



ORDINANCE NO. 21 OF 1959.
LAND BONDS ORDINANCE, 1959.



I assent.

D. H. T. G. S.

Officer Administering
the Government.

30th November, 1959.

BRITISH GUIANA

Arrangement of Sections.

Section

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AN ORDINANCE to make provision for the satisfaction of the whole or any part of the purchase money or of the compensation payable by the Government of British Guiana in respect of the purchase or compulsory acquisition of any land by the issue of bonds, and for the issue, negotiability and redemption of such bonds, and the payment of interest thereon and for matters incidental to or connected with any of the foregoing purposes.

A.D. 1959.

Short title.

Enacted by the Legislature of British Guiana :—

1. This Ordinance may be cited as the Land Bonds Ordinance, 1959.

Interpretation.

2. In this Ordinance unless the context otherwise requires —
 “acquisition” with its grammatical variations and cognate expressions means acquisition in the exercise of powers conferred by any law for the time being in force in relation to the compulsory acquisition of land;

No. 13 of 1957.

“land settlement scheme” has the meaning assigned to that expression by section 2 of the Acquisition of Land (Land Settlement) Ordinance, 1957;

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“statutory claims” has the meaning assigned to that expression by section 2 of the Deeds Registry Ordinance;

“vendor” means any person to whom any purchase price or compensation is payable in respect of the purchase or acquisition of any land.

Payment in land bonds with consent of vendor.

3. Where any land is purchased or acquired by the Government the purchase price or compensation payable to any vendor in respect of such land may by agreement between such vendor and the Government be paid either in whole or in part by the issue to such vendor of land bonds to a nominal amount equal to the whole of the purchase price or compensation or to such part thereof as may have been agreed to be so paid, as the case may be.

Payment in land bonds at discretion of Governor in Council.

4. Subject to the provisions of section 5 of this Ordinance, where any land is acquired by the Government for the purpose of a land settlement scheme the compensation payable to any vendor in respect of such land may in the absolute discretion of the Governor in Council be paid either in whole or in part by the issue to such vendor of land bonds of such type as the Governor in Council determines to a nominal amount equal to the whole of the compensation payable or to such part thereof as may be determined by the Governor in Council, as the case may be.

Persons not required to accept land bonds.

5. (1) Nothing in this Ordinance shall be deemed to require a vendor to accept compensation in land bonds in respect of any land or part of any land unless commissioners appointed under section 7 of the Acquisition of Land (Land Settlement) Ordinance, 1957 have reported to the Governor in Council that such land or part thereof is not beneficially occupied or utilised for agriculture.

No. 13 of 1957.

(2) No vendor being a mortgagee shall be required to accept payment of compensation in land bonds in respect of the whole or any part of the mortgagee debt unless —

(a) the Governor, by notice published in the Gazette, issues a Commission appointing one or more com-

missioners to determine whether or not the mortgage was executed by the mortgagor in contemplation of proceedings being taken to acquire the land the subject of the mortgage or in contemplation of the enactment of this Ordinance and the mortgagee knew or had reason to suspect at the time of the execution of the mortgage that such was the case, and to report to the Governor in relation thereto; and

- (b) such commissioners report to the Governor that the mortgage was executed by the mortgagor in contemplation of proceedings being taken to acquire the land the subject of the mortgage or in contemplation of the enactment of this Ordinance and that the mortgagee knew or had reason to suspect at the time of the execution of the mortgage that such was the case.

(3) Commissioners appointed under subsection (1) of this section shall have all the powers, privileges, duties and obligations of, and shall for all purposes be deemed to be, commissioners appointed under the Commissions of Inquiry Ordinance.

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(4) Any person whose interests are or may be prejudicially affected shall be entitled to be heard by himself or by counsel or solicitor before any such commissioners.

(5) Nothing in this Ordinance shall be deemed to require any person entitled to compensation under section 11 or subsection (3) of section 16 of the Acquisition of Lands for Public Purposes Ordinance to accept such compensation in land bonds.

