

RURAL RECONSTRUCTION ACT.

Act No. 45, 1939.

An Act to provide for the reconstitution and a change in the name of the body corporate constituted by the Farmers' Relief Act, 1932; to make further provision in relation to the adjustment of the debts of farmers; to provide for the granting of protection orders to certain farmers; to authorise the waiver or remission of certain debts to the Crown; for these and other purposes to amend the Farmers' Relief Act, 1932-1938, and certain other Acts in certain respects; and for purposes connected therewith. [Assented to, 13th November, 1939.]

George VI.
No. 45, 1939.

Rural Reconstruction Act.

No. 45, 1939.

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:—

PART I.**PRELIMINARY.**

Short title.

1. (1) This Act may be cited as the "Rural Reconstruction Act, 1939," and shall be read and construed with the Farmers' Relief Act, 1932, as amended by subsequent Acts.

(2) The Farmers' Relief Act, 1932, as so amended is, in this Act, referred to as the Principal Act.

(3) The Principal Act, as amended by this Act, may be cited as the Farmers' Relief Act, 1932-1939.

(4) This Act is divided into Parts as follows:—

PART I.—PRELIMINARY.

PART II.—RECONSTITUTION OF BOARD.

PART III.—RURAL RECONSTRUCTION.

PART II.**RECONSTITUTION OF BOARD.**

Commencement.

2. (1) For the purposes only of the reconstitution, pursuant to section four of this Act, of the body corporate constituted by section seven of the Principal Act, the provisions of this section shall commence on the date upon which the assent of His Majesty to this Act is signified.

(2) Upon the commencement of Part III of this Act this section shall have full force and effect for all purposes.

(3) The Principal Act is amended—

(a) by omitting from subsection one of section seven the word "three" and by inserting in lieu thereof the word "five";

(b)

Amendment of
Act No. 33,
1932.
Sec. 7.
(Farmers'
Relief Board.)

- (b) by omitting from subsection two of the same section the words "two members" and by inserting in lieu thereof the words "four members";
- (c) by omitting from subsection three of the same section the words "one other member" and by inserting in lieu thereof the words "two other members";
- (d) by inserting at the end of subsection four of the same section the following proviso:—

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Provided that if any such member is an officer or employee under the Public Service Act, 1902, as amended by subsequent Acts, or is a Commissioner or an officer of the Rural Bank he shall not be entitled to any remuneration under this Act in respect of his office as such member.

PART III.

RURAL RECONSTRUCTION.

3. This Part shall commence upon a date to be appointed by the Governor and notified by proclamation published in the Gazette.

Commencement of Part III.

4. Upon the commencement of this Part the body corporate constituted by section seven of the Principal Act shall be reconstituted and shall consist of five members.

Reconstitution.

5. (1) Upon the commencement of this Part the name of the body corporate constituted by section seven of the Principal Act shall be the "Rural Reconstruction Board."

Name of body corporate.

(2) Nothing contained in this Act shall prejudice or affect in any way the continuity of such body corporate, but the same shall continue notwithstanding the provisions of this Act.

(3) The alteration of name effected by subsection one of this section, the amendments made to the Principal Act by section two of this Act and the provisions of section four of this Act, shall not affect any property, powers, rights, authorities, duties, functions, liabilities or obligations

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obligations of the said body corporate or the appointment of the Director or of any person who, immediately before the commencement of this Part, held office as a member of the said body corporate or render defective any legal or other proceedings instituted or to be instituted by or against the body corporate, and any legal or other proceedings may be continued by or against the body corporate by the name of the Rural Reconstruction Board that might have been continued or commenced by or against the corporation by the name of the Farmers' Relief Board.

(4) The body corporate aforesaid shall continue notwithstanding that there are at any time or times vacancies in the offices of all of the members of the body corporate or of any one or more of them.

(5) Upon the commencement of this Part, a reference in any Act or other instrument, to the Farmers' Relief Board, shall be read and construed as a reference to the Rural Reconstruction Board.

