

that the existing leases should be cancelled, and that the Public Trustee should be empowered to grant new ones to the present tenants under the system prescribed by the Act of 1881, except the submission of such leases to public tender and the limitation as to acreage empowered by that Act. The Trustee might also be authorised to increase the rent in any case where he thought it too low." I submit that that suggestion is merely an alternative one to the other. They are two alternative suggestions to carry out the same object in different ways. The meaning of the clause which I have read is evident. What he means is that there may be some technical difficulty in confirming these leases, because the names of the lessors do not agree with the names of the grantees, but that perhaps the best way will be for the lessees to give up their leases altogether, and to get fresh leases from the Public Trustee instead of confirming the old ones. But what Sir William Fox meant was that these fresh leases should be for the same terms; that they should be leases for the expiry of the old terms, to stand in the places of the leases to be cancelled. But this latter alternative suggestion was not adopted; it was his first and principal suggestion that was embodied in the Act of 1884.

Now, sir, I submit I can show the actual reason of the passing of section 13 of the Act of 1884, and I contend it was clearly this: When these leases were confirmed under the Act of 1881—or, rather, when there was provision made that they should be confirmed—the lessees complained, and rightly complained, that in one respect they had not been treated fairly. They said, "We have leased these lands from the Natives for fifteen or twenty-one years, and at the end of those terms, or before that time"—for Europeans generally try to get renewals from Natives before the expiry of their terms, as has been pointed out by my friend—"we would have approached our Native lessors and negotiated for renewals. But the power to grant new leases after the expiry of the present ones is taken away from the Native lessors and put into the hands of the Public Trustee, who must then put the leases up for public tender or public auction. You have taken away from us our right to negotiate with the Natives for renewals." I say that section 13 was evidently meant to give back that right to the confirmed lessees. The section is as follows: "The Public Trustee may accept from the lessees surrender of any lease confirmed by the Governor in Council under the said Act or this Act, and, in lieu of such leases, may grant new leases of the land comprised in the surrendered lease, at a rental to be computed on the improved value of such land on such terms, subject to the said Act and this Act, and to all regulations made thereunder as may be agreed upon between the Public Trustee, the Native owners of the land, and the lessees." I submit that the object of that section was—there may have been a difficulty in carrying it out, but I intend to refer to that later on—that the lessee could go to the Native owners and negotiate for renewals before the expiry of their terms. Of course they had to get the Public Trustee's consent, which would, however, have been a merely formal matter, so that the effect was that by an arrangement between both parties interested the lessees could get their renewals. Thus the right which was taken away was given back to them. It is notable in this connection that the "improved value" of the land is mentioned as the basis on which the new rent was to be computed, showing clearly that it was contemplated that these leases would be surrendered under this section near the end of the terms for which they were given. My friend has alleged that it was unfair that the rents should be fixed on the improved value, because in many cases there were long terms to run. But there was nothing in the section which compelled the surrender at that time, or at any special time, as long as it was within the terms of the lease. It was evidently intended as a facility for surrendering the lease shortly before the expiration of the term, and the lessees had a perfect right to do that under the section. They were not compelled to surrender them, and none of them did. Some had only a few years to wait until their leases were expired. In this connection, and in reference to the statement of my friend which I have just referred to, I may point out that, even if it were unfair—and I do not admit it is so—to determine the new rent on the improved value, that could be no argument in favour of far greater unfairness on the other side—namely, the fixing of rents on the unimproved value. It is a fact that in some instances the leases had almost expired before surrender in 1889. In one case there were only three days to run before the surrender was sent into the Public Trustee's office.

However, a difficulty which was not contemplated arose under this section: Negotiations were entered into for the renewal of some of the leases that were nearly expiring. Negotiations were commenced in altogether nine cases. Mr. Rennell, the Reserves Trustee, has told us that the renewals could not be completed until all the Natives in each case agreed; for the section was interpreted to lay down that every Native owner concerned was obliged to consent in writing to the new lease. Now, sir, I admit at once that there was a genuine difficulty and a hardship in these cases; but surely, sir, the difficulty could have been remedied. That was no argument for putting things on a different basis altogether, which I will submit has, on the other hand, been most prejudicial to the interests of the Natives. Surely, sir, if an Act had been passed providing for something in the way Mr. Rennell has suggested, that would have overcome the difficulty. He tells us that he suggested to the Public Trustee that to take the consent of the majority of the Natives who should be present at a meeting properly convened would meet the difficulty. An Act might have been passed carrying out that suggestion, or providing that a small committee, elected by all the Natives, should be required to consent, or something of that sort—or perhaps that those owning the largest shares should consent. If that had been done it would have got over the difficulty, and the Native interests would still have been protected; for no lease could then have been granted without, in effect, the consent of the Natives concerned. Of course the Natives have never objected to such a Bill being brought in. I would like to refer more particularly to those negotiations which took place under this Act, and which Mr. Rennell has told us about. He has told us that in all those cases which he attempted to negotiate, except in one case—and that was a peculiar case, because the rent was originally 5s., then 10s., and 15s., and the arrangement for the renewal was at 10s.—the rents which the lessees were willing to give were increases of the old rents. Mr. Rennell was