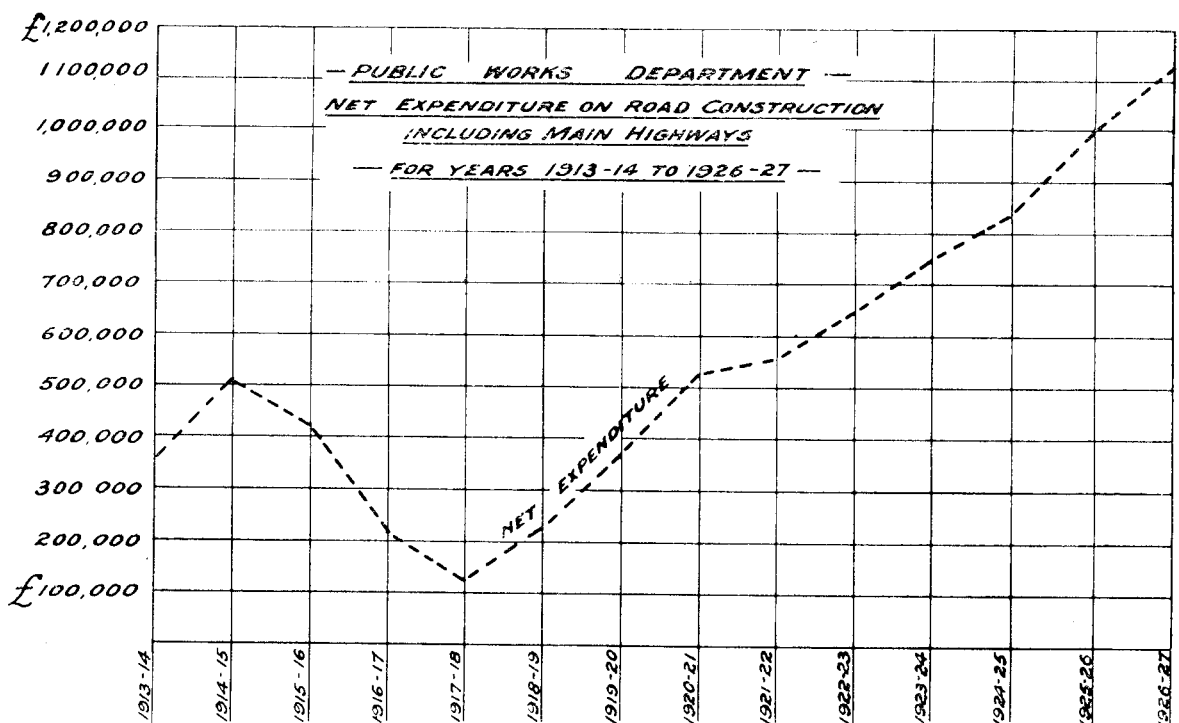


Experience of irrigation in New Zealand, confirmed by the experience on irrigation projects abroad, had shown the need of affording some assistance to irrigators in the earlier years of irrigation farming. This appeared to be best met by a deferred scale of charges, and such a scale was put into operation in the later part of 1925. Under this system, the rate for the first year of supply is on a very low basis, the scale rising in a period of six to ten years to its maximum. This policy was adopted to assist irrigators in the early years of development of an irrigation farm, and while irrigators are gaining experience in that class of farming. Irrigators generally are taking advantage of the deferred scale. In addition to this, further assistance has been granted by supplying extra water, over the agreement quantity, at a very low rate, where such extra water is available. My policy in this is to help the man on the land without in any way prejudicing the financial returns from the capital invested.

Further schemes are being investigated and will be developed as funds permit and the areas already served become fully taken up, and the necessity for further lands for closer settlement arises.

ROAD-CONSTRUCTION.

As has been the case during the past eight or nine years, expenditure on road-construction during the last financial year again shows a large increase, the amount expended being the highest so far recorded by the Department. During the year 1925-26 the expenditure almost touched the £1,000,000 mark, but last year that mark was exceeded by a substantial amount, and a figure never before reached on this section of the Department's activities was passed.



As mentioned in my Statement last year, the primary development in any country is by roading, and the figures just quoted will show the great progress that has been made towards the opening-up of back country for developmental purposes, and also in the improvements to existing roads, which should ultimately be reflected in the increased productivity of the country served.

Regarding the opening-up of the back country, I have previously mentioned that an effort was being made to devise some scheme whereby those outlying and isolated districts would receive the special consideration in the way of provision of reasonable access they undoubtedly deserve, and, as already disclosed, it has been possible to set aside a substantial sum this year for that purpose. The expenditure of this amount should to a very great extent alleviate the difficulties