(6) The agency of the Rural Bank of New South Wales which, immediately before the commencement of this Part, was known as the Farmers' Relief Agency, shall, as from such commencement, be known as the Rural Reconstruction Agency, and a reference in any Act or other instrument to the Farmers' Relief Agency shall be read and construed as a reference to the Rural Reconstruction Agency.

6. (1) The Principal Act is further amended—

(a) by omitting subsections one to four, both inclusive of section four and by inserting in lieu thereof the following subsections:—

(1) The Governor may appoint a Director for the purposes of this Act. A Commissioner of the Rural Bank shall not be eligible for appointment as Director.

(2) The Director shall hold office for such period as the Governor may appoint.

(3) The Director may be removed from office at any time by the Governor.

(4) In the case of the illness or absence of the Director the Governor may appoint some other

Further
amendment
of Act No.
33, 1932.
Sec. 4.
(Director
and
deputies.)

other person to act in the place of the Director during such illness or absence, and while so acting such person shall have and may exercise and discharge all the powers, authorities, duties and functions conferred or imposed on the Director by or under this Act.

(4A) The Director shall receive such remuneration as shall be determined by the Governor, which remuneration shall be payable by the Rural Bank and shall be deemed to be part of the costs of administration of the Rural Reconstruction Agency of that Bank:

Provided that if the Director is an officer or employee under the Public Service Act, 1902, as amended by subsequent Acts, he shall not be entitled to any remuneration under this Act in respect of his office as Director.

- (b) by omitting from subsection five of the same section the words "The Director may appoint any officer of the Rural Bank of New South Wales to act as his deputy" and by inserting in lieu thereof the words "The Governor may, upon the recommendation of the Director, appoint a person to be the deputy of the Director."
- (c) by omitting from the same subsection the words "some Commissioner, other than the Commissioner" and by inserting in lieu thereof the words "some person, other than the person";
- (d) by omitting from the same subsection the word "elected" and by inserting in lieu thereof the word "appointed";
- (e) by omitting subsection six of the same section.

(2) (a) The Commissioner who, immediately before the commencement of Part III of this Act, holds office as Director under the Farmers' Relief Act, 1932-1938, shall continue to hold such office until his successor is appointed under section four of that Act, as amended by this section.

(b) The persons who, immediately before the commencement of Part III of this Act, hold office as deputy Director and as supervisors under the Farmers' Relief

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Relief Act, 1932-1938, shall continue to hold such office in all respects as if the amendments made by subsection one of this section had been in force at the date of their respective appointments.

(c) Any delegation made by the Director under section four of the Farmers' Relief Act, 1932 (whether as originally enacted or as amended from time to time), and in force immediately before the commencement of Part III of this Act, shall continue in force, but may be withdrawn under that section as amended by subsection one of this section.

(d) Any general or special order made or given by the Director under subsection six of section thirteen of the Farmers' Relief Act, 1932, and in force immediately before the commencement of this Act, shall continue in force, but may be amended or revoked by a general or special order made after such commencement.

(e) Any determination made or consent given under subsection three or subsection four of section thirteen of the Farmers' Relief Act, 1932 (whether as originally enacted or as amended from time to time), and in force immediately before the commencement of this Act shall continue in force, but may be revoked or varied by a determination made or consent given after such commencement.

Further amend-
ment of Act
No. 33, 1932.

7. The Principal Act is further amended—

Sec. 3.
(Defini-
tions.)

(a) by inserting in section three after the definition of "Produce" the following additional definitions:—

"Protection order" means a protection order granted, under Part IIB of this Act, against a specified person or body of persons, corporate or unincorporate.

"Rural Bank" means the Rural Bank of New South Wales.

Sec. 6.
(Fees and
emoluments of
officers, etc.,
appointed as
supervisors.)

(b) by omitting section six;

(c)

- (c) (i) by inserting next after subsection one of section thirteen the following new subsection:—

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Sec. 13.
(Super-
visors.)

(1A) (a) The Director may, when appointing a supervisor pursuant to subsection one of this section, in lieu of appointing a specified person, appoint the holder of a specified office in the service of the Rural Bank or in the Public Service.

