

Then, as to the insurance in the name of the lessor. The objection to this requirement would imply that the petitioners have no substantial grievance. Mr. McGuire, indeed, seemed to me to think that they might abandon their prayer in this respect. A lessee must live on his property, must build, and ought, in common prudence, to insure. The simple question is whether the insurance should be in the name of the lessee or of the lessor. There was some correspondence with Mr. G. Hutchison on this matter of insurance in the name of the lessor. My minute on his last letter was as follows: [Appendix C].

The fact is, it does not matter two straws to the lessee, and the mortgages on these lands prove that mortgagees see no obstacle. Any party to an insurance can, as pointed out, require that the insurance money shall be applied to the reconstruction of the buildings, and the insurance company could not with such notice pay it over except for that purpose.

In reply to section 4 of the petition, I have to say that the Act itself is the intention of the Legislature, and carries out the deliberate intention that the lands should be vested in the Public Trustee for the purposes of an administration in which he should exercise his discretion in the interests of the Native owners. It was not an Act to assist the struggling settler, for to do that would have rendered necessary an invasion of the rights of private property. It did legalise improper tenures of the lands of the trust.

The complaints against the administration contained in the 5th section of the petition I can make nothing of. They are mere generalities, and are doubtless included in the charges made in other sections of the petition. The Public Trust Office administration must be subject to the general law as to the exercise of discretion.

Regarding the 6th section of the petition, I may again say that the Public Trustee's duty is to the beneficiaries. Administering a private property as an ordinary trustee, he does only and no more than he can justify by a consideration of their interests, whether in the improvement of the estate or otherwise, and it is his duty to impose on the lands the highest rents he can get for them.

WEDNESDAY, 28TH AUGUST, 1895.

*Mr. Warburton:* With regard to section 7 of the petition, the lessees or tenants were offered new leases under section 8 of the Act of 1892, or have obtained leases in public competition by tender, on terms and conditions plainly set out in those leases. If the conditions comprise a right of the tenants to improvements up to a value of £5 per acre and no more, the Trustee could not be expected, nor the legislature, to allow more. When leases of land are offered to public competition by tender, the conditions of such leases are made known, and, if those conditions allow no improvements to the lessee, the lessee tenders accordingly. The rent is regulated by these conditions, so that where improvements only to the value of £5 per acre were to go to the tenant the lessee would have taken that condition into account in tendering. It would be simply an appropriation of another man's property to give the tenant of private property improvements beyond the terms of the contract. It is not for me to speak of the liberal programme, but I think it would hardly go the length of transferring property from the person possessing it to another person who wants it—that is, to the transfer of the property rights of individuals who happen to be Natives to other individuals who happen to be tenants of the land of these Natives. Politics cannot surely affect the question of how this private property should be administered, or how the Public Trustee is to perform his statutory duties.

Clause 3 of the petition claims that the Land Board is the proper body to administer this estate, under the Land Act of 1892. Well, the Land Boards of the colony are Boards set up in the interests of settlement. An administration by the Land Boards, under the Land Act of 1892, would involve an appropriation by the Crown of the whole property, and that would mean another confiscation at a time of peace between the two races and of the disposition of the Maori people to be satisfied with the administration of their property. The disputes and difficulties between the two races have been settled, and there is now no further trouble, but, were such to be incurred again, it would mean enormous expense in litigation. I think I stated yesterday that I had leased approximately forty thousand acres, under the Act of 1892, of land which could not under former conditions have come into the market before. The disposition of the Natives—and their consent was then necessary—was rather not to allow the Trustee to deal with the land, in consequence of the wrongs they had suffered in the past. I think it would be difficult to defend the morality of this proposal, which is not to take possession of all private property without respect to persons, classes, or races, but of the private property of a small portion of one race. I do not think the proposal is one that can be urged in the interest of the Natives. It is certainly in the interests of the lessees.

The proposal contained in section 9 of the petition—that the Advances to Settlers Act should be subordinated to meet the ends of the petitioners—I think, speaks for itself. I understand that section of the petition to require no comment from me.

In section 10 of the petition the happy result predicted of the adoption of the suggestion for the wholesale appropriation of the trust property—namely, a legitimate income and an escape from the alleged expensive administration of the Public Trust Office. The petitioners say nothing of the private property of persons other than of these Natives.

Now, as to the general prayer of the petition for such legislation as will place the lands under the common laws of the colony, the lands are already under these laws, and if any alteration would be justified it would be to give a wider discretion to the Trustee in the interests of the Native owners. That was not given, on account of difficulties that had arisen, and a compromise was necessary to put things on a proper footing.

The question of my refusal to pay rates has been raised. Well, that is simply a question between one private party and another. If I can get out of paying rates I am justified in so doing. It is only a question of law. One of the local bodies wrote to the Government on the subject of a