

Dominion Defence.

NAME OF THE DREADNOUGHT.

ALTERED TO NEW ZEALAND.

STRENGTH OF THE VOLUNTEERS.

"The important question of defence has engaged the attention of the Government during the recess," said Sir Joseph Ward, in his Budget speech; "and in view of the changes in the system consequent on Field-Marshal Viscount Kitchener's report it will be necessary to ask Parliament to make considerable alterations in the Act in order to place the defences of New Zealand on a sound footing, and a bill with this object is now before Parliament."

"I may remark that the name of the Dreadnought is to be 'New Zealand, not 'Zealandia,' as was announced by me a short time ago. The change is consequent upon a suggestion from the Admiralty that the new Dreadnought should be named 'New Zealand,' they at the same time expressing their willingness to change the nomenclature of the present cruiser of that name. The Government readily acquiesced in the suggestion, and the battleship given by this country is to be called, after our Dominion, 'New Zealand,' which I think it will be agreed is most appropriate. Upon our recommendation it has also been decided that the existing cruiser of that name is to be renamed the 'Maori.'"

"In connection with Field-Marshal Viscount Kitchener's visit to New Zealand I may mention that one part of the Field-Marshal's report deals entirely with the fixed harbour defences of this Dominion, and being of a confidential nature, it necessarily follows that it cannot be made public. I feel sure that the good results that will accrue from the Field-Marshal's visit will be of a lasting benefit to this Dominion. However much we all deplore war we cannot close our eyes to the fact that every nation has, in recent years, been arming itself at a great rate, and has also been devoting itself to the all-important question of efficiency both on land and sea. We have a valuable possession in our charge, and consequently it is our duty to see that our own house is put in order with as little delay as possible. With this object in view I am confident the people of New Zealand will welcome the change from our previous condition, and assist in establishing a practical and efficient system of defence, in order that should the occasion arise we may have available a body of thoroughly trained and efficient men."

"Having regard to the fact that the defence system of the Dominion has been entirely changed, I feel it my duty to acknowledge the good work the men who have composed the volunteers in the past have accomplished. As indicating the keen interest that is being taken in the defences of our country, I may say that at the present time the numerical strength of the defence forces throughout the Dominion has never so great, even during the time of the South African war, when admittedly the movement was abnormally active. The officers, non-commissioned officers, and men of the volunteer forces of the past have given cheerfully a large part of their valuable time in the cause of defence. To one and all of them I tender on behalf of the country my warmest thanks for their services. I feel confident that the same spirit that has prompted them in their efforts in the past will continue, and that the territorial system will receive the generous support from such good material as will insure its successful establishment and its smooth working."

Items from the Budget.

WATER-POWER LOAN.

In the course of his budget speech last week, Sir Joseph Ward, dealing with the utilisation of water power, said it was desirable to prevent the exploitation by individuals of the wealth that it would be possible to create by the control of our water-falls. The Government considered that the time had now arrived to take the matter up with vigour, and proposals would be submitted shortly to undertake one or more power schemes and to extend the work from time to time, until all our larger centres of population have been supplied with hydro-electric power, and until our principal sources of energy have been turned to commercial advantage. It was proposed to devote about £500,000 per annum to this work, and authority to raise this

amount would be asked for. Proposals for irrigation schemes for Central Otago would also be submitted.

NATIONAL ANNUITIES.

Referring to national annuities, Sir Joseph Ward said it was his intention to ask Parliament to place on the Statute Book this year a scheme for national annuities. The main aims of the bill of last year would be preserved, namely, those of providing an annuity for all men and women who choose to join the scheme; and, secondly, to relieve by contributions, in proportion to the number of children, the hardship which falls upon a worker's home from his sickness or accident. The contributions would be low enough to enable any thrifty worker to obtain the benefits. By a moderate payment in the years of his or her prime, a contributor would be assured from want in old age or infirmity; widows and children of contributors would be provided with assistance, the widow during widowhood, and the children until the age of 14. Such a system would remove the fear of the worker as to his future, and that of those dear to him, and should do much to encourage thrift.

HELPING THE MOTHER.

