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NEW ZEALAND.

BRITISH OVERSEA SETTLEMENT DELEGATION
TO NEW ZEALAND, 1923

(REPORT OF).

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REPORT TO THE PRESIDENT OF THE OVERSEA SETTLEMENT COMMITTEE FROM THE DELEGATION APPOINTED TO INQUIRE INTO CONDITIONS AFFECTING BRITISH SETTLERS IN NEW ZEALAND.

BRITISH OVERSEA SETTLEMENT DELEGATION, 1923.

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Mr. F. B. SMITH, C.M.G.; Major-General A. G. WAUCHOPE, C.B., C.M.G., C.I.E., D.S.O.

TERMS OF REFERENCE.

1. To confer with the Dominion authorities as to the best means of carrying out the objects of the Empire Settlement Act.
2. To explore every avenue which may present possible opportunities for the absorption of British settlers under the provisions of that Act.
3. To get into touch with such officials and others whose influence and experience may enable the delegation to secure the best and most reliable information available.
4. To visit and examine the conditions of training on as many as possible of the land-settlements already established or which may be in contemplation.
5. To ascertain what arrangements are made or are under consideration for—(a) The reception of British settlers on arrival; (b) their accommodation at the ports and afterwards; (c) their distribution; (d) their employment or settlement upon the land; and (e) their general welfare.
6. To ascertain how far voluntary effort is at present used in connection with those arrangements; how far it can be usefully extended; and if such extension seems desirable, to use their best efforts to promote it.
7. To exercise a wide discretion in furtherance of their inquiries within the general spirit of these instructions.

To the Right Honourable J. H. Thomas, M.P., Secretary of State for the Colonies, and President of the Oversea Settlement Committee.

I. INTRODUCTION.

SIR,—

1. APPOINTMENT OF DELEGATION.—We were appointed, in response to an invitation from the New Zealand Government, to make certain inquiries into conditions affecting the general welfare and prospects of persons from the United Kingdom who settle in the Dominion under the provisions of the Empire Settlement Act of 1922.

2. THE EMPIRE SETTLEMENT ACT, 1922.—This Act empowers the Imperial Government, in association with the Government of any part of His Majesty's Dominions, to co-operate in carrying out agreed schemes for assisting suitable persons in the United Kingdom who desire to settle in any other part of the British Empire.

Under such a scheme, agreed upon with the Government of New Zealand in June last, assisted passages are granted to approved settlers according to the scale set out in Appendix A.

In exceptional cases the settlers contributions may be advanced by way of loan.

The classes of persons who may receive assisted passages are—(a) Those with relatives or friends in the Dominion who may nominate them ; (b) special types of workers whom the High Commissioner is authorized from time to time to accept without nomination, such as fully qualified farm labourers, single farmers, bricklayers, and stonemasons ; (c) domestic servants.

3. ITINERARY.—We arrived at Auckland on the 10th September, and were there received on behalf of the Government by the Under-Secretaries for the Departments of Internal Affairs and Immigration.

An itinerary, extending over a period of one month, was at once discussed and agreed upon with them, as detailed in Appendix B.

It was not possible for Mr. Smith to accompany us, as he was still engaged upon his investigations in parts of Australia. Plans were so arranged, however, that he was eventually able to visit several centres of agricultural importance which the rest of the delegates had not covered. The range of inquiry was thus considerably extended, and districts were visited which had unavoidably been excluded from the original itinerary.

An outline of the two tours is shown in the enclosed map [not printed].

From Auckland we proceeded to Wellington, arriving there on the 11th September, on which date conferences were held with the Acting Prime Minister and other Cabinet Ministers upon the general subject of our mission.

Having discussed the terms of the assisted-passage agreement referred to in paragraph 2, Ministers made it clear to us that no other agreement was at present contemplated under the Empire Settlement Act ; that the Crown lands available for selection were strictly limited ; and that such lands were already being largely applied for by residents in the Dominion.

The absence of any specific land-settlement scheme for British settlers naturally affected both the scope and immediate value of our inquiries. We trust, however, that the information contained in this report may be helpful in the event of any development of land policy in the future.

4. MEETINGS.—Leaving Wellington on the 12th September we visited all the centres named in the itinerary, completing the work in Auckland on the 5th October.

Public meetings were arranged for and addressed by us in most of those centres, and on all such occasions we explained that our primary concern was to explore the possibilities for settling people on the land ; to examine the arrangements for the reception and welfare of new settlers ; and generally so to acquaint ourselves with actual conditions that we might report upon the facts in a clear light.

Representatives of many sections of the community attended the meetings, at which useful discussions and conversations took place.

We also availed ourselves of every opportunity for getting into personal touch in the country with as many leading men, farmers, individual settlers, and agricultural workers as possible.

Not only were we thus able to glean information, but we have reason to believe that the publicity given to our visit aroused a good deal of public attention to the pressing importance of the problem of migration in its widest sense.

II. METHOD OF DEALING WITH IMMIGRATION.

5. THE NOMINATION SYSTEM.—The flow of immigration into New Zealand is now largely regulated by what is known as the " nomination system," which applies exclusively to residents in the United Kingdom, and may briefly be described as follows :—

Under certain conditions, permanent residents in the Dominion may nominate for assisted passages under the Empire Settlement Act any persons residing in the United Kingdom, provided that they do not fall within the prohibited immigrant class. (Appendix C.)

The nominator enters into the following obligations :—

- (a.) That he will find employment for his nominee ;
- (b.) That he will make provision for the nominee's maintenance after arrival in the Dominion ;
- (c.) That the nominee will reside in New Zealand for at least five years ;
- (d.) That, if the representations which he makes are found to be incorrect, he will pay the difference between the full passage-money and the assisted rate.

Nominators are warned that assisted passages cannot be granted to unhealthy persons, and that when cases of lung, chest, or other like complaints are discovered in any member of the family by the Medical Officer at London, Liverpool, or Southampton the whole family will be forbidden to embark.

Assisted passages are available only to those persons who are British by birth and parentage.

Employers and social institutions may nominate specific persons, or individuals or groups to be chosen by their own representatives in London, or by the High Commissioner for New Zealand, on their (the nominator's) behalf.

Bona fide general servants, cooks, housemaids, parlourmaids, waitresses, laundresses, or nursemaids, between the ages of eighteen and forty years, may be nominated for free passages, under the same general conditions as those persons nominated for assisted passages, provided they undertake to spend their first year in approved service.

The general procedure in carrying out the above method of nomination is described in Appendix D. One of its many advantages is that it assures a friendly welcome on arrival and assistance to the settler at a time when he is most in need of advice in establishing himself in a new environment.

The system has been in operation for some years past, and is generally admitted to have had very satisfactory results.

Consideration has recently been given to a proposed extension of the scheme under which certain approved bodies—such as the Churches—may submit group or collective nominations, the nominators' responsibility being undertaken by the body as a whole.

The object in view is to enable the Churches and other voluntary organizations overseas, working through local committees, to obtain guarantees of employment and accommodation from their members, and to allow them, through the official channels, to nominate families on the strength of such guarantees. The voluntary societies would undertake to recruit the families in the United Kingdom.

We believe that by this means the rate of migration can be considerably increased, and that the needs of the Dominion can be met in no better way at the present time.

6. ASSISTED PASSAGES APART FROM THE NOMINATION SYSTEM.—Domestic workers other than those mentioned in the preceding paragraph are chosen by the High Commissioner after application, and are sent to New Zealand under the supervision of one or more responsible matrons. On arrival in the Dominion they are met by women officers of the Immigration Department. Those with work already arranged, or with friends to whom they can go, are sent direct to their destination. Those without friends or work are in the first place accommodated at Young Women's Christian Association hostels. Each case is considered, and the girl is placed with an employer. During her twelve months' service the Superintendent keeps in touch with her by correspondence and, when necessary, gives her any advice she may require. The books of the Department are open for the registration of employers desiring the services of these domestics.

Assisted passages are also available, without nomination, for special classes of workers who may be particularly required in the Dominion. Such passages are restricted to those actually required to meet shortages in industry. Requirements are regulated by instructions from the New Zealand Government to the High Commissioner for New Zealand in London.

7. RECEPTION AND DISTRIBUTION OF SETTLERS.—Provision is made by the Immigration Department for the reception of settlers on arrival; for the supply of any such information as they may require; and for despatching them to their different destinations as speedily as possible. The usual method of dealing with the new-comers is as follows :—

- (a.) Immigration Officers proceed to the vessel with the Port Health Officer.
- (b.) Letters of advice are handed to each settler as he passes for health inspection.
- (c.) Railway and coastal steamer tickets are issued in lieu of contract tickets.
- (d.) Accommodation is allotted, if required.
- (e.) Employment is provided, or particulars of the settlers' wishes are taken.
- (f.) Telegrams are taken for despatch to friends or employers.
- (g.) British Treasury notes are changed to New Zealand money at par.

These preliminaries are completed before the vessel berths.

After the landing of the settlers, Immigration Officers assist them to pass their luggage through the Customs, and departmental officers accompany them to connecting boats and trains.

We have discussed these arrangements with the authorities, and are satisfied that they adequately meet existing requirements.

III. WELFARE ARRANGEMENTS.

8. VOLUNTARY ORGANIZATIONS—

(a.) *Welfare League*.—This is a league which interests itself in the general welfare of all new-comers within certain urban areas.

Representatives of the league at Wellington expressed themselves willing to take up the matter of advising incoming farmers with capital as to the selection of land, so as to guard them against purchasing unprofitably.

Such a body of voluntary advisers, having no interest in the sale of land, and to whom introductions could be given, would be of real help to young men without local experience but with a small amount of capital.

Generally speaking, however, all settlers are advised to gain local experience by working on an existing farm before attempting to start farming on their own account.

(b.) *The Salvation Army*.—A keen interest is taken in the immigration question by the Salvation Army, and its organization is of great assistance in receiving and establishing many of the new-comers.

During the last three years its officers have found accommodation for 4,519 immigrants and placed 960 in employment.

(c.) *The British Isles Club*.—This club was opened in May last for the purpose of providing a reunion centre where Britishers already settled in the life of the community may get into touch with new-comers from the United Kingdom, may accord them a friendly welcome, and may advise and encourage them in their new environment.

The club is well supported and includes in its membership a number of experienced business men who readily assist those who desire to avail themselves of their services.

One of the objects of the institution is to find suitable employment and accommodation for the new-comer, and considerable assistance has already been afforded to British migrants.

The club hopes to be able to open up branches in other parts of the Dominion, and arrangements are now in progress to establish a branch at Wellington.

All interested persons are cordially invited by the committee to communicate with the secretary of the club, Shortland Street, Auckland.

(d.) *The Young Women's Christian Association*.—This association acts in co-operation with the Government in providing temporary accommodation for selected domestics workers and encourages

them to keep in touch with the association, which is always ready to assist them in finding employment or to afford them hostel facilities. Clubs and social amenities are provided at all the chief centres in the Dominion, where women of all types and classes are made welcome. The buildings of the association in Wellington and Auckland were inspected and found to be excellent in every respect.

Domestic workers on arrival are taken to the association's hostel, where twenty-four hours' free board and lodging is provided at the expense of the Government, and from whence each girl is sent to her place of employment. In cases of girls travelling to country districts, representatives of the association meet each new-comer at the station of arrival and ensure her safe reception at the employer's house.

(e.) *The Victoria League*.—The Victoria League carries on organized work in most of the more important towns, and co-operates with the Women's Branch of the Oversea Settlement Committee by receiving introductions from the branch and assisting women, thus introduced, in any way that may prove possible. Positions are often found for those in need of employment, and social welcome to new-comers is always provided by the league to British settlers from overseas with whom its members can get into touch.

(f.) *The Girl's Friendly Society*.—The Girls' Friendly Society has established hostels in various centres, where temporary accommodation can be obtained by new-comers or other women settlers. Clubs and social amenities organized in connection with the hostels are open to all British girls, whether members of the society or only of the general public.

(g.) *Returned Soldiers' Association*.—The work of this association in connection with ex-service men is referred to upon page 6.

We see no reason for suggesting any improvements in, or extension of, the activities of these voluntary societies, which are of considerable assistance to the new settlers.

9. UNASSISTED MIGRANTS.—The Government Immigration Department has a working arrangement with the Salvation Army to provide whatever temporary accommodation may be needed for unassisted migrants who do not enter the Dominion under the Empire Settlement Act. Two of the private hotels available for this purpose at Auckland were inspected and found to be well managed and comfortable.

Steps are also taken by the Department to secure early employment for such persons. For this purpose it acts as a Labour Bureau, and has experienced little difficulty in obtaining situations for suitable migrants.

IV. CLASSES OF MIGRANTS.

10. FARMERS.—An experienced farmer with a sufficient amount of capital will find good opportunities of establishing himself. It is always advisable, however, that he should gain local experience before buying or leasing land by working for a qualified agriculturist. Officials of the Agricultural Department will be ready to give him practical advice upon this point.

When he has acquired the necessary experience, he may have a choice of sheep-farming, stock-raising, dairying, fruit-cultivation, or mixed farming. The further afield he is prepared to go the cheaper will be his land and the better his chance of larger returns in the end. But pioneering work, of course, involves hardships, risks, and isolation—perhaps for many a year—and, generally speaking, it is better to leave the development of new lands in the backblocks to those already in the country, who understand how to overcome the difficulties and are accustomed to the conditions of the bush life.

11. AGRICULTURAL WAGE-EARNERS.—There is a good demand for young active men who have agricultural experience, or who are willing to take up general farm-work as wage-earners. The minimum award rates of wages at present are—General hands, milkers, ploughmen, shepherds, from 25s. to 40s. a week, with board and lodging.