(b) Where the holder of any such specified office is so appointed to act as supervisor of the estate of a farmer—

(i) the holder for the time being of such specified office shall be the supervisor of the estate of that farmer;

(ii) no person dealing with a person purporting to be the holder for the time being of such specified office and, as such, to act as supervisor of the estate of that farmer, shall be concerned to inquire whether such last-mentioned person is, in fact, the holder for the time being of such specified office.

- (ii) by inserting next after subsection (5A) of the same section the following new subsection:—

(5B) Where the supervisor of the estate of any farmer is the holder for the time being of a specified office in the service of the Rural Bank or in the Public Service the following provisions shall have effect:—

(a) such supervisor shall not be required to execute and deliver a bond in accordance with subsection two of this section or to keep such bond subsisting;

(b) such supervisor shall not be entitled, pursuant to subsection three of this section, to retain, out of the moneys of the farmer received by him, any sum

sum by way of emolument, but, with the consent of the Director, may retain, out of such moneys such special travelling expenses as, in the opinion of the Director, have been properly incurred by him;

- (c) all expenses of such supervisor in administering the farmer's affairs shall be paid out of the funds of the Rural Reconstruction Agency of the Rural Bank, and shall, for the purposes of the Government Savings Bank Act, 1906, as amended by subsequent Acts, be deemed to be part of the costs of administration of that Agency.

- (iii) by inserting at the end of subsection six of the same section the following words:—

Where the Board or the Director by general or special order so directs, a supervisor shall in any matter affecting or relating to the practical conduct of the farming operations of any farmer of whose estate he is supervisor consult with and seek the advice of any field officer of the Department of Lands, the Department of Agriculture or the Water Conservation and Irrigation Commission or any field officer appointed or employed for the execution of the Soil Conservation Act, 1938, as the case may be, mentioned or referred to in the order.

Sec. 15.
(Super-
visors—re-
moval and
appoint-
ment.)

- (d) (i) by inserting in subsection two of section fifteen, after the words "remove a supervisor" the words "appointed by the Director";
- (ii) by inserting at the end of the same subsection the following new proviso:—

Provided further that the Board may at any time remove a supervisor appointed either by the Director or by the Board and appoint another supervisor in his place.

(iii)

- (iii) by inserting next after the same subsection the following new subsection:—

(2A) (a) The Director or the Board, when appointing a supervisor pursuant to subsection two of this section may, in lieu of appointing a specified person, appoint the holder of a specified office in the service of the Rural Bank or in the Public Service.

(b) Where the holder of any such specified office is appointed to act as supervisor of the estate of a farmer—

- (i) the holder for the time being of such specified office shall be the supervisor of the estate of that farmer;
- (ii) no person dealing with a person purporting to be the holder for the time being of such specified office and, as such, to act as supervisor of the estate of that farmer, shall be concerned to inquire whether such last-mentioned person is in fact the holder for the time being of such specified office.
- (e) (i) by inserting at the end of subsection one of section thirty-one the words—
- Sec. 31.
(Advances
and
guarantees.)
- The Board may, at any time after removal of the stay order, waive the payment of such interest or any part thereof which has accrued up to the date of such removal or which may accrue thereafter or may, notwithstanding the provision for payment of interest, direct that interest shall not be charged on the whole or any part of the moneys advanced or guaranteed or that the rate at which interest is payable upon such moneys shall be reduced to the rate specified in the direction.
- (ii) by inserting at the commencement of paragraph (a) of subsection four of the same section the words “Where a farmer has been

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been granted a protection order under Part IIb of this Act and the protection order is still current or”;

(iii) by omitting from the same paragraph the words “and the stay order granted to such farmer has been removed”;

Sec. 34A.
(Assistance
to effect
composition.)

(f) (i) by omitting from subsection one of section 34A the words “to whom a stay order has been granted under this Act”;

(ii) by omitting from the same subsection the words “during the operation of the stay order”;

Substituted
sec. 34g and
new sec. 34gg.

