

1999

**THE LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL  
TERRITORY**

**LANDS ACQUISITION (AMENDMENT) BILL (NO ) 1999**

**EXPLANATORY MEMORANDUM**

**Circulated by authority of  
Brendan Smyth MLA  
Minister for Urban Services**



## **Lands Acquisition Amendment Bill 1999**

### **Outline**

This Bill amends the *Lands Acquisition Act 1994* (the Act). The amendments implement one of the Government's responses to the Rural Policy Taskforce Report "*Toward a Sustainable Future*", which was released in December 1997.

The amending Bill gives effect to the Government Response relating to the payment of compensation on the acquisition of short term rural leases. This amending Bill restricts the compensation of short term rural leases to the term of the existing lease. The compensation will still be on just terms as required, but will be commensurate with the lease conditions, including the concessional rent paid by lessees and the limited tenure attaching to the lease.

### **Revenue/Cost Implications**

This amending Bill will ensure that the Government will pay compensation costs for the acquisition of a short term rural lease which reflect the true value of a short term lease.

## **CLAUSE NOTES**

### **Formal Clauses**

Clauses 1, 2 and 3 are formal clauses that deal with the short title of the Bill, its commencement, and identifies the *Lands Acquisition Act 1994* (the Act) as the Act being amended.

### **Amount of compensation – general principles**

Clause 4 amends paragraph 45(1)(d) of the Act. Section 45 lists those matters that can be taken into account when assessing the amount of compensation to which a person is entitled. The matter provided for in paragraph 45(1)(d) is the likelihood of the lease being renewed, and the terms and conditions on which the lease would be renewed. This paragraph is amended to subject it to the provisions contained in section 50, which deals with matters to be disregarded in assessing compensation.

### **Matters to be disregarded in assessing compensation**

Clause 5 amends section 50 of the Act by inserting a new paragraph (e) and a new subsection (2). The new paragraph (e) specifies that where a rural lease was granted for a term of less than 21 years, the right to apply for a grant of a further lease under section 171A of the *Land (Planning and Environment) Act 1991* (the Land Act) is not to be considered. This means that only the remaining term of the existing lease can be considered in the assessment of compensation. The new subsection (2) defines a "rural lease" as a lease that allows for rural purposes or purposes including rural

purposes. This is the same as the definition of “rural purposes” in section 159 of the Land Act.