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6. (1) For the purposes of paying any purchase price or compensation which may be paid under this Ordinance by the issue of land bonds, the Accountant General shall, subject to the provisions of this section, create and issue when and as required land bonds in such form and of such denominations as may be prescribed.

Issue of
land bonds

(2) There shall not be outstanding at any one time land bonds to a nominal value in excess of two million dollars. For the purposes of this subsection the outstanding value of any annuity bond shall be the surrender value as set out in the bond.

(3) Where the Governor in Council has determined in accordance with section 4 of this Ordinance that any compensation should be paid whether in whole or in part by the issue of land bonds and were it not for the passing of this Ordinance the provisions of section 24 of the Acquisition of Lands for Public Purposes Ordinance would have applied to the payment of such compensation the provisions of section 24 aforesaid shall have no effect in relation thereto, but the Governor shall issue a warrant to the Financial Secretary requiring him to pay such compensation in whole or in part as the case may be by the issue to such persons as the Supreme Court may direct of land bonds of the type determined by the Governor in Council to a nominal value equal to the whole of the compensation or to such part thereof as may have been determined by the Governor in Council and, subject to the provisions of this Ordinance, the Financial Secretary shall issue such land bonds or pay such compensation accordingly.

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Description
and redemption
of land
bonds.

7. (1) Land bonds may be of the following types —
- (a) fixed-date bonds,
 - (b) drawing bonds,
 - (c) annuity bonds.
- (2) Subject to the provisions of section 10 of this Ordinance —
- (a) fixed-date bonds shall be redeemable at par on a fixed date to be declared on the issue of the bonds:
Provided that the Governor may reserve the option to redeem the bonds before such date on such conditions as may be declared at the time of issue;
 - (b) drawing bonds shall be redeemable by annual drawings at par to be made in the manner hereinafter provided, or, at the option of the Governor by purchase in the market;
 - (c) annuity bonds shall be redeemable by equated half-yearly payments covering both principal and interest:

Provided that all land bonds shall be redeemed not later than twenty years from the date of issue.

Interest on
land bonds.

8. (1) Subject to the provisions of subsection (2) of this section, land bonds shall bear interest at such rate as the Governor in Council shall determine which shall be the rate that debentures of similar tenor would be likely to bear if issued under the General Local Loan Ordinance.

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(2) The interest upon the principal represented by each land bond shall run from the date specified in that behalf in the bond. Payment of interest in the case of each fixed-date or drawing bond and of principal and interest in the case of each annuity bond shall be made half-yearly on the date specified in that behalf in the bond, at the office of the Accountant General.

(3) If the vendor of land in respect of which land bonds have been issued (hereinafter in this section referred to as the appellant) is dissatisfied with the rate of interest on the land bonds, he may appeal to the Supreme Court in the manner and subject to the conditions hereinafter provided.

(4) The appellant shall, within three months of the issue of the bonds, serve on the Financial Secretary and the Registrar of the Supreme Court a notice of appeal in the prescribed form setting out briefly the grounds of appeal.

(5) The Registrar shall cause notice of the day and hour fixed for the hearing of the appeal to be sent to the appellant and to the Financial Secretary.

(6) Every appeal under this section shall be brought by summons and be heard by a Judge of the Supreme Court sitting in Chambers who shall have power to —

- (a) order that evidence be adduced before him on a day to be fixed for the purpose;
- (b) affirm, increase or decrease the rate of interest.

(7) Where upon appeal the rate of interest is either increased or decreased the rate of interest as determined by the Judge shall become effective as from the date on which the bonds were issued.

(8) The decision of the Judge shall be final.

(9) In an appeal under this section, the award of costs and the amount of such award shall be in the discretion of the Judge hearing the appeal.

(10) The fees and costs payable on appeal and the remuneration of witnesses shall be the same as in matters within the civil jurisdiction of the Supreme Court.

