

Act No. 69
of 1955.

ACT

To provide for the control of the disposal and for the acquisition of immovable property in group areas and other areas defined under the Group Areas Act, 1950, and for the proper development of such areas, and for the said purposes to establish a board and to define its functions, and to provide for matters incidental thereto.

(English text signed by the Governor-General.)
(Assented to 24th June, 1955.)

BE IT ENACTED by the Queen's Most Excellent Majesty, the Senate and the House of Assembly of the Union of South Africa, as follows:—

Definitions.

1. (1) In this Act, unless otherwise defined in this section or unless the context otherwise indicates, any expression, other than the expression "Administrator", to which a meaning has been assigned in the Group Areas Act, 1950 (Act No. 41 of 1950) shall, when used in this Act, have the same meaning, and—

- (i) "affected property" means any immovable property situate—
 - (a) in any area defined in a proclamation under paragraph (a) of sub-section (1) of section *three* of the principal Act and occupied by a person who is not a member of the group specified in the proclamation;
 - (b) in any area defined in a proclamation under paragraph (b) of sub-section (1) of section *three* of the principal Act and owned or occupied by a person who is not a member of the group specified in the proclamation, or owned by a company wherein a controlling interest is held or deemed to be held by or on behalf or in the interest of a person who is not a member of the group specified in the proclamation;
 - (c) in any area defined in a proclamation under paragraph (b) of sub-section (1) of section *three* of the principal Act and—
 - (i) which forms part of the controlled area for the purpose of the provisions of the principal Act relating to the occupation of land or premises in the controlled area, and which is occupied by a person who is not a member of the group of which the owner of such immovable property is a member or, if the owner is a company, is occupied by a person

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- of any group if a controlling interest in that company is held or deemed to be held by or on behalf or in the interest of a person who is a member of another group; or
- (ii) to which the provisions of sections *twelve* and *thirteen* of the principal Act apply and which is occupied by a person who is not a member of the group specified in the proclamation;
- (d) in any area defined in a proclamation under subsection (1) of section *three bis* of the principal Act and occupied by a person who is not a member of the group specified in the proclamation;
- (e) in any area defined in a proclamation under subsection (1) of section *three ter* of the principal Act and not owned by the State, a statutory body or a local authority; (v)
- (ii) "basic date" in relation to affected property means the date of the publication in the *Gazette* of the proclamation by virtue of which such property first became affected property or, having ceased to be affected property, again became affected property; (ii)
- (iii) "basic value" in relation to—
- (a) land which is affected property, means the market value of the land immediately prior to the basic date determined in accordance with the provisions of section *thirty-two*;
- (b) any building which is affected property, means the estimated cost of erection thereof at the time of the valuation thereof, reduced by the amount of depreciation due to wear and tear and to the unsuitability, wholly or partly, of the building for the purpose for which it was originally intended or is being used at the time of the valuation, whichever is the greater, unless such unsuitability is due, wholly or partly, to the fact that such building is affected property;
- (c) affected property, means the basic value of the land plus the basic value of the buildings thereon; (iii)
- (iv) "board" means the Group Areas Development Board referred to in section *two*; (xiv)
- (v) "bond" includes a cession *in securitatem debiti* of any lease or licence referred to in paragraph (b) of the definition of "owner"; (xvi)
- (vi) "deeds registry" in relation to immovable property referred to in paragraph (b) of the definition of
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- “owner”, means the office of De Beers Consolidated Mines, Limited or the office of the Town Clerk of Kimberley, according to whether the relevant lease or licence is registered in the one or the other of those offices; (i)
- (vii) “group area” means any area proclaimed under section *three, three bis* or *three ter* of the principal Act; (vi)
- (viii) “immovable property” means land and any buildings thereon and includes any interest in immovable property other than any right to any mineral or any right to prospect for or dig or mine any mineral or a lease or sub-lease of any such right; (xiii)
- (ix) “inspector” means an inspector appointed under section *thirty-five*; (x)
- (x) “land” includes any portion of land and any improvements thereon other than buildings; (vii)
- (xi) “lessee or licensee” in relation to immovable property referred to in paragraph (b) of the definition of “owner”, does not include the person to whom the relevant lease or licence has been ceded *in securitatem debiti*; (ix)
- (xii) “list” means the list of affected properties referred to in section *fifteen*; (xi)
- (xiii) “Minister” means the Minister of the Interior; (xii)
- (xiv) “mortgagee” includes the holder of a cession *in securitatem debiti* of any lease or licence referred to in paragraph (b) of the definition of “owner”; (xvii)
- (xv) “owner” means, in relation to—
- (a) immovable property or any interest in immovable property other than such property as is referred to in paragraph (b), the person in whose name that property or in whose favour that interest in immovable property is registered;
- (b) immovable property forming part of the farm Alexanderfontein or the farm Bultfontein in the district of Kimberley and held under a lease or licence which entitles the lessee or licensee and his successors in title to occupy such property, the person registered in the deeds registry as the lessee or licensee of that property,
- and for the purpose of section *twenty* includes any sheriff, deputy-sheriff, messenger of the court, trustee, executor, liquidator, curator, administrator or other person lawfully entitled or required to dispose of that property; (iv)
- (xvi) “principal Act” means the Group Areas Act, 1950 (Act No. 41 of 1950); (viii)

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(xvii) "registrar of deeds", in relation to immovable property referred to in paragraph (b) of the definition of "owner", means the Secretary of De Beers Consolidated Mines, Limited or the Town Clerk of Kimberley according to whether the relevant lease or licence is registered in the office of De Beers Consolidated Mines, Limited or in the office of the said Town Clerk. (xv)

(2) A cession of any lease or licence referred to in paragraph (b) of the definition of "owner" which is registered in a deeds registry or any other disposal of any rights under such a lease or licence, other than a cession *in securitatem debiti*, shall for the purposes of this Act be deemed to be a disposal of the immovable property to which the lease or licence relates, and the registration in the deeds registry of such a cession, other than a cession *in securitatem debiti*, shall, for the said purposes, be deemed to be a transfer to the cessionary of the said immovable property.

Establishment
of Group Areas
Development
Board.

