

Land Development (Contracts) Act

Principal Act

Act. No. 1968-05

Commencement

29.3.1968

Assent

28.3.1968

ARRANGEMENT OF SECTIONS

Section

1. Short title.
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AN ACT TO MAKE PROVISION FOR THE ENFORCEMENT OF CONDITIONS IN GOVERNMENT CONTRACTS RELATING TO THE DEVELOPMENT OF LAND.

Short title.

1. This Act may be cited as the Land Development (Contracts) Act.

Interpretation.

2. In this Act, unless the context otherwise requires—

“conditions” include terms, articles, clauses, provisions, provisos, covenants, reservations, stipulations and obligations;

“development of land” means any plan, project or scheme and includes any dealing with land to enhance its value, to change its use or otherwise;

“Government contract” means any contract or agreement and includes any grant entered into or given by the Governor with or to any person for the development of land but does not include a contract or agreement under which a person undertakes for reward to carry out works of a building or civil engineering character;

“land” means any corporeal hereditament, including a building and includes any interest in or right over land.

Penalty conditions to be enforceable.

3.(1) Any condition, hereinafter referred to as a penalty condition, whereby it is provided that a person shall, in respect of an act or omission in breach of obligation under a Government contract, be liable to pay a sum of money or to deliver or perform anything either by way of a penalty or as liquidated damages, shall, subject to the provisions of this Act, be capable of being enforced at the suit of the Government in any competent court.

(2) Any sum of money for the payment of which or anything for the delivery or performance of which a person may become so liable is in this Act referred to as a penalty.

Remedies not to be cumulative.

4. The Government shall not recover in respect of an act or omission which is the subject of a penalty condition both the penalty and damages or, except where the contract expressly so provides, recover damages in lieu of the penalty.

Reduction of excessive penalties.

5.(1) If upon the hearing of a claim for a penalty at the suit of the Government it appears to the court that such penalty is out of proportion to the prejudice suffered by the Government by reason of the act or omission in respect of which the penalty was stipulated, the court may reduce the penalty to such extent as it may consider equitable in the circumstances.

(2) In determining the extent of the prejudice referred to in subsection (1) the court shall take into consideration not only the Government's proprietary interest, but every other rightful interest which may be affected by the act or omission in question