9. (1) The provisions of sections 13, 14, 15, 16, 17 and 18 of the General Local Loan Ordinance shall apply to fixed-date and drawing bonds as they apply respectively to fixed-date and drawing debentures issued under that Ordinance subject to the following modifications —

Application of sections 13, 14, 15, 16, 17 and 18 of Chapter 290.

(a) as if for the word "debenture" or "debentures" there were substituted in the first line of section 13 the words "fixed-date or drawing bonds" and elsewhere the word "bond" or "bonds" as the case may be;

(b) as if for the word "loan" there was substituted the word "bonds"; and

(c) as if for the words "commencing with that specified in the Ordinance authorising the loan", in subsection (2) of section 13 there were substituted the words "but not earlier than six months after the date on which interest on the said bonds commences to run".

(2) So long as any annuity bonds remain outstanding the Governor shall in each half year ending with the date on which any equated payment of principal and interest in respect of such bonds falls due appropriate out of the general revenues and assets of British Guiana a sum equal to the total amount of such payment as aforesaid.

10. (1) The Accountant General may authorise the immediate redemption of land bonds to be surrendered in satisfaction of any statutory claims upon the land for the purchase or acquisition of which they were issued and may make arrangements therefor.

Surrender of land bonds.

(2) Fixed-date and drawing bonds so surrendered shall be redeemed at par. Annuity bonds so surrendered shall be redeemed at the surrender value as set out in each bond.

11. All moneys for the payment of interest on land bonds or for the redemption of the same and all expenses of or incidental to the redemption of such bonds shall be charged upon and shall be payable out of the general revenues and assets of British Guiana.

Service of land bonds.

12. (1) The Accountant General shall keep in the prescribed form and manner a register of all land bonds issued under this Ordinance.

Registration and negotiability of land bonds.

(2) No sum payable by way of interest upon any fixed-date or drawing bonds or upon redemption of the same or by way of payment of principal and interest on any annuity bond or upon surrender of any land bond under the provisions of section 10 of this Ordinance shall be paid except to the person for the time being shown in the register as the holder of the bonds in respect of which the payment is made.

(3) Land bonds shall be capable of being transferred in such manner as may be prescribed.

Regulations.

13. (1) The Governor in Council may make regulations prescribing such matters as are by this Ordinance required or permitted to be prescribed and generally for giving effect to the provisions of this Ordinance.

(2) All regulations made under this Ordinance shall be laid before the Legislative Council within fourteen days after the making thereof if the Council is then sitting or if the Council is not then sitting within fourteen days after the commencement of the next ensuing sitting.

(3) If within twenty-one days after the regulations are so laid before it a resolution is passed by the Legislative Council that the regulations or any part of them be annulled they shall thereby be annulled to the extent set forth in the resolution and the regulation or part thereof so annulled shall thenceforth become void and of no effect but without prejudice to the validity of any action in the meantime taken under the regulations or part thereof as the case may be.

(4) Any regulations or any part thereof which have not within the period of twenty-one days after they are laid before the Council been annulled by resolution as aforesaid shall have effect as if enacted in this Ordinance.

14. Section 7 of the Acquisition of Land (Land Settlement) Ordinance, 1957 is hereby amended —

(a) by re-numbering subsections (4), (5) and (6) as (5), (6) and (7) respectively; and

(b) by the insertion of the following new subsection —

“(4) Where in making their investigation the commissioners find that any part or parts of the land are in beneficial occupation or are utilised for agriculture but that having regard to the extent to which the land as a whole is so occupied or utilised it is nevertheless in the public interest that such part or parts be acquired in order to ensure the planned development of the land as a whole, the commissioners shall in their report distinguish between those parts of the land which are beneficially occupied or utilised for agriculture and those which are not.”

Passed by the Legislative Council this eleventh day of November, nineteen hundred and fifty-nine.

[Signature]
Clerk of the Legislature.

(L.S. 57/54).
(Leg. Bill No. 19/1959).