2. (1) There is hereby established a board to be known as the Group Areas Development Board, which shall be a body corporate capable of suing and being sued in its corporate name and of performing all such acts as are necessary for or incidental to the exercise of its powers and the performance of its functions and duties under this Act.

(2) The board shall not be liable for any tax, duty, fee or other charge imposed by or under any law for the benefit of the Consolidated Revenue Fund or a provincial revenue fund.

(3) The Rents Act, 1950 (Act No. 43 of 1950) shall not apply in relation to any immovable property acquired by the board under this Act.

Constitution
of board.

3. (1) The board shall consist of a chairman and not more than six other members who shall be appointed by the Governor-General.

(2) Of the members of the board, at least one shall be nominated by the Minister, one by the Minister of Finance, one by the Minister of Native Affairs, one by the Minister of Lands and one by the Minister responsible for the administration of the Housing Act, 1920 (Act No. 35 of 1920).

(3) For every member of the board, other than the chairman, there shall be an alternate member who shall be appointed in the same manner as such member.

Tenure of
office of
members of
board.

4. (1) A member or alternate member of the board shall be appointed for such a period as the Governor-General may in each case determine, and shall be eligible for re-appointment on the termination of any period for which he has been appointed.

(2) A member or alternate member of the board shall vacate his office—

(a) if he resigns or dies;

(b) if his estate is sequestrated or a notice with reference to him is published under sub-section (1) of section *ten* of the Farmers' Assistance Act, 1935 (Act No. 48 of 1935);

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(c) if he becomes of unsound mind or is convicted of an offence under section *eight* or of any other offence and sentenced to imprisonment without the option of a fine; or

(d) if he has absented himself from three consecutive meetings of the board without its leave which shall not be granted for a period exceeding six months in any period of twelve months.

(3) A member or alternate member of the board may at any time be removed from his office by the Governor-General.

**Meetings of
the board.**

5. (1) The first meeting of the board shall be held at a time and place to be determined by the Minister, and all subsequent meetings shall, subject to the provisions of sub-section (2), be held at such times and places as the board or the chairman of the board, if authorized thereto by it, may determine.

(2) The chairman of the board may at any time call a special meeting of the board, and shall call such meeting within fourteen days after receipt of a written request signed by not less than three members of the board desiring such a meeting to be called.

(3) Three members of the board shall form a quorum for a meeting of the board.

(4) The chairman of the board shall preside at all meetings of the board at which he is present, and if he is absent from any meeting the members present thereat may elect one of their number to preside at such meeting.

(5) The decision of a majority of the members of the board present at any meeting thereof shall be deemed to be a decision of the board: Provided that in the event of an equality of votes on any matter before a meeting of the board, the person presiding at such meeting shall have a casting vote in addition to his deliberative vote.

(6) A member or alternate member of the board shall not be present at or take part in the discussion of or vote upon any matter before the board, or any committee thereof in which he or his spouse, or his partner or employer, other than the State, or the partner or employer of his spouse, has, directly or indirectly, any pecuniary interest.

**Remuneration
and allowances
of members of
board.**

6. (1) There shall be payable to a member or alternate member of the board who is not in the full-time employment of the State such remuneration and allowances in respect of his services as the Minister may in consultation with the Minister of Finance determine.

(2) Any remuneration or allowances which may become payable under this section shall be paid out of the funds of the board.

(3) The board shall refund to any department of State for the benefit of the Consolidated Revenue Fund any amount paid out of public funds by that department by way of transport or subsistence allowance to a member or alternate member whilst engaged in connection with the business of the board, including

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Appointment and powers of executive committee.	<p>7. (1) The board may appoint an executive committee consisting of the chairman of the board and two other members or alternate members of the board.</p> <p>(2) The chairman of the board shall be the chairman of the executive committee.</p> <p>(3) The executive committee may, subject to the directions of the board, exercise all the powers and perform all the functions of the board between meetings of the board, but shall not have the power, save in so far as the board otherwise directs, to set aside or vary any decision of the board, and any action taken or decision made by the executive committee shall be subject to review at the first ensuing meeting of the board.</p> <p>(4) The executive committee shall meet at such times and places as the chairman of the board may direct.</p>
Prohibition on receiving of fees or rewards and preservation of secrecy.	<p>8. (1) Any member or alternate member of the board who directly or indirectly receives any fee or reward from any person in connection with any matter whatsoever dealt with by the board shall be guilty of an offence and liable on conviction to imprisonment for a period not exceeding one year.</p> <p>(2) Any member or alternate member of the board or any officer or other person in its service who discloses, except with the consent of the board or in the performance of his duties or as a witness in a court of law, any information acquired by him in the course of his duties, shall be guilty of an offence and liable on conviction to a fine not exceeding fifty pounds.</p>
Staff of the board.	<p>9. (1) The administrative work incidental to the performance by the board of its functions shall be performed at its expense and under its directions and control by officers in the public service who may on the recommendation of the Public Service Commission be seconded to the service of the board.</p> <p>(2) The Minister shall designate one of the officers so seconded as secretary to the board and such officer shall be the chief administrative officer of the board.</p> <p>(3) Any officer seconded to the service of the board under this section shall in all respects remain subject to the laws governing the public service and for that purpose the chief administrative officer of the board shall be deemed to be the head of the department in which such officer is employed.</p>
Funds and assets of the board.	<p>10. (1) The funds of the board shall consist of—</p> <p>(a) loans granted to the board on such conditions as the Minister of Finance may determine, out of moneys appropriated by Parliament for the purpose;</p>

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- (b) moneys paid to the board by way of appreciation contributions under this Act;
- (c) moneys derived from the sale or lease of land or buildings owned by the board; and
- (d) all other moneys accruing to the board from any other source whatsoever.

(2) The board shall cause a full and correct account to be kept of all moneys received or expended by it.

(3) Any moneys in possession of the board which are not required for immediate use, shall, subject to the provisions of sub-section (4), be invested by it with the Public Debt Commissioners or in such other manner as the Minister may in consultation with the Minister of Finance determine.

(4) The board may from time to time pay to the Consolidated Revenue Fund such amounts from funds standing to its credit as may in each case be approved by the Minister in consultation with the Minister of Finance.

**Auditing of
accounts.**

11. The books and statements of account and balance sheet of the board shall be audited annually by the Controller and Auditor-General.

