B.—6.

The individualising of their titles will manifestly be beneficial to the Maori people, but experience has shown that since, by ramifications of their genealogies, titles to even small and worthless blocks are overloaded with owners, it is not possible to effect this in every case. Provision must accordingly be made at the proper stage, either to partition the lands according to family groups, or to consolidate the holdings by a system of incorporation under an efficient management. The object will be in every case to put the Natives in a position to deal with their lands, or use them to the best advantage. To carry out such a scheme an efficient and complete Native Land Court staff is required, as also a sufficient number of surveyors to mark off individual or family interests, or other partitions that may be necessary.

It is not only desirable to settle Native titles as quickly as possible, but also to devise some means to bring the land under cultivation in the meantime.

To meet these points the policy of the Government is—

(1.) To set aside a sufficiency of Native lands for the maintenance of the Natives;

(2.) To as far as possible give the Natives a "start" to farm these lands

and to guide them in making the lands productive;

(3.) To throw the balance open for settlement and cultivation—by (a) the Crown purchasing at the Government valuation, (b) vesting it in the Boards for lease in limited areas for terms not exceeding sixty-six years, and (c) allowing the Natives to lease it themselves for such a term under the supervision of the Boards;

(4.) To settle all disputes in Native titles as quickly as possible by the Land

Court;

(5.) Where the Natives cannot be dealt with individually by the Crown, on account of pending appeals, partitions, &c., that the Crown deal with them collectively in the meantime and open their land for settlement, so that when their cases are disposed of by the Court they will get the

resulting revenue.

In order to increase the efficiency of the Native Land Court staff, and to overtake the large arrears of work, it is proposed to establish Native Land Court districts, co-terminous with the present Maori Land Board districts, with a Judge in charge of each, each Judge to fix a circuit and attend on circuit at stated periods to dispose of cases. Moreover, to constitute the Appellate Court two additional Judges are required whose duties will be confined to Appellate Court business.

RECIPROCITY WITH THE COMMONWEALTH.

As honourable members are aware, the late Prime Minister, Mr. Seddon, made a provisional agreement with the Commonwealth Government for reciprocal concessions of Customs duties in certain cases. The agreement is subject to ratification by Parliament and will be submitted accordingly. Its operations will have very important results to New Zealand, both financially and otherwise, and honourable members will, I am sure, give very full and careful consideration to the matter when it comes before them.

PUBLIC AND PRIVATE WEALTH.

I should like to say a few words with regard to the large and interesting question of our public and private indebtedness as compared with our public and private wealth. In other words, upon making up a statement of the colony's

assets and liabilities, what do we find the balance to be?

During the years when a property-tax was imposed the private indebtedness could in its cumulative form be fairly well ascertained, but since the substitution of a land and income tax it has become a very difficult matter to obtain a really definite estimate. The probate method of calculating private wealth affords approximately reliable results, and that, in my opinion, is the only safe method that can be followed.

To attempt to set down a balance-sheet of the assets and liabilities of the colony in detail would, I fear, be misleading, and I must content myself with