(g) by omitting section 34g and by inserting in lieu thereof the following sections:—

Waiver by
Board of
certain
payments.

34g. (1) For the purposes of this Part of this Act the Board may, notwithstanding the provisions of any other Act or of the regulations made under any other Act—

(a) waive the payment by any farmer, in whole or in part, of any moneys to which this section applies;

(b) direct that interest be not charged upon the whole or part of any moneys to which this section applies, or that the rate at which such interest would otherwise have been so payable shall be reduced to the rate specified in the direction;

(c) direct that so much of any moneys to which this section applies as represents interest payable on any other moneys (not being moneys to which this section applies) be not charged upon the whole or any part of such other moneys or that the rate at which such interest would otherwise have been so payable upon such other moneys, shall be reduced to the rate specified in the direction;

(d) fix the terms of payment of and the rate of interest to be paid on any moneys to which this section applies, or, where

where the payment by a farmer of any moneys to which this section applies has been waived in part, of the residue of such moneys;

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- (e) determine what securities, if any, shall be given by the farmer for the payment of any moneys to which this section applies and interest thereon where the terms of payment and the rate of interest on such moneys have been fixed pursuant to paragraph (d) of this subsection:

Provided that the Board shall not, under this section, grant any waiver of moneys owing—

- (a) for the balance of purchase money on a holding or on an irrigated lot as defined in section 11F of the Irrigation Act, 1912-1931, or for the balance of purchase money in respect of Crown improvements, which would have the effect of reducing the moneys so owing to an amount less than the capital value or purchase money of the holding or of the Crown improvements or the price or capital value of the holding or the purchase money of the irrigated lot, as the case may be, as appraised or determined by or under any Act, or in any case where payments of purchase money have been made since appraisal or determination, less than such capital value, purchase money, or price, as the case may be, as reduced by such payments; or
- (b) for the balance of purchase money on a holding where the capital value or purchase money of such holding has not been appraised or determined by or under any Act:

Provided further that the Board shall not, under this section, grant any waiver of moneys
of

of the class defined in paragraph (d) of subsection two of this section unless the council or the county council to which such moneys are owing has consented to such waiver, which consent the council or the county council is hereby empowered to give.

(2) This section shall apply to and in respect of moneys owing by a farmer—

- (a) to the Rural Bank in respect of the Building Relief Agency, the Advances to Settlers Agency, the Government Guarantee Agency, the Rural Industries Agency, the Irrigation Agency or the Closer Settlement Agency of that bank;
- (b) to the Rural Reconstruction Board or to the Rural Bank in respect of the Rural Reconstruction Agency of that Bank;
- (c) to the Crown for any liability arising under the Crown Lands Consolidation Act, 1913, the Closer Settlement Acts, the Returned Soldiers' Settlement Act, 1916, the Prickly-pear Destruction Act, 1901, the Prickly-pear Acts, 1924-1934, the Western Lands Act of 1901, the Wild Dog Destruction Act, 1921, or the Pastures Protection Act, 1934, or under any of those Acts as amended by subsequent Acts, or under any mortgage or charge in favour of the Minister for Lands;
- (d) to a council as defined in the Local Government Act, 1919, as amended by subsequent Acts, or to a county council for a county district constituted under that Act, as so amended, for any liability arising under that Act.

(3) The powers conferred by subsection one of this section may be exercised—

- (a) in respect of any moneys to which this section applies which were owing at the commencement

commencement of the Rural Reconstruction Act, 1939, or which become owing after such commencement;

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- (b) whether or not, at the time action is taken under that subsection, such moneys are presently payable.

34gg. (1) For the purposes of this Part of this Act the Rural Bank may—

Waiver by Rural Bank of certain payments.

