

On the passing of the Land Act, 1908, the aforesaid provisions were incorporated in Part V thereof, and were subsequently amended as follows :—

Section 22 of the Land Laws Amendment Act, 1912, repealed section 208 (formerly section 172 of the Land Act, 1892) and substituted a new section; whilst section 23 of the Act of 1912 substituted paragraph (1) in section 209.

Section 10 of the Land Laws Amendment Act, 1915, added a proviso to subsection (1) of section 210 of the Land Act, 1908; whilst section 26 of the Land Laws Amendment Act, 1913, amended provisions as to personal residence comprised in section 214 of the Land Act, 1908 (formerly section 178 of the Land Act, 1892).

In addition section 33 of the Land Laws Amendment Act, 1914, authorized the holder of a lease of a small grazing-run not exceeding 5,000 acres to change it to renewable lease. The right to acquire the freehold of their lands was extended by section 31 of the Land Laws Amendment Act, 1913, to the holders of leases of small grazing-runs of Crown land or settlement land, this provision being subsequently amended by sections 20 and 23 of the Land Laws Amendment Act, 1914, and also by section 34 of the Land Laws Amendment Act, 1914. As, however, small grazing-runs under the Land Act, 1892, or the Land Act, 1908, were made part of the national endowment by section 2 of the Land Laws Amendment Act, 1907 (now section 258 of the Land Act, 1908), the provisions as to the right to acquire the freehold do not apply to leases of small grazing-runs under the Land Act, 1892.

(b.) Subdivisions of Leases.

Section 28 of the Land Laws Amendment Act, 1912, as amended by section 37 of the Land Laws Amendment Act, 1913, provided that on the expiry of a lease of a small grazing-run the land might be subdivided and disposed of in new leases for terms of twenty-one years, with right of renewal for further terms under conditions similar to those relating to the renewal of renewable leases. When such leases are subdivided it is enacted that the outgoing lessee shall be entitled to receive a lease of such one of the allotments into which the said land has been subdivided as he elects, and in disposing of the other allotments preference is given to applications by sons of the lessee over twenty-one years who have resided on the land for not less than seven of the ten years immediately preceding the expiry of the lease.

(c.) Renewals of Leases.

It was considered that the rent of a renewed lease of a small grazing-run under the Land Act, 1892, was governed by the provisions of the Land Act, 1908, that the Land Board had power to fix the rent of the new leases, and that the said rent should not be less than $2\frac{1}{2}$ per cent. of the value of the fee-simple, less value of improvements; but the Hon. Hugh St. Leger, the lessee of a small grazing-run under Part V of the Land Act, 1892, dissented from this reading, and held that the renewal of such lease was governed solely by the Land Act, 1892, and that the fixing of the rental was by that Act given to the outgoing lessee. As the Crown did not consider that the reading of the Act was correct an action was brought in the Supreme and Appeal Courts of New Zealand, and the case was subsequently taken to the Privy Council in England, which confirmed the judgment given by the Appeal Court. The note in the "New Zealand Law Reports" of 1917 on the case is as follows :—

"The plaintiff was the lessee of a small grazing-run under Part V of the Land Act, 1892. This Act was repealed by the consolidating Act of 1908, which, however, in s. 349 (b) contained a clause saving all rights under the former Act subject to any special provisions in the repealing Act. Section 182 of the Land Act, 1892, containing provisions as to renewal, was repeated in s. 218 of the consolidating Act, except that s. 218 (c) provided a different mode of arbitration in case of dispute. Section 28 of the Land Laws Amendment Act, 1912, which is incorporated in the principal Act, introduced new terms and a new mode of dealing with leases of small grazing-runs inconsistent with the provisions of the Act of 1892. On an originating summons to determine whether the renewal of the lease of a small grazing-run granted under the Land Act, 1892, was governed solely by that Act or by the Land Act, 1908, and its amendments, and other questions incidental to such renewal,—

"Held, 1. That the Land Laws Amendment Act, 1912, being part of the Land Act, 1908, was subject to the saving clause in s. 349 (b) of the latter Act, and that therefore s. 28 of the former Act could not be applied to leases of small grazing-runs granted under the Land Act, 1892, and renewal of such leases was governed solely by the last-mentioned Act.

"2. That after the valuation prescribed by s. 182 of the Land Act, 1892, had been made, the lessee, if willing to accept a new lease, might fix the rental (subject to the statutory limit) at a percentage on the value of the fee-simple less the value of improvements; and that there was nothing to prevent his fixing it at the minimum percentage laid down by the Act.

"3. That if the valuations were disputed by the lessee the rent must be fixed by arbitration in the manner prescribed by s. 78 of the Act—i.e., in the manner provided for settling compensation under Part III of the Public Works Act, 1882; and that the Compensation Court must arrive at a fair rent after considering all the circumstances, but was not limited to $2\frac{1}{2}$ per cent. on the value of the fee-simple less the value of improvements."