It will be understood that the rates vary in different parts of the country and according to the skilled or unskilled nature of the work.

12. INDUSTRIAL WORKERS.—There is a shortage of workers in the building trade, particularly of bricklayers and stonemasons.

A few miners are also required with experience in mining for coal, gold, and other minerals.

Otherwise there is little demand at the present time for any other industrial workers.

13. JUVENILES.—We are in entire agreement with a widely expressed view, which met with unanimous support at many of our meetings, that satisfactory results may be looked for in any State aided and controlled scheme of juvenile migration.

It would afford an excellent opportunity for a large number of young lads in the United Kingdom to obtain a training in farm-work with an ultimate prospect of becoming farmers on their own account.

Their services would be very welcome in the country, and would help to develop the agricultural industry, upon the progress of which employment in the secondary industries is to a great extent dependent.

A further advantage of this form of migration, though of minor importance, is that it involves a comparatively small cost to the State and does not give rise to any difficulty with regard to housing.

We understand that the Government is already prepared to accept any number of public-school boys who may be nominated in New Zealand by farmers, institutions, and other approved nominators, on the condition that the right of selection is retained in the hands of the High Commissioner in London.

It may be noted that a Master and Apprenticeship Act was passed in 1920, which provides for indentures of apprenticeship to be executed in England. A copy of this Act is annexed (Appendix E).

A special interest is taken in this question by the following organizations:—

(a.) *The New Zealand Farmers' Union*.—This body laid before us a memorandum in favour of the introduction of boys for farm employment (Appendix F). They referred to the success of the

Sedgwick scheme in 1911, and of the Government scheme in 1914, and suggested that, as an experiment, one hundred boys might be selected in England and allotted to farmers in accordance with the procedure indicated in their memorandum.

It will be observed from a quotation from the annual report of the Immigration Department for 1915 that "The experiment of introducing boys with some farming experience at home for farm-work in New Zealand has proved successful, and the results justify further trials on a large scale. Hundreds of applications have been received by the Department from small farmers who require this class of labour, and as soon as it is possible to resume a more active immigration policy attention will be given to the immigration of farm boys."

(b.) *Taranaki Chamber of Commerce*.—Tentative proposals were submitted to us on behalf of this Chamber in New Plymouth with a view to the enrolment of public-school boys, to be placed with approved farmers of standing in the district. As a result of our discussion with the chairman of the immigration committee of that body, we were advised that a definite scheme would be put forward to the Government Immigration Department in the hope of eventually arranging for the introduction of about one hundred boys.

It was suggested that if the Imperial and Dominion Governments will provide assisted passages under the existing agreement the local committee will undertake to receive and place the boys with reliable farmers and take an interest in their subsequent general welfare.

(c.) *Christ's Hospital*.—The authorities of this institution have made arrangements for a few boys to be received on Mr. Vernon Reid's farm in the North Auckland district. Unfortunately, it was not possible for the delegation to pay a visit to the farm.

(d.) *The New Zealand Sheepowners' Acknowledgment of Debt to British Seamen Fund*.—The trustees of this fund brought to the notice of the delegation a scheme which has been established for the purpose of training certain lads to become farmers on their own account in the Dominion.

The scheme is of so generous a character and offers such advantages to the class of boy concerned that we set out its particulars as follows:—

Lads are eligible between fourteen and sixteen years of age whose fathers, or those on whom they were dependent, served in His Majesty's Navy or in the British mercantile marine and died as a result of wounds or injuries sustained or illness contracted whilst engaged on service at sea during the war, or, if living, are suffering from wounds or injuries sustained or illness contracted whilst engaged on service at sea during the war.

Youths over sixteen may also apply, and particularly those who have just completed, or are about to complete, their education in a secondary school.

Good moral character, as well as sound health and physique, are essential qualifications.

Parents or guardians must enter into an agreement placing the lads under full control of the trustees for four years or, in the case of lads over seventeen years of age, until the completion of their twenty-first year.

An advisory committee in London will select the lads, who must be in a position to comply with the immigration regulations, each selection being subject to the final approval of the High Commissioner for New Zealand.

A preliminary training for six months is to be provided on a farm in New Zealand, which has been especially equipped for the purpose. The lads will thereafter be indentured for three years to farmers.

Board, lodging, clothing, and pocket-money will be met out of the fund during the period of training, and suitable arrangements made for the education and care of indentured lads. The wages during indenture will be approximately 15s. per week for the first year, 20s. per week for the second year, and 25s. per week for the third year, exclusive of board and lodging. Wages are not to be paid in full, but the lads will receive certain approved sums for pocket-money and clothing, the balance being placed in the bank in the name of the trustees and the lad concerned.

Free passages are available under the assisted-passage agreement with the New Zealand Government, and precautions are taken for the lad's care and discipline on the voyage. Each lad is expected to provide himself with an outfit, of which particulars will be supplied, the expenditure on such outfit, up to a maximum amount, being met by the fund.

14. **CHILDREN**.—Free passages are granted to children accompanied by their parents under the assisted-passage agreement, but child migration is not directly provided for under any other form of State assistance.

The Salvation Army have established a model farm school for children near Putaruru in North Auckland.

A visit was paid to this institution, which consists of a well-equipped home with large open dormitories and all necessary accessories, a good school, and a separate building for a few older boys over fourteen years of age. Temporary work is found for the latter upon the property until they can be placed in employment with approved farmers.

Of the eighty children at present on the farm, twenty had recently arrived from the United Kingdom.

The school building and master's house are the property of the Salvation Army, but the teachers are provided by the Education Department.

The school is also attended by twenty pupils from the surrounding district.

The farm has only been in existence about five years, but a good deal of the land has already been brought under pasture, and the farm operations offer a rudimentary training for the older boys.

15. **EX-SERVICE OFFICERS AND MEN**.—The actual experience of recent settlers affords the best guide for those who contemplate settlement on the land in the future.

Information from this point of view was obtained by personal interview with upwards of one hundred British settlers and about sixty returned soldiers.

The latter had acquired holdings under the Government scheme, and the former included both farm owners and labourers, almost all of whom were satisfied with their prospects.

The delegates met with instances of three or four ex-officers working conjointly on one farm. In each case they were doing well, their principal occupation being fattening of lambs.

By this method of co-operation a saving can be effected in the "labour bill," and more time afforded for improving the land and managing the farm. It is specially suitable for ex-officers who have ideas and habits of living in common, and the Immigration Department will give every assistance to such officers as may agree to pool their capital and work together on these lines.

Officers or men possessing a capital of a few hundred pounds will find good openings as share farmers, this form of farming being common in the dairying districts of both North and South Islands, but they should be ready to work for the first year or two as farm labourers, in order to gain experience of the farming methods of the country.

The usual arrangement is for the owner to provide the land, stock, equipment, &c., and for the sharer to furnish the labour. The former takes two-thirds and the latter one-third of the monthly receipts from the butter-factory, and usually 50 per cent. of the profits on the sale of calves and pigs.

At present it is difficult for men with capital of a thousand pounds and upwards to buy land at a price that would yield a good interest on the capital invested, though conditions may undergo a change during the next few years.

Most soldier settlers have been established, and met with success, upon farms used for dairying and fattening lambs. In fruit-farming, however—especially in the Nelson District—many have encountered difficulties which seem to preclude success under existing conditions.

The demand for farm hands is general, but men without means should not arrive in New Zealand during the months of June, July, and August, when there is little employment for newly arrived unskilled labourers.

Generally speaking, farmers have been suffering from a period of depression during the last three years, mainly because of the inflation of land-values after the war, and of the fall in prices of stock, buildings, &c., since 1921. But a considerable improvement took place in 1922, when the value of butter and cheese exported increased by £5,000,000 and of wool by £2,500,000.

Though there is no Government scheme for placing settlers on the land, it may be noted that about seven thousand migrants arrived in 1922, the majority of whom are prospering on the land either as farmers or farm labourers. There is good reason, therefore, to believe in the prospects for soldiers who determine to settle on the land.

Ex-service men can rely upon receiving advice and assistance from the Immigration Department, and also from the Returned Soldiers' Association, many ex-Imperial men having testified to the valuable help extended to them through the various branches of that organization. The association offers the same advantages to the ex-Imperial as to the New Zealand returned soldier. A number of ex-soldier settlers have been assisted financially, and employment has been found for others. We desire to express our appreciation of the excellent work thus done by the association.

LANDS.

16. DESCRIPTION OF COUNTRY.—The Dominion of New Zealand—apart from the mandated territories—consists of two main Islands and a number of small islands adjacent to them.

The area of the North Island and the islands attached to it is 44,130 square miles, and of the South Island 58,120 square miles. Their combined area is therefore 102,250 square miles, which is 13,505 square miles in excess of that of Great Britain.

The North Island is irregular in shape. It is about 500 miles long and 175 miles wide in the centre. It tapers to a long thin point in the north and narrows considerably to the south.

The South Island is about the same length, but is more uniform in shape and varies from 100 to 150 miles in width. The coast-lines of both Islands are in many places deeply indented.

It is estimated that one-tenth of the surface of the North Island, and a still greater proportion than that of the South Island, is mountainous.

In the North Island the mountains do not exceed 6,000 ft. in height, but in the South Island they are much higher, many of the peaks in the Southern Alps—the great range that runs almost the entire length of the Island—being over 10,000 ft. in altitude.

Many rivers flow rapidly from the mountains until they reach the low ground in the bottom of the valleys, when they lose their velocity and become very wide. They are not of much use for navigation, but they will undoubtedly be turned to good account by generating electric power for distribution amongst the farmers. There are also a great number of lakes varying from 238 square miles to three square miles in area.

It might be supposed from such a bald statement that, though the country may be very picturesque, it is not specially suitable for agricultural purposes. Naturally the area occupied by the rivers and lakes, which is by no means inconsiderable, is useless for farming, and the combination of mountains and rivers renders transport costly and difficult. The amount of arable land is also limited, but what there is of it is usually very good. There is far more and better grazing on the mountains than might be supposed. The Dominion is in fact extremely fertile as well as very beautiful.

Other physical features which may not concern the farmer as intimately as those already mentioned, but which are remarkable and not to be overlooked, are the evidences of volcanic and thermal activity, and of seismic disturbances, which are manifest throughout both Islands.

There are several volcanoes which erupt from time to time, though only on a small scale, and there are also an extraordinary number of hot springs and geysers.

It is stated in the Official Year-book that "since the earthquake of 1855, which raised the level of the land in the neighbourhood of Wellington Harbour about 5 ft., there has been no shock in the New Zealand region proper which has at all approached the destructive phase," and that "earthquakes in New Zealand are rather a matter of scientific interest than a subject for alarm."

Climate.—The climate of New Zealand is one of the most delightful in the world for white people to live in and to carry on farming operations.

It is eminently suitable for the growth of a wide range of crops, and the keeping of the breeds of live-stock commonly met with in this country. Much the same methods of farming are practised in New Zealand as are pursued in Great Britain, only under more agreeable and favourable conditions.

In a country extending approximately 1,000 miles north and south with great variations in altitude it is natural that the temperature should vary considerably, but on the whole it is very equable and healthy, and pleasant for man and beast.

In the North Island the weather is mild throughout the year. The temperature is more varied in the South Island, the summers are hot and the winters cold, but the air is so clear and dry that both are enjoyable. Except on the mountains, where snow, and in some places glaciers, exist, the climate is by no means rigorous.

Rainfall.—On the whole the rainfall is excellent. In the North Island it averages from 35 in. to 45 in. per annum, with considerably more in some parts and rather less in others. In the South Island it is somewhat lower, and in Central Otago, which is the driest part of the Dominion, the average decreases to 15 in. to 20 in. per annum.

As a rule, the rainfall is reliable and is well distributed throughout the year, though even in the most favoured parts droughts occasionally occur.

Another very delightful and, to the farmers, extremely helpful feature is the amount of sunshine that is enjoyed, despite the amount of rain and the number of days per annum upon which it falls.

Soils.—Owing to the broken and diversified nature of the country, the soils vary greatly in character. Some, both on the flat as well as on the sides of the mountains, are of poor quality, but on the whole they are good for farming.

Many of the valleys and plains, consisting of deep alluvial soils, are extraordinarily rich, and excellent soils are also found on the sloping sides of many of the mountains.

A good deal of low-lying and swamp land—too wet and sour to be of use in its natural state—has been drained by the Government and converted into magnificent grazing and cropping land. Reclamation of other water-logged areas is proceeding.

Lime is needed in many parts, and the demands made upon the soils by the heavy growth of crops and grass render the application of phosphates necessary.

It is a common practice on the best grass and arable land to apply about 2 cwt. of superphosphate or its equivalent per acre per annum.

In its natural state the country was covered with dense forest or bush, and, as in most new countries, there has been a lamentable waste of timber.

Steps are now being taken to preserve and control the forests on Crown lands, and a certain amount of reafforestation is being carried out. But a good deal of waste is continuing.

17. LANDS, ALIENATED OR AVAILABLE.—According to the Official Year-book for 1923 the condition of the land of the Dominion is as follows:—

	Aeres.
Total area held on freehold	17,952,017
Total area granted under Acts without money payment or held for public purposes	9,978,608
State forests	1,689,511
Provisional State forests	5,404,806
Total area of Crown leases	18,964,512*
Total area open for selection	426,245*
Total area of Native land	6,308,155
Estimated area of barren and worthless land	2,530,917*
Estimated area occupied by roads, rivers, lakes, &c.	2,288,117*
Total area remaining for future disposal (excluding land classified above)	2,481,856*

It will thus be seen that by far the greater part of the land of the country is held by private persons either on freehold or on lease from the Crown or by the Natives, and that the amount of Crown land available for settlement is not large.