- (a) waive the payment of any moneys owing by a farmer to the Rural Bank in respect of the Rural Bank Department of that Bank;
- (b) direct that interest be not charged upon the whole or part of such moneys or that the rate at which such interest would otherwise have been so payable, shall be reduced to the rate specified in the direction;
- (c) fix the terms of payment of and the rate of interest to be paid on any moneys owing by a farmer to the Rural Bank in respect of the Rural Bank Department of that Bank;
- (d) determine what securities (if any) shall be given by the farmer for the payment of moneys owing by him to the Rural Bank in respect of the Rural Bank Department of that Bank, and interest thereon where the terms of payment of and the rate of interest on such moneys have been fixed pursuant to paragraph (c) of this subsection.

(2) The powers conferred by subsection one of this section may be exercised—

- (a) in respect of moneys which were so owing at the commencement of the Rural Reconstruction Act, 1939, or become so owing after such commencement;
- (b) whether or not at the time action is taken under subsection one of this section such moneys are presently payable.

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Further amend-
ment of Act
No. 33, 1932.
New secs. 34L
and 34M.Appraise-
ments—
extension of
time
for certain
applications.

S. (1) The Principal Act is further amended by inserting in Part II_A next after section 34_K the following new sections:—

34L. (1) (a) Where a farmer has made an application under section 34_A of this Act, and the Board is satisfied that in the case of such farmer provision should be made for determination, in relation to any holding of such farmer—

- (i) of the capital value pursuant to section one hundred and sixty-seven of the Crown Lands Consolidation Act, 1913; or
- (ii) of the annual rental pursuant to section 167_A of that Act; or
- (iii) of the price or capital value or value and charge of purchase money, pursuant to section nineteen of the Returned Soldiers' Settlement Act, 1916; or
- (iv) of the capital value or value and charge of purchase money pursuant to section two of the Closer Settlement and Returned Soldiers' Settlement (Amendment) Act, 1927,

the Board may extend the time within which an application for such determination may be made, and may specify the period within which such application may be made.

(b) Notice of the fact of such extension and of the period so specified shall be given to the Minister for Lands and to the farmer concerned.

(2) (a) Where a farmer has made application under section 34_A of this Act, and the Board is satisfied that, in the case of such farmer, provision should be made for determination, in relation to any holding of such farmer—

- (i) of the annual rental or purchase money pursuant to sections 143_A and 147_A of the Crown Lands Consolidation Act, 1913; or
- (ii) of the annual rental or purchase money pursuant to sections 11_D and 11_E of the Irrigation Act, 1912-1931,

the Board may certify accordingly, and may, in such certificate, specify the period within which such application may be made. (b)

(b) A copy of the certificate shall be given to the Water Conservation and Irrigation Commission and to the farmer concerned. No. 45, 1939.

34M. (1) Where a farmer has made an application under section 34A of this Act and such farmer is the holder of a holding which has become liable to be forfeited under the Crown Lands Consolidation Act, 1913, or under any other Act relating to the alienation or disposition of lands of the Crown, and the Board, after investigation of the affairs of the farmer, is of opinion that it would be in the best interests of the State and of rural reconstruction that such holding should be forfeited, it may recommend that such holding be forfeited. Forfeitures.

Where the holding referred to in any such recommendation appears, from the records of the Department of Lands or the Water Conservation and Irrigation Commission or the Western Lands Commissioner as the case may be, to be subject to mortgage, notice of the fact that such recommendation has been made shall be given to the mortgagee.

(2) (a) The Board may recommend that a certificate of preferential right be issued entitling the recipient thereof to apply for the whole or any specified part of—

(i) the land comprised in a holding which has been forfeited (whether or not the forfeiture was recommended by the Board under subsection one of this section); or

(ii) any other land of the Crown,

if and when such land is made available for sale or other disposition under any Act relating to the alienation or disposition of lands of the Crown.

Any such application shall be made under and in accordance with the provisions of the Act under which the land is so made available.

(b) A certificate of preferential right under this section may be issued on the recommendation of the Board by the Minister charged with
with

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with the administration of the Act under which the land is so made available, to—

- (i) a farmer whose land is, in the opinion of the Board, substantially less than a home maintenance area; or
- (ii) a farmer whose holding has been forfeited after a recommendation to that effect was made by the Board under subsection one of this section.

