



ANNO QUINTO  
**GEORGI VI REGIS.**

A.D. 1941.

\*\*\*\*\*

**No. 36 of 1941.**

An Act to empower the Treasurer to give guarantees for the purpose of encouraging the building and purchase of dwelling-houses, and to confer upon certain institutions powers with respect to building, selling and enlarging dwelling-houses, and for other purposes.

[Assented to 20th November, 1941.]

BE IT ENACTED by the Governor of the State of South Australia, with the advice and consent of the Parliament thereof, as follows :

1. This Act may be cited as the "Homes Act, 1941".

Short title.

2. In this Act, unless the context otherwise requires, or some other meaning is clearly intended—

Interpretation.

"dwelling-house" includes the land on which a dwelling-house is erected and all appurtenances of the dwelling-house, outbuildings, fences and permanent provision for lighting, water supply, drainage and sewerage :

"guarantee" means guarantee given by the Treasurer under this Act :

"institution" means any of the following bodies, namely :—

The Co-operative Building Society of South Australia :

The Hindmarsh Loan Land and Building Investment Society on the Permanent Principle Incorporated :

The Permanent Economic Loan Land Building and Investment Society Incorporated :

The Imperial Permanent Building and Investment Society Incorporated :

The Savings Bank of South Australia ; and

South Australian Superannuation Fund Board :

and any of the following friendly societies namely :—

The Independent Order of Oddfellows Manchester Unity Friendly Society in South Australia :

The South Australian Ancient Order of Foresters Friendly Society :

The South Australian Grand United Order of Oddfellows Friendly Society :

The South Australian United Ancient Order of Druids Friendly Society :

The Independent Order of Odd Fellows :

The South Australian District, No. 81, Independent Order of Rechabites, Friendly Society :

The Albert District, No. 83, Independent Order of Rechabites, Salford Unity :

The Sons of Temperance, South Australian Grand Division, No. 24 :

Australian Natives' Association :

Hibernian Australasian Catholic Benefit Society, Adelaide District, No. 7 :

“ Treasurer ” means the person for the time being holding or acting in the office of Treasurer of the State :

“ value ” means value fixed by an officer appointed by the Treasurer as a valuer for the purposes of this Act or, in the case of The Savings Bank of South Australia, the value fixed by that bank.

*Guarantees by the Treasurer.*

Guarantee by  
Treasurer.

**3.** (1) Subject to this Act, the Treasurer with the approval of the Governor may execute a guarantee in favour of any institution for—

(a) the repayment of part of any loan made by the institution on the security of a dwelling-house ; or

(b) the payment of part of any purchase money due to the institution under any contract made by the institution for the sale and purchase of a dwelling-house.

(2) Any such guarantee shall contain such provisions as are mutually agreed upon between the Treasurer and the institution.

4. The part of any loan or purchase money for which a guarantee is given— Limit of guarantee.

(a) shall not exceed the amount by which the loan or the amount of purchase money, exclusive of any sum paid as a deposit, exceeds seven-tenths of the value of the dwelling-house to be mortgaged or to be sold under the contract for sale and purchase; and

(b) shall not exceed one-fifth of that value.

5. (1) There shall be a fund kept by the Treasurer to be called "The Home Purchase Guarantee Fund." Duty of Treasurer to establish guarantee fund.

(2) Every institution to which a guarantee for the time being in force has been given shall pay into that fund in each quarter a sum equal to one-quarter of one per centum of the total of any amounts in respect of which guarantees given to that institution existed on the last day of the preceding quarter.

6. (1) Any sums which become due and payable to an institution by the Treasurer under a guarantee shall be paid to the institution out of The Home Purchase Guarantee Fund. If there are insufficient moneys in that fund, the Treasurer shall pay the deficiency to the institution out of the general revenue of the State. Payment of guaranteed amount.

(2) This section, without any other appropriation, shall be sufficient authority for making any such payment as mentioned in subsection (1) of this section.

7. The Treasurer shall not execute a guarantee—

(a) if the loan, or the amount of purchase money exclusive of any sum paid as a deposit, as the case may be, exceeds one thousand pounds; or

(b) if the interest charged on the loan or purchase money in respect of any period whilst the guarantee is in force exceeds five per centum per annum in a case where the interest is paid not later than fourteen days after it becomes due, or five and a half per centum where the interest is not so paid; or

Conditions under which guarantee to be given.

- (c) unless the loan or purchase money together with interest calculated and adjusted quarterly is repayable in fixed equal weekly, monthly or quarterly payments of such amount as will be sufficient to repay the loan or purchase money in full in a period not exceeding thirty years from the date of the mortgage or contract for sale and purchase; or
- (d) if the borrower or purchaser or the wife or husband of the borrower or purchaser already owns a dwelling-house at the date of the mortgage or contract for sale and purchase; or
- (e) unless the borrower or purchaser has declared that he intends to use the dwelling-house as a home for himself and his dependants; or
- (f) if the Treasurer has previously given a guarantee in respect of a loan made to or purchase money owing by the borrower or purchaser or the wife or husband of the borrower or purchaser :

Provided that the Treasurer may exempt the borrower or purchaser from either or both of paragraphs (d) and (f) of this section if he thinks that just cause exists for doing so.

