

of each half-yearly instalment of rent which he pays within one month after the day appointed for the payment thereof. Such rebate may be deducted and retained by the lessee from the full nominal amount of the instalment when making the payment. This provision, which is to apply to leases current at the commencement of the proposed amending Act as well as to leases hereafter granted, follows on the lines already laid down, and is proposed with a view of encouraging the whole of our Crown tenants, including the tenants of the Cheviot Estate, to pay their rents promptly.

PROCLAMATION OF RIVERS.

The large extent of gold-bearing alluvial drifts found to exist and profitable under dredging operations has marked a development in gold-mining unexpected and most profitable. The one great drawback has been the conflict between landowners and holders of riparian rights on the one hand, and those holding licenses for dredging-claims on the other.

The unwisdom in selling land in the vicinity of existing goldfields and in belts of auriferous country has been fully demonstrated, and the State must now step in and in many cases decide which shall be the paramount interest.

As Colonial Treasurer I am somewhat concerned. A Commission was set up to inquire and report as to certain claims for compensation in respect to riparian rights and land affected by dredging in Otago and Southland. The amount involved is considerable; but this, from what is taking place all over the goldfields, is simply touching the fringe of a grave financial trouble.

To impede dredging would be impolitic. To do injustice to the landowner would be unjust. The Government therefore see no alternative but to prepare, in many cases, for paying compensation. How far those profiting by such an arrangement should contribute, and in what form, I must leave for future developments. My colleague the Minister of Mines, assisted by the advice of the Royal Commission, will, I have no doubt, be able to come to some suitable settlement of this complicated question.

INDUSTRIES AND LABOUR.

The position of our industries is of a most satisfactory character, and investors have every reason to be satisfied that the disaster which it was said was to follow on the passing of our progressive labour laws is as far off as ever.

The wage-earners of the colony are better off than in any other part of the Empire, and the increase in the Savings-bank deposits is tangible proof that thrift exists, is practised, and that a living-wage obtains. Work is plentiful, both skilled and unskilled—in fact, as to the latter, in many parts landowners and farmers complain and allege that it is not obtainable; and with more expeditious prosecution of our railways, roads, &c., the position will become more acute. There is just the possibility that the sending of our young men to Africa may in some districts have had a bearing on the subject.

The Arbitration and Conciliation Act is working very satisfactorily, and this session I hope Parliament will place on the statute-book the Workmen's Compensation Act; and, seeing that the State is a large employer of labour, and that the Act, if passed, will apply to its workers, the Colonial Treasurer will have to provide funds to meet claims that may arise. Exception cannot reasonably be taken to this, and one grievance of private employers will be removed.

RAILWAYS.—IMPROVEMENTS AND ADDITIONS TO OPEN LINES.

As indicated in last year's Railway Statement, the rapidly increasing business of the Railway Department necessitates important improvements and additions to the working railways. The Minister for Railways has devoted much time and consideration to the requirements of the colony in this respect.

During the past five years the revenue of the department has increased, notwithstanding the large reductions in rates and charges, from £1,150,851 to £1,623,891. This enormous increase necessitates very large additions to our rolling-stock, and immediate provision must be made in this direction by placing more locomotives, more carriages, and more wagons on the line.

The work of relaying the principal lines with heavier rails, additions and improvements to railway-stations, rebuilding and strengthening many of our bridges, the enlargement of our railway workshops, besides the provision of signals, safety appliances, and improved brake-power, demand our immediate attention.