A certificate of preferential right issued under this section may refer to either or both of the classes of land mentioned in subparagraphs (i) and (ii) of paragraph (a) of this subsection.

(c) Where the land referred to in a certificate of preferential right issued under this subsection is set apart for sale or other disposition under any Act relating to the alienation of lands of the Crown and the recipient of such certificate of preferential right makes application in the manner and within the time specified in the notification so setting such land apart, he shall be entitled, in preference to any other person who makes application, to have his application confirmed, allowed or granted.

(3) Nothing in this section shall affect any power to declare, notify or otherwise assert or enforce a forfeiture in any case in which no recommendation is made in accordance with this section.

Amendment
of Act No.
7, 1913.

Sec. 143A.
(Re-
appraise-
ment.)

(2) The Crown Lands Consolidation Act, 1913, as amended by subsequent Acts, is amended—

- (a) by inserting next after subsection four of section 143A the following new subsection:—

(4A) Where the Rural Reconstruction Board has certified pursuant to subsection two of section 34L of the Farmers' Relief Act, 1932-1939, that provision should be made for determination of the annual rental or purchase money of a holding (not being a town land lease or a town land purchase the title to which commenced subsequent to the twenty-third day of December, one thousand nine hundred and twenty-four) the occupier

occupier of that holding (being the farmer referred to in the certificate) may, within the period specified in the certificate, with the consent in writing of any mortgagee or person holding a security thereover, apply in the prescribed manner to have the annual rental or purchase money of that holding determined, and such annual rental or purchase money shall be determined as at the date of application in accordance with the provisions of section 147A of this Act, and the provisions of subsection five of this section shall not apply to or in respect of such application.

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- (b) by inserting next after subsection three of section one hundred and sixty-seven the following new subsection:—

Sec. 167.
(Appraisal—Capital value.)

(3A) Notwithstanding anything in subsection three of this section the application may, where the Rural Reconstruction Board has, in the case of a farmer, pursuant to subsection one of section 34L of the Farmers' Relief Act, 1932-1939, extended the time within which such application may be made, be made by that farmer at any time within the period specified by the Rural Reconstruction Board and the provisions of subsection four of this section shall not apply to or in respect of any application so made.

- (c) by inserting next after subsection two of section 167A the following new subsection:—

Sec. 167A.
(Appraisal—rents.)

(2A) Notwithstanding anything in subsection two of this section the application may, where the Rural Reconstruction Board has, in the case of a farmer, pursuant to subsection one of section 34L of the Farmers' Relief Act, 1932-1939, extended the time within which such application may be made, be made by that farmer at any time within the period specified by the Rural Reconstruction Board, and the provisions of subsection six of this section shall not apply to or in respect of any application so made.

(3)

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Amendment
of Act No.
21, 1916.

Sec. 19.

(Appraise-
ment of
soldiers'
holdings.)

(3) The Returned Soldiers' Settlement Act, 1916, as amended by subsequent Acts, is amended by inserting next after subsection (1B) of section nineteen the following new subsection:—

(1c) Notwithstanding anything contained in subsection (1B) of this section the application may, where the Rural Reconstruction Board has, in the case of a farmer, pursuant to subsection one of section 34L of the Farmers' Relief Act, 1932-1939, extended the time within which such application may be made, be made by that farmer at any time within the period specified by the Rural Reconstruction Board, and the provisions of subsection four of this section shall not apply to or in respect of any application so made.

Amendment
of Act No.
14, 1927.

Sec. 2.

(Appraise-
ments.)

(4) The Closer Settlement and Returned Soldiers Settlement (Amendment) Act, 1927, as amended by subsequent Acts, is amended by inserting next after subsection five of section two the following new subsection:—

(5A) Notwithstanding anything in subsection four or subsection five of this section an application under subsection one or subsection two of this section may, where the Rural Reconstruction Board has, in the case of a farmer, pursuant to subsection one of section 34L of the Farmers' Relief Act, 1932-1939, extended the time within which such application may be made, be made at any time within the period specified by the Rural Reconstruction Board, and in any such case the application may be dealt with under this section notwithstanding that a similar determination in respect of the same settlement purchase or land has already been made under this section.

