7. What price did you pay him 1-£550.

8. Did you see the lease before you purchased !-- No. I bought on the condition that I was to see the lease before I completed my bargain.

9. Did you see the lease before completing?—Yes.

- 10. And you read it?—Yes.
- 11. From the lease, what did you gather your rights were?—That I was to be paid for all improvements, and that at the end of the term it would be put up for public tender.

- 12. At that time did you value the improvements?—Yes. I valued them at about £300.

  13. Have you remained in occupation of the land since then?—Yes, I am in it now, and have been living on it all the time.
- 14. What is the value of your improvements at the present day?—£700, as near as I can judge.
  - 15. Did you ever hear of any right to convert your lease to a lease under the Act of 1892?—No.

16. Did any one inform you that you had a right?—No.

16A. Did you receive a circular from the Public Trustee stating that you had that right?—No.

17. Did you see any reference to it in the newspapers?—No, never.

18. When did you first become aware of that right? -I never knew there was any right till just lately. I have lately heard people agitating to get some redress.

19. You say when you purchased you thought you were to be paid for all your improvements?

Yes.

20. If you had been aware at that time that you were not to be paid for all improvements,

but only buildings, fixtures, and fences up to £5 an acre?-There is no limit in my lease.

21. But that was the law at the time. If you had been aware of that, and if you had also been aware that you could have given up that lease and taken a new lease based on a rental of 5 per cent. on the unimproved value in 1900; that that lease would run back to September, 1896, and you would pay the rent from that date; that in the new lease provision was made for you to get full compensation for all your improvements at the end of your term, and that you were to have the right of renewal at the end for twenty one years on paying 5 per cent. on the unimproved value, would you have thrown up the old lease?—Most decidedly, and taken the new one.

22. You say the present value of your improvements is £700?—Yes. That is approximate.

I am taking a very moderate value.

23. Cross-examined by Mr. Bell.] You say you got your land in January, 1899?—Yes.

24. When did you go into possession of it?—On the 2nd January, 1899.

25. Now, there is a return made up by Mr. Fisher, who was then the Reserves Agent, in which he says that he posted a registered letter to you as the present lessee of that land on the 14th December, 1898. Are you certain you are right in your date?—I am right in my date.

26. Mr. Kerr.] Had you been in possession before you got your title?—No. 27. Mr. Bell.] You did not get a solicitor to look over your lease?—Yes, I did.

28. Did you ask him about the value for improvements?—He simply read the lease through carefully to me, and I made up my mind.
29. You did not get him to inquire as to what the regulations were !—No.

30. When did you first hear that the improvements were limited to £5 an acre?—I did not know mine were limited.

31. When did you first know?—I think it was after Tinkler's case.

32. Tinkler's case did not decide that?—Tinkler's case caused some talk, and that was the first I knew of it.

33. Mr. Welsh.] Why are you so confident about the date you took possession?—In 1897 I left Scotland, and I was eighteen months on an adjoining farm, and then I took up Gray's place. It must have been 2nd January, 1899, I took up the lease. I arrived in New Zealand in June, 1897.

34. Mr. Kerr.] You say the lease was carefully read over to you?—Yes.

35. Then, you must have noticed in the clause of the lease dealing with compensation for improvements express reference is made to the regulations. It says that the improvements in respect of which you shall be entitled to compensation shall be those as defined by the regulations. Did you take the trouble to see the regulations?—I had no regulations. I dare say I would see that when it was read.

36. Would not that cause you to inquire what the regulations said about the improvements? There was the lease, and if there was any qualification I naturally accepted the qualification in the

. I did not know anything about regulations at all. 37. Mr. Bell.] This is the part, I suggest, that might have caught your eve: they are talking of the lease being renewed to you, and in case it is not sold at auction it is valued by arbitration, but in fixing the improvements the arbitrators or umpire shall not be entitled to take into consideration the value of improvements for which the lessee would have otherwise been entitled to payment. Did not that show you that for some improvements the lessee was entitled to payment and for some he was not?-I do not think that is in my lease.

38. That does indicate that there are some improvements you are not going to be paid for?—

It does not show it.

## EDWARD JOHN DUDLEY recalled. (No. 12.)

1. Mr. Welsh.] You told us that you paid £40 when you purchased from Mr. Pennington, and Mr. Bell produced a document showing you got the transfer, and that the consideration was £140?—I have since consulted my papers, and I find I paid him £40 in cash and took over a mortgage of £100. That makes the consideration £140.

The Commission adjourned till Saturday, 18th May, 1912, at New Plymouth.