

HONOURABLE GENTLEMEN OF THE LEGISLATIVE COUNCIL AND GENTLEMEN OF
THE HOUSE OF REPRESENTATIVES.—

My Ministers, recognizing that closer settlement of the land will tend to the better absorption of the Dominion's surplus labour and promote the prosperous development of the country generally, have given close attention to this important matter during the recess; and it is pleasing to record that substantial progress has been made. Not only have many estates been purchased, subdivided, and disposed of, but also a large number of sections of unimproved Crown land have been made available and selected under the provisions of the Land Laws Amendment Act of last session, which authorizes my Government to grant financial assistance to the selectors.

Progress has also been made in the work of developing suitable blocks of Crown land prior to their selection. My Advisers propose to pursue actively this method of increasing the Dominion's productive area. In the opinion of my Ministers this phase of settlement can be greatly expanded, and during the session proposals will be submitted for your consideration, extending the facilities under which such areas can be selected.

My Ministers are pleased to record that under the legislation of last session progress is being made in the development of Native lands. Many areas in both Islands have been under consideration, and work has definitely been commenced on eight of these blocks. These schemes will be pursued with energy and with due regard to economy and farm efficiency, and it is believed that they will inspire the Maori people to utilize their lands to the best advantage.

In conformity with the policy of my Government to afford the public of the Dominion all the advantages made possible by modern scientific developments, arrangements are in train for the early establishment of a radio-telephone service between New Zealand and Australia. When this service is definitely established, it is proposed to use it in conjunction with that existing between Sydney and London as a means of furnishing a further channel of rapid communication with Great Britain and other European countries. No doubt, as time goes on, the link between New Zealand and Australia will be only one in a chain which will render speech possible between the Mother-country and all the outposts of the Empire.

My Ministers, while keenly sensible of the importance of maintaining an adequate system of national defence, have been engaged, owing to the exigencies of the public finances of the Dominion, in a careful consideration of the expenditure involved, particularly in connection with the land forces. A curtailment of the rate of expenditure on this arm of defence has been rendered imperatively necessary, and you will therefore be asked to concur in certain modifications of the present system.

It will be remembered that last year it was foreshadowed that a Select Committee would be set up and evidence taken from different sources with a view of ascertaining the best method of giving effect to an educational policy adapted to the needs of the Dominion. The Committee was duly appointed, and made a tour of the Dominion, visiting all schools of a distinctive type and taking voluminous evidence. Its report will be presented early in the session, as required by the order of reference, when my Advisers expect that the information obtained will be of great value in framing the desired policy.

My Ministers regret that recent earth-movements have threatened the stability of the hydro-electric works at Arapuni, and it has been found necessary to empty the reservoir, thereby involving the temporary closing of the power-house. Very careful investigations into the causes are being made with the best geological advice available in the Dominion, and, having regard to the importance of the matter, the Government have under consideration the engagement of outside expert assistance to furnish a full report upon the position with a view to adopting remedial measures. Every effort will be made to restore the supply of electricity at the earliest possible moment.

The difficult task of endeavouring to solve the problems associated with unemployment has been engaging the close and earnest consideration of my