

afforded by this new legislation which I have referred to, so that there can be no doubt whatever that greatly increased activity in this direction must result—that is, the development of the mineral resources of the country which is of so much importance.

LAND FINANCE, ETC.

In addition to the State-guaranteed Advances Bill which I have briefly alluded to, I hope that the House this session will put on the statute-book the Land Settlement Finance Bill. The passing of this measure will enable large areas of privately owned land to be disposed of to those desirous of obtaining land in small areas, by enabling them by an easy process to obtain the necessary capital for the purpose. So also with the National Annuities Bill, providing as it does for the protection of those least able to bear the stress of unemployment due to accident or sickness. This Bill also insures the making of suitable provision for the widowed and fatherless, and I trust that the House will see the wisdom of putting this important piece of legislation into operation so that those whom it is intended to benefit may have the advantage of the protection which the scheme provides as early as possible.

DEATH DUTIES.

The existing law with regard to the imposition and collection of death duties calls for amendment, not only for the purpose of taxation, but for the purpose of securing a fairer adjustment of these duties in accordance with both the amount of the estate and the shares taken by the beneficiaries or next-of-kin.

The existing scale is illogically graduated; moreover, many of the largest estates in New Zealand to-day escape taxation altogether. No matter how great the fortune left to a widow or a widower no duty is payable, whereas duty is payable on small estates even if left to children. Under our present law, as a further example, if £20,000 is divided among ten children all under age, the estate has to pay the same duty as if the whole amount went to one son. I propose to introduce a new Death Duties Bill which will impose two descriptions of duty—viz., death duty in respect of estates of deceased persons, and gift duty in respect of gifts made by a person in his lifetime. The former is substituted for the duty imposed by the existing consolidated “Death Duties Act, 1908,” while the latter will take the place of the deed and gift duty imposed by “The Stamp Duties Act, 1908.” Death duties under the proposed Bill will consist of two kinds—viz., estate duty and succession duty. This is not the time or the place for details, but, speaking generally, the new measure will deal with the subject on modern lines and equitable principles. It will provide for a graduated rate rising from 2 per cent. in estates of £1,000, increasing to 8 per cent. in cases of estates of £100,000; and other important alterations will be proposed. I hope to circulate the Bill at an early date.

Alterations will also be made in our law to bring it into conformity with the English law as regards the tests of domicile with respect to the situation of property. Estate duty will be imposed not only upon the property of the deceased which vests in his executor or administrator under his will or intestacy, but also upon certain other property which for this purpose is deemed to form part of his estate—for example, entailed estates, property over which the deceased possessed a general power of appointment. Gifts made by the deceased within three years of his death and settlements of property to take effect on the death of deceased. Similar provisions to these are contained in English law, and are distinctly necessary in order to safeguard this duty against existing and future evasions.

So far I have dealt with estate duty. Unlike estate duty, succession duty will be imposed, as in England, not upon the aggregate property of a deceased, but upon each separate interest taken in that property by the several persons who succeed,