

## AGRICULTURAL HOLDINGS (AMENDMENT) BILL 1988

NEW SOUTH WALES



### EXPLANATORY NOTE

(This Explanatory Note relates to this Bill as introduced into Parliament)

The object of this Bill is to amend the Agricultural Holdings Act 1941 so as—

- (a) to repeal provisions which convert a contract of tenancy of an agricultural holding for a fixed term of less than 2 years into a contract of tenancy for a term of 2 years; and
- (b) to repeal provisions which convert a contract of tenancy for a term of 2 years or more into a tenancy from year to year on the expiration of that term, if a specified period of notice to quit is not given; and
- (c) to repeal provisions which require the giving of a specified period of notice to quit an agricultural holding; and
- (d) to extend the remaining provisions that relate to tenancies from year to year to other periodic tenancies; and
- (e) to make provisions which save the terms of existing tenancies.

The Bill also contains amendments to the Principal Act by way of statute law revision.

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**Clause 1** specifies the short title of the proposed Act.

**Clause 2** provides that the proposed Act is to commence on a day or days to be appointed by proclamation, except for the amendments to the Principal Act by way of statute law revision which are to commence on the date of assent to the proposed Act.

**Clause 3** is a formal provision that gives effect to the Schedules of amendments to the Principal Act.

#### SCHEDULE 1—AMENDMENTS RELATING TO LEASES AND SHARE-FARMING AGREEMENTS

##### Definition of “contract of tenancy”

Schedule 1 (1) substitutes the definition of “contract of tenancy” in section 4 (1) so as to apply the Principal Act to leases that (because of the repeal of section 22 by Schedule 1 (3)) will not be converted into tenancies for terms of years.

*Agricultural Holdings (Amendment) 1988*

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At present the Principal Act does not apply to periodic tenancies of agricultural holdings (other than tenancies from year to year). The new definition extends the provisions of the Act to all periodic tenancies of agricultural holdings.

**Repeal of provisions extending certain contracts of tenancy and share-farming agreements**

Schedule 1 (3) and (4) repeal sections 22 (Construction of provisions of contracts of tenancy relating to term of tenancy) and 23 (Extension of tenancies under leases for a term of two years or upwards).

This removes provisions which automatically convert a contract of tenancy of, or a share-farming agreement for, an agricultural holding for a fixed term of less than 2 years into a tenancy or an agreement for a term of 2 years.

It also removes provisions which convert a contract of tenancy of, or a share-farming agreement for, an agricultural holding for a term of 2 years or more into a tenancy or an agreement from year to year at the expiration of that term, if a specified period of notice to quit is not given.

Schedule 1 (2) contains a minor amendment to the heading to Part 5 consequential on the repeal of those sections.

**Repeal of provisions relating to notice to quit**

Schedule 1 (5) repeals section 24 (Notices to quit). This removes provisions that require a landlord or landowner, when giving a tenant or share-farmer notice to quit an agricultural holding, to give at least 12 months' notice from the end of the current year of the tenancy or share-farming agreement.

**Savings provisions**

Schedule 1 (6) and (7) enact savings provisions which continue the effect of sections 22, 23 and 24 for contracts of tenancy and share-farming agreements entered into before the repeal of those sections or entered into or renewed after that repeal pursuant to an option granted before that repeal.

**SCHEDULE 2—AMENDMENTS BY WAY OF STATUTE LAW REVISION**

The Bill amends the Principal Act by way of statute law revision—

- (a) by amending the long title of the Principal Act so that it will more accurately describe the content of that Act after amendment by the proposed Act (Schedule 2 (1)); and
- (b) by repealing section 2 (Arrangement) which lists the provisions of the Act, because the practice now is to preface each Act with a table of provisions (Schedule 2 (2)); and
- (c) by repealing section 3 (Repeal and savings) and Part 2 (Transitory provisions) which contain savings and transitional provisions made as a consequence of the enactment of the Principal Act, but not so as to affect any saving made by section 30 of the Interpretation Act as a consequence of that repeal (Schedule 2 (3) and (4)); and
- (d) by amending section 33 (Recovery of compensation from trustee etc.) to update a reference to the Conveyancing Act 1919 so as to accord with current style (Schedule 2 (5)); and

*Agricultural Holdings (Amendment) 1988*

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- (e) by amending item (26) in Part 3 of the First Schedule to update a reference to the Dairy Industry Act 1979 (Schedule 2 (6)).
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