

EXPLANATORY STATEMENT

ORDINANCE NO. 3 OF 1997

Issued by the Authority of the Minister for Administrative Services

Seat of Government (Administration) Act 1910

National Land (Amendment) Ordinance (No. 2) 1997

Subsection 12(1) of the *Seat of Government (Administration) Act 1910* ('the Act') provides for the Governor-General to make Ordinances for the peace, order and good government of the Australian Capital Territory (ACT) with respect to a range of matters which include National Land. 'National Land' is land declared to be such in accordance with subsection 27(1) of the *Australian Capital Territory (Planning and Land Management) Act 1988*. Only land which is used or to be used by the Commonwealth can be so declared.

The National Land Ordinance 1989 made under the Act applies to National Land in the ACT modified provisions of the City Area Leases Ordinance 1936 ('CALO') which applied directly in the ACT prior to self-government. The applied provisions of CALO set out procedures for the granting of leases of National Land in the Australian Capital Territory.

The primary purpose of these amendments is to give the Minister for Administrative Services the flexibility to adopt processes for the leasing of Commonwealth properties in the Australian Capital Territory which reflect the circumstances of each particular property and to give the Commonwealth some flexibility to negotiate with potential purchasers of leases.

The processes for the grant of leases provided for in the former provisions of CALO were best suited for the leasing of undeveloped blocks of land. However, these processes were not well-suited to the leasing of land where there is already substantial development on the land. For example, the former provisions which required grant to the highest bidder were difficult to apply in a context where the offer may have included up-front payment, rent on lease back and allocation of responsibility for maintenance and heritage value preservation costs.

These amendments will authorise the Minister to adopt procedures for the disposal of a property in the ACT which are substantially the same as the Commonwealth can adopt in disposing of Commonwealth property in other parts of Australia.

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