



THE CEYLON GOVERNMENT GAZETTE

EXTRAORDINARY

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PART II.—LEGAL.

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DRAFT ORDINANCES.

MINUTE.

The following Draft of a proposed Ordinance is published for general information:—

L. D.—O.39/42/M. L. A.—B.A. 465A.

An Ordinance to amend the Rent Restriction Ordinance, No. 60 of 1942.

BE it enacted by the Governor of Ceylon, with the advice and consent of the State Council thereof, as follows:—

1. This Ordinance may be cited as the Rent Restriction (Amendment) Ordinance, No. of 1946. Short title.

2. Section 6 of the Rent Restriction Ordinance, No. 60 of 1942, (hereinafter referred to as "the principal Ordinance"), is hereby amended as follows:— Amendment of section 6 of Ordinance No. 60 of 1942.

- (1) by the re-numbering of that section as sub-section (1) of section 6; and
- (2) in the re-numbered sub-section (1)—

(a) by the substitution, for paragraph (b) of that sub-section, of the following paragraph:—

"(b) Where the actual amount for the time being payable per annum in respect of any premises by way of rates levied under any written law exceeds the amount paid in respect of those premises by way of rates for the year which included the date by reference to which the standard rent per annum of those premises is determined for the purposes of this Ordinance, such rent may—

(i) if under the terms of the tenancy the rates are paid by the landlord of those premises, be increased by an amount not exceeding the difference between such rent and the aggregate of the annual value of those premises as assessed for the time being and of the amount for the time being payable per annum in respect of those premises by way of rates, and

(ii) if under the terms of the tenancy the rates are paid by the tenant of those premises, be increased by an amount not exceeding the difference between such rent and the annual value of those premises as assessed for the time being.";

and

(b) by the addition, at the end of that sub-section, of the following new paragraph :—

“(e) The standard rent of any premises in respect of any month or part of a month subsequent to such date as may be prescribed, may be increased by an amount not exceeding ten per centum of such rent.”

Insertion
of new section
8A in the prin-
cipal Ordinance.

“ Continu-
ance of
original
contract of
tenancy.

3. The following new section is hereby inserted immediately after section 8, and shall have effect as section 8A, of the principal Ordinance :—

8A. Where an action for the ejection of any person from any premises occupied by him as a tenant is dismissed by any court by reason of the provisions of this Ordinance, his occupation of those premises for any period prior or subsequent to the dismissal of such action shall be deemed to have been or to be under the original contract of tenancy.”

Amendment of
section 11
of the
principal
Ordinance.

4. Section 11 of the principal Ordinance is hereby amended as follows :—

(1) by the repeal of sub-section (2) of that section and the substitution of the following new sub-section for that sub-section :—

“(2) The Assessment Board for any proclaimed area which is a Municipality or a town within the meaning of the Urban Councils Ordinance, No. 61 of 1939, or of the Local Boards Ordinance, shall consist of—

(a) a Chairman appointed by the Minister, or elected in the prescribed manner from a panel of seven persons appointed by the Minister, being persons who are not members of the Municipal Council, Urban Council, or Local Board, as the case may be,

(b) not more than three other persons selected in the prescribed manner from such panel,

(c) the Chief Government Valuer or an officer of his Department nominated by him, and

(d) the Municipal Assessor, if any.” ;

(2) by the repeal of sub-section (3) of that section ; and

(3) by the re-numbering of sub-section (4) and sub-section (5) of that section as sub-section (3) and sub-section (4) respectively.

Amendment
of section 12
of the
principal
Ordinance.

5. Section 12 of the principal Ordinance is hereby amended as follows :—

(1) by the insertion, immediately after sub-section (3) of that section, of the following sub-sections :—

“(3A) The Board may, in such circumstances and according to such scale as may be prescribed, award costs when disposing of any application made to the Board under this Ordinance.

(3B) Any sum ordered by the Board to be paid as costs by any person may be recovered, on application made to the Magistrate's Court having jurisdiction in the place where such person is resident, in like manner as a fine imposed by the court, notwithstanding that such sum may exceed the amount of the fine which the court may, in the exercise of its ordinary jurisdiction, impose.” ;

(2) in sub-section (4) of that section, by the substitution, for the words “ under the hand of the Chairman of the Board ”, of the following :—

“ under the hand either of the Chairman of the Board or of such Secretary of the Board as may be appointed in accordance with any regulation made in that behalf under section 15 ” ;

and

(3) in sub-section (6) of that section—

(a) by the substitution, for the expression “ section 11 (4), ”, of the expression “ section 11 (3), ” ; and

(b) by the substitution, for the expression “ appointed under section 11 (2) (c) or section 11 (4) (c). ”, of the expression “ on the panel specified in section 11 (2) or section 11 (3). ” .