**Objects and
general powers
of board.**

12. (1) The objects for which the board is established are to assist in and to control the disposal of affected properties in group areas, to develop such areas and to assist persons to acquire or hire in group areas immovable property in relation to which they are not disqualified persons, and to that end the board shall, in addition to any other powers vested in it by this Act, have power—

- (a) with the approval of the Minister and subject to such conditions as he may in consultation with the Minister of Finance determine, to acquire or hire such property and to appoint such persons as it may consider necessary for the effective performance of its functions;
- (b) to appoint from amongst its members one or more committees and to vest in a committee so appointed such of its powers as it may deem fit: Provided that vesting of any powers in any such committee shall not have the effect of divesting the board or the executive committee referred to in section *seven* of those powers, and that any action taken or decision made by any such committee shall be subject to review at the first ensuing meeting of the board, and, where a meeting of the executive committee takes place before such a meeting of the board, also at that meeting of the executive committee;
- (c) with the approval of the Minister given either generally or in any particular case—
 - (i) to acquire by purchase, exchange or otherwise any immovable property situate in a group area;
 - (ii) to develop any immovable property belonging to the board and to provide amenities and services on any such property or any portion thereof;

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- (iii) to sell, let, hypothecate or otherwise dispose of or encumber any immovable property belonging to the board or to exchange it for other immovable property or to donate it for any purpose or to deal therewith in any other manner as the board may deem fit;
- (d) with the approval of the Minister given either generally or in any particular case after consultation with the administrator of the province concerned and with the local authority, if any, for the area concerned, and subject to the provisions of any law relating to townships and townplanning in force in such area—
- (i) to sub-divide, lay out, plan and develop any land belonging to the board or any portion thereof;
 - (ii) to cause surveys, plans, sections, maps, diagrams or drawings to be made in respect thereof;
 - (iii) to construct roads, streets, thoroughfares, bridges, subways, drains, sewers, aqueducts, conduits, water and other mains, power lines and such other works, including buildings, on or over such land as the board may deem necessary;
 - (iv) to reserve or set aside any portion thereof for streets, open spaces or other public purposes;
- (e) with the approval of the Minister given either generally or in any particular case and subject to such conditions as he may in consultation with the Minister of Finance determine—
- (i) to build houses or other structures or to demolish, alter or reconstruct any buildings on land belonging to the board and to grant leases over such land, houses or buildings or to dispose of the right of occupation of such houses or buildings;
 - (ii) to make available any such land for lease by any person for the purpose of enabling him, subject to the approval of the board, and on such conditions as it may deem fit, to provide for his own housing requirements;
 - (iii) to grant loans or advance money or make available materials for any purpose which in the opinion of the board will contribute towards the attainment of the objects for which the board is established;
- (f) to enter into contracts with the Union Government, including the South African Railways Administration and any provincial administration, any statutory or other body or person for the performance of any act which the board is empowered to perform; and
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(g) generally to do all such things as in the opinion of the board are necessary for or incidental to the attainment of the objects for which the board is established.

(2) The board shall keep a register of all immovable property acquired by it, reflecting the descriptions of such property, the dates and costs of acquisition thereof, details of any consolidations, sub-divisions or disposals and such other particulars as may be deemed necessary.

**Delegation of
powers by
board.**

13. (1) The board may, with the approval of the Minister and subject to such conditions as he may in consultation with the Minister of Finance and the Administrator of the province concerned determine, enter into an agreement with any local authority, statutory body or other body corporate whereby such powers, functions and duties of the board under this Act as it may deem fit and as may be specified in the agreement, are, subject to such conditions as may be set out in the agreement, delegated and assigned to such local authority, statutory body or other body corporate in respect of any area specified in the agreement in which the provisions of this Act apply.

(2) As from a date specified by the Minister by notice in the *Gazette*, any local authority, statutory body or other body corporate who has concluded an agreement in terms of sub-section (1) shall, notwithstanding anything to the contrary in any law contained, have in the area mentioned in the agreement and specified in the notice and subject to the conditions set out in the agreement and specified in the notice, all the powers and perform all the functions and be subject to all the duties delegated and assigned to it under the agreement and specified in the notice, whether or not such area falls within the area of jurisdiction of such local authority, statutory body or other body corporate, and thereupon any reference to the board in any provision of this Act relating to the powers, functions and duties so delegated or assigned, and in any other provision of this Act specified in the notice, shall in relation to the area concerned, be construed as a reference to such local authority, statutory body or other body corporate, as the case may be.

(3) The Minister may in any notice referred to in sub-section (2), declare that any provision of this Act specified in the notice shall, subject to such conditions as may be specified in the notice, apply with reference to any local authority, statutory body or other body corporate in any area in respect of which an agreement has been concluded by such local authority, statutory body or other body corporate in terms of sub-section (1), and thereupon any reference in any such provision to the board or the chairman of the board, shall in such area and subject to such conditions, be construed as a reference to such local authority, statutory body or other body corporate.

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(4) (a) Every agreement concluded under this section may contain a condition providing—