As in other parts of the world—more, perhaps, on accounts of its particular advantages—land in New Zealand suitable for farming has been eagerly sought after for many years past.

So keenly has land approved of for farming been taken up—especially for dairying and sheep—that we saw dairy farms situated on the sides and tops of hills and mountains that could not be reached by wheeled vehicles, being accessible only by means of saddle and pack animals. Even the timber for the houses and furniture (in some cases pianos) had been "packed."

The Under-Secretary for Lands states that in October last there were 660,000 acres of land available for selection, 204,290 acres under survey, and 900,500 acres to be put under survey. According to the description of the land by the Department, the greater part of it is poor, hilly, or broken ground or light pumice country.

The only considerable areas of unoccupied land brought to our notice were what are known as the green lands and the pumice lands in the North Island.

* Includes portions of 1,732,512 acres of provisional State forests shown under previous heading of "Provisional State forests."

In the southern part of the South Island we inspected considerable areas of land that had been developed by private owners as irrigation settlements, or were in process of development as such.

The land was situated in valleys surrounded by mountains, or on plains near to mountains, and consisted of alluvial and perhaps glacial soils, varying from fine silt to coarse gravel and shingle.

Much of it was of good quality and suitable for the growth of deciduous fruit and lucerne. The latter is a very profitable crop, and it is hoped that fruit will also prove to be so, though the marketing of it in the United Kingdom is still rather in the experimental stage.

Gum Lands.—The gum lands, which derive their names from the nodules of fossilized gum or resin found in the soil upon which kauri forests formerly grew, are situated on the narrow strip of land that extends some 200 miles north of the City of Auckland.

The lands are not very accessible except by sea, and, as our time was limited, we were unable to visit them.

We gathered from officials of the Lands and Agricultural Departments, who were familiar with these lands, that they extend over about 1,000,000 acres. The soil, which has been worked for the gum, is of a clayey nature and capable of being converted into good grass land, but the process entailed would be lengthy and expensive. Owing to the wet climate, work would only be possible during a limited part of the year. The land would have to be fallowed for a year after levelling, and also limed. After the pastures were established they would need some 3 cwt. of superphosphates per acre per annum.

It was thought that to bring the land into cultivation would probably cost about £12 per acre, and that it might ultimately be worth about £25 per acre.

A large number of persons are engaged in digging gum, the export of this product last year being valued at £520,409. Since gum-digging began £19,505,017 worth has been exported. We were told that some of this land has already been settled by Moravians and Czecho-Slovaks, who combine digging with farming. Reclamation and settlement on such lines do not appear to be well suited to British settlers as a rule.

Pumice Lands.—Some of the "pumice" country between Cambridge and Rotorua was traversed. The soil is so called owing to the layer of powdered pumice or volcanic ash existing either on the surface of the ground or a short distance below it. The Commissioner of Lands for the district, who has known the country for many years, considers that if fully improved the land might possibly carry one beast to 3 acres or one and a half sheep per acre, but that the necessary preparation would involve considerable time and expense.

The rainfall is good, but water is often scarce owing to the porosity of the soil.

In the past the Government made free grants of pumice lands to settlers. The chemist of the Department of Agriculture, who has conducted experiments on such lands, stated that they vary considerably in value, and that the quality depends upon whether the pumice exists as originally deposited from the air, or whether it has been transplanted and redeposited by water. In the former case it is very light and dry and easily lifted by frost in winter, whilst in the latter it is firmer; both classes are deficient in humus and phosphates. Turnips and clover can be grown if the land is fertilized, but the former would be profitable only if grown in conjunction with pasture. To consolidate the soil, to incorporate into it a sufficient quantity of humus, and to establish grass well enough to keep stock growing would be a lengthy and expensive business.

As far as could be ascertained, the general opinion is that, as a rule, pumice land is difficult to handle and that it is wiser to leave its reclamation to the local farmer, who knows how to treat the soil and can reclaim portions of it gradually, in conjunction with other farm-work.

Other Lands.—From time to time a certain amount of Crown land will be drained or otherwise reclaimed and rendered available for settlement, but the greater part of the land needed for settlement purposes in the future will have to be acquired by the Government—either by the resumption of Crown leaseholds or by purchase—and resold to settlers, or bought from private owners by the settlers themselves or by persons acting on their behalf.

According to the Year-book, much of the land legislation of recent years has been in the direction of preventing large areas of good land from being acquired or retained by single individuals, and under the various Land Acts the Minister of Lands has the power compulsorily to acquire land that may be needed for closer settlement, unless the owner elects himself to subdivide it for sale.

The Land Purchase Controller states in his report for 1923 that 1,980,045 acres of land have been purchased by the Government under the Land for Settlements Act, 1908.

Private owners have also shown a disposition to subdivide their holdings. In some instances such action is no doubt due to hints from the Government, but for the most part it has been owing to the tendency for farms in the more fertile districts to be reduced to one-man propositions.

The average area in 1922-23 of occupied holdings of over 1 acre and including the big sheep-stations and the rough grazings attached to them was 510 acres.

In the North Auckland Land District, which has an area of 3,025,246 acres, the average holding was 221 acres, and in the Taranaki District 261 acres.

It would appear, therefore, that though there is still scope for closer settlement in some parts the opportunities are not unlimited.

18. PRICE OF LANDS.—The price of land is high. This was the case before the war, and subsequently it increased to such an extent that farms sold since peace was declared have often realized two or three times their pre-war value; in some instances even more.

In a country so fertile and highly favoured by nature, where farming can be pursued so cheaply, one would naturally expect the land to be valuable.

The 1,980,045 acres of land bought by the Government since 1908, most of which was presumably purchased before the war, cost, roughly, £6 10s. per acre.

The highest-priced land is to be found in the best dairy and fat-lamb districts.

In the Taranaki District, which is said to excel the world in the production of butterfat per acre, a dairy farm of between 50 and 60 acres was sold for £205 per acre at the "top of the boom." It is now said to be worth about £150 per acre, and prices of £100 to £150 per acre are common. At Cambridge a farm sold for £110 per acre was now quoted as probably worth £80 per acre, and at Masterton 200 acres of land, without any buildings upon it, was said to have realized £105 per acre.

At Whakatane, Gisborne, and Hastings—all magnificent districts in the North Island which we visited—land, with few if any buildings upon it, had realized up to £100 per acre, when prices were at their summit. Farms with good houses upon them were, of course, proportionately higher priced.

In the Hauraki Plains country (in the Auckland District) 1,173 acres of land had been bought for a soldier settlement at £52 10s. per acre.

At Omeheu, in Whakatane County, 486 acres were bought for returned soldiers for £40 5s. per acre, and another 1,009 acres for £27 per acre.

In the South Island, where the rainfall is rather less and the winters in many parts colder, the price of land is not quite so high as in the choicest parts of the North Island; but it is by no means low, and, as in the latter Island, it varies greatly.

In the South Island a good many pasture and mixed farms were seen that were worth in the neighbourhood of £30 per acre; others that were worth more, and many that were worth less. A big sheep-station that had been bought by the Government for £6 per acre was visited, as was also a large privately owned estate that had been divided and sold for from £4 to £12 per acre before the time of the land boom.

It must not be thought, however, that the whole or nearly all of the land of the country is valued as highly as the special areas referred to. As a matter of fact, a good deal of land can be bought at cheap rates.

For instance, in Whakatane County in the North Island, where such high prices have been given for some land, a block of 7,976 acres was bought for £2 per acre, and a large proportion of the 660,000 acres of Crown land now open for selection is being offered at almost nominal sums of from 5s. to 40s. per acre. Much, too, of the 1,100,800 acres that are being surveyed, or are about to be surveyed, will be disposed of on the same terms.

In order to facilitate the settlement of the poorer land, which was not being taken up satisfactorily, provision was made in the Land Laws Amendment Act, 1919, for the issue of freehold titles to poor land free, after compliance with certain conditions. Provision was also made for advances to the selectors of such lands to enable them to carry out improvements and bring the holdings into a state suitable for farming.

According to the Commissioner of Lands for the Auckland District, large areas of the poorer pumice lands in the Rotorua-Taupo district will be offered on similar terms.

We were not able to ascertain the average price of the farm land throughout the Dominion, but for the sake of comparison with the prices we have quoted it may be stated that, according to the Secretary for Agriculture in the United States of America,* the average value of farm lands in that country in 1922 was \$79 per acre, and in Canada \$40 per acre. Between 1914 and 1920 the average value of farm land in the United States of America increased \$35 per acre. |

It would be wrong to think that the price of land has been arbitrarily fixed regardless of the returns obtainable from cultivation, or that the lower-priced land is necessarily likely to prove more profitable than the more expensive land.

The booklet on Dairy-farming in New Zealand, published by the Department of Agriculture in 1921, says, "Land-values have a fairly close relation to the returns from the land concerned." The statement is made in connection with dairy land; but as far as could be ascertained it is equally true of other lands.

There is, of course, always great scope for knowledge and judgment in the valuation of land. Some districts may develop whilst others may not, and bargains may be made by good judges or fortunate persons. But on the whole the value of the different farms and of the different classes of land appeared to be fairly apportioned.

Whether the value of the whole of the land of the country is not too high is another matter.

In common with the rest of the world the value of land in New Zealand mounted up enormously after the war, owing mainly to the high prices for produce then prevailing, though the extensive purchases by the Government for the settlement of returned soldiers, and the speculation which was inevitable in such circumstances, also contributed to the rise.

Farmers are now finding themselves involved in the same difficulties as are being experienced in other countries, in consequence of prices of produce having fallen more rapidly than the cost of production, and it seems probable that the price of land will have to be reduced in accordance with the altered conditions.

The returned soldiers in New Zealand have been promised a revaluation of their holdings. The Under-Secretary for Lands points out that "owing to the falling-off in the demand for improved lands by discharged soldiers, and through the high prices asked for suitable properties, very few estates have been acquired by the Government for subdivision and closer settlement during the past year or two, as it has been recognized that it would be well to refrain from purchasing until the prices of land and farm-produce have become more established."

The fear of readjustments in the value of land need not, however, deter any would-be settlers from going to New Zealand, for any changes that are likely to occur will have taken place before they arrive and are ready to take up land. In any case, owing to the nature of the country and to

* Page 26, Report on the Wheat Situation, Washington, 1923.

the kind of produce exported from it, New Zealand is likely to be as little affected by the reduction in the purchasing-power of Europe as any other part of the world.

As regards the purchase of low-priced and high-priced land, everything depends upon the returns to be obtained, and it frequently happens that so-called cheap land is proportionately dearer than the more expensive.

In a little book on Dairying*, referred to with approval by the Department of Agriculture, the author says, "The purchase of the best land for dairying cannot be too highly recommended even at the high prices ruling. The author knows instances of men on 50 acres of good dairying-land paying a rental of £4 per acre and yet making £500 a year, whilst others on a like area can only just make both ends meet when paying little or no rent."

The statement is made with reference to land for dairying, but it is equally applicable to other classes of farming.

It is significant that nearly the whole of the land the Government has for disposal is low-priced. The better land is soon taken up despite the higher prices charged, while the poorer land remains unsold.

VI. AGRICULTURE.

19. DEPARTMENTAL ACTIVITIES.—The Government is actively engaged in opening up the country, affording people opportunities of establishing themselves upon the land, and in promoting the interests of the pastoral and agricultural industries through the Department of Lands and Agriculture and other agencies.

The Lands and Survey Department, which is naturally of great importance in a young country like New Zealand, is efficient and helpful. We had the pleasure of meeting many of its officers and of travelling through their areas with them, and were impressed with their knowledge of the country and of the circumstances of the settlers upon the Crown lands.

The Department is responsible for land-drainage, and as the result of its operations in that direction large areas of most fertile land have been rendered available for occupation, and other areas are in process of reclamation.

The Department of Agriculture is well organized and has an earnest and highly competent staff, with a professional officer at its head, and is rendering good service to the country. The safeguarding from diseases of the live-stock of the country, and the promotion of the export of meat, dairy, and other produce naturally occupy its principal attention, but it is becoming increasingly helpful to the farmers in many other ways. Excellent work, though somewhat limited on account of the restricted facilities available, is being done by the Chemical, Biological, and other Sections.

No provision is made for higher agricultural education by the State, this being left to the Canterbury Agricultural College, which, though independent of the Government, was originally established and endowed by the State. The Department is doing a good deal in the way of advising and instructing farmers, however, through the medium of the Head Office and of a number of itinerant instructors who are stationed at various centres throughout the Dominion, and it also maintains several experimental and demonstration farms.

It was possible to inspect only one of the "State farms," as they are called—that at Ruakura, near Hamilton, in the North Island. It would be difficult to find one better laid out or equipped, more fertile, or better managed. According to information placed before us, the other farms are equal in excellence. If this is so, the Department and those in charge of them are much to be congratulated.

After the war the farms were used as training-centres for returned soldiers, for which purpose they are admirably adapted. At the present time they are being utilized in connection with the provision of short courses for youths, as well as for the instruction of farmers and school-teachers. These courses are very popular and cannot fail to be helpful to all who can attend them.

If the delegation be permitted to offer a suggestion they would recommend that the scientific and educational work of the Department should be extended. It is true that a good deal has already been done in that direction and that more is under consideration. The quality of the work done is excellent, but the provision for it appears to be still short of the needs of the country. Scientific work is fundamental in character, and, as with other industries, and perhaps to a greater extent than with many of them, the progress of agriculture depends upon the success achieved by the scientist in investigating the basic problems connected with the industry, and by the administrator and educationalist in utilizing and making known the lessons to be learnt from those researches.

