

EXPLANATORY MEMORANDUM

**DISALLOWABLE INSTRUMENT FOR THE PURPOSES OF
SUBSECTION 167(1)(b)**

LAND (PLANNING AND ENVIRONMENT) ACT 1991

NO (49) OF 1992

This disallowable instrument made under paragraph 167(1)(b) of the Land (Planning and Environment) Act 1991 establishes criteria in accordance with subsection 167(3) to enable the Executive to declare leases granted for rural purposes to be a class of leases to which section 167 shall apply and to specify criteria to determine whether a person is eligible to hold a rural lease.

This disallowable instrument revokes the disallowable instrument of 22 February 1992. The earlier disallowable instrument provided that a rural lease could be transferred to a person who satisfied the criteria for the direct grant of a rural lease [subsection 161(1)(5)]. In effect, transferability was limited to those persons that occupied the land or occupied the land adjacent to the land in question. This placed an unintended limitation on those persons wishing to transfer rural leases.

This disallowable instrument now provides that a rural lease can be transferred to any person, provided the transferee can demonstrate the necessary technical, financial and other relevant capacity to manage the lease effectively.

In accordance with the disallowable instrument for the direct grant of rural leases, this disallowable instrument also provides that the land must be managed in accordance with a farm plan.