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Under Secretary of the Interior Elmer F. Bennett today cautioned against permitting lessees- of Indian lands the privilege of meeting the highest offer when the lands are sold under competitive bidding at the request of the owners.

He said such a provision, admittedly advantageous to the lessees, would in most cases have "an adverse effect on the Indian selling his land.”

The Under Secretary set forth the Department's position in a letter to Chairman James E. Murray of the Senate Committee on Interior and Insular Affairs.

Senator Murray, of Montana, recently wrote the Department that a considerable number of lessees on the Crow Reservation in his State "are desirous of participating in the land sales which come up from time to time on that reservation."

Many of them have fairly extensive leases, he continued, adding that he had been requested to ask whether the Department would agree to a procedure permitting lessees of any Indian lands to meet the high bid.

“The lessee who is using the property,” Mr. Bennett replied, "is in a better position than any other prospective bidder to know the actual value of the land. He is acquainted with its potential, and can gauge the capital investment justified on the basis of the returns which he knows the property is capable of yielding. To that extent he has an advantage over other prospective bidders. Yet, if he were given the opportunity of meeting the high bid on the sale of the land, the lessee would need to make only a nominal bid with the knowledge that he had the privilege of meeting, without needing to surpass, the high bid.

“Consequently, competition would be stifled. Individuals who might desire to bid on land would readily recognize that, unless they offered a prohibitive amount in order to get possession, the present lessee could and would merely meet their bid. Thus, in actual practice, there would be no competition for the great majority of Indian land offered for sale."