- (i) for the payment from time to time to the board by the local authority, statutory body or other body corporate concerned, of a percentage of the amount of any appreciation contributions received by such local authority, statutory body or other body corporate during any specified period under any provision of this Act as applied with reference to such local authority, statutory body or other body corporate under sub-section (3), whether by way of a cash payment or by way of a deduction from the purchase price or the compensation paid in respect of any affected property purchased or expropriated by such local authority, statutory body or other body corporate; and
 - (ii) for the payment from time to time by the board to the local authority, statutory body or other body corporate concerned of a percentage of the amount of any depreciation contributions paid by such local authority, statutory body or other body corporate during any specified period under any provision of this Act as applied with reference to such local authority, statutory body or other body corporate in terms of sub-section (3), whether by way of a cash payment or by way of an addition to the purchase price or the compensation paid in respect of any affected property purchased or expropriated by such local authority, statutory body or other body corporate.
- (b) A local authority, statutory body or other body corporate shall for the purposes of any condition stipulated under this sub-section, keep such books, records and accounts as may be prescribed by regulation made under section *thirty-six*, and such books, records and accounts shall be audited, in the case of a local authority, by the auditor who normally audits the books and accounts of that local authority, and, in any other case, by the Controller and Auditor-General.
- (c) The auditor who audits the books, records and accounts of a local authority in terms of this sub-section shall as soon as possible after the completion of every annual audit of such books, records and accounts, transmit a copy of his certificate together with his comments on the said books, records and accounts to the board.
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(5) Whenever the board has under sub-section (1) delegated or assigned any of its powers, functions and duties under this Act in respect of any area, it shall in respect of that area cease to have the powers so delegated or to perform the functions or to be subject to the duties so assigned, and whenever the Minister has under sub-section (2) or (3) declared that any provision of this Act shall in any area apply with reference to any local authority, statutory body or other body corporate, the said provision shall in that area cease to apply with reference to the board: Provided that if the local authority, statutory body or other body corporate to which the board has so delegated or assigned its powers, functions and duties, fails to exercise the powers or to perform the functions and duties delegated or assigned to it, the board may, after conducting such enquiry as it may deem fit (at which such local authority, statutory body or other body corporate shall be afforded an opportunity of being heard) in respect of the area concerned exercise those powers and perform those functions and duties on behalf of the said local authority, statutory body or other body corporate and may, in its discretion, recover from that local authority, statutory body or other body corporate, any expense incurred by the board in the exercise of those powers and the performance of those functions and duties, in respect of that area.

(6) Any local authority or statutory body may with the approval of the board, given after consultation with the Administrator of the province concerned, and subject to such conditions as the board may prescribe, borrow such moneys as may be necessary for the exercise of its powers and the performance of its functions and duties under this section.

(7) Any local authority or statutory body may authorize any committee or officer of such local authority or statutory body on its behalf to exercise any power or to perform any function delegated to such local authority or statutory body in pursuance of this section.

**Reports by
the board.**

14. (1) The board shall from time to time, but not less than once every year, submit to the Minister reports on its activities, and the Minister shall lay copies of all such reports on the Tables of both Houses of Parliament within fourteen days after receipt thereof if Parliament is then in ordinary session or if Parliament is not then in ordinary session, within fourteen days after the commencement of its next ensuing ordinary session.

(2) The Minister shall forward to the administrator of every province copies of all reports submitted to him in terms of sub-section (1).

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properties.

15. (1) The board shall as soon as possible after any area has under section *three, three bis* or *three ter* of the principal Act been proclaimed within an area in which the provisions of this Act have been applied under section *thirty-eight* of this Act, or as soon as possible after the provisions of this Act have under section *thirty-eight* thereof been applied in an area in which any area has been proclaimed under section *three, three bis* or *three ter* of the principal Act, as the case may be, compile a list of all affected properties situate in any area so proclaimed, and shall record in respect of each affected property—

- (a) the description and number of the property at the basic date;
- (b) the name of the owner at the basic date, and the group (determined in accordance with the principal Act or any proclamation or regulation issued or made thereunder) of which he is a member, or in the case of a company, the group (so determined) of which the person by whom or on whose behalf or in whose interest a controlling interest is held or deemed to be held in such company, is a member;
- (c) the name of the occupier and the group of which he is a member;
- (d) the basic date and the basic value of the land and of the buildings thereon at the basic date.

(2) The list shall be open to public inspection in the office of the board or at such other place in or near the area to which it relates as may be prescribed by regulations made under section *thirty-six*.

(3) The board may from time to time amend the list by—

- (a) deleting therefrom any property which ceases after the basic date to be affected property;
- (b) making any alteration therein which is under this Act required to be made therein or which the board may consider necessary.

(4) The board shall not make any amendment to the list under sub-section (3) unless the owner of the affected property concerned has been afforded a reasonable opportunity of objecting to such amendment.

16. (1) The board shall, subject to the provisions of this Act, have a pre-emptive right in respect of every affected property.

(2) The pre-emptive right of the board in respect of any affected property shall, unless sooner waived by the board in terms of section *twenty*, lapse when that property ceases to be affected property.

Pre-emptive
right of board
in respect of
affected
properties.Transfer of
affected
properties
included in list.

17. (1) Whenever any affected property has been included in the list in terms of section *fifteen*, the board shall forthwith notify the owner thereof and the registrar of deeds in whose deeds registry such property is registered, that the said property has been so included in the list.

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(2) Upon receipt of the notice referred to in sub-section (1), the registrar of deeds concerned shall record thereon the time and date of receipt thereof, and shall note in the appropriate records that the said property has been included in the list.

(3) No affected property in respect of which a note referred to in sub-section (2) has been made, shall be transferred to any person other than the board unless a certificate signed by an officer designated thereto by the board is lodged with the registrar of deeds concerned that any appreciation contributions due to the board under this Act in respect of the disposal of the said property has been paid to the board, or that no such contributions are so due to the board.

(4) If any affected property is removed from the list in terms of section *twenty-three* the board shall likewise notify the registrar of deeds concerned who shall thereupon cancel the note made in respect of that property in terms of sub-section (2) of this section.

**Alteration,
extensions or
additions to
buildings or new
buildings on
affected
property after
basic date.**

18. (1) The basic value of any new building erected after the basic date on land which is affected property shall on the application of the owner and if such building was erected with the approval of the board, but not otherwise, be determined and recorded on the list as the basic value of that building.

(2) The basic value of any building which is after the basic date altered or extended shall on the application of the owner and if such alteration or extension was made with the approval of the board, but not otherwise, be re-determined and thereupon the basic value so re-determined shall be substituted for the basic value recorded on the list in respect of that building.

**Determination
of basic value.**

19. (1) The basic value of any affected property shall as soon as possible after the inclusion of that property in the list, be determined by one or more but not exceeding three persons (hereinafter referred to as valuers) appointed for the purpose by the Administrator of the province concerned.

(2) The valuator or valuers shall not determine the basic value of any affected property except after having afforded both the board and the owner of the affected property and every holder of a bond registered over such property a reasonable opportunity of submitting such information or of making such representations to him or to them as the board or the said owner or mortgagee may deem fit.

(3) As soon as the basic value of any affected property has been determined in accordance with the provisions of this section, the valuator or valuers shall inform the board thereof and thereupon the basic value so determined shall be recorded by the board on the list as the basic value of that affected property, and shall be final.