6. Section 13 of the principal Ordinance is hereby amended in sub-section (2) of that section as follows :—

(1) in paragraph (b) of that sub-section, by the substitution for the words “ Assessment Boards. ”, of the following :—

“ Assessment Boards and to such of the persons mentioned in sub-section (2) of section 11 as may attend any meeting for the election of the Chairman referred to in that sub-section ; ” ;

Amendment
of section 13
of the
principal
Ordinance.

and

(2) by the addition, immediately after paragraph (b) of that sub-section, of the following paragraph :—

“(c) providing for the payment of travelling expenses to any person who, on being summoned by an Assessment Board on its own motion, appears before it for the purpose of giving any evidence or producing any document.”

7. Section 16 of the principal Ordinance is hereby amended in sub-section (1) of that section by the insertion, immediately after the definition of “landlord”, of the following new definition :

““prescribed” means prescribed by regulation made under section 15 ;”

**Amendment
of section 16 of
the principal
Ordinance.**

Objects and Reasons.

Under section 6 (b) of the Rent Restriction Ordinance, No. 60 of 1942, an increase in the amount of the rates payable per annum in respect of any premises enables the standard rent of those premises to be proportionately increased. The increase in the amount of the rates may occur in three cases, namely, where there is an increase in the annual value of the premises, or where there is an increase in the percentage at which the rates are calculated, or where there is an increase both in such annual value and in such percentage. In the first case, the increase of the rent permitted by the existing law will make the rent per annum equal to the aggregate of the annual value assessed for the time being and of the amount for the time being payable per annum by way of rates. In the second and third cases, the increase of the rent now permitted will make the rent per annum exceed the aggregate of the annual value assessed for the time being and of the amount for the time being payable per annum by way of rates ; but such an increase is inequitable. This defect is to be removed by the new paragraph (b) which is to be inserted in section 6 (1) of the Ordinance by Clause 2 of this Bill.

2. In view of the high cost of maintenance of buildings, it is proposed to permit a ten per centum increase in the standard rent. The new paragraph (e) which is to be added at the end of sub-section (1) of section 6 of the Ordinance is designed to implement this proposal. (Clause 2).

3. A new section will be inserted in the Ordinance in order to provide that, where an action to eject a tenant from any premises is dismissed by reason of the provisions of the Ordinance, his occupation of those premises for any period prior or subsequent to the dismissal of such action shall be deemed to have been or to be under the original contract of tenancy. Since disputes as to rights and obligations usually arise between landlords and tenants in such cases, the new section is intended to prevent further trouble by keeping alive the rights and obligations that existed prior to the attempted ejection. (Clause 3).

4. As it is only occasionally that any person who is on the panel referred to in sub-section (2) of section 11 of the Ordinance can become a member of the Board mentioned in that sub-section and as only members of the Board are permitted under sub-section (3) of that section to elect the Chairman of the Board, all the persons on the panel cannot participate in the election of the Chairman, and a permanent Chairman cannot be elected from the panel. It is proposed to remove this difficulty by the new sub-section (2) which is to be inserted in section 11 of the Ordinance. (Clause 4).

5. The existing law does not permit the awarding of costs by Rent Assessment Boards when disposing of applications made to them under the Ordinance. The new sub-sections (3A) and (3B) which are to be inserted in section 12 of the Ordinance are intended to enable such costs to be awarded and recovered. (Clause 5).

6. In the absence of the Chairman of a Rent Assessment Board, documents, notices, or summonses cannot be issued by any other person on behalf of the Board as only the Chairman is now authorised to issue them. Sub-section (4) of section 12 of the Ordinance is therefore to be amended so as to empower the Secretary of every such Board to issue documents, notices, and summonses. (Clause 5).

7. There is no power now to provide by regulation for the remuneration of such of the persons mentioned in sub-section (2) of section 11 of the Ordinance as may attend any meeting for the election of the Chairman referred to in that sub-section and for the payment of travelling expenses to witnesses appearing on summons before Rent Assessment Boards. That power is to be taken by the amendment of section 13 of the Ordinance. (Clause 6).

S. W. R. D. BANDARANAIKE,
Minister for Local Administration.

Colombo, April 30, 1946.