

the Wellington and Manawatu Railway. Nearly the whole of this money was raised in London on favourable terms, our brokers having made the necessary arrangements for the placing of these loans with a minimum of cost to the Dominion.

Other moneys were obtained for advances to settlers, land for settlements, for loans to local authorities, and other services.

GOVERNMENT LOANS TO LOCAL BODIES.

Applications from local authorities for loans have been much larger than usual, consequent, no doubt, on the difficulty of obtaining money at a reasonable rate of interest elsewhere. Debentures for the amount authorised by law—£250,000 per annum—were created and issued during the year, of which £192,136 was paid over in loans to local bodies, and £54,713 for roads to open up Crown lands.

WELLINGTON AND MANAWATU RAILWAY.

The purchase of the Wellington-Manawatu Railway, for which £1,000,000 was raised, was effected in manner authorised by the Act. The final payment of the purchase-money was made on the due date, and the whole transaction was completed to the mutual satisfaction of both parties.

LAND FOR SETTLEMENT.

During the year £372,245 has been spent in the acquirement of estates. There was outstanding on 31st March last available borrowing-power of £416,650, which, with the £500,000 authorised for this year, gives us power to raise £916,650 for the acquirement of land for settlement if necessary.

ADVANCES TO SETTLERS AND WORKERS.

£1,493,835 12s. has been expended in advances to settlers, and £298,184 6s. in advances to workers—a gross total of £1,792,019 18s. actually paid out during the year. This is a record for the Department, the increase on the previous year being £390,625. The figures show that there has been a continuous increase in the number of applicants for advances. The office will do its utmost to meet the requirements of borrowers with the funds at its disposal.

The amount of advances actually paid over during each month of the year shows that a full average has been maintained throughout.

Over £5,000,000 has been raised by the Government for investment on mortgage to 31st March, 1909, for advances to settlers, and nearly £500,000 for advances to workers.

There is still authority to raise, on behalf of the advances to settlers, £841,200, being the balance of the six millions authorised by the Act, which, with the annual repayments from mortgagors, will enable the Department to make further advances during the present year to the extent of £1,500,000.

There is also authority under the Act to borrow £500,000 for advances to workers during the current financial year, and this I propose to do. I am sure it will both help workers to get homes for themselves, and give a considerable amount of employment in the building trade throughout the Dominion.

PROVISION FOR THE RECESS.

The Public Revenues Act provides for carrying on to 30th June. After that date no payments can be made for any service until further provision is made. It is therefore necessary to provide for the carrying-on of the public services till Parliament meets again, and I propose to ask the House to extend the provisions of the Public Revenues Act to the 14th October next. The Act contains the safeguard that no payment shall be made for any service other than those for which provision was made in the respective Appropriation Acts and estimates of the preceding year, or in excess of the scale therein set forth.