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(4) A valuator shall be paid such remuneration or allowances for his services out of the funds of the board as the Minister may in consultation with the Minister of Finance and the Administrator of the province concerned, determine.

**Procedure where
owner intends
to dispose of
affected property.**

20. (1) Whenever the owner of any affected property intends to dispose of such property for value, he shall notify the board in writing of his intention to do so and shall, unless he intends to dispose of such property by public auction or public tender without reserve, state the consideration (hereinafter referred to as the proposed consideration) for which he intends to dispose of such property.

(2) The board shall within fourteen days after receipt of the notice referred to in sub-section (1), notify the owner in writing that it elects either—

(a) to waive its pre-emptive right in respect of the said property, and—

- (i) if the proposed consideration exceeds the basic value of that property, to claim an appreciation contribution equal to fifty per cent. of the difference between the consideration for which the said property is in fact disposed of or the proposed consideration, whichever is the greater, and the basic value thereof; or
- (ii) if there is no proposed consideration or if the proposed consideration is less than the basic value of that property, and the consideration for which the said property is in fact disposed of, exceeds the basic value thereof, to claim an appreciation contribution equal to fifty per cent. of the difference between the consideration for which the said property is in fact disposed of and the basic value thereof; or
- (iii) if there is no proposed consideration or if the proposed consideration is less than the basic value of that property, and the consideration for which the said property is in fact disposed of, is less than the basic value thereof, to pay to the owner a depreciation contribution equal to eighty per cent. of the difference between the consideration for which the said property is in fact disposed of and the basic value thereof; or

(b) to purchase the said property for a consideration to be agreed upon by the board and the owner: Provided that if the owner proves to the satisfaction of the board that a third person who may lawfully acquire the said property has offered and is willing to purchase the property for a consideration in excess of the

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consideration which the board is prepared to pay therefor, the board shall purchase the said property for that consideration or a consideration equal in value to that consideration or waive its pre-emptive right in respect of that property in terms of paragraph (a).

(3) (a) If the intended disposal of any affected property is a proposed sale in execution of a judgment of any court, the board shall waive its pre-emptive right in respect of that property in terms of paragraph (a) of sub-section (2).

(b) If the board fails within the period prescribed in sub-section (2) to make an election under that sub-section, the board shall be deemed to have waived its pre-emptive right in respect of the affected property concerned in terms of paragraph (a) of sub-section (2).

(4) If the board acquires any affected property in terms of paragraph (b) of sub-section (2) for a consideration in excess of the basic value thereof, there shall be deducted from the consideration payable by the board an appreciation contribution equal to fifty per cent. of the difference between the consideration payable by the board or the proposed consideration whichever is the greater, and the basic value of the said property, or if the said property is acquired for a consideration which is less than the basic value thereof, there shall be added to the consideration payable by the board a depreciation contribution equal to eighty per cent. of the difference between the consideration payable by the board and the basic value of the said property.

(5) Any appreciation contribution or any depreciation contribution which may be claimed or which may become payable by the board in terms of sub-section (2) shall be payable by the owner and the board respectively upon transfer of the affected property to the person to whom it is disposed of.

(6) For the purposes of this section, the consideration in respect of any affected property shall—

(a) in the case of a sale, be the selling price thereof;

(b) in the case of an exchange for other property, be the market value of that other property at the time of the exchange or proposed exchange plus the amount or the value of any additional consideration received or demanded by the owner of the affected property or less the amount or the value of any additional consideration paid or payable by the said owner, as the case may be;

(c) in the case of any other disposition, the value of the consideration received or proposed therefor.

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(7) The market value of any property exchanged or proposed to be exchanged for affected property or the value of any consideration received or payable for affected property shall, for the purpose of this section, in the absence of agreement between the said owner and the board, be determined by arbitration in terms of section *thirty-one*.

**Expropriation
of affected
property by the
State or any
person other
than the board.**

21. (1) Whenever any affected property is expropriated by the State or any other person (other than the board) and the compensation payable for such property is fixed at an amount which exceeds the basic value of that property, there shall be paid to the board an appreciation contribution equal to fifty per cent. of the difference between the compensation so fixed and the basic value of the said property, or if the compensation so fixed is less than the basic value of the said property, there shall be paid by the board to the owner of the said property, a depreciation contribution equal to eighty per cent. of the difference between the compensation so fixed and the basic value of the said property.

(2) Any appreciation contribution payable to the board under sub-section (1) shall be deducted from the compensation payable to the owner of the expropriated property and shall be paid to the board by the State or, as the case may be, such other person by whom the affected property was expropriated.

(3) Whenever a portion only of an affected property as described on the list is expropriated, the basic value of the portion expropriated shall for the purposes of this section be determined after the date of expropriation, anything to the contrary in this Act notwithstanding, and thereupon the basic value of the remaining portion of the affected property shall be the basic value recorded on the list in respect of the whole of that property less the amount of the basic value of the expropriated portion.

(4) For the purpose of this section "compensation payable" includes any compensation paid *ex gratia* by the State or other person in respect of the expropriated property.

**Disposal of
affected property
after basic date
without reference
to board.**

22. (1) If any affected property in respect of which the board has not waived its pre-emptive right in terms of section *twenty*, is after the basic date disposed of for value, to any person other than the board, there shall, if the consideration paid in respect of the affected property or the market value thereof at the time of the disposition, exceeds the basic value thereof, be paid by the owner to the board an appreciation contribution equal to seventy-five per cent. of the difference between the said consideration or the said market value, whichever is the greater, and the basic value of the said property.

(2) No depreciation contribution shall be payable by the board in respect of the disposition for value of any affected

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property in respect of which the board has not waived its preemptive right in terms of section *twenty*.

(3) If any affected property is after the basic date transferred from the person who was the owner thereof at the basic date, and the transfer is in pursuance of a disposition for value, it shall, for the purposes of sub-section (1) be presumed, until the contrary is proved by the owner, that the disposition took place after the basic date.

(4) For the purposes of sub-section (1) the consideration paid in respect of any affected property shall—

- (a) if the affected property was sold, be the purchase price thereof;
- (b) if the affected property was exchanged for other property, be the market value of that other property at the time of the exchange plus the amount or the value of any additional consideration received by the owner of the affected property or less the amount or the value of any additional consideration paid by the said owner, as the case may be;
- (c) if the affected property was disposed of in any other manner, be the value of the consideration received therefor.

