

## ABSTRACT

*Urbanization is closely linked with modernization, industrialization and rapid social transformation of village life styles to the urban life styles. Most importantly, urbanization is about the complete change from rural to urban life styles in terms of employment, accessing and benefiting government basic services, better living standards and conducive environment for people and social security. Generally, urbanization is a wealth creating process. However, urbanization is also associated with negative effects. One of the negative effects associated with urbanization is the unplanned illegal squatter settlement on state lands. Unplanned illegal squatter settlements are more or less similar to slums for they have common characters.*

*In Papua New Guinea (PNG), the occupants of the unplanned illegal squatter settlements on state lands are not legally recognized by state and were denied from provision of basics services to settlements. This is because the settlers do not have the legal interest to be recognized by the state but, enjoy the privilege of equitable interest on state land. Thus, unplanned settlements become the breeding grounds for socio-economic issues such as urban poverty, urban unemployment, urban crimes and etc...These make urban centers unsafe for city residences and business investments to prosper.*

*Therefore, the main aim of conducting this research was to find out the missing legal element, the legal aspects of owning state land, the provision of technical requirements and the how effective land use policies and physical planning rules and regulations were executed. This is mainly to legally recognize the settlers' existence on the state land to access basics services and to discourage further illegal unplanned squatter settlements on the state lands in PNG.*

*The qualitative research method was mainly used to collect primary and secondary data. Primary data were collected using observation and survey method while secondary were collected from statutory bodies and mainly through internet. Structured survey technique was also applied in collecting primary data from statutory bodies. However, in the unplanned settlement area, observation method was mainly applied using non-participant technique. Observation method was the key method applied in research survey conducted.*

*Even though illegal settlers have an equitable interest, but the research have shown that settlers' existence were not secured on the state land. The equitable interest was not legally recognized by the state for appropriate requirements were not followed. Only land title deed denotes the legal interest for equitable interest was just a restrictive covenant and beneficiary interest under trust. The research also revealed that state had a weakness in effectively implementing governing rules and regulations that governed the use of the state land. Thus, settlers were found reluctant to comply with governing rules and regulations.*

*Therefore, it is the responsibility of state to provide complete components of technical requirements of the sub-divisional design and allocate each allotment to the individuals. The illegal settlers' responsibility is to follow the formal processes and requirements ignored at the initial stage for owning state land and, abide and comply with governing rules and regulations. This simple process is the way forward for converting equitable interest to legally recognize interest to formalize informal to formal planned settlements on state land in PNG.*

*Key words: urbanization, unplanned settlement, equitable interest, legal interest*