

As regards Crown lands in the North Island, I have first of all to direct the attention of honorable members to the fact that about 120,000 acres of the best land on the West Coast, portion of the confiscated territory, is now being surveyed for sale. I do not wish to raise the expectations of honorable members unduly, but I believe that I am warranted in reckoning that from this quarter alone (irrespective of the large area of land already acquired and under negotiation in the same locality) we may expect to receive a net revenue of three-quarters of a million sterling. In addition to these are very large areas of land in the Thames and Piako Districts, which will at once acquire a greatly increased value from the prospect of railway communication being likely to be opened between Grahamstown and Waikato. Other large blocks of land in the Bay of Plenty, Poverty Bay, and Wellington Districts, will shortly be available, and we shall have the gratification of beholding the North Island, for the first time for many years, yielding a substantial land revenue. For more particular information as to area, locality, and probable value of our North Island land estate, I would refer honorable members to the usual statement on Native lands, which will be shortly made by my colleague the Native Minister.

In reference to such of those lands as are situated upon the West Coast of this Island, forming part of our confiscated territory, I have a proposal to make to the House, which, while it may appear to be a considerable modification, if not a reversal of the financial arrangements of last session, is really a means of giving a practical effect to those arrangements. These lands have been acquired at an expense of blood and treasure, which, in our opinion, justify exceptional treatment in appropriating the proceeds. In addition to the 25 per cent. payable to the New Plymouth Harbour Board, the county in which they are situate, in accordance with the legislation of last session, would receive 20 per cent. of the amount realized from the sale, while the colony, which had already paid so heavily for the land, would be called upon to provide the means of constructing the main line of railway. We propose, then, to apply 15 per cent. of the 20 per cent. otherwise payable to the county, to the construction of the railway through the district. As the land will shortly be in the market, there will be a considerable sum at no distant date specially available for this work, which can be commenced immediately. The county will in this way receive the whole of the 20 per cent., while the colony will be assisted in a work which will contribute so materially to enhance the value of property in the district, and to increase the financial resources of the county.

Assuming these proposals to be approved by the Legislature, it becomes an important question, What is to be our procedure with regard to the works not already sanctioned? The House will, of course, recognize the impossibility of coming to any conclusion on such a matter which can be satisfactory to all. Each district in the colony believes that its claim to be provided with railways, at the cost of the State, ranks at least as high as the claim of any other district; and none, probably, will admit that any such claim ought to be met before its own. This, in truth, is a great difficulty, which the House, by its past legislation, has brought upon itself. That difficulty commenced from the moment when the Legislature repealed that cardinal condition of the Public Works policy that in the event of the proceeds of any railway failing to meet interest and sinking fund on the cost of its construction, property in the district should be rated to make up the deficiency. The difficulty is one which, I confess, I cannot solve. As things stand, the Government are desirous to distribute to the best advantage whatever funds may be available for the construction of Public Works, and to do this as fairly as possible under the circumstances, we shall endeavour to carry on as nearly as may be simultaneously the various works that may be authorized, and to apportion the expenditure each year in such directions as shall seem most likely to promote the speedy settlement and beneficial occupation of the waste lands of the country. Much of the difficulty of the situation arises from the fact that here in New Zealand we are expected to do, in a few years, what it has hitherto taken centuries elsewhere to accomplish. A few hundred thousands of people are bent upon doing in a lifetime that, which in the past has been the work of millions of men during generations. If New Zealand goes onward as she is now doing until she reaches her first centenary, it is hard to decide which will then be the "Greater," which the "Lesser," Britain. It is the remarkable progress we