(5) The market value of any affected property or of any property exchanged for affected property or the value of any consideration received for affected property shall, for the purposes of sub-section (1) in the absence of agreement between the said owner and the board, be determined by arbitration in terms of section *thirty-one*.

**Removal of
affected property
from list.**

23. (1) Whenever the board considers that the market value of any affected property included in the list is equal to or exceeds the basic value of that property, it may notify the owner of that property in writing of its estimate of the market value thereof, and if the owner agrees to such estimate, or if the board and the owner agree on a valuation which is equal to or exceeds the basic value of that property, the board shall, upon payment to the board of an appreciation contribution equal to fifty per cent. of the difference, if any, between the market value thus agreed upon between the board and the owner and the basic value of the said property, remove such property from the list.

(2) Whenever the owner of any affected property included in the list considers that the market value of that property is equal to or exceeds the basic value thereof, he may notify the board in writing that he desires the said property to be removed from the list and may state his estimate of the market value thereof, and if the board agrees to such estimate, or if the board and the owner agree on a valuation which is equal to

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or exceeds the basic value of that property, or if in the absence of such agreement the market value of the said property as determined by arbitration in terms of section *thirty-one* is equal to or exceeds the basic value of the said property, the board shall, upon payment to the board of an appreciation contribution equal to fifty per cent. of the difference, if any, between the market value thus agreed upon between the board and the owner or determined by arbitration, as the case may be, and the basic value of the said property, remove such property from the list.

(3) Every affected property—

(a) acquired by the board in terms of section *twenty* or *twenty-four*; or

(b) which has after the basic date been disposed of for value by the person who was the owner thereof on the basic date,

shall be removed from the list.

(4) Any affected property removed from the list in terms of this section shall for the purposes of this Act cease to be affected property and shall not thereafter again be included in the list.

**Acquisition of
immovable
property by the
board by
agreement or
expropriation.**

24. (1) The board may with the written approval of the Minister, if it is satisfied that it is expedient to do so for the proper development of any group area, acquire by agreement or by expropriation any immovable property situated within that group area.

(2) If the purchase price or the compensation payable by the board in respect of the acquisition under sub-section (1) of any affected property exceeds the basic value of that property, there shall be deducted from the said purchase price or the said compensation, an appreciation contribution equal to fifty per cent. of the difference between the said purchase price or compensation as the case may be, and the basic value thereof, and if the said purchase price or compensation is less than the basic value of the said property, there shall be added to the said purchase price or compensation, as the case may be, a depreciation contribution equal to eighty per cent. of the difference between the said purchase price or compensation, as the case may be, and the basic value of the said property.

**Procedure on
expropriation.**

25. (1) Upon receipt of the written approval of the Minister to expropriate any immovable property, the board shall serve or cause to be served on the owner a notice in the manner prescribed in sub-section (2) setting forth clearly and fully a description of the property and inviting the owner to state the amount claimed by him for that property.

(2) The notice referred to in sub-section (1) shall be served—

(a) by delivery of the notice to the owner personally; or

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- (b) by leaving the notice with some adult inmate of his place of residence; or
- (c) by despatching the notice by registered post in an envelope addressed to his last known address; or
- (d) if service cannot be effected as provided in paragraph (a), (b) or (c), by publication in both official languages of the Union in three consecutive ordinary issues of the *Gazette* and once a week during three consecutive weeks in a newspaper circulating in the magisterial district in which the property is situate.

(3) A notice under sub-section (1), which has been served as provided in sub-section (2) shall be deemed to have been duly served, and the date of service of a notice under paragraph (d) of sub-section (2) shall be the date of the first publication thereof.

(4) A notice to expropriate shall be served within thirty days after receipt of the approval by the Minister and if not served within that time, such approval shall lapse unless the Minister has agreed in writing to the extension thereof.

(5) Upon the service of any such notice the ownership in the immovable property described in the notice shall pass to the board and the board may, after expiry of a period of not less than three months from the date of such service, take possession of the property.

**Duties of board,
registrar of
deeds, mortgagee
and owner on
expropriation.**

26. (1) Whenever any immovable property has been expropriated under section *twenty-five*, the board shall forthwith—

- (a) transmit to the registrar of deeds in whose deeds registry the property is registered, a certified copy of the notice by which the expropriation has taken place; and
- (b) transmit to every holder of a bond registered over such property, whose name and address are known to it, a copy of such notice.

(2) Upon receipt of the copy referred to in sub-section (1) the registrar of deeds shall—

- (a) record thereon the time and date of such receipt; and
- (b) note in the appropriate records that the property in question has been expropriated.

(3) A mortgagee to whom a copy of a notice of expropriation has been transmitted shall within thirty days of the date of receipt thereof, transmit to the board—

- (a) a statement in writing setting forth the amounts received by him in payment of the debt secured by the bond and particulars of the amount still owing thereunder; and
- (b) the bond of which he is the holder and any document of title relating to the immovable property which may be in his possession or under his control.

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(4) (a) Every owner on whom a notice has been served under section *twenty-five* shall, within thirty days after the date of expropriation, or within such further period as the board may allow, deliver or cause to be delivered to the board—

- (i) a statement in writing setting forth the amount of compensation, if any, claimed by him;
- (ii) his documents of title to the immovable property if these are in his possession or under his control;
- (iii) a list signed by him of the said documents if these are not in his possession or under his control, setting forth the registration numbers and dates thereof and the name and address of the person in whose possession or under whose control those documents are and the registration numbers and dates of mortgage bonds, if any, on the immovable property and the names and addresses of the holders thereof.

(b) The board may by notice in writing call upon any person named in any list delivered to it under subparagraph (iii) of paragraph (a), to deliver or cause to be delivered to the board, within a period specified in the notice, the documents referred to in that subparagraph.

Determination
of compensation.

27. If the owner of any immovable property and the board are unable to agree on the amount of compensation to be paid for the property expropriated under section *twenty-five*, such amount shall be determined by arbitration in terms of section *thirty-one*, and shall not exceed the market value of the immovable property at the date of the service of the notice of expropriation in terms of section *twenty-five*.

