

Witness: Hydro-electricity is another matter upon which I wish to speak. In Wellington Mr. Parry, the electrical expert, was interviewed by a *New Zealand Times* reporter, and made the statement that if the proposal of the *New Zealand Times*, that a rate of $\frac{7}{8}$ d. should be struck on the unimproved value of the land in the North Island, was adopted, it would pay the interest and sinking fund on the sum total of the cost of installation of the power in the North Island, the cost being £500,000. He also said that if that were done the cost per horse-power, instead of being £5 18s. to £6, would be from £1 15s. to £2, and he added that New Zealand would be, next to Norway, the cheapest country in the world to provide electricity to the users. If this Committee could recommend a scheme of that kind it would give an enormous incentive to the use of electricity for productive and other purposes.

To Mr. Pearce: If the Province of Wellington is the first to have the benefit of the hydro-electricity the scheme might be confined to that province, and as the idea expands and other provinces are brought in there is no reason why the whole proposal should not be adopted. It might not be possible in the first place to include the whole of the North Island, but it might be started in Wellington and extended as time goes on. Hydro-electric power is coming in New Zealand, and if it will increase the productivity of the land it seems to me that as the land-value will get the ultimate benefit you would be justified in collecting $\frac{7}{8}$ d. from all parts of the North Island to pay interest on the principal. I think that Mr. Parry is competent to express an opinion on the matter as an individual who is gifted with a certain amount of intelligence. It is not always that the people as a whole are perfectly clear on what is good for them: they need a lead.

To Dr. A. K. Newman: Under the scheme referred to you would have to tax small outlying farms to supply cheap electricity to the towns. The interest would be paid by the value of the land of the North Island. It seems to me, however, that though an individual might not use the hydro-electricity himself he would be getting more than an equivalent for his payment before he was asked to pay a penny. Many indirect benefits would come to the farmers.

To Mr. Veitch: I am aware that the city landowner pays land-tax as well as the country landowner. Any tax on land for the purpose of developing hydro-electric power would not be paid by the country people alone. When hydro-electric power is developed the country people will benefit by the use of it as well as the city people. Even if they do not use it they would benefit by it because it would enhance the value of their land.

R. DUNN, President, Taranaki Farmers' Union, examined.

I have been deputed to say a few words with regard to land-settlement and production. I wish to emphasize the necessity of putting more life into the land-for-settlements policy. In the past it has been the practice for settlement to go ahead of roading and postal, telephone, and other facilities. It ought to be the other way about. Roads and railways should precede settlement or be made simultaneously. With regard to production, it is absolutely necessary, owing to the great expense brought about by the war, that the productivity of our lands should be increased. In land-settlement the most progress has been made by the Government in country that is already settled. I think they ought to open up new lands as quickly as possible. The already settled lands, with the increased taxation that will be put on them owing to the war, will naturally be cut up without the Government's interference. Then, in order to settle the lands of the country we must have population, and I contend that the time has arrived when the Government should introduce a vigorous policy of immigration. It would pay them to spend a considerable sum of money to bring people to the country. The rates of passage ought to be lowered and other inducements given, and the immigrants allowed facilities to settle in New Zealand. Next, I think that sufficient has not been done to induce the Maori population to become producers, and to produce to the utmost of their ability. Maori lands should be individualized wherever possible to induce the individual to do something for himself and for the country. The communal system of the Maoris does away with incentive for individual exertion, because if one Native cultivates a piece of land the others come and live on him.

To Mr. Pearce: I would like every Maori to cultivate his land if he has a piece, and to make him do that the land should be individualized. He should also be instructed in cultivation. I believe many of them would work the land if it was individualized. I have seen some Maoris who have "whips" of energy. With regard to land-settlement, the Government must find money to open up new lands. The settled lands are already productive, but the others are not. The unsettled lands of the North Island ought to be opened up and made productive.

To Mr. Hornsby: The Farmers' Union is opposed to land-aggregation beyond a reasonable amount, but have taken no active steps to stop it. There is not much aggregation going on in Taranaki; in fact, the tendency is towards subdivision. The highest prices being given in this district are for small sections of from 50 acres downwards. As to bringing unsettled land into profit, I am not in a position to point out the lands that might be dealt with. Native land and unproductive land ought to be taken in hand. The statistics show that at present about two-thirds of New Zealand is unproductive. I know that some of it is mountain-tops. In the north, however, there are large tracts that are lying useless. I suggest that a Commission should be set up, consisting of men with a knowledge of the subject, to ascertain what land is available, the class of it, and so on. If there is an influx of population owing to a vigorous policy of immigration, provision ought to be made for the making of roads and railways, and money would have to be borrowed for that purpose. The money would be reproductive, in a sense. A large revenue would not be returned at the beginning, but the faster that settlement was pushed on the more the revenue that would be produced. Necessary works would provide employment for the immigrants, in the first place. As to the immigrants, we do not want engineers and bootmakers and that class of worker, but working-men who have some knowledge of the land. I do not know of