Considerations, both of the State's permanent welfare and of humanity, must, continued Sir Joseph Ward, impress our people with the wisdom of providing a scheme whereby the wives of low-waged workers and the poorer small settlers may be relieved of some of the anxiety which at present accompanies motherhood. Legislation will, therefore, be introduced this year providing for the co-operation of hospital boards with the Government to provide a proper measure of relief in these cases. Until an adequate supply of midwives and sufficient accommodation in our hospitals for maternity cases can be furnished, the hospital boards will be asked to make immediate arrangements for medical attendance upon expecting mothers in their own homes, the expense of attendance to be defrayed partly by contributions from the husband, and the remainder out of the Consolidated Fund. It is proposed that in the cases in question the Government should pay two-thirds. In order that this provision should not be abused, it would apply only in cases where the earnings of the worker or settler are under £200 a year. The scheme involved a good deal of detail provision.

LABOUR BUREAUX.

Turning next to the question of the unemployed, Sir Joseph Ward said legislation would be introduced providing that our different police stations throughout the country districts shall discharge the functions of local labour bureaux, the purpose being to furnish unemployed workers with reliable information as to where work may be obtained, and to furnish employers with similar information as to where labour is available.

ANTI-TRUST LEGISLATION.

One of the disquieting features of our advancing civilisation, continued Sir Joseph Ward, is the parasitic growth of combinations, for the purpose of preying upon the body politic. It cannot be denied that there are many advantages in connection with production and distribution on an extensive scale, but when smaller rivals are crushed out the temptation to exploit the consumer becomes irresistible. In all countries these trusts become predatory in character at a certain stage of their growth. Owing to the State owning the means of transport and communication, New Zealand cannot suffer as other countries have where trusts have got control of the railways, canals, and telegraph lines. The position is, however, sufficiently grave to warrant drastic legislative provisions to keep them in check.

Local Bodies' Loans.

MILLION AND A HALF WANTED.

HELPING THE MAN OUT BACK.

Dealing with loans to local authorities in his Budget speech, Sir Joseph Ward said that since the coming into operation of the State-guaranteed Advances Act on February 1 to June 30, the total applications for loans received numbered 189, and amounted to £1,570,048. Of these applications 28, for £604,820, were declined, 131 for £754,047 were provisionally approved, and 24 for £184,

491, were finally approved. Five for £27,500 were postponed. Loans for necessary works such as roads, bridges, drainage, and water supply, had preference, and applications for electric light installation, town halls, recreation grounds, and other things of that kind were refused. The struggling settler, whose children could not get to school for the want of a bridge, or whose wife could not receive medical aid at a critical time through the impassability of roads, must be considered first. As there would be a very large development of the loans to local authorities' branch of the Advances Office in the near future, alterations of the procedure in obtaining loans would have to be made. His intention was to so simplify the procedure that after the wish of the ratepayers that the loan should be obtained was clearly expressed, the whole of the remaining work to complete the borrowing operations could and would be undertaken by the Department. The time for raising any objections by a dissatisfied ratepayer to the validity of the proceedings would be reasonably limited, and after the expiration of the time fixed no legal steps could be taken to have the proceedings invalidated. The term for repayment of loans by local authorities might reasonably be extended to 50 years. It would make the instalments lighter. For each £100 the instalment of principal and interest at 3½ per cent., with a term of repayment of 36½ years, is £4 17s 6d per annum; for 50 years it would be £4 5s only. Even at 4 per cent. interest the annual instalments would be only £4 13s 11½d per £100. Money may not always be obtainable at present rates. After a short experience of the working of the system, he was satisfied that the charge made by the Department, namely, a commission of one-half of 1 per cent. was too low. On a loan of £100 a fee of £5 was paid, and everything in connection with the loan had to be carried on for 36½ years on this fee. In addition, the costs of raising the loan must be paid. A difference of one-tenth of 1 per cent. would be a very slight charge, but it would probably pay the cost of raising the loan, and the interest lost while funds were waiting investment.

Settling the Land.

GOVERNMENT PROPOSALS.

QUESTION OF TENURE.

FINANCING THE SETTLER.

The outline of the Government's proposals concerning the man on the land and the man who wants to get there, as disclosed by the Premier in his Budget speech, was listened to with the keenest attention by the House. Sir Joseph said:—

The all-important question of closer settlement of the lands of the Dominion, both private and Crown, has been receiving the closest attention, and the Government will shortly bring down a Land Bill which will, it is believed, be acceptable to a majority of the people of this country and of the members of this House. The special aim of this bill will be to provide a further and a better means of obtaining land for the people, while the difficult question of tenure will be placed upon a footing which conserves in a reasonable degree the rights and interests of both the State and the settlers. In order to further the main purposes of this bill, important amendments of the Land Settlement Finance Act of last year will be submitted to you. It is confidently expected that these will extend the scope and make more effective the machinery of the existing legislation.

