

STATE ADVANCES OFFICE.

Since the 10th December, 1928, when Government assumed office, to the 29th July last, loans authorized as follows :—

	£
To 2,006 settlers	2,420,790
2,749 workers	2,384,995
<u>4,755</u>	<u>£4,805,785</u>

Loans paid over during same period amounted to £3,319,300.

The position does not permit of any reduction in interest rates at present, but it is hoped that lending rates can be started on downward path before long.

RAILWAYS AND ROAD TRANSPORT.

Total expenditure on highways and roads for year was approximately £3,350,000.

If present drift not checked taxpayer will shortly have to find £2,000,000 a year for railway losses.

Summary of Government's policy :—

- (a) To complete trunk lines as backbone of system :
- (b) Not to build further short branch lines where transport needs can be adequately catered for by motor services on a good motor-road :
- (c) To investigate the position of the present branch lines with a view to doing away with those that are found to be obsolescent :
- (d) To write down the Railway capital by the amount contributed thereto from revenue, and cancel the present subsidy from the Consolidated Fund :
- (e) To co-ordinate the railway and motor-road construction policies :
- (f) To take steps to bring about co-ordination between road and rail transport services.

Taupo Railway and Palmerston North Deviation stopped as circumstances do not justify the large capital outlay involved.

LAND SETTLEMENT.

Vigorous policy essential for return to general prosperity.

Loan authority of £5,000,000 to be provided.

Certain waste lands to be brought into cultivation.

Large estates to be purchased and cut up for closer settlement.

Government will pay a fair price, but will use compulsory provisions of Act if necessary.

Land-development Branch of State Advances Office to be established to assist in development of waste lands.

AGRICULTURE.

Resources of Agriculture Department available to assist men on land, particularly new settlers.

Special research activities being undertaken in connection with various stock-diseases, mineral content of pastures, &c.

EDUCATION.

System to be amended to give bias towards farming.

Country schools being consolidated.

Correspondence School being extended to embrace secondary education.

Child-welfare work being widened.

IMMIGRATION.

Government proposes to continue the restriction on assisted immigrants to separated families, single women, domestic servants, and juveniles.