Abatement of guarantee.

8. (1) A guarantee may provide for periodical reductions to be made in the amount for which the Treasurer is liable thereunder.

(2) Unless it is otherwise provided in the terms of the guarantee, the Treasurer's liability thereunder shall be reduced from time to time as follows:—Whenever any money is paid to the institution on account of principal money secured by the mortgage in respect of which the guarantee is in force, or purchase money payable under the contract of sale and purchase in respect of which the guarantee is in force, the amount for which the Treasurer is liable under the guarantee shall be reduced by an amount equal to one half of the money so paid.

(3) A guarantee given to an institution in respect of money secured by mortgage shall terminate if a further advance is made by the institution in respect of that mortgage without the consent of the Treasurer.

Valuation and fees.

9. (1) The Treasurer may appoint any suitable person to be a valuer for purposes of this Act.

(2) The Treasurer may require any person for whose benefit a guarantee is given under this Act to pay him such reasonable fees for valuing the property in respect of which the guarantee is given, as the Treasurer fixes.

*Erection, Sale and Enlargement of Dwelling-houses.*

10. (1) Sections 11 to 17 (inclusive) of this Act shall apply only to The Savings Bank of South Australia and to any other of the institutions mentioned in section 2 to which the Governor by proclamation declares that those sections shall apply: Provided that in no case shall sections 11 to 17 apply to the South Australian Superannuation Fund Board.

Application of ss. 11 to 17.

(2) Nothing in sections 11 to 17 (inclusive) of this Act shall take away or restrict any power which any institution has apart from those sections.

(3) The powers conferred on an institution by sections 11 to 17 (inclusive) of this Act shall be in addition to any other powers which the institution has by law, and shall not be deemed to be restricted by the terms in which any other powers are conferred on the institution.

11. For the purpose of carrying out all or any of the provisions of sections 12 to 17 (inclusive) of this Act an institution may—

Power to acquire and use lands.

- (a) acquire any land; or
- (b) use any land held by it, whether such land was acquired under this section or not.

12. An institution may at its discretion and upon such terms and conditions as it considers advisable do all or any of the following things:—

Power of institutions to erect and sell houses.

- (a) subdivide any such land into allotments;
- (b) reserve for the purpose of roads, streets and footpaths and for similar purposes any parts of any such lands and make and construct any roads, streets, and footpaths;
- (c) set apart any parts of any such land for any public purpose or as a reserve for any recreation, and sell or otherwise dispose of any land so set apart;
- (d) set apart any parts of any such land for any charitable, religious, patriotic, recreational, or educational purposes and sell or otherwise dispose of any such parts;
- (e) erect dwelling-houses on any such land or any part thereof and enter into and cause to be carried out contracts for any such erection;
- (f) insure any dwelling-houses erected or in the course of erection;

(g) alter the levels of any such land and make provision for pipes, wires, apparatus, electric light and power, gas, sewers, drains, tunnels, conduits, poles, posts and fixtures on or under any such land and any other facilities or services;

(h) exercise any other powers necessary or convenient to carry sections 11 to 17 (inclusive) of this Act into effect.

Maximum expenditure per house.

**13.** The amount to be expended on any dwelling-house as aforesaid (including the value of the land) shall not exceed one thousand two hundred pounds.

Power to sell houses.

**14.** An institution may sell any dwelling-house upon such terms and conditions and subject to the payment of such cash deposit as it thinks fit.

Sale price.

**15.** The sale price of a dwelling-house sold pursuant to the last preceding section shall not exceed a sum equal to the value of the land together with the cost of erection of the dwelling-house: Provided that the institution may include in the cost of erection interest at a rate not exceeding five per centum per annum on any moneys expended by the institution in the erection of the dwelling-house and in the exercise of any power conferred by paragraph (g) of section 12 of this Act. Such interest may be charged to the date of the sale, and shall be calculated from the respective dates when the moneys were so expended.

Power of institutions to build and enlarge houses at request of owner.

**16.** An institution may at the request of the owner of any land and at its discretion and upon such terms and conditions as it considers advisable—

(a) erect complete or enlarge any dwelling-house on that land;

(b) enter into any contracts in connection therewith;

(c) require the said owner to give a mortgage to secure to the institution the repayment of any moneys expended by the institution under this section.

Limit of capital value.

**17.** The cost to the institution of any dwelling-house erected under the last preceding section together with the value of the land used in connection therewith and the improvements thereon, shall not exceed one thousand two hundred pounds.

*General Provisions.*

18. The powers conferred by this Act on an institution may be exercised by the board, committee or other body in which the management of the institution is vested, or by such number of members thereof as constitute a quorum for the transaction of the ordinary business of the institution. How powers exercisable.

19. The Governor may make any regulations which are necessary or convenient for the administration and carrying into effect of this Act and may by any such regulation prescribe fines recoverable summarily and not exceeding twenty pounds for breach of any regulation. Regulations

In the name and on behalf of His Majesty, I hereby assent to this Bill.

C. M. BARCLAY-HARVEY, Governor.