The Land Settlement Finance Act came into operation on January 1, consequently there has been very little time to do much under it. However, there are already several associations under way. Two associations have completed purchases, and a third is just about completed. It is a measure likely to facilitate the settlement of the lands with a good class of settler, and it is anticipated that when the provisions of the Act become better known many more associations will be formed. In putting the Act into operation several weaknesses have been discovered. One of them is the necessity for the survey of an estate before the Board can consider an application by an association to purchase. At the commencement a simple and inexpensive agreement would, perhaps, meet all requirements, and when the Board has considered this and expressed its opinion as to whether or not the land is suitable and the price reasonable, a more formal

contract could be entered into. The present limitation of area is a difficulty. Very few estates likely to be sold under the Act are of such a uniform quality that they can be profitably held, even in 200-acre sections. The size of the sections might be left to the Board to fix. As a great deal will depend on the kind of men who will purchase land under the Act, the Board should have power to examine on oath applicants as to their fitness to successfully work an allotment. The Act, I am convinced, will yet be of great benefit to the Dominion. When it is amended in its weak spots, and more widely understood, advantage will be taken of its beneficial provisions to an extent undreamt of at present.

ADVANCES TO SETTLERS.

On the correlated question of State-guaranteed Advances, Sir Joseph Ward said: The business during the year was as follows:—Number of loans granted to settlers 2,745, amounting to £1,095,120; to workers, 1,359 in number, amounting to £362,352. The amount advanced since the Department commenced operations, including sums repaid and loaned again, is:—Settlers £10,245,265, and to workers £1,074,225, making a total of £11,319,490. The Board of the office, after full consideration, has decided that the present term for repayment of loans to workers, 30½ years, is too long, and in the interests of safety has recommended a reduction, and, further, that there shall be two classes of security, first and second, moneys lent on first-class securities being repayable in 30 years, and on second-class security in 20 years. As most of the loans are on wooden buildings, with, in many cases, sections of small value, the present repayment term should be shortened. Having regard to the great advantages enjoyed by borrowers under this system, the low rate of interest paid, the preparation of mortgages free of charge, the small fees charged, and the large amount lent in proportion to the value of the security, no reasonable objection can be offered to the shortening of the present term. The system brings more than the advantages of a building society to the workers in every part of New Zealand, and as it is desirable to still further extend its usefulness, it has been decided to furnish intending borrowers with complete plans and specifications of different types of buildings suitable for workers, costing from £200 up to £450, the maximum amount to be lent. The buildings will have baths, hot water service, and convenient internal arrangements. This will enable the borrower to at once select the type of house he desires, within a wide range of choice, and get plans and specifications which have been prepared by an expert free of charge. This will also be of great value to the Department in getting for its money a better class of building as a security than at present. In order to prove that there will be no hardship in repaying the principal moneys more quickly than at present, these figures will show what will have to be paid per week for buildings of six different values:—

Cost of building.	First-class loan.		Second-class loan.	
	30yrs.	20yrs.	30yrs.	20yrs.
£	s.	d.	s.	d.
200	4	0	5	11
250	5	11	7	5
300	7	2	9	0
350	8	4	10	4
400	9	6	11	10
450	10	9	13	4

It will be seen that to repay in 20 years a loan of £430, a worker will be paying no more in principal and interest than he would have to pay for rent for a decent home—in fact, less than many are now paying. As it is intended to place the investment of sinking funds for the repayment of the public debt of the Dominion in the hands of the State-guaranteed Advances Department, every precaution must be taken with regard to securities. In a few years' time the amount which will be advanced by the Board to settlers and workers and local authorities will be very large, and caution to avoid losses is necessary, whilst the usefulness of the institution must not be diminished.

"What is Labour?" asked the Teacher.
Said the school girl, smart and bright:
"It is Labour to be coughing."
"As some people do, all night!"
"What is Capital?" he asked her,
After a brief interval.
"Wood's Great Peppermint Cure!" she answered.
"Mother says that's Capital!"