

Valuation Department who was not concerned in the making of the special valuation furnished as aforesaid by the Valuer-General (cf. sections 8, 9, 10, and 11 of the West Coast Settlement Reserves Amendment Act, 1913). Either the lessee or the Native Trustee should have the right of objection to the valuation, and such objection should be heard by the Tribunal, whose assessment after hearing the objection would be final and conclusive. The rent to be 5 per cent. on the "unimproved value," according to the special valuation or, in case of objection, the decision of the Tribunal, provided however, that the rent under the new lease or under any subsequent renewal of any lease of any portion of the reserves shall not be less than the rental reserved by the first-renewal lease of the same land (to be apportioned where the land has been subdivided) save where it is shown to the satisfaction of the Tribunal that the "unimproved value" of the land comprised in any particular lease has depreciated owing to any cause which was not reasonably within the power of the lessee to control. The new lease to be for a term of twenty-one years as from 1st January, 1948, up to which date the lessee would pay the rent reserved by the cancelled lease. All the foregoing provisions should, *mutatis mutandis*, apply to all subsequent renewals of the new leases to be granted in substitution for existing second-renewals and to the renewal of leases which are now in their first-renewal term and of the twenty leases where the rent has already been fixed at 5 per cent. on the unimproved value according to a special valuation.

103. The beneficial owners should as far as possible have an assured minimum rent, and we think a minimum based on the rentals reserved by the first-renewal leases (subject to the proviso we have suggested in the case of deterioration) would be fair to both parties, and certainly more fair to the lessees than to base it on, say, the higher, and possibly somewhat inflated, Government valuations of 1926 and immediately following years, or even on the 1938 Government valuations, which in the aggregate are higher than the aggregate "residue" on which the rentals on the first-renewal leases were based. The beneficial owners, on our recommendation, would have the benefit of any increase in the Government "unimproved value" now or in the future, but (subject only to the proviso regarding deterioration of any of the land) would not suffer in the event of a reduction.

104. We have thus sketched an outline of the legislation which we recommend. It would, of course, involve repealing or amending some of the clauses in the Schedule to the 1892 Act and also section 19 of the Act of 1935. We would add that it would obviously be quite unsatisfactory merely to repeal section 19 without more as appears at times to have been suggested in some of the Maori representations. That would simply produce chaotic conditions. It certainly could not be done without reopening the litigation in *Crocker's case* and permitting an appeal to the Court of Appeal, and, if desired by either party, to the Privy Council. Even if that could be done and were done the parties in the meantime would not know where they stood, and, whatever the ultimate decision, there would be an injustice to one or the other set of parties which would have to be met by legislation. Even in that event we do not think that legislation could be devised then more favourable to the Maori owners or on the whole more fair to the lessees than we are recommending now.

105. We would suggest that, in the first place, counsel for the Native Trustee and the Lessees' Association should endeavour to prepare and agree upon a Bill on the lines we have indicated. Such Bill will require careful preparation, and careful consideration by the Native Trustee and the Parliamentary Law Draftsman to whom it should be submitted for consideration and approval. There may be saving clauses relating to particular cases and various other matters which have not come before us, but which may require to be provided for. Those would be matters of detail which should not present any great difficulty.