

**20.** There shall be a special reserve fund of the Bank to which shall be carried any profit or loss arising from transactions under this Act. Any deficiencies in such fund, at the end of any financial year of the Bank, shall be made good from the Consolidated Revenue Fund, upon such deficiency being certified to by the Commissioners.

Reference by Minister to a board for report.

**21.** The Minister may refer to an Advisory Board or a land board for report any matter under this Act as to which he desires information.

Suspension of proclamation under Act of 1907.

**22.** Where any land covered by a proclamation under section four or section five of the Closer Settlement (Amendment) Act, 1907, is the subject of an application under this Act the Minister may, in his discretion, notify in the Gazette that the power of resumption under the Closer Settlement Acts shall be suspended for any period not exceeding two years as to the whole or any part of the land covered by the proclamation.

Upon such notification being so made no resumption under the Closer Settlement Acts of the land referred to therein shall be lawful until after the expiry of the period of suspension named in such notification.

Statements to be laid before Parliament.

**23.** The Minister shall, from time to time, cause to be laid before both Houses of Parliament statements of the lands brought under the provisions of this Act.

Regulations.

**24.** The Governor may make regulations for carrying out the provisions of this Act, and may in those regulations impose any penalty not exceeding fifty pounds for any breach thereof.