

in January, 1983.

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2. Law of Property and Obligations

1. Act Providing for Promotion of Agricultural Land Utilization.

(Promulgated on May 28, 1980, and put into force on Sept. 1, 1980. ch. 65. Fifteen articles in all, accompanied by seven supplementary provisions.)

2. Agricultural Land Act (Amendment Act).

(Promulgated on May 28, 1980, and put into force on Oct. 1, 1980. ch. 66.)

3. Amendment of Acts concerning Agricultural Land Commission and Others.

(Promulgated on May 28, 1980 and put into force on Sept. 20, 1980. ch. 67.)

[Comment]

Legislation and amendment acts concerning the three mentioned above are generally called “The Three Acts on Agricultural Land.” With these acts, the contents of the agricultural land system were rearranged and improved for the purpose of promoting the mobility and utilization of farmland. Emphasis will be placed here on the Act Providing for Promotion of Agricultural Land Utilization, which is superior in significance to the other two acts on agricultural land.

This act was legislated “for the purpose of contributing toward the healthy development of agriculture through improvement of agricultural management and promotion of agricultural produc-

tivity, by coordinating the business aimed at promoting the establishment of rights of utilization for cultivators with regard to agricultural land and other businesses, such as those aimed at promoting the agricultural utilization of agricultural land” (Article 1 of the Act).

In essence, this act is intended to help promote and establish agricultural management in local agriculture as its driving force for the development of agricultural production. Hence, various points with regard to enterprises promoting agricultural land utilization, which have been carried out in accordance with the Act for Readjustment of Agricultural Promotion Areas (Promulgated on July 1, 1969. ch. 58.), are to be expanded and, at the same time, cities, towns and villages in cooperation with agricultural commissions, agricultural cooperative associations and others are to further improve their regional agricultural productivity as a whole by the effective use of various agricultural resources through the systematization of regional agriculture.

Salient points of the Act are as follows:

- (1) “An enterprise designed to promote the establishment of rights to use and others” to help carry out, without a hitch, the transfer of rights on agricultural land.
 - a) The area of work under this enterprise was as a rule expanded to cover the entire area of cities, towns and villages, except for urbanization areas, without limiting the work to agricultural land in agricultural development regions.
 - b) It was made possible for the enterprise to take up as its work the establishment or transfer of rights concerning pasture-forestry land as well as land for development of agricultural land in addition to agricultural land.
 - c) It was stipulated that the enterprise could adopt as its work the transfer of ownership on agricultural land as well as the establishment of rights to profitable use of agricultural land set up in trust with agricultural management.
 - d) In connection with rights to use either set up or transferred in accordance with enterprises for promotion of agricultural land

utilization, it has been provided that approval of the transfer of rights, limitation on the preservation of tenant land, and legal renewal of leases under the Agricultural Land Act are to be treated as exceptional cases, and that they do not need permission for development as prescribed by the Agricultural Promotion Area Adjustment Act.

(2) “An enterprise aimed at promoting the implementation of work for improving the use of agricultural land.” This enterprise is intended to push through the effective use of agricultural land by joint cooperation of those engaged in agriculture within the specified area.

a) Those who would lose their membership in an agricultural cooperative association as a result of the establishment of rights to use by the agricultural land utilization promotion enterprise can retain fullfledged membership of the said association as long as they meet the specified requirements.

b) In the case of an incorporated agricultural association engaging in an undertaking for improvement of the utilization of agricultural land, it has been provided to set an exception under the Agricultural Cooperative Association Act and the Land Improvement Act.

(3) “An enterprise entrusted with promoting the implementation of agricultural work.”

The improvement and adjustment of the agricultural land system, through the legislation of the agricultural land utilization promotion act, are designed to contribute toward the realization of the production system as an operating business, which is greatly in need today, while evaluating the roles played so far by existing enterprises for the promotion of agricultural land utilization.

Such improvement and adjustment also aim to establish a smooth relationship between the ownership of the agricultural land and its utilization to push through the effective use of agricultural land, strengthen the local agricultural production systems, and expand the scale of farming households.

Finally, it is purported to establish the system capable of helping cities, towns and villages, as well as agricultural commis-

sions and agricultural cooperative associations, to promote the mobility of land and its effective use.

To cope with this situation, the Agricultural Land Act and the Agricultural Commissions Act were amended in part. The salient points of the amendments of the Agricultural Land Act are as follows:

- (1) An exception shall be introduced in the payment pattern of farm rent which has hitherto been based on a fixed monetary payment schedule. Should the agricultural commission approve, farm rent can now be paid in kind.
- (2) Part of powers held by a prefectural governor concerning permission of transfer of rights on agricultural land shall be assigned to the agricultural commission. Anyone diverting the use of agricultural land located in an urbanization area to some other purposes must notify the agricultural commission instead of the governor concerned.
- (3) Its design is to ease the requirements of an incorporated agricultural production body by adding, those who engage full time in the said body among those to constitute the majority of the persons who have business executive rights of the said agricultural body.
- (4) With regard to agricultural land on which rights under provisional registration concerning ownership exists after the state has become its purchaser, the state shall not buy it and exceptional clauses through auction shall not be applied.

The essential points of revision of the Agricultural Commissions Act are as follows:

- (1) The quorum of members to be elected for the agricultural commission was reduced from 40 to 30, except in the cities approved by the prefectural governor concerned.
- (2) The special treatment calling for an agricultural commission to be established in each ward of the city was not to be applied to political-ordinance designated cities which have received the approval of the governor concerned.

(3) The chairman of the agricultural commission shall be as a rule a member of the Prefectural Agricultural Conference.

(4) The sectional meeting system of the Prefectural *Agricultural Conference* was abolished, and meeting of fulltime members were introduced in its stead.

4. “Agricultural Housing Association Act.”

(Promulgated on Nov. 21, 1980. ch. 86. Consisting of 98 articles and two supplementary provisions.)

[*Comment*]

One of the major causes for the recent rise in land prices is believed to be the insufficient supply to the persistent demand for housing land. Especially in big cities the demand is urgent and it is rather imperative to promote a greater supply.

The current act is aimed at promoting the smooth and speedy conversion of agricultural land urbanization areas to land for housing and other purposes.

Under the act, owners of the agricultural land question can organize an association (Agricultural-Housing Association) for purposes of carrying out joint undertakings and continuing their agricultural work, if necessary.

The act also aims to raise the social and economic status of the members through activities of the association, expand the supply of housing land and houses, and contribute toward improvement of the stability and welfare of the livelihood of residents in large city areas.

The Agricultural Housing Association is a juristic person. Only having ownership or lease on land within the said area and those having the right to profitable use of agricultural land within the area shall be eligible for membership if qualified as provided for in its Articles of Association.

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