

the concessions granted last year, our Customs revenue is buoyant, and more than realises expectations. The Customs revenue is the barometer of the spending-power of the people, and also of our prosperity, and the indicator points between "Fair" and "Set fair," whilst the financial meteorologist announces a blue and cloudless sky.

In regard to the railways, since the Government took charge of them in 1895 concessions have been given to the value and extent of £420,000. Eliminating the abnormal traffic created in the month of June last, the ordinary traffic shows that there will be increased earnings as compared with last year, and, unless unforeseen circumstances arise, the estimated receipts from railways will be fully realised.

The settlement of the people on the land is of paramount importance. What we have done, are doing, and must do is to extend our operations and increase the number of our settlers; and to those going on to the back blocks and the bush lands easy terms must be given by way of relieving the tenants from payment of rent for the first few years, and also by way of insisting on improvement conditions being complied with; at the same time affording relief from rent until the tenant is enabled to get his head above water and to pay his way from the produce of the land itself.

In respect to gold-mining, steady progress is being made. Science has come to the rescue in regard to quartz-mining, whilst alluvial mining by dredging has assumed large proportions. I understand that the yield of gold this year will show a considerable increase over last year. The proclamation of certain rivers is indispensable, and although the first cost may appear heavy, yet this is unavoidable if ground sluicing and dredging are to be maintained.

For years past it has been contended and urged that the State should open its coal-mines and be self-supplying. The existing dearth of coal and excessive charges practically forced the position, and with a good selection and careful administration there is every reason to believe that the result of a State-owned coal-mine will, as in many other ventures of a progressive character, prove successful.

In respect to industries, however, the horizon is somewhat clouded, but in a short time this cloud will pass away. The employers and employed should shake hands, and both work together for mutual benefit. What will help our industries more than anything else will be to have complete technical and manual instruction for the young of our colony. This education is being afforded, and the country will be recouped for this expenditure a thousandfold.

The increased expenditure to meet the charge necessary to give effect to the scheme for a national and uniform scale of pay for teachers is fully warranted, for in a great measure the future of our colony depends upon the teachers. They have been underpaid in the past, and the remuneration and scale now submitted is fair and reasonable.

During the last few years the increase in our public debt may appear out of proportion to the increase in our population and trade; but when it is borne in mind that a very large proportion of this indebtedness is created for the purpose of advancing money to settlers, for the purchase of land for settlements, for loans to local bodies, for land improvement, and for other purposes of a directly reproductive character, there can be no question that splendid security has been given. There is direct local payment of interest, and many collateral advantages fully warrant the credit of the colony being pledged for such purposes. Contrast the wealth of the colony per head of the population with the increased indebtedness, and the most pessimistic individual must admit that the policy pursued has been in the best interests of New Zealand.

The construction of roads to the back blocks, the roading of lands prior to settlement, and the endeavour to improve the means of communication so as to permit the settlers to bring their produce to the main roads and realise is of paramount importance.

The completion at an early date of the North Island Main Trunk Railway, and the coupling together of Auckland and Wellington by a band of steel, is essential and of great importance. It will remove existing fears, and give