

Advance in value of land.

Colonial lands

must not pass to speculators unless at proper price.

No wish to interfere with Provincial Land-laws; but, if desire shown to sell land in huge blocks, security for Railways must be taken promptly.

Authority for additional Main Railways not to be sought, except land security given.

Except to *bond fide* settlers, price of land should be increased.

Railway Reserves to be subject to Land Laws of respective Provinces.

Settlement—Special and otherwise.

Land to be given to passage-paying Immigrants.

Railway Reserves may be settled upon, under a Homestead-law.

Land security for each Railway to be to double the cost of

given to civilisation—have risen in value: that is to say, a sovereign possesses in respect to them a less purchasing power, and the value of the land from which alone they can be obtained must rise with them. Land, wherever situated, is beginning to command a value for its produce and for the facilities it offers for bringing that produce to market, quite irrespective of its suitability for residence. The land which amongst the everlasting snows and ice of the far north yields coal and timber has its value—commerce is cosmopolitan—and the capitalist will buy it without thinking of ever visiting it. Attention is being turned to Colonial land; and though I will not say it has yet been the case, it may and will be, that land in large tracts will be bought for mere speculation. We do not want this; but if we do, are we not entitled to ask for the land the land's worth? To the *bond fide* occupier—the person who takes no more land than that on which he can make two blades of grass grow where one grew before—we may give the land and profit by the transaction. But to speculative capitalists is it right that land should pass for such prices only as it commanded when the land products were less valuable, when money was dearer, when the country was not opened up by railways, or population settled on it? We do not wish to interfere with the land laws in the various Provinces, but if it is the wish of those who control those laws that land should pass away in huge quantities, we cannot forget that it is right we should require that some of the land should be set apart as security for the Railways. I have asked the Committee to follow me to two conclusions—That we must not forget the essentially Colonial character of the Public Works Department; and that we must take land as security for the Railways we are constructing. The Committee will, therefore, be prepared to hear that the Government will not seek the sanction of the Assembly to the construction by the Colony of Branch Railways, and that they will only ask for authority to construct other Railways, in addition to those already authorized, upon the condition that land be given as security. We are not prepared, however, to shut out from railway advantages those Provinces which have not land, because of its remaining in the hands of the Maoris. In respect to them, we propose that a portion of the proceeds of lands purchased from the Natives, or a portion of the lands themselves, shall be devoted entirely to railway purposes. We do not propose that this land security should supersede the liabilities of each Province for its Railways; we do not propose that the lands of one Province should become security for the Railways of another; nor do we propose arbitrarily to alter or to interfere with land laws. We express the opinion for what it is worth, that, except for purposes of actual settlement, it is now wise in a pecuniary sense to charge for land a higher price than the early settlers paid for it. Indeed, the early settlers would have the right to complain if speculators thousands of miles away could now, after the lapse of years, command, for the mere purpose of speculation, land which the labour of the settlers has made valuable, at the same price as the pioneers had to pay for it when they redeemed it from the wilderness. But we will not compel or control. We propose to provide, by Bill, that Railway Reserves shall be subject to the laws which apply to other Waste Lands within the Provinces, leaving it to agreement between the Governor and the Superintendents to provide for special settlements, or to give special facilities to settlers. Those Provinces which are liberal will reap the benefit. The Government will concur in the utilization of the Reserves for purposes of settlement. They will agree to special settlements, in the profits of which labour and capital shall both share. They propose to give to Immigrants who pay their own passages land subject to occupation conditions. They will be willing, within those Provinces which desire it, that parts of the Railway Reserves should be open to occupation under some such homestead-law as that which prevails in Auckland. I make these explanations to show the wide discretion which the Government, although they exact security for Railways, are willing to accord to Provincial authorities. As a matter of opinion, I may say that a homestead-law with free grants of land may be an error in the direction of too great liberality—in other words, I think that payment, not in advance, but deferred, may without hardship to the settler, be asked from him. We shall seek, as security, land to an extent which, taking it at its nominal value, will