Amendment
of Act No.
72, 1912,
s. 11D.

(Reappraise-
ment.)

(5) The Irrigation Act, 1912-1931, as amended by subsequent Acts, is amended—

(a) by inserting next after subsection one of section 11D the following new subsection:—

(1A) Where the Rural Reconstruction Board has certified, pursuant to subsection two of section 34L of the Farmers' Relief Act, 1932-1939,
that

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that provision should be made for determination of the annual rental or purchase money of an irrigated lot, the lessee or purchaser of that irrigated lot (being the farmer referred to in the certificate) may, within the period specified in the certificate, with the consent in writing of any mortgagee or person holding any security over the irrigated lot, apply to the Commission in the prescribed manner to have the annual rental or purchase money of that irrigated lot determined, and such annual rental or purchase money shall be determined as at the date of the application in accordance with the provisions of section 11E of this Act, and the provisions of subsection nine of section 11E of this Act shall not apply to or in respect of such application.

- (b) by inserting at the end of the same section the following new subsection:—

(3) Where application is made pursuant to subsection (1A) of this section to have the purchase money determined the following provisions shall have effect—

cf. Act No.
7, 1913,
s. 143A
(6), (7),
(8).

- (a) (i) Interest accrued due at the date of the application upon the purchase money fixed prior to that date shall be paid by the applicant within one month after the date the purchase money is determined pursuant to such application.
- (ii) Interest at the prescribed rate on the purchase money determined pursuant to such application for the period commencing from the date of such application and terminating on the thirtieth day of June or the thirty-first day of December, whichever next follows the date of the application, shall be paid at such times and in accordance with such other terms and conditions as the Commission may fix.

(b)

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- (b) The Bank shall apply, in satisfaction or part satisfaction of the purchase money determined pursuant to such application, any moneys, other than interest payments, paid in respect of the purchase money fixed prior to the date of such application.
- (c) The purchase money determined pursuant to such application shall (less any credit to be allowed in accordance with the provisions of paragraph (b) of this subsection) be paid by equal half-yearly consecutive instalments, including principal and interest at the prescribed rate, extending over the balance of the period fixed for payment of the purchase money in respect of the irrigated lot prior to such application, and the first of such instalments shall be paid on the thirtieth day of June or the thirty-first day of December next following the period referred to in subparagraph (ii) of paragraph (a) of this subsection.

Further amend-
ment of Act
No. 33, 1932.

9. The Principal Act is further amended by inserting next after Part IIA the following new Part:—

New Part IIb.

PART IIb.

PROTECTION ORDERS.

Protection
order.

34N. (1) (a) Where application is made to the Board pursuant to section 34A of this Act, the applicant may apply to the Director for a protection order under this Part.

(b) An application for a protection order may be made at the time of making the application pursuant to section 34A of this Act, or from time to time thereafter.

(c) An application for a protection order shall be in writing, shall be signed by the applicant and shall specify the name of any person or body of persons corporate or unincorporate against whom it is desired the protection order shall be granted.

(2)

(2) The farmer making the application for a protection order shall, upon request in writing by the Director, furnish such information and such accounts, documents and writings as the Director may require for the purpose of considering such application.

(3) The Director, on the receipt of an application for a protection order may, at his discretion, grant a protection order against any person or body of persons corporate or unincorporate specified in the application subject to such conditions (if any) as the Director thinks fit to impose:

Provided that the Director shall not refuse to grant a protection order without the concurrence of the Board.

(4) A protection order shall be in or to the effect of the form prescribed.