Payment of
compensation.

28. Any compensation for immovable property expropriated shall subject to the provisions of section *twenty-four* be paid to the owner of such property, if his address is known, or, if his address is not known, to the master of the Supreme Court for deposit in the guardian's fund: Provided that where the immovable property is mortgaged or serves otherwise as security for any charges against the owner, the compensation shall be applied as far as may be required towards the payment of the claims of mortgagees and of claimants in respect of such charges in their legal order of preference provided such mortgagees have complied with the provisions of section *twenty-six* or, as the case may be, such charges have been proved to the satisfaction of the board.

Registration of
transfer of
affected property
expropriated
by board.

29. (1) The registrar of deeds shall, subject to the provisions of section *thirty-one* of the Deeds Registries Act, 1937 (Act No. 47 of 1937)—

- (a) register the transfer to the board of any immovable property expropriated by it;

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(b) if such property is subject to any bond, endorse upon the bond and note in the appropriate records that the property is released therefrom.

(2) Notwithstanding anything to the contrary in any other law contained, the registrar of deeds may, on being satisfied that the title deeds of any property expropriated as aforesaid have been lost or destroyed, register the transfer to the board of such property without the production thereof or the authority of any order of court.

(3) No transfer of property which has been expropriated under this Act shall be registered unless the registrar of deeds has been furnished with a certificate signed on behalf of the board that—

- (a) the procedure prescribed in section *twenty-five* has been observed; and
- (b) all amounts payable by the board on the transaction have been paid or guaranteed.

**Group Areas
Account.**

30. (1) The board shall, as soon as possible after the application of the provisions of this Act in any area in terms of section *thirty-eight*, establish an account, to be known as the Group Areas Account for that area.

(2) The board shall—

(a) credit such account with—

- (i) such moneys as the board may from time to time make available for carrying out the functions of the board in the area concerned;
- (ii) all moneys received by the board from the sale, lease or exchange of immovable property situate in that area;
- (iii) all appreciation contributions received by the board in terms of this Act in respect of affected properties situate in that area;
- (iv) all other moneys received by the board in connection with the application of the provisions of this Act in that area; and

(b) debit such account with—

- (i) all moneys paid by the board in respect of the acquisition of immovable property situate in the area concerned;
- (ii) all moneys expended by the board in connection with the demolition, renovation, reconstruction, alteration or maintenance of any immovable property acquired by the board in that area;
- (iii) all expenses incurred by the board in connection with arbitration or legal proceedings in connection with any immovable property situate in that area;
- (iv) all depreciation contributions paid by the board in terms of this Act in respect of affected properties situate in that area;

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(v) all other moneys lawfully expended under this Act by the board in or in respect of that area.

Arbitration.

31. (1) If the owner of any property and the board do not, within a period of sixty days from the date on which a dispute arises as to the value of any property or the compensation payable in respect of the expropriation under section *twenty-five* of any immovable property, or within such further period as the board may allow, come to an agreement as to the value concerned, or the compensation payable, such value or compensation shall be determined by three arbitrators appointed by the administrator of the province concerned, of whom if possible, one shall be an advocate or an attorney, one a building contractor and one a sworn appraiser.

(2) The arbitrators shall receive such remuneration or allowances for their services as the Minister may, in consultation with the Minister of Finance, determine.

(3) The costs, calculated in accordance with the table of costs in magistrates' courts, in connection with the determination of any value or compensation in terms of this section, including the remuneration of the arbitrators shall, in the absence of any agreement between the parties, be paid as directed by the arbitrators.

**Determination
of market value.**

32. (1) In determining the market value of any land or buildings regard shall be had *inter alia* to—

- (a) the actual or estimated cost of erection of the buildings;
- (b) any local authority valuation of the land or buildings;
- (c) any building society valuation of the land or buildings;
- (d) the purpose for which the land or buildings are used.

(2) For the purpose of determining the basic value of any land which is affected property the market value of the land immediately prior to the basic date shall be determined without regard to the effect upon the land of the proclamation by reason of which such land became affected property and as if such proclamation was not issued.

**Exemption from
rates in respect
of immovable
property
belonging to
the board.**

33. (1) No rates shall be levied upon any immovable property owned by the board so long as such property has not been leased or sold to any person by the board.

(2) Whenever any immovable property is leased or sold by the board it shall become rateable as from the date of the lease or sale.

(3) In respect of the year in which any immovable property is leased or sold as aforesaid rates on such property may be levied on the same basis as that on which rates on other immovable property within the same area are levied for that year, and the board or, in the case of a sale of the property,

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the person to whom the property is so sold, shall in respect of that year pay such a portion of the rates thereon as is represented by the proportion which the unexpired portion of the year as from the date of the lease or sale bears to the whole year.

Priority of
appreciation
contributions
upon insolvency

34. The amount of any appreciation contribution due to the board under this Act by any person shall—

- (a) upon the date of sequestration or assignment of that person's estate under the law relating to insolvency; or
- (b) if that person is a company, upon the winding-up of that company under the law relating to companies,

notwithstanding anything to the contrary in any other law contained, have priority over all debts whatsoever other than debts secured by special bond, tacit hypothec, pledge or right of retention and the expenses, costs, fees and charges referred to in the Insolvency Act, 1936 (Act No. 24 of 1936), and in the case of the winding-up of a company, all expenditure properly incurred in the winding-up, including the remuneration of the liquidator.

Appointment
and duties of
inspectors.

35. (1) The chairman of the board may appoint in writing any member or officer of the board or, after consultation with the chief inspector referred to in sub-section (1) of section *thirty-one* of the principal Act, any inspector referred to in the said sub-section as an inspector under this Act who may at all reasonable times in furtherance of the objects for which the board is established—

- (a) enter upon any premises in any area in which the provisions of this Act apply;
- (b) question any person found in or upon such premises;
- (c) inspect the title deeds, books or other records of any person which relate in any way to the ownership or occupation of or residence on land or premises in such area or the disposal of any affected property and make extracts from such title deeds, books or other records;
- (d) call upon any person to furnish any information at his disposal relating to the ownership or occupation of or residence on such land or premises or the disposal of any affected property.

(2) Any inspector referred to in sub-section (1) may be accompanied by an interpreter or other assistant in the performance of his functions under that sub-section.

