

As regards settlers of the agricultural class from England, there are very few, comparatively speaking, that find their way to this colony. The cheap fares to Canada and America and other inducements held out to them cause the flow of immigration from the United Kingdom to those countries.

At the present time our Agent-General has done his best, but he has only the one central office from which information can be disseminated, and this does not meet the necessities of the case; the cost of coming to London to make inquiries is too great, and as a consequence in most cases the only information obtainable is from the handbook.

What is really wanted is to have agents in England, Ireland, and Scotland, farmers and pastoralists, who are personally acquainted with our lands and land laws, and the assistance given here to settlers, and who could give detailed information that would attract intending immigrants of the farming class. These agents should be New-Zealanders who had returned and settled in the Mother-country. Their remuneration would be nominal—the honour of the position and recognition by the colony which had done well for them would be held a sufficient reward.

Again, something might be done in the way of lessening the cost of passages. The shipping companies have in the past met the Government, and, as honourable members are aware, settlers with a given amount of capital come here at reduced passage rates. More should be done in this direction, for after satisfying the earth-hunger of our own people there remains plenty of good land for others who come to us with the requisite energy and means to properly cultivate it.

#### BANK OF NEW ZEALAND.

The balance-sheet of the Bank of New Zealand, and the statement submitted to the shareholders by the chairman of directors, must be satisfactory to honourable members, and especially to those who with myself had the grave responsibility of bringing the colony to the rescue of the bank some years ago. What we then stated, and is now demonstrated, was that the colony would not be called upon to pay anything, and that the bank would in the course of time work out its own salvation.

It was not then anticipated that at the close of the ten years for which the guarantee was given the bank would be in a position to dispense with it. Proposals will shortly be submitted to the House providing for further guarantee for a specified period, but for a less amount than that previously given. At the time the colony gave its assistance the bank's condition would not warrant anything being paid to the State for the guarantee, and accordingly nothing was asked.

Things now, I am happy to say, are different, and it is only reasonable that some direct return should be received. It has been suggested that the guarantee should be given on the same terms as before; it has also been strongly urged that the bank should be converted into a State bank.

The Government consider the wisest course would be to establish as between the bank and the colony a limited partnership for a stated period, which would be to the advantage of both, and legislation giving effect to that proposal will be submitted in due course.

The administration of the Assets Realisation Board has been adversely criticized. That criticism, however, is made by those who are not fully acquainted with the facts, or with what the Board has done in the way of realisation. As will be seen from the statement and balance-sheet submitted to the House, and from the statement to the shareholders of the bank, the charges levelled at the Board are unwarranted.

To have forced the whole of the real estate on the market would have meant a heavy loss, certainly to the bank and probably to the colony. To sell as opportunity arose, and at best obtainable prices, has proved to be the most prudent and businesslike course, and the value of the real estate now in the hands of the Assets Board as compared with its market and book value at the time the estates were handed over to the Board shows an increase of at least half a million sterling. During this time the management of the estates has shown a considerable profit, which has been used to reduce the liability incurred by the colony on behalf of the bank.