can be no doubt that in the second paragraph of clause 56 the words " during the term " *must* have one or other of those meanings, and, whatever the real meaning is, the same meaning must be given to the same words in the first paragraph. If the true interpretation is that clause 56 applies only to the first renewal, then the provisions with regard to subsequent renewals must be spelled out from clause 60, which reads thus : " All the provisions of this Act (except the provisions as to cultivation) as regards the tenders for sale, form, and conditions of first leases made under this Act and otherwise howsoever as regards such leases, shall, *mutatis mutandis*, apply to the sale, form, and conditions of the new or renewal leases above mentioned, and to the lessees thereunder and otherwise howsoever, and except as herein is otherwise expressly provided." If that meaning is correct, then the judgment could not be supported. Nor could it be supported, of course, if the suggested alternative contention is the correct one—viz., that the words " during the term " mean during the whole of the perpetual term (of which each period of twenty-one years is but a part). This line of argument does not seem to have been pressed upon Mr. Justice Blair as it should have been.

47. There are other grounds on which Mr. Justice Blair's judgment relies and which are open to question. For instance, he places much reliance upon the provisions of clause 57 of the Schedule, which says that if the lessee shall not elect to accept a renewal, then a new valuation of the substantial improvements of a permanent character then on the land shall be at once made by arbitration in like manner and subject to the same provisions in all respects as the arbitration under clause 56, and that valuation fixes the amount that an incoming tenant would have to pay for the improvements. The mere fact that the two valuations for improvements under clause 56 and clause 57 respectively may result in different amounts does not carry the implications mentioned in the judgment. It is necessary to have the two valuations because the first valuation under clause 56 may be made as long as three years and six months before the end of the term, whereas the valuation under clause 57 might be made only just before the end of the term, and there might well be a considerable variation in the improvements and their value during the interval. The provisions of clause 57, therefore, do not have the significance that Mr. Justice Blair attaches to them, and do not seem to help the conclusion at which he arrived.

48. Then again Mr. Justice Blair suggests that any apparent injustice to the lessee resulting from the fact that all improvements made previously to the then current term would go to the lessor is mitigated by the fact that, if a new lease is sold to some person other than the lessee, the incoming lessee has to pay the outgoing lessee in cash the full value of *all* the outgoing lessee's improvements whenever effected. This would be quite an illusory benefit to both the outgoing lessee and the beneficial owners. Illusory, because it would mean that the incoming lessee would have to pay for the improvements twice over—first, by the payment of the actual cash value to the outgoing lessee, and, second, by having to pay the lessor during the term of the renewal lease a rack-rent—that is to say, 5 per cent. on the residual value of the land itself and 5 per cent. upon his own capital represented by the value of all the improvements which had been effected prior to what has been referred to as the expiring term. And worse still would be the case of the lessee who had converted a " confirmed lease " : he would have had to pay three times for the whole of his improvements—first in the cost of effecting the improvements, then by payment to the lessor on conversion of his lease, and then again (if he accepted a renewal) by the payment of a rack-rent. The lessee who had converted a " Public Trustee lease " would be in the like position in respect of his improvements in excess of £5 per acre, while he would be paying twice for the first £5 per acre of improvements. It is hardly conceivable that any ordinary prudent person would become an " incoming lessee " by taking up a renewal lease on such terms, and, if that is so, the provision relied on by Mr. Justice Blair as mitigating an apparent injustice to the lessee would in practice be illusory. It would also be illusory to the beneficial owners