The foundations for the extension recommended have already been well laid in the Department at Wellington and at the State farms. The latter in particular appeared to afford exceptional opportunities for agricultural education and research, and it is to be hoped that by the extension of their scientific and educational staffs and expansion in other directions it may be possible to make full use of the advantages offered.

As has been said, agricultural education is provided at the Canterbury Agricultural College, near Lincoln, in the South Island. This institution, with great forethought, was founded and endowed by the Provincial Government of Canterbury in 1880. It is thus amongst the oldest of the Agricultural Colleges in the British Dominions. The College is managed by a Board of Governors and maintained by the endowments made by the Provincial Government and by revenue from the farm and students' fees. There is accommodation for fifty-one students. The College buildings are good, and the grounds very attractive. The College has two farms, one—in the centre of which it is situated—consisting of 1,000 acres of very fine land, and another lighter sheep farm of 1,500 acres. There is

* Page 18, "Dairy-farming in New Zealand," by W. D. Powdrell, M.P., Wellington, 1922.

a good range of farm buildings, with milking and shearing sheds, and carpenter's, blacksmith's, and harnessmaker's shops, &c.

The farms, in addition to ordinary farm stock, are well equipped with high-class purebred stock of various breeds, which win many prizes at the Christchurch Show, the chief live-stock show of the Dominion. The management of the farms and the practical instruction given to the students are excellent, but, as with the Department itself and the State farms, the scientific side might with advantage be strengthened. It was understood that a move is already being made in that direction and the Government is giving a special grant for botanical investigation.

The efforts of the Government in the investigation of problems connected with agriculture have recently been supplemented by the establishment of the Cawthron Institute at Nelson, in the South Island, which was rendered possible by a benefaction from a wealthy man whose name it bears. The institute, which is mainly devoted to scientific work connected with agriculture, has made a good start, for it is organized on lines similar to those of the famous Rothamstead Experiment Station, though naturally on a smaller scale, and the Director and his staff are scientists of outstanding ability.

Agricultural education has likewise been assisted by the gift of a considerable sum of money by Sir Walter Buchanan for the foundation of a Chair of Agriculture in the Victoria University College, Wellington.

Considering the youth of the Dominion, the difficulty and expense of constructing roads, railways, and bridges over and around the mountains and across the streams, and the fact that revenues are derived mainly from the farming industry, the country may be regarded as well served by public works, and also by schools, hospitals, and other State institutions.

Reference has been made to the immense amount of power that can be generated from the streams flowing down the mountains. This power, which is vested in the State, is already being used to a considerable extent for lighting and manufacturing purposes and for distribution to the farmers. Many other schemes are in progress or in course of contemplation, and there are indications that before long cheap power for lighting and for farm purposes will be available over large parts of the country.

Co-operation.—Apart from the help rendered by the Government to the farming industry, the farmers have done a very great deal to help themselves, both collectively and individually.

The principle of co-operation has been extensively adopted; a great number of co-operative societies have been organized, and a large proportion of the farmers' produce is handled and disposed of by them.

About 70 per cent. of the butter and cheese factories are owned by the farmers, as well as a large number of the works for the slaughter, freezing, and export of meat.

The farmers obtain their supplies largely through co-operative societies. Not only have the societies establishments all over the country—some of them on an extensive scale—but they also own huge stores and office buildings in the towns.

Agricultural showgrounds and agricultural halls, which are used by the farming community for business and social purposes, were seen on all sides.

20. FARMING.

Produce.—Farming may be said to date from the proclamation of the Islands as a British colony in 1840.

Until about 1895 progress was slow. The produce which the farmers could export was limited, and the prices realized were very low.

An improvement then set in. Prices began to rise, and the development of cold storage and the improvements in transport and communication rendered possible the export of perishable produce, such as meat, butter, and cheese.

Since then the progress made by the farming industry has been astonishing.

In 1921, when prices were lower than they were during the two previous years, the exports of farm-produce and timber were valued at £42,327,351, which was just five times the value of the exports in 1895.

New Zealand has been built up almost entirely by the farming industry, and is still maintained by it. In 1921, the year referred to, 96·5 per cent. of the total exports of the country consisted of farm-produce and timber.

Pastures.—Although crops of all kinds can be grown with great success whenever the land is sufficiently level to admit of cultivation, New Zealand is pre-eminently a grazing-country.

The moist, warm, sunny weather experienced over the greater part of the country is ideal for the growth of grass, and, as it happens, much of the country which is too broken to be suitable for anything else affords excellent grazing.

Moreover, the keeping of sheep for wool and mutton, and cows for milk, which are by far the most profitable kinds of farming, and are likely to remain so, are carried out on pasture land.

Wherever the trees and bush are cleared grass grows naturally and rapidly.

Not only do the native grasses flourish, but the grasses, clovers, and other pasture-plants common to this country grow equally well, and there are now some 16,112,598 acres sown with them.

So well do these grasses and clovers thrive that a considerable amount of seed is raised from them each year for export.

The rough grazing, which in its natural state consists largely of tussock-grass and bracken, is easily improved or "cleaned," as it is often called, by good grazing methods. Thick rich pastures of artificial grasses are also quickly and easily established.

It often happens that after a "burn"—that is, after the bush has been cleared by fire—a mixture of grass and turnip seed is sown upon the unploughed ground, which is usually loose and clean.

When the turnips are ready for consumption they are fed off by sheep, and in this way the young pasture is consolidated and fertilized.

There are, of course, some neglected pastures, but on the whole the grass land is well farmed. The good stations are being steadily improved by careful grazing and management, and many of the pastures in the more intensely farmed areas are excellent. The fields are small, from 10 to 15 acres, often with wind-breaks of trees round them, and they are carefully grazed, harrowed, and fertilized. The grass itself is as free from weeds and as close and uniform as could be wished.

In the more favoured districts the grass grows practically all the year round, and the carrying capacity of the best pastures is very high. At Hastings, in the North Island, land was seen that was said to fatten six Romney wethers per acre, and it was stated that at Taranaki, the chief dairy centre, $1\frac{1}{2}$ acres of the best land was sufficient to keep a cow.

Sheep.—Before the introduction of cold storage the farming of sheep for wool was the chief industry of the Dominion.

Merinos were the first sheep to be kept, mainly in the open and hilly parts of the country—more particularly in the South Island.

When the export of mutton and lamb became possible, the merinos were largely crossed with heavier British breeds, and sheep-farming was extended to the richer pastures in the moister parts of the country.

Merinos are still largely kept on the stations and on the mountains where the heavier breeds are not so good for mustering, but the breeding and feeding of sheep and lambs for export has also become a great industry.

The Southdown-Romney is said to be one of the favourite crosses for producing fat lambs.

We saw some splendid lambs so bred, and were informed that they would average from 36 lb. to 40 lb. in weight off the ewe at about four months old.

There are now approximately twenty-three million sheep in the country, and the wool-clip last year was valued at £12,000,000, compared with £8,057,620 in 1913. In 1921, 1,927,317 sheep and 4,410,895 lambs were slaughtered for export.

Dairying.—Dairying, which was rendered possible by the introduction of cold storage, is the other great branch of the pastoral industry, and the country is admirably adapted for it.

The rich pastures produce an abundant supply of the best of foods during the greater part of the year, and in certain favoured parts throughout the whole of the year. Owing to the mildness of the climate the animals can remain out in comfort all the year round. If hay, roots, or other food is needed to supplement the pastures in times of scarcity, which occasionally occur even in New Zealand, it can easily be grown.

In such circumstances the only buildings needed are a milking-shed and some provision for feeding the calves and separating the milk. The cost of equipment, feeding, and labour are thus reduced to a minimum.

It is stated in the Official Year-book that in the famous Taranaki District, where the soil is exceptionally rich, the rainfall about 70 in. per annum, and the climate mild, more butterfat is produced per acre than on an equal area in any other part of the globe.

Milking-machines are largely and increasingly used. In 1922, 12,500 machines were in use, against 10,450 in 1921, and it is estimated that in the former year approximately 533,000 cows were milked by them, usually in what are termed "walk-through" sheds.

The greater part of the cream or milk, as the case may be, is converted into butter or cheese or other substances at the factories, where it can be handled more economically and efficiently than upon the farms.

There are now over four hundred factories in the Dominion, of which 320 are owned by farmers' co-operative associations.

In 1922-23, 66,000 tons of butter and 60,000 tons of cheese and dried and condensed milk, sugar, &c., to the value of £16,207,053, were exported. As the Minister of Agriculture proudly states this renders New Zealand "the largest exporter of dairy-produce in the world."

Owing to its suitability for small holders and to the difficulty in obtaining labour, dairying is tending more and more to become a one-man or one-family occupation, though in the case of a single man help of some kind is essential.

The Share System.—The easiest and safest method of starting dairying is on the share system. Before the introduction of milking-machines it was largely adopted. We met many men who had established themselves on farms by means of it, and were now in comfortable circumstances—in some cases very prosperous.

Unfortunately, it is not so common as formerly, and in any case owners of farms would not care to trust their herds to men without experience in milking and in the management of dairy cattle.

Leasing of land, as in England, is not common. As a rule, therefore, the new-comer has to purchase land, which is a costly and, until one has gained experience of the country, a risky business. Though the industry has progressed so wonderfully there is still room for improvement and expansion. In his report for 1922-23 the Minister of Agriculture, after stating that the number of dairy cows at present in the Dominion is 50 per cent. higher than it was five years ago, says: "Further great expansions of the industry may be confidently anticipated. Large tracts of fresh lands are being brought in and older pastures improved by top-dressing; growing of auxiliary forage crops is increasing and better feeding methods practised generally. Together with these factors is the present remarkable development of the herd-testing system, which, by gradually eliminating unprofitable animals, cannot fail to result in a steady increase in the average yield of dairy cows in the Dominion."

Stock.—Beef can be produced in New Zealand equally as well as milk, and some excellent herds of beef cattle—well grown, thick-fleshed, and full of quality—were seen, but at present the financial returns from slaughter cattle are not very satisfactory.

New Zealand is an ideal country for breeding stud stock. A keen interest is taken in this engrossing occupation, and we had the pleasure of inspecting a number of very high-class studs, flocks, and herds. The shipping companies have recently agreed to carry stud stock to New Zealand free; a wise and generous act, which should greatly benefit the live-stock industry and ultimately themselves.

A fair trade in stud stock, particularly Clydesdale horses and dairy cattle, is done with Australia, and some Romney sheep have recently been sent to South America.

The comparative freedom of the country from diseases of live-stock is an immense advantage; but rabbits and blackberries cause much damage to the pastures unless measures are taken to exclude or eradicate them. Either operation is expensive, a good rabbit-proof fence costing well over £100 a mile and needing constant supervision.

Hay, roots, and kale and all kinds of forage crops grow freely, and if food is needed to supplement the pasture it can easily be obtained.

Crops.—Wheat and other cereals grow well, yielding about the same on the average as they do in this country, and, owing to the fine climate, their quality is often superior.

Land and labour and other items in the cost of production are so high, however, that at present prices it does not pay to grow cereals for export, and their cultivation is being restricted to the requirements of the local markets, sometimes to even less than that.

A speciality of the country rendered possible by the particularly favourable condition of soil and climate is the growth of grass, vegetable and flower seeds, for sowing in Great Britain and elsewhere.

In the Marlborough District we saw samples of excellent grass and clover seed, and also pea, onion, and other vegetable seeds, some of which were grown on contract for seedsmen in this country, and others for sale on the open market. In Central Otago we visited a large farm on which flower and other seeds were being grown with great success.

Hemp.—Another speciality of the country is the fibre known as New Zealand hemp. The plant from which it is derived, *Phormium tenax*, grows wild and freely in many parts of the country. Unfortunately, it is liable to disease, and the demand for the fibre fluctuates considerably, but obviously it presents great possibilities. During the war the fibre sold well, and in 1917–18 the export of it was valued at £1,553,791, but had fallen last year to £269,453.

Fruit.—Fruit thrives in many parts of the country. Encouraged by a guarantee of 1d. per pound net to growers, apples and pears are now being exported to England. Last season the results were not very satisfactory, either as regards the condition of a good deal of the fruit on arrival, or the price; but if, as is hoped, an export trade is established on a satisfactory basis the industry should develop and provide openings for a number of people.

Poultry.—The Director of Agriculture reports that the poultry industry is making good progress, and that during the coming season it is proposed to send a shipment of eggs to London to ascertain whether a satisfactory market is likely to be obtainable for them there.

Bees.—Bees thrive particularly well in the Dominion, and last year honey to the value of £43,032 was exported.

From the above it will be seen that dairying and sheep breeding and fattening are the most advantageous forms of farming in New Zealand. Fruitgrowing is more speculative and cannot be recommended with equal confidence to the new settler.

VII. GENERAL.

21. VIEWS OF LABOUR.—Whilst participating in the general function of the delegation, Mr. Wignall took every opportunity of getting into touch with the Labour representatives, both industrial and political, and ascertaining their views on the question of migration.

He found that they were opposed to the influx of any large numbers of people, because they considered that the cities and towns were already overcrowded. They maintained that there was no settled policy of land-settlement; that no scheme had materialized under which migrants could be absorbed upon the land; and that no agreement had been entered into with the British Government to enable any land-settlement scheme to be brought into existence in the immediate future.

Throughout the two Islands Mr. Wignall was afforded every facility for discussing the question with the Labour party, of exchanging opinions with them, and of considering its problems in the broadest possible manner.

He also attended a number of meetings in the various centres at which there appeared to be an impression that arrangements were in contemplation with employers' federations for the purpose of supplying labour as required by them, which was likely to affect the labour-market and the wage question, and that in consequence of the abnormal state of unemployment in the United Kingdom the delegates were seeking an outlet in the Dominions for the surplus mass of unemployed.