(3) An interpreter or assistant shall, while acting under the lawful directions of any inspector referred to in sub-section (1) whom he accompanies, be deemed to be an inspector, and any question put through, reply made to, requirement made by or

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obstructing or hindering of or interference with an interpreter or assistant while so acting, shall be deemed to be a question put by, reply made to, requirement made by, obstructing or hindering of or interference with an inspector.

Regulations.

36. (1) The Minister may make regulations as to—

- (a) the planning or replanning and laying out of any land owned by the board, the reservation or setting aside of any such land by the board for public purposes and the siting, construction, erection, maintenance and control of buildings and other improvements thereon;
- (b) the vacation of immovable property expropriated by the board;
- (c) the powers, functions and duties of valuers and inspectors;
- (d) the conduct of and procedure at arbitration proceedings, including the subpoenaing of witnesses and the payment of allowances to such witnesses;
- (e) the procedure relating to the calling for and acceptance of tenders for the execution of any work on behalf of the board or for the supply of any goods or material to the board;
- (f) the compilation and maintenance of the lists referred to in section *fifteen*;
- (g) the procedure relating to the determination of the basic value of any affected property;
- (h) the powers, functions and duties of any local authority, statutory body or other body corporate which has concluded an agreement under section *thirteen* and the control by the board of the exercise and the performance by any such local authority, statutory body or other body corporate of such powers, functions and duties;
- (i) generally as to any other matter which is required to be prescribed by this Act or which he considers it necessary or expedient to prescribe in order that the purposes of this Act may be achieved.

(2) (a) Different regulations may be made in respect of different areas in which the provisions of this Act apply.

(b) No regulations shall be made under paragraph (a) of sub-section (1) except after consultation with the administrator of the province concerned.

(3) Regulations made under sub-section (1) may prescribe penalties for contravention thereof or failure to comply therewith, but no such penalty shall exceed a fine of one hundred pounds or imprisonment for a period exceeding six months.

(4) Any regulations made under sub-section (1) shall be laid on the Tables of both Houses of Parliament within fourteen days after promulgation thereof if Parliament is then in ordinary session, or if Parliament is not then in ordinary session, within

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fourteen days after the commencement of its next ensuing ordinary session, and shall remain on the said Tables for at least twenty-eight consecutive days, and if Parliament is prorogued before the necessary twenty-eight days have elapsed such regulations shall again be laid on the said Tables as aforesaid within fourteen days after the commencement of its next ensuing ordinary session.

(5) If both Houses of Parliament by resolution passed in the same session (being a session during which such regulations have been laid on the Tables of both Houses of Parliament in terms of sub-section (4)) disapprove of any such regulations or of any provision thereof, such regulations or such provision thereof shall thereafter cease to be of force and effect to the extent to which they are so disapproved, but without prejudice to the validity of anything done in terms of such regulations or of such provision thereof up to the date upon which they so ceased to be of force and effect, or to any right, privilege, obligation or liability acquired, accrued or incurred as at the said date under and by virtue of such regulations or such provision thereof.

Penalties.**37. Any person who—**

- (a) for the purpose of any provision of this Act makes any statement or furnishes any document or any particulars which are false, knowing the same to be false; or
- (b) falsely holds himself out to be an inspector; or
- (c) refuses or fails, without sufficient cause, to answer fully and satisfactorily to the best of his knowledge and belief any relevant question lawfully put to him by an inspector or a valuator in the exercise of his powers or to comply with any lawful requirement of an inspector or valuator in the exercise of his powers; or
- (d) gives an answer to any question or makes any relevant statement to an inspector, or a valuator, which is false in any material particular, knowing such answer or statement to be false; or
- (e) obstructs, hinders, resists or interferes with any inspector or valuator in the exercise of his powers or the performance of his functions or duties in terms of this Act or any regulation made thereunder; or
- (f) fails to comply with a notice under paragraph (b) of sub-section (4) of section *twenty-six*,

shall be guilty of an offence and liable on conviction to a fine not exceeding five hundred pounds or to imprisonment for a period not exceeding two years or to both such fine and such imprisonment.

**Application
of Act.**

38. (1) The provisions of this Act shall only apply in an area in which the Governor-General has by proclamation in the *Gazette* applied the said provisions and with effect from a date specified in the proclamation.

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(2) No proclamation shall be issued under sub-section (1) or (3) unless the Minister has considered a written report in regard thereto by the Group Areas Board established under the principal Act.

(3) The Governor-General may at any time in like manner withdraw or amend any proclamation issued under sub-section (1).

Short title and
date of
commencement.

39. This Act shall be called the Group Areas Development Act, 1955, and shall come into operation on a date to be fixed by the Governor-General by proclamation in the *Gazette*.

**Act No. 70
of 1955.****ACT**

To provide for the establishment, maintenance, management and control of vocational schools and part-time classes; for the transfer of the maintenance, management and control of certain declared institutions and State-aided vocational schools to the Government in its Department of Education, Arts and Science; for the recognition of certain institutions as State-aided vocational schools and the making of grants-in-aid to such institutions; for the recognition of certain courses of instruction and training as being included in higher education; for the recognition of certain classes as continuation classes and the making of grants-in-aid in respect of such classes; for the admission of persons to and their instruction and training at vocational schools, State-aided vocational schools, continuation classes and part-time classes; for the repeal of certain laws relating to higher education; and for other incidental matters.

(*Afrikaans text signed by the Governor-General.*)
(*Assented to 24th June, 1955.*)

BE IT ENACTED by the Queen's Most Excellent Majesty, the Senate and the House of Assembly of the Union of South Africa, as follows:—

Definitions.

1. In this Act, unless the context otherwise indicates—
 - (i) "college council" means the governing authority of a declared institution; (xi)
 - (ii) "commercial vocational education" means a course of instruction and training in which more than a third of the subjects are prescribed commercial subjects or in respect of which more than eight hours per week are devoted to prescribed commercial subjects; (vi)
 - (iii) "Commission" means the Public Service Commission appointed under section *two* of the Public Service Act, 1923 (Act No. 27 of 1923); (xii)
 - (iv) "continuation class" means a continuation class recognized by the Minister in terms of section *nine*; (xxv)