

which are otherwise desirable. It is proposed to remedy this defect by the Bill now before the House. The number of estates purchased was five, of a total area of 9,113 acres, the total cost of which, including purchase, administration, roads made and yet to be made, was £39,117 12s. 10d., or considerably within the limit allowed under the Act. These estates have all been divided into small farms, and at this date are bringing in a return on capital invested, 4·5 per cent., whilst seventy-one selectors now hold the land instead of five, as formerly. When the whole of the lands are selected, which will probably be as soon as certain road-works are completed, the estates will bring in a return of 5·8 per cent. on the expenditure.

With respect to the Cheviot Estate, full particulars as to the operations in connection therewith—sales, leases, and improvements made, &c.—will be found in the annual report of the Lands and Survey Department, which may be summarised here. Cheviot Estate.

Through causes which have nothing to do with the estate itself, the cash sales have not equalled our anticipations, consequently larger areas have been offered for lease than was originally contemplated. The results up to the present time may be stated as follows:— Cash sales.

The total area purchased is 84,755 acres, and, with two reserves containing 600 acres of Crown lands, and 120 purchased on the boundary, makes a total of 85,475 acres, which is disposed of as follows:— Area disposed of.

73,159 acres leased in perpetuity, and for twenty-one-year terms.
6,498 acres sold for cash.
1,032 acres reserves, &c., not yet leased.
2,066 acres unsold land.
2,720 acres roads, railway-line, &c.

85,475

Financially, the position is as follows:—

Original cost of the estate	...	...	...	...	£260,220	
Works and improvements	...	...	...	...	22,250	
					<u>282,470</u>	
Deduct cash receipts	...	...	...	...	35,921	
					<u>£246,549</u>	

Financial
results.

As the land leased is bringing in a rental of £13,339, it follows that we are receiving over 5 per cent. on the £246,549, and still have to the good some reserves and township-sites not yet disposed of. Over 5 per cent.
received on
outlay.

THE BANK OF NEW ZEALAND.

Circumstances of an unusual character have recently caused prominence to be given to the banking institutions of the colony. I take this opportunity of complimenting the House upon the courage displayed by its members—a marked characteristic not altogether unexpected—in dealing with a critical emergency. I refer to the State guarantee which was given to the Bank of New Zealand a few weeks ago. There have been many proposals urged from time to time for the creation of a State bank, and there have been many hopes expressed that such a State institution would sooner or later be established in this colony. There have been fanciful ideas portrayed by many, who, doubtless experiencing the tightness that has characterized the money-market in this colony for some months past, regarded the creation of a State bank as a panacea for the evils from which they had suffered. I do not here propose to discuss the merits or demerits of a State bank. I will not trespass upon the time of the House in inviting honourable members to say whether or not the creation of a State bank would have been a solution so satisfactory as many predicted. It would, in my opinion, be undesirable for the Government of the colony to conduct the business of an ordinary Creation of a
State bank need
not be con-
sidered.