difference between "improvements" and "substantial improvements." Now, my friend says that the draftsman of the lease obviously could not have known of the regulation. Well, I remind your Worships that the form of the lease is part of the regulations, and was published with them, and presumably was the simultaneous work of the same draftsman. Then my friend argued that the fact that the tenants had put more than £5 worth of improvements on their land and did not convert was conclusive proof that they did not know of the £5 limitation. Witness after witness has come before your Worships and said, "I knew of the £5 limitation all along, but I did not convert because I did not think it would pay me, and I have put on improvements substantially in excess of £5." Asked why he did it, knowing that he was limited to £5, he said—of course, it is the obvious answer and the only reasonable answer—"It is a business proposition for me to do it, and it will pay itself out before the end of the lease." Then my friend says that the fact that the lessees did not convert, and went on improving is conclusive evidence that they did not know of the right to convert. That argument also is answered by the evidence to which I have just referred. He tells your Worships that from the evidence he will lead your Worships will find that in some cases the lessees have been misled, so that they have actually gone to the extent of putting £12 an acre on their land; and the only evidence of a man having put £12 an acre in improvements on his land is the evidence of a man who said he knew of the £5 limitation all along, and decided not to convert. My friend makes a strong point of the fact that the Public Trustee's memorandum is what the Public Trustee recommends as a fair thing. Now, if your Worships will refer to the Public Trust file you will find a report to Parliament by the Public Trustee in 1909 (Parliamentary Paper, 1909, B.–9A). The Public Trustee gives this view: "(1.) Opportunities have been several times given to the tenants to change their tenure, but they did not accept them. Paragraph (*k*) of subsection (3) of section 8 of the Act of 1892 gave them twelve months in which to change. By section 10 of the Native Reserves Act Amendment Act, 1895, this term was extended to four years, and by section 20 of the Reserves, Endowments, and Crown and Native Lands Exchange, Sale, Disposal, and Enabling Act, 1898, two more years were given. The new rentals of three leases which fell due this year show what a low rent the tenants were paying under the old leases, and why they were reluctant to change: Old rentals, £157 1s. 1d.; new, £649 6s. 6d. (2.) In dealing with these reserves there was not sufficient land reserved for the occupation of the Natives if they should at any future time desire to farm their lands. Suitable blocks should have been selected and leased for long terms, but not perpetually. As these leases fell in, the blocks in their improved condition could have been offered to the Natives. The peculiarity of the tenure of the 1881 and 1887 Acts gives the Natives an opportunity of selecting some of the leaseholds for farming. Under the 1892 Act renewals are automatic, the rent, apart from the value of the improvements, being fixed by arbitration. There is therefore no chance of a Native getting into occupation of one of the leaseholds under that Act unless he buys out the tenant. Under the earlier Acts the value of the improvements up to £5 per acre is fixed by arbitration, and the rent by public competition. As the Natives receive back the rent, if they desire to compete they can, of course, outbid any one else, and can again get into occupation of the leaseholds by paying the lessee for the improvements, which are limited to £5 per acre. This is the only chance they have of getting suitably sized farms in their own districts, and, although they may not take advantage of it, they should not be deprived of the opportunity by changing the tenure. The leases are fairly scattered throughout the reserves area, and are of good land. The number of leaseholds under the 1881 Act is 135; area, 18,399 acres. Authority should be given to the Public Trustee to advance sufficient to pay for the improvements if the Native owners desire to purchase them. There would be ample security." He says just before that, "An effort will probably be made to put the leases under the former Acts on the same basis as those granted under the Act of 1892; but this should not be done, for these reasons." That was the Public Trustee's view in 1909. If your Worships will turn to the Public Trustee's evidence before the Lands Committee you will see that he has modified that view, because, as he says, he did not, when he wrote the report, know that the lessees had been misled as to the £5 per acre—that is to say, the memo. upon which my friend relies is approved by the Public Trustee only because he believed the lessees' story that every lessee in the country had been misled into thinking that he was going to get full compensation for improvements. Now, my friend says also that if nothing is recommended by your Worships and nothing done by Parliament, the Native at the end of the lease will not be able to get on to the land. Very well, then, compare that with the argument used by the lessees before the Lands Committee, and your Worships will find that one of their main arguments then was that the Native, who will be putting his own rent into his own pocket, would be able to outbid them very very easily; but if they are right now in thinking that the Native cannot outbid them—and I think at present the Native cannot in a great many instances outbid them without the advance which we are going to ask for—Hastie's case would seem to suggest that it is possible under certain circumstances for the 1881 lessee to retain his lease. Hastie is the only one who has given evidence whose lease has fallen in, and he has got it back again; but if the Native cannot get on to his own land if nothing is done, why all this anxiety on the part of the lessees? Why the anxiety to prove what a bad farmer the Native is? And then, lastly, my friend says that the lessees are not here to work a land-grabbing scheme. Mr. Elwin tells us in a letter written for the information of the Commissioners that it was and has been from the first distinctly understood that the Natives' lands should pass from them for ever, and he adds that therefore the claims of the indolent half-breeds have no standing either in law or in equity. That seems to me to be hardly consistent with the suggestion that the lessees are not working a land-grabbing scheme. Now such, if your Worships please, is the lessees' case. That case is based upon typical evidence. You have had put before you a sample of what evidence the lessees can give, but your Worships will not forget that that sample has been drawn by the lessees most favourably to themselves, and if I might use a Taranaki expres-