

quite right in pointing out that these rents were supposed to be computed on the improved value of the lands, whilst under the Act of 1887 they are computed on the unimproved value. But I lay great stress on the fact as showing that the lessees were willing and anxious to get leases at increased rents. And these negotiations took place about 1886, when things were not high, but almost, if not quite, as low as they are now.

I would like next to refer to Mr. Mackay's meeting with the lessees, which took place in December, 1884. I am quite unable to understand Mr. Mackay's explanation of the matter. I do not wish for a moment to cast any reflection upon Mr. Mackay's conduct. The meeting was held almost immediately after the Act of 1884 was passed, and it is reasonable to suppose that Mr. Mackay made a mistake, which was quite excusable. As to his attempt to explain it, I say that his interpretation of "improved value," as quite consistent with the determination on the values of the land less improvements, is an absurdity. I cannot follow him. My friend certainly did not put forward that view: he seemed to think Mr. Mackay made a mistake, and I think that is a fair view to take of it. I would ask particularly, sir, that the Committee should go carefully into this alleged promise; and if they go through this report of the meeting they will find that Mr. Mackay, as he has stated here himself, did not make any promise of future legislation. He was merely purporting to be explaining the Act as it then stood, and stating what was his own idea of the regulations which were to be issued. That is not the same thing as a promise. It is true that the Public Trustee has stated—I do not know if it was last year, but he has stated in evidence before a Committee of the House of Representatives that he thought there might be an implied promise. Of course my reply to that is that Mr. Mackay has distinctly stated that he did not intend to make any promise whatever, and that he actually did not make any promise. No matter what his official position was, surely the European lessees could not, any of them, for a moment have thought that he was making a promise. The Act of 1884 had been passed, and every member of the community is supposed to know the law for the time being. Surely the lessees, at any rate, would know the contents of an Act which was passed purposely to deal with their holdings. Surely, sir, they would know that, and if they looked—there was only one section of that Act which referred to them—at section 13 they would have seen that the rent was to be computed on the improved value. It has been urged that everybody cannot possibly be expected to understand an Act of Parliament; but any farmer can surely understand what "improved value" means. My reason for dwelling upon this is that the petition presented by the confirmed lessees lays stress on the fact that improvements were made on the strength of Mr. Mackay's statement. I assert that, if Mr. Mackay made a statement in direct contradiction to the law that then existed, that it could not bind anybody. If I may be permitted, I would say that a promise made in a matter of this sort—even if there were a promise—is not the same as a promise made merely as to Government land. The Natives had certain interests. The two parties actually interested were the Natives and the lessors. There is an official who has the duty of administering these reserves, but merely in a trust capacity and for the benefit of others. Surely, sir, any promise that he might make which is clearly outside his functions could not be held to be binding to the injury of his beneficiaries. Then, again, sir, I would point this out: Although great stress is laid in the petition of the European lessees upon the alleged fact that improvements have been made on the strength of this statement of Mr. Mackay's, the only evidence on that point submitted to the Committee is that given by Mr. Newland, in which he states that he built a house on his holding immediately after this statement of Mr. Mackay's was made. If the Committee will refer to the particulars of Mr. Livingston's valuations in his note-books left with them, they will find that this house is valued at £100. Mr. Newland's holding altogether was a very small one—120 acres in all. There are one or two smaller ones, but his was one of the very smallest of the holdings.

[Objection raised by Mr. Bell to Mr. Levi commenting on evidence.]

*Mr. Stewart:* The Committee cannot be expected to go into individual cases; we can only deal with the general question.

*Mr. Levi:* I admit that, sir; but this case was tendered by the other side as an example. What I say is that it is not a fair instance, and that, as none of the other lessees or their witnesses gave evidence on the point to the Committee, it is only right to assume the correctness of the statements on that head of my witnesses—namely, that no material improvements have been made on the strength of Mr. Mackay's promise. I only intend to refer to one or two facts in the evidence.

*Mr. Bell:* I withdraw my objection; but I desire to say the reason I made the objection was this: that, as I stated to the Committee I proposed only to call general evidence, I could not go into specific evidence, my time being limited; but it happened in the course of the evidence that one witness gave a specific example. Mr. Levi says that is the only specific example I have had to give; but my reason had been given to the Committee before that.

*Mr. Levi:* The witnesses did not even give general evidence on the point. No witness stated that improvements had been generally made on the strength of the promise.

After the Act of 1884 we have Mr. Cowern's statement that the lessees agitated for other legislation. He himself acted as agent for them. He came down to Wellington several times; he interviewed the Premier, I think, about it; and he acted generally for them, and attempted to get fresh legislation.

I would like to refer shortly to the Bill which was introduced by the Stout-Vogel Government in the first session of 1887. I did intend to read to the Committee a short portion of *Hansard*, but, to save time, I will refer to it without reading it. In the final discussion on the West Coast Settlement Reserves Bill, 1887, before it was passed by the Lower House, in the first session of that year, if members will refer to page 849 of *Hansard* of that session, they will find that Sir Julius Vogel, in referring to the provision that the value of substantial buildings should be deducted in determining the new rents, stated specifically that he had not understood the effect of that provision in introducing the Bill, and that he had only then, on the last day of the session, been informed by the Public Trustee that the effect would be to take these improvements from the Natives. He stated