

LAND FOR SETTLEMENTS.

Under the provisions of the Land for Settlements Acts, frequent references to the Compensation Court in order to arrive at the price to be paid for estates acquired for settlement are necessary, and have proved unsatisfactory. An alteration in the present system is desirable.

The House will be asked to legislate so as to provide that the valuation under the Valuation of Land Act shall be the basis upon which the price is to be ascertained, with 10 per cent. added when the estate is valued at less than £25,000, and 5 per cent. when the estate is valued between £25,000 and £50,000, and 2½ per cent. from £50,000 upwards.

REDUCTIONS IN POSTAGE AND TELEGRAMS.

The marked success of the reductions in postage and telegram rates during the last few years warrants further concessions. I therefore propose to make the following reductions in rates:—

To reduce the postage on inland post-cards from 1d. to ½d., thus bringing the post within the reach of the humblest member of the community.

To reduce the fee for registered letters from 3d. to 2d. At present far too many letters with valuable enclosures are posted unregistered.

To further reduce the inland letter postage, making the rate 1d. for the first four ounces and ½d. for each two ounces thereafter, instead of 1d. for each four ounces as at present.

To reduce the postage on magazines to 1d. per pound, instead of 1d. for eight ounces. This concession, it is hoped, will be a great convenience to country residents.

I intend at the same time to materially increase the frequency of the letter-carriers' deliveries in the business portions of the four large centres.

On the telegraph side, it is intended to abolish at country places the fee of five guineas per annum at present charged for telephoning telegrams to the nearest telegraph-office, and in the principal towns to reduce the same fee to £1. Later on I hope to abolish the charge altogether, thus, in effect, make every house fitted with a telephone and a telegraph office.

The free delivery of telegrams in the larger cities will be materially extended.

The rates of commission on money-orders and postal notes will be substantially reduced.

It is estimated that these reductions in the whole will mean a concession to the public of about £20,000; but after making due allowance for the increased business likely to result from them, I estimate that the loss to the Department for the three months from the 1st January to the 31st March next will not exceed £3,800. This loss, it must be remembered, will, to judge by the results of former similar essays, rapidly diminish from quarter to quarter.

The reduction of the post-card rate will be made a few days before Christmas, and the other concessions will come into force on the 1st January next.

REDUCTION OF INTEREST TO LOCAL BODIES.

During the crisis which took place a few years ago it became necessary to raise the rate of interest at which the Government borrowed, and this necessitated an increase in the rates on loans granted to local bodies. I think the time has arrived when the latter rates should be readjusted. These local bodies do a great deal to promote settlement, and thereby perform a very useful function in the general work of government. In order to further assist them I propose from the 1st of February next to reduce the rate of interest on existing and future loans by a half per cent., but not making it lower than 3½ per cent., the lowest rate at which we obtain money for lending to local bodies.