Mr. Wignall was able to remove such misapprehensions; to explain the real object of the mission; and to bring about a much better understanding.

At Wellington and Dunedin the whole of the delegation met representatives of the Labour party, and heard expressions of their views. Complaints were made on these occasions as to the shortage of houses, excessive high rents, and the difficulty of obtaining accommodation in town or country.

22. ATTRACTION TO THE CITIES.—During the course of our inquiries our attention was drawn to an inclination on the part of the younger generation to settle in the towns in preference to the country. Several reasons were offered to us in explanation of this tendency.

One of the chief causes was said to be that city life offers many social and other attractions which cannot be obtained in the country. It was stated that both boys and girls feel the disadvantages of farm life, and that their influence naturally reacts upon one another. Whilst this may be the case—especially in the more outlying districts—the results cannot be helpful to the development of a country which is so dependent upon its rich agricultural resources.

We refer to these statements as they were made to us on several occasions, but it would be wholly wrong to assume that the land in any area is being abandoned; on the contrary, it is being readily taken up and subdivided, with the result that farm production is steadily increasing.

Another explanation put forward was that land-values are so inflated as to make it very difficult for young men to take up farming. It is said that there are, in fact, considerable numbers of them at present anxious to settle on the land, but are unable to procure even small holdings at a price within their means.

The existence of legislation empowering the Dominion Government to make advances to settlers for purchase of land or stock is fully realized. But the loan system would not appear to meet the primary need of new settlers who acquire land at inflated prices. A settler who borrows money in such circumstances must be hampered by a heavy debt which, even if regarded as a permanent mortgage, encumbers development and acts as a deterrent to improvement of the farm. What is required for successful settlement is inexpensive land for the improvement of which a man will doubtless have to expend much labour, but from which he will be able to reap a due reward, instead of being obliged to utilize the first fruits of all profits in paying off a debt or an annual interest which amounts in practice to a perpetual rental.

23. CONCLUDING OBSERVATIONS.—In reviewing the situation in the light of facts as presented to us certain broad issues strike attention, and to these we shall now briefly refer.

Upon the general question of policy there appears to be a marked contrast as between one extreme view which favours the immediate introduction of large numbers of immigrants without, perhaps, a full appreciation of the difficulties of their absorption, and another extreme view which insists that immigration should not be assisted or encouraged in any way until a complete solution is found for existing housing and unemployment problems.

A pronounced demand for energetic development in one quarter is met in another by a strong protest against incurring any additional burden of public expenditure.

A difference of opinion also arises as between those who believe that the country's prosperity depends vitally upon its primary production, and those who press for an explanation of the secondary industries as a foremost consideration.

With regard to each of these questions, there is a moderate view which, as we believe, has the support of the general public.

The flow of immigration clearly requires to be carefully regulated according to the country's capacity to absorb additional population, whether it be upon the land or otherwise.

From all the information supplied to us there seems to be little doubt that New Zealand's source of wealth and prosperity is fundamentally based upon her agricultural and pastoral industries, the development of which must consequently be her chief concern.

It has been said that nearly all the best lands have already been taken up, and are held in private ownership. The price of such lands is now so high as to render settlement on any extensive scale a very difficult matter. It can only be effected in such privately owned areas by a gradual process of closer and intensive farming, and the rate at which development of this kind can take place must obviously depend upon the possibility of acquiring lands at an economic price.

It is clear that a considerable amount of capital would be required in order to place any new land-settlement scheme upon a sound basis. The financial difficulty, therefore, is very real. Apart from the large area of land acquired on behalf of returned soldiers, the New Zealand Government has purchased under the lands-for-settlement scheme about 2,000,000 acres at an approximate cost of £13,000,000. These extensive purchases have doubtless had the effect of inflating prices, and the cost of much of the land to-day is regarded by many responsible persons as bring above its remunerative value. The Government is now taking a revaluation of the soldier-settlement holdings, which may possibly involve depreciation of capital values.

Speculation in land is said to have thrown a great burden upon the agricultural industry, with the result that many farmers find their liabilities too heavy to allow them to employ labour at the current rate of wages.

Representations were made to us as to the necessity for opening up the country for rural settlement upon an extensive scale by every possible means.

A league was formed in June, 1922, to promote the development of unimproved lands, and to arouse public interest in the matter with a view to more active co-operation with the British Government under the Empire Settlement Act.

A deputation from that league laid before us in Auckland a set of printed documents indicating their activities in that direction. (Appendix G.)

It will be seen that a conference of representative bodies in Auckland was held in May last, at which a series of resolutions were adopted in favour of a national progressive policy of land-settlement.

We were informed that the possibility of setting up a land-settlement scheme by agreement under the Empire Settlement Act has been under frequent consideration of the authorities.

It was, however, pointed out to us that the Government is committed to heavy expenditure in connection with the settlement of ex-service men of the New Zealand Expeditionary Force, and that until all such men are provided for it is not considered desirable to throw open areas for selection under any new scheme.

At the same time, a hope was expressed that in due course the Government may be in a position to approach the Imperial Government with the object of entering into an agreement.

In the meanwhile, any British migrant is eligible to take up land under the provisions of the Land Settlement Act of 1908, and to receive advances from the State Advances Office to enable him to meet the liabilities of purchase.

An official statement explaining the general provisions of the State Advances Act, 1913, is enclosed. (Appendix H.)

We understand that for the time being the policy of the Government (decided upon about two years ago) is to absorb from the United Kingdom about ten thousand men, woman, and children annually for five years, to be comprised chiefly of nominated migrants, but including selected domestic servants, miners, farm labourers, and skilled artisans, selected migrants being subject to regulation from time to time according to instructions from the Government to the High Commissioner for New Zealand in London. This quota is considerably in excess of the normal average of past years.

It may be of interest for the delegation to record their general impression of the Dominion from the settler's point of view.

New Zealand is well known as a charming country with natural wealth and variety of scenery to be found in few other parts of the world.

In a wide sense the conditions of life there are such as to make an especial appeal to the British settler. In the landscape he will see a great resemblance to many parts of the British Isles. The climate is milder and more equable than it is in this country. The institutions are very much the same; and, as the population is almost entirely British, people from the United Kingdom should readily feel at home, and can generally be assured of a cordial welcome in a congenial atmosphere.

In conclusion, we desire to express our most sincere thanks to the Government of the Dominion and to their officials for the generous assistance afforded to us, as well as for the information which was so freely placed at our disposal, and our gratitude to the people of New Zealand for the hearty welcome and many kind hospitalities we received in all parts of the country.

We have, &c.,
W. WINDHAM.
GLADYS S. POTT.
JAMES WIGNALL.
F. B. SMITH.
A. G. WAUCHOPE.

APPENDICES.

APPENDIX A.

SCALE OF ASSISTED PASSAGES.

	Imperial Government.		New Zealand Government.		Settler.
	Grant.	Loan.	Grant.	Loan.	
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
<i>Class A—</i>					
Single adults and married couples unaccompanied by children under nineteen years of age—					
(i)	5 10 0	..	11 0 0	..	16 10 0
(ii)	5 10 0	5 10 0	11 0 0	..	11 0 0
(iii)	5 10 0	11 0 0	11 0 0	5 10 0	Nil
<i>Class B*—</i>					
Married adults accompanied by at least one child under nineteen years of age—					
(i)	11 0 0	..	11 0 0	..	11 0 0
(ii)	11 0 0	5 10 0	11 0 0	5 10 0	Nil
<i>Class C—</i>					
Children under three years of age if fare payable	4 2 6	..	4 2 6	..	Nil
<i>Class D—</i>					
Children from third up to twelfth birthday..	8 5 0	..	8 5 0	..	Nil
<i>Class E—</i>					
Juveniles (boys and girls) who have reached their twelfth but not their seventeenth birthday	16 10 0	..	16 10 0	..	Nil
<i>Class F—</i>					
Boys and girls from seventeenth up to nineteenth birthday—					
(i)	11 0 0	..	16 10 0	..	5 10 0
(ii)	11 0 0	5 10 0	16 10 0	..	Nil
<i>Class G—</i>					
Domestics	10 0 0	..	23 0 0	..	Nil

Also applies to a widower, or a widow, accompanied by at least one child under 19 years of age, or to a woman, similarly accompanied proceeding to rejoin her husband.

APPENDIX B.

ITINERARY.

Date.	Place.	Meetings.
<i>(a.) General.</i>		
September 10 ..	Auckland ..	Rotary Club. Civic reception.
" 11 ..	Wellington ..	Governor-General, Cabinet Ministers, and Heads of Departments.
" 12 ..	" ..	Welfare League. Chamber of Commerce.
" 12 ..	" ..	Employers' Federation. Trades and Labour Council.
" 12 ..	" ..	Returned Soldiers' Association.
" 13 ..	Timaru ..	Chamber of Commerce.
" 13 ..	Oamaru ..	"
" 13 ..	Dunedin ..	Civic reception.
" 14 ..	" ..	Chamber of Commerce. Employers' Federation.
" 14 ..	" ..	Otago Expansion and Welfare League.
" 14 ..	" ..	Victoria League. Returned Soldiers' Association.
" 15 ..	Christchurch ..	Labour representatives.
" 17 ..	" ..	Canterbury Industrial Association.
" 17 ..	" ..	Civic reception. Trades and Labour Council.
" 17 ..	" ..	Chamber of Commerce. Employers' Federation.
" 17 ..	" ..	Welfare League. Returned Soldiers' Association.
" 17 ..	" ..	Victoria League.
" 18 ..	Greymouth ..	Civic reception.
" 19 ..	Westport ..	Town Council.
" 20 ..	Nelson ..	Civic reception. Chamber of Commerce.
" 22 ..	Wellington ..	Trustees', Sheepowners, British Seamen's Fund, Y.M.C.A. New Zealand Farmers' Union. Pioneer Club. Labour.
" 24 ..	Palmerston North ..	Civic reception. Chamber of Commerce.
" 25 ..	Wanganui ..	Mayor. Chamber of Commerce. Victoria League.
" 26 ..	New Plymouth ..	Mayor. Chamber of Commerce. Victoria League.
" 27 ..	" ..	Labour.
" 27 ..	Stratford ..	Chamber of Commerce.
" 28 ..	Marton ..	Chamber of Commerce. Reception.
October 1 ..	Putaruru ..	Salvation Army, Farm School.
" 2 ..	Hamilton ..	Town Council. Chamber of Commerce.
" 2 ..	Auckland ..	Chamber of Commerce.
" 4 ..	" ..	Returned Soldiers' Association.
<i>(b.) Mr. F. B. Smith.</i>		
October 4 ..	Hamilton ..	North Island.
" 5 ..	Rotorua ..	
" 6 ..	Opotiki ..	
" 7 ..	Gisborne ..	
" 8 ..	Wairoa ..	
" 9 ..	Napier ..	
" 10 ..	Woodville ..	
" 11 ..	Wellington ..	
" 13, 14 ..	Nelson ..	
" 15 ..	Blenheim ..	
" 16 ..	Kaikoura ..	South Island.
" 17 ..	Christchurch ..	
" 18 ..	Timaru ..	
" 19, 21 ..	Central Otago—Cromwell ..	
" 22, 23 ..	Tapanui—Gore—Invercargill ..	North Island.
" 24, 25, 26 ..	In Southland District ..	
" 28, 29 ..	Wellington ..	

APPENDIX C.

IMMIGRATION REGULATIONS.

Prohibited Immigrants.

THE following persons are prohibited from entering New Zealand :—

- (1.) Idiots or insane persons.
- (2.) Persons suffering from contagious diseases which are loathsome or dangerous (including tuberculosis).
- (3.) Persons arriving in New Zealand within two years after the termination of a period of imprisonment for a serious offence.
- (4.) Persons who are disaffected or disloyal, or of such a character that their presence would be injurious to the peace, order, and good government of the Dominion.
- (5.) Persons not of British birth and parentage unless in possession of permits issued by the Comptroller of Customs.

NOTE.—A person is not deemed to be of British birth and parentage merely because he or his parents or either of them is a naturalized British subject or because he is an aboriginal Native of any Dominion (other than New Zealand), colony, possession, or protectorate of His Majesty.

Application for such permits should be made in writing to the Minister of Customs, Wellington. A form for the purpose can be obtained from the High Commissioner for New Zealand, 415 Strand W.C. 2.

When persons arrive in New Zealand who are lunatic, idiotic, deaf, dumb, blind, or infirm, and are likely to become a charge upon any public or charitable institution, the master or owner of the ship by which such persons come to New Zealand may be required to enter into a bond for £100 for each such person, guaranteeing his support or maintenance for five years. The bond may be given by the friends of the person concerned if satisfactory to the Collector of Customs.

Every person of fifteen years or over must on arrival in New Zealand make a declaration giving certain particulars regarding himself, such as name, age, nationality, race or people to which he belongs, residence, and places of birth of himself and parents.

In addition, persons who are not British subjects under the laws of New Zealand, are required on arrival to take the oath of obedience to the laws of the Dominion.

APPENDIX D.

PROCEDURE UNDER THE NOMINATION SYSTEM.

1. NOMINATION forms are obtainable at the majority of post-offices and from the Immigration Department in Wellington, and must be forwarded to that Department on completion.

2. On acceptance of a nomination by the Department, particulars are either cabled to the High Commissioner or communicated by mail to him; a flat rate of £1 is charged for cabling an ordinary nomination. Remittances received with nomination are transmitted to nominees free of charge; subsequent remittances are transmitted by cable at a flat rate of 10s., or by mail free of charge.

