

better it will be, in the interests of the colony. The Government have given this matter careful consideration, and, as I have just said, are of opinion that the land must be made to bear the cost. We think that the necessary amount can be obtained from the land in such a way as not only not to retard, but really to promote, settlement. I do not propose now to enter into details: that will be done later on by my colleague the Minister of Lands. I may, however, say that the general outline of the scheme will be something like the following: A block of land, for instance, say, of 10,000 acres, is to be opened for settlement; the roads would be laid out, and the sections surveyed; the cost of forming and metal-ling the main road through the block would be estimated and added to the cost of clearing and forming the district roads. The total amount thus ascertained we will suppose is £5,000; a rate under the Rating Act would then be struck over the block to cover that amount, less the present value of the thirds, as though it were a district raising a loan under the Government Loans to Local Bodies Act, and the County Council in which the land was situated would be asked to super-intend the execution of the work under regulations approved by the House. We should propose that in bush districts all road-making, excepting the first clearing of the main roads, should be offered to the settlers in the first instance, so as to give employment to them for the first year or two, when work is most required near his home by the small bush-settler. If this system is carried out we think it will give great satisfaction and confidence to intending settlers by insuring the making of the necessary roads as they are required—the money being at call and depending upon no contingency—and enabling the small settler to earn a fair amount of cash at a time when he most needs such help. No fresh borrowing powers will be required if this plan meet with the approval of Parlia-ment, as there is ample provision under the Government Loans to Local Bodies Act; a slight amendment of that useful Act extending its provisions to land about to be opened for sale being all that is required, the purpose for which the advances are proposed to be made being identical with the purpose for which the Act was passed.

Amendment of
Government
Loans to Local
Bodies Act pro-
posed to provide
funds for
road-making.

Honourable members will perhaps say that this is only another form of borrowing, and that is true; but it is a form of borrowing for a purpose already approved by Parliament and within the limit now fixed, the only difference being that the money will be provided at a more suitable time, and consequently will be more useful to the settlers. Provision will, of course, have to be made, as I have just said, to give the purchasers of the land credit for the present value of the thirds, which would, in fact, instead of being doled out as they came in half-yearly, be available as a whole at once, to the great advantage of all concerned. I submit that, if we are to dispose of our land upon perpetual lease or deferred payment, it is clear we must make provision for roads, and it seems to the Government that this proposal is by far the simplest and safest way of raising the necessary funds. No fresh strain will be put upon the colonial revenue. The settlement of the land will be made self-supporting, and, if Parliament thinks it better to render any direct assistance by charging a lower rate of interest than will have to be paid by the colony for the money, the public will know definitely what that amount is.

I want the Committee to clearly understand that it will be impossible after this year to continue the present arrangement, which is to find money out of loan in aid of settlement. As a matter of fact, we have during the last five years found no less than £262,600 for this purpose, and the loan balance which is yet available will be completely exhausted by the end of this year.

The Government have had under consideration the question of any possible amendment of the land laws, with a view of still further increasing their efficiency in promoting *bonâ fide* settlement. They think an amendment desirable, increasing the power of the Boards and the Minister to prevent dummyism, although, as far as can be ascertained, there is, in fact, little now practised; but, however little, it must be stopped. We are also of opinion that in bush districts, and where drainage is needed, it would be of material assistance to the settler of small means if the rent for the first two years could be postponed and distributed over the rest of the term, both in the case of perpetual leaseholders and deferred-