

and the fear of revaluation, and by implication breach of contract, is also very general, due, as many witnesses affirmed, to what they read in the public Press of proposals to that effect. Even if the fear of revaluation were removed, it is evident that there is a deep-seated desire to have the freehold; something, as settlers, say, they can call their own, free from restrictions, inspections, and paying of rent. To obtain the right of freehold they would willingly pay up, with interest, the difference between the 4 per cent. rent they are paying now on the capital value under lease in perpetuity and the 5 per cent. paid by settlers who hold under occupation with right of purchase. On being questioned why they took up land on lease in perpetuity, settlers replied that in some instances the land was opened on that tenure only, and that they had no choice. The land being supposed to contain metal, minerals, or valuable stone, under section 136, subsection (2), of "The Land Act, 1892," it could only be opened on lease in perpetuity, and that where the full option was given lease in perpetuity was chosen to secure the lower rental, but in ignorance of the disadvantages of that tenure afterwards disclosed by practical experience.

Many settlers pointed out that in taking up the rough bush land in the back blocks, felling, clearing, grassing, and fencing it, paying rates and interest on road-formations, establishment of dairy factories, and contributing to the erection of freezing-works, thereby rendering the land productive, their interest in the land in a few years became many times greater than that of the State, and that the increased unimproved value of the land is due to their labour and capital, and that in their case there is no such thing as unearned increment belonging to the State. On the contrary, if accounts were kept between them and the colony as to the cost of bringing the land into a productive state, and they were paid current rates for their labour, the colony would be their debtor, and therefore there is no unearned increment in the case.

In the Land for Settlements there is to some extent the same fear of revaluation, difficulties in finance, and a desire ultimately to obtain the freehold of the land at the original price of the land on which they now pay a rent of 5 per cent. per annum. A number of settlers expressed themselves as quite satisfied with the tenure of lease in perpetuity, and wished to be left alone. Evidence of this is shown by the unwillingness expressed to pay any advance on the original price of the land to obtain the freehold. When confronted with the fact that the value of the land had increased, their argument was that whatever increased value the land may have gained since they took it up is due to their work and improvements, and to the rise in price of produce in the markets of the world, a fluctuating quantity that may soon decline. But even if it should be permanent, it is theirs during the currency of the contract for 999 years to deal with as they may think fit.

It is evident that any sense of insecurity in the minds of settlers must seriously injure rural progress. Stability of tenure is, of necessity, a condition antecedent to and inseparable from the energetic development of the colony's resources. Revaluation of present or future leases would, it is considered, exercise a very harmful effect upon settlement. It is questionable if the remaining Crown lands, which are chiefly of a rugged character and remotely situated, would find occupiers under a system of lease providing for periodical revaluation.

Revaluation for rent purposes, as a feature of land policy in an undeveloped country, is open to even graver objections than in older countries, and it is thought its introduction would unfavourably affect this colony financially and in the estimation of a desirable class of British farmer immigrant as a field for settlement.

It is contended that no private landlord would be so unwise as to grant a 999-years lease without a periodical revaluation clause, and that inferentially it would be equally unwise for the State to do so. The parallel does not hold. The private landlord gets his fixed rent only; the State gets a fixed rental, together with the constitutional right of a further levy in the form of taxation, unlimited, except by the sense of justice of the people; and as this power lies in the hands of the people's Government, the plea for revaluation, with its disturbing and injurious influences, is not well founded.