

on account of the chaotic state into which the matter has got. I think, therefore, in giving up these old holdings for the sake of the new ones we are doing something in the interests of the Government. However, I am very well satisfied with the proposition you have made, and I think all the rest of the leaseholders will be too.

*Mr. J. R. Lysaght, sen.*: I think, if that is the case, I must have misunderstood, from defective hearing, what Mr. Symes enunciated just now. I do not know whether I heard exactly what your proposition was, Mr. Symes—the rental should be based on the unimproved value?

*Mr. W. Symes*: Yes.

*Mr. J. R. Lysaght, sen.*: Of course, I am acting with other gentlemen on the committee, but I was not aware that formed part of the proposal. I do not see how it could be workable in respect to those leases that have already expired, of which there are several. The rentals would have to be based on the main value, as far as I can see. Mr. Symes's remarks with respect to that could only apply, I presume, to those leases Mr. Wilson has just referred to, that have several years yet to run. That is so, is it not, or had your proposition a general application?

*Mr. W. Symes*: General.

*Mr. J. R. Lysaght, sen.*: I am sorry I misunderstood what was said.

*Mr. Davidson*: There is one thing of which I would remind you: the leases of the leaseholders are to-day in a better position than those they held fourteen years ago. When the first of these leases were taken up the country itself was in a wild state, and there were no improvements and no nothing. There was trouble, and the lessees ran great risks. And some years afterwards the Natives turned the surveyors from off the Waimate Plains. I consider the leaseholders are entitled to credit for the way they have occupied the land. There is hardly a single leaseholder among those who had the leases at first but what had a verbal promise from the Natives that if they used their lands well and acted fairly to the Natives they would have renewals at the end of the term. As far as I am concerned the day my first lease was taken up I was offered a renewal of seventeen years after the twenty-one years for which I took the land, on the same basis, and another gentleman suggested I should have twenty-one years after the expiry of the present lease. Hone Pihama was one of the contracting parties who made that agreement with us, and that was equal to a thirty-seven years' lease. With regard to the improvements, as Mr. Symes said, we would be willing to enter into a fair agreement and have our rights by the Government. I do not think it would be well to negotiate with the Natives. I do not think it would be acceptable to all parties. I think, as far as I can remember, we were restrained in 1879 from having any further dealings with the Natives, and that we must fall back entirely on the report of the Commission. I think it is better to have the lands in the hands of the Public Trustee, for we know from the start it has been the cry of Te Whiti to have the whole of the lands back, and this would be a bad thing.

*Hon. the Premier*: With regard to what Mr. Davidson has observed, I have made no suggestion of the kind—that the lands should be taken out of the hands of the Public Trustee.

*Mr. Davidson*: I must have misapprehended.

*Hon. the Premier*: I did not indicate it in the slightest degree. On the contrary, I told the Natives there was no probability of the lands being taken from the Public Trustee. What I suggested was that you might possibly come to some conclusion with the Natives themselves, and then we could step in and validate this arrangement. I put that more from the suggestion made by Mr. Symes, that the Natives told him that they were prepared to give new leases. That would indicate that, if the Natives came to the settlers in respect to any particular question, negotiations would be opened up, and they would come to some conclusion as to what was a fair rent. Then, having come to that conclusion, the Government should have power by Order in Council to step in and validate those rents. That would not take the matter out of the hands of the Public Trustee: it would simply mean that you would take the matter into consideration, and come to some conclusion as to what was fair. I throw that out as a suggestion, and I think you will admit that is one way of arriving at a solution of the difficulty.

*Mr. George Newland*: Do you mean, sir, that we should arrive at a conclusion individually with the Natives, and submit it to the Government?

*Hon. the Premier*: I will illustrate what I mean. There are forty Natives, we will say, in one particular grant. Supposing the settlers who had leased the land under that grant arranged with the forty Natives, or three-fourths of them, or a majority, what was a fair rent and fair terms, then, if the Public Trustee approved of that arrangement, an Order in Council might be made making that the rent the lessee should pay for twenty-one years. That would mean that the negotiations should begin between the Natives who are in the grant and the settlers who hold the land under the grant, and if they arrive at any conclusion about the matter the Order in Council steps in and merely makes the terms legal. That is only one suggestion out of many. There is another way of doing it—by appointing an arbitrator on the part of the Natives and an arbitrator on the part of the Public Trustee to settle what the rent shall be, and then to have an Act passed to make that the legal rent and terms. I am not sure that the Natives would agree to that. They might oppose it. Then there is the other idea, of taking thirty years, and then arriving at the rent from the valuation of the Land-Tax Commissioner, and taking five per cent. on that valuation as a fair rent. I am only pointing out to you the various suggestions that might be adopted in settling this difficulty. It would be well to look at the matter all round and discuss it yourselves. I see, myself, a great difficulty, which perhaps none of you see so clearly—though perhaps Mr. Lysaght does, because he was there several sessions. I see the great difficulty of getting a Bill through Parliament unless that Bill does express the agreement of the Natives as well as the lessees. That is a point you must keep in mind. It is not what you would like, but what you are likely to get from the Legislature. Do not overlook that. That must be kept in view. You have been trying for eight years to get satisfactory legislation, and year after year you have failed. Why? Because the Natives