

if they can obtain, what nature and sound policy dictate, a railway from Gore to Kelso, which would pass through the heart of the deferred-payment settlements, and would find little obstruction from natural impediments. I was agreeably impressed with the altered face of the country, studded as it is for miles with homesteads, surrounded by cultivations, contrasting with the uniform sombre brown of the untenanted waste I had seen years before; and, comparing the present with the past, one could not but come to the conclusion—that the right trail to the great issue—a prosperous and, for the body politic, advantageous utilization of State property—had been struck.

In these districts the beneficial fruition of the system has developed into a phase, which, small in its inception, will lead to large results, and that with a rapidity which will give a surprising stimulus to trade. I refer to procreation—for in this case it virtually is such—of inland townships, not of mushroom growth, seething up from the hotbed of a transitory and migratory industry such as a gold field, but of the stable, if slower, expansion resulting from the spirit of permanency.

Some thirteen months ago the site of the Township of East Gore was a barren waste; now there are from thirty to forty buildings, most of them of good size. Stores which, in point of complement, would not disgrace a seaport town, and hotels far superior to the beer-shops to be seen in inland villages in the Home country; being, in fact, equal to any in the long-settled inland districts of Otago. On the opposite bank of the Mataura, West Gore, after a languishing existence, has within the last two years made strides so great as to warrant the very high prices for town and suburban lands given at recent Government land sales, averaging for town £150, and suburban £15 per acre. On seeking for the source of this sudden development, I ascertained it was the result of the deferred-payment settlement in the neighbourhood. A peopled district demands a market-town; an unsettled one, a beer-shop and a blacksmith's den.

There is a weak point in every human institution: and the weak point in the system of disposing of the public lands on deferred payments is the temptation offered to acquire a freehold before the aspirant has amassed sufficient to justify him in the attempt. I append an estimate of the amount of capital which it appears to me, after careful investigation, an intending deferred-payment selector should possess before he attempts to work out the problem. With such a sum to start with, combined with thrift and energy, a prosperous issue is assured. Still, there are many instances of men with smaller means achieving success. At any rate, there can be no doubt of the superiority of this system for the small farmer, over the leasing system which obtains in the Home country. I was recently informed by a practical farmer of large experience, visiting New Zealand, that he knew hundreds of small farmers, more particularly in Wales, who, starting with a capital of £500 on leasehold farms, and working hard from youth to age, never could compass a credit of £100 in the bank.*

Here the struggles of the first three or four years are compensated for by acquisition of the freehold. Under the deferred-payment system the annual rent means the purchase-money, and the selector has hope: in the mother country there is none. There are certain conditions, however, in the treatment of the question which should, in my opinion, guide the Government, and which require to be steadfastly adhered to.

1. The best agricultural lands should be chosen for sale on deferred payments. To locate such selectors on land inferior in quality, or requiring an expensive outlay for drainage, &c., is to insure defeat. As I have already stated, the majority of those who are allured into taking advantage of the system by the facilities it affords for acquiring a freehold are not overburdened with the circulating medium. The conditions under which occupancy is permitted enforce an immediate outlay necessitating a speedy return, which can only be obtained under the most favourable circumstances. The speculator may wait, the wealthy landowner can invest, looking to the future for his harvest. The deferred-payment settler cannot afford either.

2. The blocks under this system should, if possible, be selected in the middle of, or adjacent to, lands held by large freehold proprietors. Experience has shown me that the best friend the deferred-payment selector has is the large landed proprietor in his vicinity; who, employing him in contract ploughing, harvesting, &c., purchases his oats for fodder, his wheat for seed, and thus furnishes him with the means of implementing the conditions of his occupation license. Capital and labour are as mutually beneficial in this phase of industry as in any other; and it is of the utmost importance to the deferred-payment settler that he should obtain this assistance during the first two or three years of his undertaking.

3. Communication with the seaboard is of more vital importance to the deferred-payment selector than to the ordinary purchaser of freehold. Time and the amount or method of cultivation are at the command of the latter; the former, his canoe once launched on the river of his enterprise, is pursued by his Nemesis, the Crown Lands Ranger. He must move on. He must cultivate, whether he has a means of transporting his produce to a market or not. To assist him, therefore, in conferring not merely a benefit on himself but the colony, by covering its surface with cultivation, and increasing its material wealth and revenue, should be the earnest desire of every one, more particularly as, for the first years of his struggle, he cannot tax himself for road-making, and, being poor and humble, he cannot bring political pressure to his assistance. Under any circumstance, if the experiment of encouraging the growth of a yeoman class—of distributing the waste lands of the State amongst the masses, with the view of building up a great State and relieving it of its burdens—is worth trying, it is surely advisable that, in the direction of future railways into the interior, the greatest care should be taken, the most jealous scrutiny exercised, that they should embrace as much as possible those districts where the largest number of these smaller landowners are located; in fact, that they should be the rivers of communication with the ocean shores for the assistance of the many.

New Zealand is pre-eminently the colony where the small farmer can succeed, where, if he is not cursed with the desire to amass a fortune, he is sure to compass a comfortable competency. The

* In the London *Times*, of 27th March, a correspondent, writing on the "Depression of Agriculture" in Great Britain, states, "In round numbers, the class most directly affected, the tenant farmers of Great Britain, comprise 500,000 persons, occupy 30 millions of acres of land, pay 40 millions of annual rent, and are supposed to own 300 millions of capital."