3. The High Commissioner notifies nominees of the receipt of the nominations and states whether or not any passage-money has been deposited in New Zealand. He gives full particulars of the cost of the various classes of accommodation. Medical examination is arranged (at the expense of the nominees), and reports as to character are obtained from nominees' referees. If everything is satisfactory passages are arranged.

4. As soon as possible after a draft of migrants has left England the High Commissioner despatches a cablegram to New Zealand giving full particulars as to the nominees and selected migrants comprising the draft.

5. On receipt of the cable message the necessary particulars are noted to enable the Immigration Department to get into touch with the nominators. Notices are prepared and addressed to each nominator and are posted to them as soon as advice is received that the vessel concerned has cleared the Panama Canal. The advice gives approximate date of arrival of nominees and port of arrival, and requests a notification as to where the nominator intends meeting the nominees.

6. The replies with advice-notes for nominees, together with any private letters received, and a sheet of general instructions, are then enclosed and addressed to each nominee ready for distribution on arrival of the vessel. Special letters are addressed to migrants who are without friends or nominators in New Zealand.

APPENDIX E.

MASTER AND APPRENTICE AMENDMENT ACT, 1920, No. 36.

NEW ZEALAND.

ANALYSIS.

Title. 1. Short Title.	PART I. IMMIGRANT FARM APPRENTICES.	PART II. FARM APPRENTICESHIP OF NEW ZEALAND BOYS. 5. Apprenticeship of boys resident in New Zealand to occupation of farming.
2. Indentures of apprenticeship to be served in New Zealand may be executed in the United Kingdom. Minister may nominate employer of apprentice. Acceptance of nomination by employer to be endorsed on indenture. 3. Operation of indenture of apprenticeship under this Part of this Act. 4. Provisions as to evidence of indentures.		PART III. GENERAL. 6. Interpretation. 7. Application of Part I of principal Act to indentures under this Act. 8. Section 12 of principal Act (relating to ill usage of apprentice) amended. 9. Provisions applicable in event of breach of duty by apprentice. 10. Regulations.

1920, No. 36.

Title. AN ACT to amend the Master and Apprentice Act, 1908.

[28th October, 1920.]

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows :—

Short Title. 1. This Act may be cited as the Master and Apprentice Amendment Act, 1920, and shall be read together with and deemed part of the Master and Apprentice Act, 1908 (hereinafter referred to as the principal Act).

PART I.

IMMIGRANT FARM APPRENTICES.

Indentures of apprenticeship to be served in New Zealand may be executed in the United Kingdom. 2. (1.) An indenture of apprenticeship of any boy between the ages of fifteen and nineteen years to the occupation of farming and farm-work in New Zealand may be made in the United Kingdom if it is made in accordance with this section.

(2.) The indenture shall be in a form prescribed by regulations, and shall be executed by the boy and by the High Commissioner or by an officer appointed by the High Commissioner for the purpose. (3.) The indenture may provide for the payment out of the wages of the apprentice of the whole or any part of the passage-money and other expenses incurred for the apprentice, and may also provide for the payment of any part of the balance of such wages during the term of the apprenticeship, or any part of such term, into an account to accumulate for the benefit of the apprentice.

(4.) The indenture shall state the minimum amount of wages to be paid by the employer to the apprentice during the first year of his employment in New Zealand, and shall contain a provision that the wages to be paid by the employer to, or on account of, or for the benefit of, the apprentice after the expiration of twelve months from the commencement of the employment in New Zealand shall from time to time be such as are usually paid on farms to boys of the age and capacity of the apprentice, and a provision that if any difference of opinion arises as to the rate of such wages such rate shall be determined in each case by arbitration in the manner prescribed by regulations to be made in that behalf by the Governor-General in Council.

(5.) It shall not be necessary to name in the indenture any person to be the employer of the apprentice.

(6.) The terms and conditions of the indenture may be varied by the Minister of Immigration at any time before the employer of the apprentice nominated by that Minister signifies acceptance of such nomination, but no such variation shall be made unless it is, in the opinion of the Minister, directly or indirectly for the advantage of the apprentice.

Minister may nominate employer of apprentice. (7.) On the arrival of the apprentice in New Zealand the Minister of Immigration shall, after consultation with the apprentice, nominate some person or company engaged in farming pursuits in New Zealand to be the employer of the apprentice.

Acceptance of nomination by employer to be endorsed on indenture. (8.) The employer nominated shall signify acceptance by an endorsement in the prescribed form on the indenture, signed by such employer.

(9.) An endorsement so signed shall render the indenture binding on the employer in the same manner as if he had been a party to the indenture.

(10.) Every apprenticeship so made shall continue until the apprentice attains the age of twenty years.

(11.) An indenture of apprenticeship made under this section shall not be assigned to any person except with the consent in writing of the Minister of Immigration.

(12.) It shall not in any case be necessary that the parents or guardians of any apprentice under this part of this Act should be parties to, or sign, or assent to, any indenture.

3. The indenture shall have operation and be binding as follows :—

Operation of indenture of apprenticeship under this Part of this Act. (a.) From the time of the execution by or on behalf of the High Commissioner until the acceptance by an employer nominated by the Minister of Immigration it shall have effect as an indenture of master and apprentice under the principal Act as between the boy or apprentice and any person or persons appointed by the High Commissioner as master to control the boy during the passage to and on and after arrival in New Zealand to the extent that sections four and twelve of the principal Act shall apply.

- (b.) From the time of the endorsement thereon of acceptance by an employer nominated by the Minister of Immigration and until the boy attains the age of twenty years, or until the indenture is sooner cancelled with the consent in writing of the Minister, it shall have full effect either in its original form or as varied by the Minister, as hereinbefore provided, as an indenture of apprenticeship under the principal Act between the boy as apprentice and such employer as master, and shall also have such full effect as between the boy as apprentice and any employer to whom, with the consent of the Minister of Immigration, the apprentice may be assigned.
4. In respect of every indenture under this part of this Act the following provisions shall apply :— Provisions as to evidence of indentures.
- (a.) Where such indenture purports to have been signed by the boy it shall be deemed without proof of the fact to have been duly executed by the boy named in the indenture, and it shall be presumed that the boy whose passage to New Zealand was provided in accordance with such indenture is the boy who signed such indenture.
- (b.) Where such indenture purports to have been executed by the High Commissioner it shall be deemed without further proof to have been duly so executed.
- (c.) Where such indenture purports to have been executed by a person employed by the High Commissioner, or in the office of the High Commissioner, it shall be deemed without further proof that such indenture was duly executed by such person, and that such person was an officer duly appointed by the High Commissioner for the purpose of the execution of such indenture.
- (d.) Where an endorsement of acceptance purports to be signed by an employer it shall be presumed, unless the contrary is proved, that such endorsement was duly signed by the employer named, and that such employer was duly nominated by the Minister of Immigration.
- (e.) A copy of such indenture and of any endorsement of acceptance certified by the Minister of Immigration shall be admitted as evidence without production of the original indenture.

PART II.

FARM APPRENTICESHIP OF NEW ZEALAND BOYS.

5. (1.) An indenture of apprenticeship of any boy between the ages of fifteen and nineteen years resident in New Zealand to the occupation of farming and farm-work may be made in accordance with this Part of this Act, and not otherwise. Apprenticeship of boys resident in New Zealand to occupation of farming.
- (2.) The indenture shall be in a form prescribed by regulations, and shall be executed by the boy of the first part, and by the parent or guardian of the boy or (if he has no parent or guardian) by the Minister of Lands of the second part, and by the employer to whom the apprentice is bound of the third part.
- (3.) The indenture shall state the minimum amount of wages to be paid to the apprentice during the first year, and shall contain a provision that the wages to be paid by the employer to the apprentice after the expiration of twelve months from the commencement of the employment shall from time to time be such as are usually paid on farms to boys of the age and capacity of the apprentice, and a provision that if any difference of opinion arises as to the rate of such wages such rate shall be determined in each case by arbitration in the manner prescribed by regulations to be made in that behalf by the Governor-General in Council.
- (4.) Every apprenticeship so made may continue until the apprentice attains the age of twenty years.
- (5.) An indenture of apprenticeship made under this section shall not be assigned to any person except with the consent of the Minister of Lands.

PART III.

GENERAL.

6. In this Part of this Act "Minister" in respect of an apprenticeship under Part I of this Act means the Minister of Immigration, and in respect of an apprenticeship under Part II of this Act means the Minister of Lands. Interpretation.
7. The provisions of Part I of the principal Act shall apply in respect of an apprenticeship under Part I of this Act from the time of endorsement of acceptance by an employer nominated by the Minister, and in respect of an apprenticeship under Part II of this Act from the time of the complete execution of the indenture by the required parties, except as follows :— Application of Part I of principal Act to indentures under this Act.
- (a.) Sections five to eight inclusive shall not apply.
- (b.) In section nine, in lieu of the words "two Justices under their hands," the words "the Minister" shall be read.
- (c.) Section eleven shall not apply, and in lieu thereof it is hereby enacted that an apprentice by indenture under this Act may make complaint to the Minister of any ill usage or neglect of duty by his employer, and the Minister may, on proof to his satisfaction of such ill usage or neglect of duty, discharge the apprentice from all obligation to such employer under the indenture, and may nominate a new employer to whom the apprentice shall become bound under the provisions of this Act forthwith upon such new employer signing an endorsement of acceptance upon the indenture, as if the indenture had originally been endorsed or executed by such new employer.
- (d.) Sections thirteen and fourteen shall not apply.

Section 12 of principal Act (relating to ill usage of apprentice) amended.

Provisions applicable in event of breach of duty by apprentice.

8. Section twelve of the principal Act is hereby amended by omitting the words "ten pounds," and substituting the words "fifty pounds."

9. (1.) Any two Justices, on application or complaint by an employer or by the Minister against an apprentice concerning any breach of duty, disobedience, or ill behaviour, shall hear, examine, and determine the same in a summary way; and may, in their discretion, determine that the wages of the apprentice shall be subject to reduction by an amount not exceeding one-half thereof for a period not exceeding two months.

(2.) If the complaint or part of the complaint against an apprentice under Part I of this Act is that the apprentice has absented himself from and remains absent from the service of the employer, the Justices may issue a warrant for apprehending such apprentice, and directing him to be brought before them or before any two Justices, who shall hear and determine such complaint. In any such cases the Justices, in addition to any direction for reduction of wages of the apprentice as provided by the last preceding subsection, may direct that the apprentice be returned in custody to the residence of the employer.

(3.) Any two Justices, upon the application or complaint of the Minister or of some officer of the Department of Immigration appointed in that behalf by the Minister, alleging or complaining that an apprentice under Part I of this Act refuses or neglects to submit to due control, shall hear, examine, and determine the same in a summary way. If the Justices, having regard to the duty undertaken by the Government to the apprentice, and to the parents or guardians (if any) of the apprentice, and having regard to the conduct of the apprentice, determine that it is in the best interests of the apprentice that the indenture should be cancelled and the apprentice be sent back to the United Kingdom, they may make an order under their hands to that effect. An apprentice in respect of whom such order has been made may be apprehended without further warrant, and be detained in such custody as the Minister appoints, and be conveyed on board such ship as the Minister directs. The cost of the passage of the apprentice to the United Kingdom, and of his conveyance from the port of arrival in the United Kingdom to the place where he resided at the time of execution of the first indenture, shall be paid out of the Consolidated Fund.

Regulations.

10. (1.) The Governor-General may from time to time, by Order in Council, make all such regulations as may in his opinion be necessary for the purpose of giving effect to the provisions of this Act.

(2.) All such regulations shall be published in the *Gazette*, and shall be laid before both Houses of Parliament within fourteen days after their publication in the *Gazette* if Parliament is then in session, and if not, then within fourteen days after the commencement of the next ensuing session.

APPENDIX F.

THE NEW ZEALAND FARMERS' UNION, INC.

Junior Immigration.

YOUNG, healthy lads are needed on the farms of the Dominion to replace the wastage of war. From statistics available it has been calculated that slightly over 30 per cent. of the New Zealand Expeditionary Force was made up of farmers and farm hands. As the total casualties of the New Zealand Expeditionary Force were 17,659, it is safe to state that about four thousand men engaged in farming pursuits lost their lives. Moreover, many of the farmers among the forty-one thousand wounded were injured so badly that they are now unable to go back to the land.

As our own boys prefer a city life to one in the country, what can replace this wastage better than the importation of bright, healthy lads, between the ages of fifteen and seventeen, who would soon become acclimatized to the customs and life of the country and become true New-Zealanders.

With the slump holding the farmers of the country in its power immediately after the cessation of hostilities in the late war, nothing for the future has been thought out and done by them to remedy the ravages of war; but, with normally prosperous times looming up ahead again it behoves the farmers of this land to use every available means to secure that increase in production which is the very life-blood of this country.

These young immigrants will make successful farmers in the backblocks in years to come, and much of our remaining second- and third-class lands will be brought into cultivation and the productiveness of the Dominion increased. Recognizing the true worth of junior immigration, all the States in Australia, with the exception of Victoria, have formulated schemes for the absorption of boy immigrants. The most successful is that of South Australia, where the "Barwell scheme" is in operation. The main points in this scheme are—

(a.) 6,000 boys from fifteen to eighteen to take up farm-work in South Australia.

(b.) Minimum wage has been fixed at rates varying with the age of the boy, viz.: 15-16, 10s. to 17s. 6d.; 16-17, 12s. 6d. to 20s.; 17-18, 15s. to 22s. 6d.

- (c.) Each boy is paid 4s. a week pocket-money, and the remainder of his earnings is paid by the employer to the Immigration Department and placed to the lad's credit until he becomes twenty-one. Interest is allowed at $4\frac{1}{2}$ per cent.

