

junction with the small areas of purely agricultural land within them. On this basis, the low-lying pastoral and agricultural land fit for settlement amounts to about 2,850,000 acres." In a table accompanying this Statement will be found Table No. 12. the figures showing the distribution of this land throughout the several provincial districts. The Committee will probably agree with me that, when we consider that upwards of sixteen million acres of the best land have already been alienated in fee-simple from the Crown, there is some reason why the remaining available estate of less than three million acres should be administered in the interests of the whole people of the colony.

The time, it is believed, has arrived when suitable areas will have to be purchased by the Crown for small-farm settlement. In many parts of the colony the Crown lands available for this purpose have already disappeared, and if the population is to be retained the wants of intending settlers will have to be met. A Bill will be introduced, hedged round with the necessary safeguards, to establish a satisfactory system of purchase. Suitable areas to be purchased for small-farm settlement.

If borrowing in the English market is to be discontinued, the means will have to be provided for carrying on the work of settling the waste lands of the colony. Recognising this fact, the late Government proposed to amend the Government Loans to Local Bodies Act to enable money to be advanced on the security of a special rate to be levied on the settlers. While there is merit in the proposal so far as it relates to the means of providing the money, the present Government are not inclined to favour a system which entails the payment of another special rate; but we think that, if money advanced under the Act for opening up lands for sale were made a first charge on the proceeds of the land, there would be ample security without entailing a liability on the taxpayer. Instead of complications arising from assessing the rates to be borne by the land, we propose the simple plan of procuring an estimate by the Surveyor-General of the value of a block of land when surveyed and placed in the market, with an estimate of the cost of roads to open it up, whereupon the Minister of Lands would be placed in possession of the funds to the limit of one-half the estimated value of the land when it was ready for disposal, the funds borrowed for this purpose to be repaid out of the proceeds of the land. The Government think an amendment of the Act in this direction will give a fresh impulse to colonisation. Proposal to borrow for road-ing purposes.

NATIVE LANDS.

The necessity of providing for the extension of settlement by the purchase of Native lands will be seen from the limited quantity of Crown land still available, and a vote will be submitted in the Public Works Estimates for the purpose. But, while reserving to the Crown the right of purchase, the Government are of opinion that the time has arrived for an amendment of the law to enable the Natives to lease their land either direct to the Crown in perpetuity, or, through a Board in which they will have confidence, under the land laws of the colony, to the settlers who are to occupy. Whatever is done the rights of the Natives under treaty, in accordance with the principles of justice, must be strictly maintained. It will remain to reconcile by law the interests of the Native race and of the colony, so that the beneficial occupation of Native territory may be hastened and finally secured. The Royal Commission appointed to inquire into this subject have drawn up a comprehensive report, after conference with the tribes, in which are explained and elucidated the conditions under which, in their opinion, this end may be attained. My colleague the Native Minister has given the subject much attention, and will introduce a Bill for the consideration of the Legislature, with the object of consolidating the numerous and complex Native-land laws into one concise and intelligible measure, and also of simplifying and reducing the cost of the ascertainment of title and other procedure of the Native Land Court. The effect of this will, it is hoped, enable more rapid and satisfactory settlement of the surplus lands now lying unproductive in the possession of the Natives. Amendment of the law proposed so as to allow Natives to lease their lands direct to the Crown, or to settlers through a Board.

INCIDENCE OF TAXATION.

I have now to ask the Committee to grant me its attention while I bring before it the question of the incidence of taxation, more especially in its What is a land-tax?