(5) During the period for which a protection order is in operation no action, execution, proceedings, whether judicial or extra-judicial on default or for or upon breach of covenant under any mortgage or other security for money or under an agreement for sale or purchase of land or other process or proceeding, shall be commenced or proceeded with or put in force against the farmer named in the protection order or against his estate or effects by any person or body of persons, corporate or unincorporate, against whom the protection order is granted, nor shall any such person, or body of persons, corporate or unincorporate, if the owner of a chattel which has been delivered to the farmer under a hire-purchase agreement and which, at the time the protection order is granted, is in the possession of the farmer, except with the consent of the Director, take any steps to terminate the agreement or to take the chattel out of the possession of the farmer:

Provided, however, that where any moneys due or payable to the farmer, or any property of the farmer is subject to any mortgage, charge or lien, a protection order shall not prejudice or affect any right of the holder of such mortgage, charge or lien to receive such moneys or the proceeds of the sale of such property in priority to the farmer:

Provided

No. 45, 1939.

Provided also that a protection order shall not affect the rights or remedies of any mortgagee or secured creditor of the farmer if he or any mortgagee subsequent to him has been in possession of the property subject to the mortgage or other security for at least two months before the date of the granting of the protection order; but the exercise of any such right or remedy shall be subject to such restrictions (if any) as may be imposed by the Moratorium Act, 1932-1939.

(6) On a protection order being granted, prescribed particulars thereof shall be published in the Gazette, and shall be further advertised as prescribed.

(7) The Director shall keep a register of protection orders which shall be open to public inspection at such times and on payment of such fees as may be prescribed.

(8) A protection order shall be void as against any person taking title from, through or under the person or body of persons, corporate or unincorporate, against whom the same is granted, unless the protection order is registered in the register of protection orders kept by the Director.

No person shall be affected with notice of any protection order by reason of omission to make any inquiry or any search other than search in such register.

(9) A protection order shall, subject to subsection ten of this section, continue in operation for a period of three months from the date of grant thereof, unless sooner removed in accordance with subsection twelve of this section.

(10) The Board may extend the operation of any protection order for not more than three months, but so that the total period thereof shall not exceed six months.

(11) Any farmer upon whose application a protection order has been granted or any person or body of persons, corporate or unincorporate,
against

against whom a protection order has been granted may, at any time, apply to the Board to remove the protection order.

No. 45, 1939.

(12) The Board may, at any time, remove any protection order and shall thereupon give notice of such removal to the farmer and also to the person or body of persons, corporate or unincorporate, against whom the protection order was granted, and the prescribed particulars of such removal shall be published in the Gazette and shall be further advertised as prescribed.

The Director shall enter particulars of such removal in the Register of protection orders kept by him.

(13) (a) When a protection order granted against any person or body of persons, corporate or unincorporate, is removed any action execution or proceedings pending or in course of being put into operation by such person or body of persons, corporate or unincorporate, against a farmer or his estate or effects at the time when the protection order was so granted may be continued and proceeded with and in computing the time for taking any further step in connection therewith no account shall be taken of the period which has elapsed during the operation of the protection order.

(b) The period during which the protection order was in operation shall not for the purposes of any statute of limitation be taken into account in connection with any debt or claim affected by the protection order.

10. (1) No amendment of the Farmers' Relief Act, 1932, made by any subsequent Act (including this Act), shall be held to operate or to have operated so as to release any party or surety to any bond executed and delivered to the Farmers' Relief Board in pursuance of section thirteen of that Act whether as originally enacted or as amended from time to time.

Parties to certain bonds not to be released.

(2) A reference in any such bond executed before the commencement of this Act to the Farmers' Relief Act, 1932, or to the Farmers' Relief Act, 1932-1934, or to the Farmers' Relief Act, 1932-1935, or to the Farmers'

Relief

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Rural Reconstruction Act.

No. 45, 1939.

Relief Act, 1932-1936, or to the Farmers' Relief Act, 1932-1937, or to the Farmers' Relief Act, 1932-1938, shall, as from such commencement, be read and construed as a reference to the Farmers' Relief Act, 1932-1939.

Amendment of
Act No. 25,
1938.
Sec. 3.
(Consequen-
tial.)

(3) The Farmers' Relief Act, 1938, is amended by omitting section three.