The Commissioner of Crown Lands is empowered by Acts of Parliament and regulations thereunder to apprentice the lads to farmers from one to three years. The agreement provides that an employer shall, with the written consent of the Commissioner, have the right at any time to dismiss a boy in the event of his proving guilty of misconduct, or for any other reason which appears good and sufficient to the Minister. On the other hand, should an employer fail to abide by the provisions of the agreement the Minister may terminate it and withdraw the boy.

The advantages of this scheme seem to be—

- (1.) Every boy will be comparatively young, with a long expectancy of life. The majority will go direct to the country and thus tend to adjust the balance between city and country.
- (2.) Boys thus imported will be provided with accommodation by their employers and will not accentuate any housing difficulties.
- (3.) In a few years South Australia will have six thousand young men trained in agricultural and horticultural pursuits, and each will be in possession of a fair bank balance.

The boys are arriving in batches of fifty to eighty at approximately monthly intervals; there is the closest co-operation between the churches, Y.M.C.A., and the Government to help these boys, and in some districts local committees have already been formed to look after the boys who are to become South Australians.

The Commonwealth Immigration Office, Melbourne, in a recent report stated: "About eight hundred lads have already been introduced into South Australia under this scheme, which is working most satisfactorily."

In 1911 a party of fifty lads (under the Sedgwick scheme) whose ages ranged from sixteen to twenty, and principally drawn from the East End of London and from Liverpool, were brought out by the Government to test the suitability of English town lads for farm work in New Zealand. Out of this batch of boy immigrants thirty-seven were successful. Two prevailing ideas were proved untrue, viz.: (1) The English town lad would neither prove adaptable to nor settle down to New Zealand farm life; and (2) that the colonial farmer would overwork, badly feed, and underpay any boy under his care.

The New Zealand Government apprenticed the lads to good employers at graduated rates of pay, and with the exception of 1s. per week pocket-money the wages were banked for three years, or until the boy came of age. In the first year they earned £1,112 7s., an average of 10s. 4d. per week, but the wages were raised during the second year, some of the boys getting 30s. per week. The advent of war put an end to this phase of junior immigration, and many of the boys joined the New Zealand Expeditionary Force.

During 1914 the Government continued the scheme of immigration of farm lads, but these were drawn from rural districts. The annual report of the Immigration Department for that year stated: "The first party of fifty arrived by the "Ayrshire" on the 20th January, 1914, and the second party arrived on the 1st March. Both parties have given general satisfaction. Quite 60 per cent. of the boys possess a rudimentary knowledge of farming, whilst the remainder, the younger lads, possess the physique necessary to fit them for learning farm-work in New Zealand. The farmers employing the boys advanced part of the passage-money (£8) to bring them out, the Government paying the difference with the shipping bodies. The £8 advanced by the farmer is being repaid by the boys out of wages earned. The wages at the end of May that year ranged from 25s. a week without clothes to 7s. 6d. per week with clothes in addition."

The annual report of the same Department for 1915 stated: "The experiment of introducing boys with some farming experience at Home for farm-work in New Zealand has proved successful, and the results justify further trials on a larger scale. Hundreds of applications have been received by the Department from small farmers who require this class of labour, and as soon as it is possible to resume a more active immigration policy special attention will be given to immigration of farm boys."

If the New Zealand Farmers' Union were to experiment with, say, 100 boys the following procedure would have to be followed:—

- (1.) The New Zealand Farmers' Union would decide upon the minimum weekly wage and notify the Minister.
- (2.) The High Commissioner would be notified of this and asked to make the conditions known to intending immigrants.
- (3.) The provincial secretaries throughout New Zealand will find out the farmers willing to engage a boy and send names and addresses to Dominion headquarters. The religion of the boy desired must also be stated.
- (4.) The selection of the boys in England to be strict and carried on by one cognizant of New Zealand customs and requirements. All boys eligible for selection to be medically fit and examined by a reputable officer appointed by the High Commissioner.
- (5.) On arrival in New Zealand the boys will be taken care of by the Immigration Department, which has the machinery necessary for quick despatch to employers.
- (6.) The New Zealand Farmers' Union to receive annual reports from each boy's employer and forward them to the Minister.

Under the nomination system assisted passages are available between the United Kingdom and New Zealand at the following rates :—

	Six-berth.	Third Class:		Two-berth.
	£ s.	£ s.	£ s.	£ s.
Domestics	Free	Free	Free	
Farm labourers (single men and married couples not accompanied by children)	11 0	13 0	17 0	
Single adults and married couples not accompanied by children	16 10	18 10	22 10	
Married adults, widowers, widows, or wives proceeding to join husbands. (All such migrants must be accompanied by at least one child under nineteen years of age)	11 0	13 0	17 0	
Juveniles (boys and girls, twelve but not seventeen years of age)	Free	2 0	6 0	
Boys and girls, seventeen but not nineteen years of age	5 10	7 10	11 10	
Children under twelve years of age	Free	1 0	3 0	

NOTE.—If nominees unable to provide passage-money, the Imperial and New Zealand Governments will advance same by way of loan subject to High Commissioner's approval in each case.

The same procedure could be adopted with regard to girls between sixteen and eighteen; they would be readily absorbed by farmers' wives unable to obtain help.

Junior immigration would place workers of both sexes in this Dominion at an age when they could most readily adapt themselves to local conditions and learn the methods prevailing in their new homeland. The Dominion would also get the longest working life from such immigrants as there would be no period of dependence—no childhood and no immediate old age.

A gentleman well versed in New Zealand and her requirements, who is spending some time in England, recently wrote this to a friend in New Zealand: "Within the last few weeks I have myself visited and inspected Christ's Hospital Boys' School, where eight hundred boys are boarded and trained and educated. I was immensely impressed with the class of boy attending this school, and also with the comprehensive education given. The school course includes an elementary training in woodwork and metal-work, while there is attached to the school a training-farm to which are allotted boys showing an inclination to take up farming. The school course of training is varied in the case of these boys, special attention being directed to subjects likely to be of use to them in after-life. I am sure that a very excellent selection could be made by co-operation with the headmaster of this and other similar schools, and I should have no hesitation in helping in the selection if farmers in New Zealand were prepared to undertake to offer them employment. The provisions of the Master and Apprentices Amendment Act, 1920, might, I think, with advantage be put into operation with respect to these boys. When at Christ's Hospital recently I talked with two boys who will be leaving for New Zealand shortly to take up employment offered by Mr. Vernon Reed, and I can say with confidence that Mr. Reed will have no cause to regret his choice. I feel very strongly that the migration of boys of this class offers the best possible return for money expended in augmenting the population of New Zealand. The boys are drawn very largely from good middle-class families and are certain to make good loyal citizens."

Another enthusiast from London writes: "I am informed by the Headmasters' Association that it is constantly receiving large numbers of applications from boys anxious to migrate to the Dominion, which are referred to them by headmasters of various public schools. In view of the lack of facilities for such boys to proceed to New Zealand at present unless they have friends or relatives resident there, headmasters are diverting the attention of the boys to Canada or Australia, as emigration to New Zealand cannot be arranged at present. It appears to me very unfortunate that such a course should be necessary, as I am sure these boys would be a valuable asset to the Dominion. I may mention that I am informed by the association that almost half the total number of applications received from boys desirous of emigrating state that the boy would prefer to proceed to New Zealand. I feel sure that it would be of great advantage to the Dominion if some satisfactory arrangements could be come to which would enable a certain number of these boys to proceed to the Dominion."

One of the best assets this young country can have is an influx of healthy lads from crowded Britain, where, owing to the pressure of over-population and over-competition, these young lives cannot blossom forth into the beings they are meant to be. Junior immigration is a direct response to what humanity pleads for and patriotism wants—viz., giving the younger generation a chance.

APPENDIX G.

THE NEW ZEALAND IMMIGRATION AND LAND-SETTLEMENT LEAGUE.

Chamber of Commerce, Auckland, N.Z.

SIR,—

The policy of the New Zealand Immigration and Land-settlement League, calling for intelligent and progressive land-settlement methods, has been recently endorsed by a conference, at which the following were represented: The Auckland Harbour Board; the Auckland Chamber of Commerce; New Zealand Farmers' Union (Auckland Province); Auckland Provincial Employers' Association (Incorporated); Auckland Provincial Industrial Association; Land and Estate Agents and Land Auctioneers' Association of Auckland; and a copy of the resolutions passed in attached hereto.

It is not necessary to stress to you the evils attendant upon the present dangerous predominance of urban population, nor the necessity for increased production of our primary products.

The money for a carefully considered land-settlement policy is available in Great Britain both under the Empire Settlement Act and from private sources. The only thing necessary now is a united demand from all parts of the Dominion that the Government realize the necessity of such a policy and act accordingly. To ensure this demand being voiced we must have funds to extend our campaign throughout the Dominion in pursuance of the policy laid down at the conference.

We therefore ask you to contribute as liberally as possible to this the most important business development campaign at present on foot.

Subscriptions should be addressed to the New Zealand Immigration and Land-settlement League, which body is charged with the duty of carrying out the above-mentioned resolutions.

H. R. MACKENZIE, Chairman, Auckland Harbour Board.

R. D. DUXFIELD, President, New Zealand Farmers' Union (Auckland Province).

ALBERT SPENCER, President, Provincial Employers' Association.

J. ALLUM, President, Provincial Industrial Association.

W. FLOYD HARROP, President, Land and Estate Agents' Association of Auckland.

ALBERT SPENCER, President, New Zealand Immigration and Land-settlement League.

Resolution unanimously carried by Auckland Chamber of Commerce, at the monthly luncheon held on the 7th June, 1923 :—

“That this general meeting expresses its sympathy with the objects of the New Zealand Immigration and Land-settlement League in regard to the more energetic prosecution of the immigration of suitable settlers and the opening-up of public and private lands.”

NEW ZEALAND IMMIGRATION AND LAND SETTLEMENT LEAGUE.

Conference of Local Organizations, commenced 17th May, adjourned to 7th June, and held at the Chamber of Commerce, Auckland.

The following resolutions were passed unanimously :—

1. It is imperative that the Government make it one of the first planks in its policy to open up the Crown land for the settlement of British emigrants in New Zealand, and that it is justified in raising as much money as may be available for this purpose in terms of the Empire Settlement Act.

2. That in view of the urgent need for more progress in land-settlement and immigration a separate Department of Colonization and Immigration be formed to deal with all questions pertaining thereto.

3. That it is advisable that the Head of this Department be equipped with knowledge of similar work in other countries.

4. That such Department co-operate with the Administration of the Railways and Public Works, with a view to providing railway and road access for the purpose of furthering settlement.

5. That it is desirable to promote the investment of private capital and stimulate private enterprise in the development of our privately held unimproved land, and by amending present legislation, and adjusting of taxation where necessary, to assist it in converting unproductive land into productive land, or in subdivision for closer settlement.

6. That every encouragement should be given to companies, &c., to build railways and roads or other means of access under such conditions as shall afford reasonable safeguards to the interests of the State.

7. That a permanent association be maintained representing all sections of the community and working in co-ordination with existing public organizations to foster the development and settlement of the idle land of New Zealand, to promote and supervise immigration for rural settlement, and scrutinize all legislation bearing thereon; and that steps be taken to extend this conference throughout both Islands of New Zealand, to the end that an active policy of colonization be fostered and its continuity maintained, and that the aims of such conference be to work with and assist the Government of the day without reference to party or sectional interests.

8. That the resolutions adopted by this conference be forwarded to all Chambers of Commerce, branches of the Farmers' Union, and other bodies, and that they be invited to form provincial, sub-provincial, and local branches of the league, and that the delegates to this conference be requested to recommend to their respective organizations that permanent delegates be appointed to this conference for the support and furtherance of the above views, and to devise ways and means for extending the movement.

9. That this conference commends to public support the appeal of the Immigration and Land Settlement League for funds to give effect to the resolutions of this conference.

APPENDIX H.

DOMINION OF NEW ZEALAND.—STATE ADVANCES.

The following explanatory memoranda are issued with the view to placing before the public the chief provisions of the State Advances Act, 1913, and amendments.

1. All communications to the Office should be addressed,—

“The Superintendent, State Advances Office, Wellington, New Zealand.”

2. Telegrams should be addressed, “Advances, Wellington,” and must be prepaid.

3. Any person desiring an advance should make a written application on the form provided for the purpose, a copy of which can be obtained from any Postmaster in the Dominion, who will give the applicant any explanation which may be required respecting the filling-in of the form. No professional assistance is necessary, and no charge is authorized for the filling-in of the application form. The department has no agents authorized to act on its behalf in this respect.

4. No procuration fee, commission, or charge for obtaining a loan should be paid to any person.

ADVANCES TO SETTLERS.

