Land- and income-tax.

One of the principal items of the Consolidated Revenue Account is the Land- and Income-tax. In my Financial Statement of last year I estimated the amount which would be derived from this source at about £350,000, and I have adopted that amount in the present Estimates. In making the forecast of the amount to be received I had calculated, in order to maintain our finance, on the realisation of a sum nearly equal to that which was obtained from the property-tax, which last year realised £356,741. The exact amount which the land- and income-tax will produce has not yet been ascertained; but I have obtained figures approximating closely to the actual amount which I think we shall receive in the present year, and I have the gratification to inform the Committee that, taking the various sources from which the tax will be derived, the estimate will be realised. I shall refer again to the subject.

THE ESTIMATED RESULTS OF THE YEAR 1892–93.

Table No. 7. Surplus at end of 1892–93, £330,277.

As I have already stated, the net surplus brought forward from last year amounted to £165,574, after paying off £100,000 of floating debt, and transferring £30,000 to the Public Works Fund for construction of roads and bridges, and after having made good the deficit of £16,532 in the Land Fund Account. The estimated amount of revenue for the year is shown at £4,326,100, making a total revenue of £4,491,674. The estimated expenditure, as I have shown, is £4,161,397, and, deducting this from the revenue, we have an estimated surplus of £330,277 at the end of the present financial year, subject, of course, to any supplementary estimates.

THE ACQUISITION OF NATIVE LANDS.

Acquisition of Native lands.

The time has, I think, arrived when the Native lands, which are rapidly increasing in value from the progress of colonisation going on around them, should pay the same taxation as other private lands are called upon to contribute to the Treasury and to local bodies, or a certain proportion of them should pass into the hands of the Government at a fair price and be used for purposes of settlement. The Crown lands available for settlement are rapidly becoming exhausted; and the question becomes pressing,—What is to be done with the comparatively large tracts of Native land remaining in a state of nature, barring the march of progress, and contributing nothing in return for the benefits conferred by the industry of the colonising race? What the Government may do with least opposition, and in the shortest time, is to acquire some of this territory by purchase. The Native owners have not been unwilling to sell, and larger areas might have been obtained if funds had been available. In no case should the owners be deprived of their land so as to leave them destitute; but, subject to this important reservation, the Natives might be asked to hand over for a sufficient price certain blocks to the Crown. If this be done, and the work of settlement allowed to proceed in Native territory, the rating of Native lands might be deferred.

Proposal to acquire Native lands.

It is accordingly proposed to submit to Parliament for consideration a measure intended to provide for the acquisition of Native lands to an extent not exceeding an expenditure of £50,000 a year, on a self-acting principle which will permit one-half the purchase-money to be invested as an endowment, bearing interest at 4 per cent., for the benefit of the owners. Thus the tribal owners will, in the first place, be provided with sufficient reserves to enable them to protect and maintain their material independence, secure from the possibility of want; and in the second place every seller will have had secured to him an annuity for life transmissible to his descendants. Both colonist and Native may, in this way, combine to carry out a scheme which will secure on the one hand the settlement of the country, and on the other the permanent welfare of the Maori people; and which will have the effect of gradually bringing both races under the one law.

THE ACQUISITION OF PRIVATE LANDS.

Acquisition of private lands.

The Government believe it to be a matter of the first importance that the work of colonisation should be renewed in many parts of the colony where