

lessees should be given credit now for rent computation purposes for all improvements whenever made, this being on the lines of the 1892 Act; but that in regard to improvements to be hereafter made, the lessee would be prepared to concede to the Native Trustee the principle of the propriety of such future improvements; that in regard to the improvements included in the definition of the Land Act, 1924, the lessees would be prepared to concede that two classes of improvements be excluded therefrom as suggested by the Native Trustee—namely, telephones and purely ornamental gardens.” During the discussion between these gentlemen Mr. Houston says that Mr. Anderson doubted if legislation could possibly be brought forward in time for the current session, and, says Mr. Houston, “I disagreed with him, saying that the matter had been accorded urgency by the Prime Minister.”

57. On the 16th October Mr. Anderson sent to Mr. King a draft Bill which he had prepared to meet the position from what he understood to be (and actually was at that time) Mr. King’s point of view as well as his own. What he seems to have had in mind was something which might be regarded as a fair compromise of the claims of the parties, and when we speak of “compromise” we mean an arrangement which would be fair and just to both parties and not one such as the lessees, at that time at all events, seemed to have in view, whereby all (or substantially all) the concessions would be made by one side and none (or practically none) by the other. Mr. Anderson’s actual draft, as he himself said when sending it to Mr. King, was somewhat crude as a matter of draftsmanship and may have required some further consideration and a good deal of “polish,” but fundamentally his proposal, as we see it, was fair and just to both parties. What he sought to do was to invoke the provisions of the Valuation of Land Act, 1925, and particularly the definition of “unimproved value,” to the intent that the rental in all the renewal leases would be 5 per cent., not of what we have called the residual value as provided by the Schedule to the Act of 1892, but of the “unimproved value” as defined by the Valuation of Land Act, 1925.

58. Whether or not Mr. Houston saw Mr. Anderson’s actual draft is not plain, though it is fair to assume that he must have seen it; but, whether he saw it or not, he was informed on the 18th October, when he again telephoned Mr. Anderson, that Mr. Anderson had drafted a clause on the lines desired by Mr. King and had forwarded the draft to Wellington. According to Mr. Houston, Mr. Anderson said that he did not suppose that the clause would be acceptable to the lessees.

59. On the very next day, the 19th October, Mr. Houston says that he telegraphed the Native Trustee: “Representatives West Coast lessees hope to meet you in conference 9 a.m. Tuesday morning.” On the same day, the 19th, one of the Taranaki Members of Parliament also sent a telegram to the Prime Minister: “West Coast lessees greatly concerned at delay in drafting legislation which must go through before House rise. Suggest conference all parties next Tuesday. Can you arrange.” A reply was sent by the Prime Minister that he would be glad to arrange a conference as suggested.

60. It is not without interest to mention that Mr. Anderson regarded it as impossible to have a suitable and complete amendment passed during the then current session, and he suggested to the Native Trustee that a provision might be included in a “washing-up” Bill extending the leases which had already expired or would shortly expire on the lines of a provision in the “washing-up” Act of 1912—namely, section 37 of the Reserves and other Lands Disposal and Public Bodies Empowering Act, 1912—with reference to the unconverted leases which were finally dealt with by the West Coast Settlement Reserves Amendment Act, 1913. That was a very wise and proper suggestion, in that it would have given a *locus penitentie* for the consideration of the whole matter and for the preparation of appropriate legislation which could have been brought before Parliament in the following year. Incidentally, we think we should say that on the 12th September, 1935, in a letter to the Right Hon. the Native Minister, the Native Trustee said, *inter*