5. The business of the Office is the advancing of money in New Zealand on first mortgage of lands and improvements held under the following classes of tenure, free from all encumbrances, liens, and interests other than leasehold interests, that is to say,—

- (a.) (1.) Freehold land in fee-simple under the Land Transfer Act, 1915.
- (2.) Freehold land in fee-simple the title to which is registered under the Deeds Registration Act, 1908.
- (b.) Crown land on perpetual lease under the Land Act, 1885.
- (c.) Crown land held under Part III or Part IV of the Land Act, 1892, or of the Land Act, 1908.
- (d.) Crown land held on lease as a small grazing-run under the Land Act, 1885, or under the Land Act, 1892, or the Land Act 1908.
- (e.) Crown land held on agricultural lease under the Mining Act, 1891.
- (f.) Crown land held on lease (not being for mining purposes) under the Westland and Nelson Coalfields Administration Act, 1877.
- (g.) Native land held on lease under the West Coast Settlement Reserves Act, 1881, or under the West Coast Settlement Reserves Act, 1892.
- (h.) Land held on lease under the Westland and Nelson Native Reserves Act, 1887.
- (i.) Land held under the Thermal Springs Districts Act, 1881, or the Thermal Springs Districts Act, 1908.
- (j.) Educational and other reserves held under leases administered by the Land Boards.
- (k.) Crown land held by license on the deferred-payment system under Part III of the Land Act, 1885.
- (l.) Land held under lease from a leasing authority as defined by the Public Bodies' Leasing-powers Act, 1908, or the Public Bodies' Leases Act, 1908, and providing for the payment by the incoming tenant of valuation for improvements made upon the land.
- (m.) Land held under lease from a Maori Land Board under the Maori Land Settlement Act, 1905.
- (n.) Crown lands held on lease for agricultural purposes under the Mining Districts Land Occupation Act, 1894, or Part VIII of the Land Act, 1908.
- (o.) Crown lands held on license for residence-sites under the Mining Act, 1891, or the Mining Act, 1905.
- (p.) Crown lands held on lease under section 45, Part III, of the Mining Act, 1898, and section 45, Part III, of the Mining Act, 1908.
- (q.) Maori lands which have been transferred in trust for leasing to and are held under leases from a Maori Land Board under the powers contained in the Maori Lands Administration Act, 1900, and its amendments.
- (r.) Land held under certain classes of lease granted by a Borough Council under the Municipal Corporations Act, 1908, or the Municipal Corporations Act, 1900.
- (s.) Land held under certain leases granted by the Wanganui River Trust.
- (t.) Land held under lease granted by a leasing authority as defined by the Public Bodies' Leases Act, 1908, in any case where the lease is for any term not less than fourteen years, with a recurrent right of renewal for further terms of not less than fourteen years.
- (u.) Crown land or settlement land held on lease or license under section 4, Discharged Soldiers Settlement Act, 1915.
- (v.) Crown land held on lease or license for pastoral purposes under Part VI of the Land Act, 1892, or Part VI of the Land Act, 1908.

6. Loans can be granted only on the instalment system for periods not exceeding thirty-six and a half years :—

- (a.) On all freehold, up to three-fourths of the value of the security :
- (b.) On leaseholds, up to three-fourths of the value of the lessee's interest in the lease.

The granting of advances rests solely with the Board of the Office.

Where an advance is required for the purpose of erecting a building, the amount of the loan granted by the Board may be advanced in progress-payments from time to time as the erection of the building proceeds. An inspection and report must be made by an officer of the Valuation Department prior to payment of any progress-payment on account of the loan, and for each such inspection a fee of 15s. shall be paid by the applicant.

Every applicant after lodging an application for a loan should await the decision of the Board before proceeding with the erection of the building.

7. No loan of less than £25 or more than £3,500 can be granted. Applications for loans not exceeding £500 shall have priority over applications for larger sums. If the applicant has already obtained any advance under this Act and is desirous of obtaining a further advance, the amount of the application, added to the amount of the advances already obtained, must not exceed £3,500. The property which the applicant offers as security for the loan must consist of one or more holdings of the

several classes of tenure mentioned in the foregoing paragraph 3, and must, of course, be of the necessary value; and, if the property is leasehold, all the covenants and conditions of the lease, including the payment of rent, must have been regularly complied with.

8. All applications must be accompanied by a valuation fee according to the following scale:—

ADVANCES TO SETTLERS SCALE OF VALUATION FEES.

On an application for a loan—						£	s.	d.
Not exceeding £100	..	..	..	..	..	0	15	0
Exceeding £100 but not exceeding £250	..	..	..	..	..	1	11	6
Exceeding £250 but not exceeding £500	..	..	..	..	..	2	2	0
Exceeding £500 but not exceeding £3,500	..	..	..	..	..	2	12	6

ADVANCES TO WORKERS.

9. Workers desirous of erecting or acquiring dwellings as homes for themselves and their families may obtain advances on first mortgage of lands and improvements held under any of the classes of tenure enumerated in clause 3 of this paper free from all encumbrances, liens, and interests.

10. A worker is defined as a person of either sex engaged (whether as an employee or on his or her own account) in manual or clerical work who is not in receipt of an annual income exceeding £300, increased by £25 in respect of each child or other person dependent on him, and is not the owner of any land other than that offered as security.

11. Not more than £1,250 may be granted to any one borrower; and an advance shall not be made exceeding 95 per cent. of the total value of the security in the case of freehold land, or 95 per cent. of the value of the lessee's interest in the case of leasehold land, or where the loan is to provide for the erection of a dwellinghouse 95 per cent. of the cost of the dwellinghouse inclusive of the cost of the land and improvements. No advance shall be made to any applicants who do not take up their permanent residence on the property. A valuation fee of 12s. 6d. must accompany each application. Married applicants must make the declaration on application form jointly with wife or husband, as the case may require.

12. Where an advance is required for the purpose of erecting a dwelling, the application form must be accompanied by evidence in the form of sale-note, receipt, agreement, or otherwise as to the purchase price of the section and tender accepted or contract entered into for the erection of the dwelling. The amount of the loan granted by the Board may be advanced in progress-payments as the erection of the building proceeds. An inspection and report must be made by an officer of the Valuation Department prior to any progress-payment being made on account of the loan, and for each such inspection a fee of 10s. 6d. shall be paid by the applicant. The Department requires that not less than three inspections be made, and that the fencing be completed before all the loan is paid over. Every applicant after lodging an application for a loan should await the decision of the Board before proceeding with the erection of the building.

13. Loans are granted only on the instalment system for periods not exceeding thirty-six and a half years, and may be repaid or readjusted as explained in Clause 19 in this paper. Interest is charged at the rate of 5 per cent., reducible to $4\frac{1}{2}$ per cent. provided payment is made not later than fourteen days after due date and no arrears or other payment under the mortgage remain outstanding.

14. Mortgages under the Land Transfer Act, 1915, shall, if the applicant's title is free from encumbrance, be prepared and completed free of charge to mortgagors, with the exception of the repayment of cash disbursements, which shall be deducted from the advance. Except as above provided, the scale of costs and fees with respect to advances to settlers applies to advances to workers.

GENERAL.

15. The Department requires that not less than three inspections be made, and, in the case of other than farm properties, that the fencing be completed before all the loan is paid over.

SPECIAL NOTE.—To ensure moneys being available when required, applications for advances and for progress-payments after loans are granted should be made as early as possible.

A copy of the plan and specifications for a proposed building must be provided for the Department's use, and such shall become and remain the property of the Department.

16. It should be noted that on the twenty years' term on a loan of £500 the weekly payment amounts to only 14s. 4d., or less than $7\frac{1}{2}$ per cent. per annum, including repayment of principal. On the thirty years' term it amounts to about 11s. 6d. per week, or less than 6 per cent., including repayment of principal. On the $36\frac{1}{2}$ years' term it amounts to about 10s. 7d. per week, or $5\frac{1}{2}$ per cent., including repayment of principal.

17. Mortgages are repayable by half-yearly payments of principal and interest combined. They may also be wholly repaid at any time. Interest is charged at the rate of 5 per cent., reducible to $4\frac{1}{2}$ per cent., save on advances authorized for the purpose of repaying mortgages, in which case the rate is 6 per cent., reducible to $5\frac{1}{2}$ per cent., provided that in each case payment is made not later than fourteen days after due date and no arrears in respect of instalments or other payments under the mortgage remain outstanding.

18. The following tables show, taking a loan of £100 as an instance, how much of each instalment is applied to repaying the principal, and how much is in payment of interest. They show also the amount of rebate in respect of each instalment and the balance of principal remaining due after payment of the respective instalments until the loan is entirely repaid.

(Tables not reproduced.)

19. The mortgagor may pay to the Superintendent at any time the whole balance of principal owing with interest to date of payment, and obtain a discharge of the mortgage on payment of the fee prescribed for such discharge.

20. The mortgagor may also from time to time pay to the Superintendent, in addition to the half-yearly payments, sums of £5 or a multiple of £5, which, at the next instalment due date, may be applied in one of the following methods, according as he directs :—

- (a.) In payment of the half-yearly instalments (consisting partly of interest and partly of principal) as they fall due, until the deposit is exhausted ; or,
- (b.) In payment of as many future half-yearly instalments of principal (but not of interest) as it will cover, and, as far as such instalments are concerned, the corresponding interest will not be charged. On the next half-yearly date, however, the mortgagor will be required to continue his payments as before, the advance payment having the effect of reducing the period during which he would have to pay such instalments. For instance, a mortgagor has a loan of £100 for a term of 36½ years. On the due date of his eighth half-yearly instalment he pays, in addition to the amount due, a sum of £5. This is applied in payment of his ninth, tenth, eleventh, twelfth, thirteenth, fourteenth, and fifteenth instalments of principal—12s. 2d., 12s. 6d., 12s. 10d., 13s. 1d., 13s. 5d., 13s. 9d., 14s. 2d. (see table), making a total of £4 11s. 11d., and the corresponding interest—£2 7s. 10d., £2 7s. 6d., £2 7s. 2d., £2 6s. 11d., £2 6s. 7d., £2 6s. 3d., £2 5s. 10d. (which has not begun to accrue)—is not charged. A balance of 8s. 1d. remains in his favour. Then on the next due date he has to make the half-yearly payment as usual (less 8s. 1d.), but, instead of being the ninth, it counts as the sixteenth instalment, and by this means the whole loan is repaid three years and a half earlier (seven half-yearly payments) than it otherwise would be.

READJUSTMENT OF LOANS.

21. On the due date of any instalment, after at least one-tenth of the loan has been repaid by means of the half-yearly instalments or of moneys repaid in advance, or both, the mortgagor (provided he is not in arrear with any instalment or other payment due under the mortgage) may, with the consent of the Superintendent, readjust the loan by treating the balance of principal then unpaid as a fresh loan duly granted on that date for a fresh term. But no readjustment is allowed to an amount less than £100. Under this arrangement the mortgagor will be relieved of paying interest on the original amount of the loan, and will pay only on the balance of principal owing.

22. Following is the scale of fees payable for preparation of mortgages :—

Mortgages under the Land Transfer Act, 1915.

Law-costs of perusing title, preparing, completing, and registering mortgage (to be deducted from the advance) :—

	£	s.	d.
If advance be not exceeding £250	0	7	6
Exceeding £250 but not exceeding £500	0	10	0
Exceeding £500 but not exceeding £750	0	15	0
Exceeding £750 but not exceeding £1,000	1	1	0
Exceeding £1,000 but not exceeding £1,500	1	6	0
Exceeding £1,500 but not exceeding £2,000	1	11	6
Exceeding £2,000 but not exceeding £3,500	1	17	6

With cash disbursements, which are the same in every case, namely :—

Mortgage forms	0	2	0
Search fee (with an additional 2s. for every certificate of title after the first)	0	2	0
Registration (with an additional 2s. for every certificate of title after the first)	0	10	0

Mortgages under the Deeds Registration Act, 1908.

Law-costs of perusing title, preparing, completing, and registering mortgage (to be deducted from the advance) :—

	£	s.	d.
If advance be not exceeding £150	0	18	0
Exceeding £150 but not exceeding £250	1	0	6
Exceeding £250 but not exceeding £500	1	5	0
Exceeding £500 but not exceeding £750	1	13	0
Exceeding £750 but not exceeding £1,000	2	3	0
Exceeding £1,000 but not exceeding £1,500	2	13	0
Exceeding £1,500 but not exceeding £2,000	3	13	0
Exceeding £2,000 but not exceeding £3,500	4	13	0

With cash disbursements :—

Mortgage form	0	1	0
Fee chargeable by solicitor not residing in registration centre for employing agent to register mortgage	0	5	6
Fee for partial or total discharge of mortgage	0	5	0
Fee for execution of consent by the Superintendent to any document	0	5	0
Fee for production of title-deeds held by the Superintendent	0	5	0

ADVANCES TO SETTLERS ON STOCK AND FARM IMPLEMENTS.

23. Advances may also be made on the security of stock and farm implements. Every advance shall be secured by a mortgage of land or chattels either with or without any collateral security to be approved by the Board of the Office.

Not more than £500 may be advanced to any one borrower, the term of the loan not to exceed five years.

24. The principal moneys comprised in any advance are repayable by instalments as follows : (a) 10 per cent. at the end of the first year ; (b) 15 per cent. at the end of the second year ; (c) 20 per cent. at the end of the third year ; (d) 25 per cent. at the end of the fourth year ; (e) 30 per cent. at the end of the fifth year.

25. Interest on the amount of the loan for the time being outstanding shall be payable at the rate of 7 per cent. per annum, reducible to $6\frac{1}{2}$ per cent. per annum provided that the half-yearly instalments of principal and interest are paid within fourteen days of due date.

26. Every application shall be made on the prescribed application form, and must be accompanied by a valuation fee according to the following scale :—

	£	s.	d.
On application for loan not exceeding £250	2	2	0*
On application for loan exceeding £250 but not exceeding £500	2	12	6*

27. Following is the scale of costs and fees payable for instruments by way of security :—

Law-costs of searching Chattels Register-book, and of preparing, completing, and registering instrument by way of security (exclusive of cash disbursements) :—

	£	s.	d.
For advance not exceeding £250	1	1	0
For advance exceeding £250 but not exceeding £500	1	17	6

Miscellaneous Business Branch.—Advances may be made in connection with the Fruit-preserving Industry Act, 1913, the Fishing Industry Promotion Act, 1919, and for the provision of cold storage in terms of section 30 of the Finance Act, 1918 (No. 2).

WM. WADDEL, Superintendent.

State Advances Office, Wellington, 1st March, 1923.

* These fees include a valuation of the land.

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