

Land Legislation in New Zealand

Article I.—An autocratic colonial scheme frustrated—Large estates broken up by taxation and compulsory sale—Wonderful growth

By E. A. Weir, B.S.A.

Never has any young country started out on a career that proved such a dismal disappointment to the original founders as has New Zealand. Placed in mid-ocean, 1,250 miles from the nearest Australian port, extending nearly a thousand miles north and south in the South Temperate zone, occupying an area a little larger than Great Britain herself, and boasting of a delightful climate and great resources, particularly from an agricultural standpoint, such a statement of failure sounds preposterous, but read on, or listen. In New Zealand it was planned to establish a genuine, true English colony with a people and social ideals as near like the Old Land as possible. The country was to be a land of wealthy land owners with great estates and tenant farmers to occupy the land and produce the wealth. The old feudal system was to be perpetuated on a grander scale on these lonely islands in the far Pacific. But under the sagacious leadership of a few men permeated with the fundamental ideas of true democracy, with vivid imagination, with keen ability and confidence in themselves and the righteousness of their acts, New Zealand now offers to the world an unparalleled example of what can be accomplished in evolving social conditions, making for the well-being of every class of citizen within its borders. And, mark you, the policy that has accomplished this has been one almost universally condemned as leading inevitably to social degradation and financial ruin. Furthermore, the great transformation has been nearly all accomplished within the past twenty years.

The original inhabitants of the country were a highly intelligent wild people, the Maoris. In 1840, anticipating a move on the part of France to take possession of the country, England by the "Treaty of Waitangi" assumed the sovereignty of the country. The natives, however, retained all the land, which was to remain in their possession unless they chose to sell it at their own price to the white settlers. This provision was fruitful of great influence on the future development of New Zealand. It was apparently inspired, if not by the wisest natives, by old English traders or "coureurs de bois." Later on, instigations by these men resulted in two destructive native wars in 1845 and 1862. The latter lasted five years and paralyzed development so much that at its close, that is 27 years after the founding of the colony, and in the year of our own Confederation, the total white population was only 200,000, and half of these had been born in the country. This number was divided up into small local self-governing settlements along the coast with no communication save by sea. Of organized work there was none and all public improvements were made in a haphazard, non-correlated manner.

New Zealand's social reform legislation is extensive, embracing all phases of colonial development and, for the purpose of these articles, will be divided into several distinct heads in so far as possible. The first experiment, however, and the great fundamental basis for all other progressive legislation, lay in the administration of the land.

The Land Fight

Settlements were established in the Southern island first, by the purchase of large areas from the natives, and to ensure the permanent establishment of a landed aristocracy, the original settlers had arranged that their land could only be sold in large areas and at high prices. Here the new gentry established "runs" or "ranches" which carried large herds and flocks of cattle and sheep and which, under particularly favorable conditions, became unusually profitable. Indeed these yielded such returns on the capital invested that the formation of "ranching" companies in England, which threatened to monopolize the whole available agricultural country of New Zealand, became a popular pastime for a great many individuals. This sprang up that abomination of land speculation which is such a fruitful breeder of economic evils. The purchase by the colonial government, after administration passed to its hands, of all the remaining land and the offer to sell this at £2.50 per acre did not prevent the buying up of enormous areas by private enterprise, tho it rather ruined the prospect of establishing a system of tenants. Right here began a condition we have duplicated in Canada on a grander scale. The

This article, with another to follow, is based on a recent book, "Social Welfare in New Zealand," by Hugh H. Lusk. Mr. Lusk's personal connection with New Zealand extended over fifty years. He was a member of several of its parliaments, was in intimate touch with many of its most influential statesmen, and was largely responsible for its excellent system of national education. The book deals chiefly with the twenty years from 1891 to 1910, a period of marvellous reconstructive activity fostered by a hitherto unexampled constructive legislative program.

disconnected nature of the settlements necessitated some means of internal communication, and in 1872 a popular policy of immigration and public works was launched. The owners of big estates were de-



New Zealand consists of three main islands, with several groups of smaller islands. The total area is 104,561 square miles, or about two-fifths the area of Alberta or Saskatchewan. It is 1,250 miles from Australia, about the same distance south of the equator as the states of Missouri, Iowa and Minnesota lie north, and of course it has its summer season during our winter. This is of vast importance in marketing its products.

lighted. It was just what the country needed, they said. It would bring laborers who would eventually become settlers and of course they themselves incidentally might benefit by the jump in land values. That was a mere afterthought with such public spirited citizens. Hence they became the greatest boosters of the development scheme.



A tractor demonstration in New Zealand. New Zealand farmers have the same difficulties as farmers elsewhere, but they also have a good soil, wonderful climate and good government.

Big Expenditures Involved

No one in Western Canada needs to be told what a policy of railroad development means. Add to that harbor construction on a large scale, all the money for both of which had to be borrowed, until in 1882 New Zealand with half a million people had borrowed English money to the extent of \$100,000,000, and you have some idea of the comprehensiveness of the project. Added to this was \$50,000,000 more incurred thru native wars and land purchase. The individual liability of every single one of the half million residents, whether man, woman or child, amounted to \$300, on which the annual interest charge was \$14. Following the new policy a general era of fictitious prosperity, comparable to that of recent years in Canada, swept over the country. Large land purchases were made by foreign speculators in the choicest districts. One hundred and twenty thousand laborers were imported and their wages paid from borrowed money. While the boom was booming thru the extensive public works carried on almost solely on borrowed money, immigrants were contented, but with the close of this era in 1882 a period of depression with oppressive taxation led up to what was virtually a crisis. The old cry "back to the land" became a popular one and many of the immigrants wished to become settlers, but what was the situation? Just this. The choicest and most acceptable land was in very many, if not in most, cases already secured by monied interests either in the colony or in England, that would not sell except on the most exorbitant terms. It was the old history of land speculation over again. Not only were exorbitant prices asked for the land, but the mortgages were held at seven or eight per cent, and thousands of people who would have become good settlers, rather than have such conditions imposed upon them, decided to leave the country. Between 1884 and 1892 8,000 more people left New Zealand than came into the country. Most of them settled in New South Wales and Victoria, Australia, and outsiders pointed to the colony as a dismal failure.

Extent of Land Monopoly

The first great problem, then, that New Zealand's legislators faced after the financial depression was that of cheaper land for settlers. The New Zealand has some 48,000,000 acres of land suitable for farming and capable of supporting with the necessities of life a population of eight or ten million, still the comparatively limited area of the country visualized the land question in a clearer light before the statesmen of New Zealand than it had ever appeared to the statesmen of any other country. Countries with enormous areas of land like Canada or United States have laughed at the land question, believing the supply inexhaustible and have handled this natural resource in a manner already resulting in a shameful system of landlordism. Today sixty-three corporations in United States own 174,485,966 acres or one-thirteenth of the whole of the American Union. Fifty-six foreign individuals and corporations own 26,890,000 acres. One timber baron of St. Paul owned and controlled 30,000,000 acres. The United States Leather Co. owns 500,000 acres of hemlock timber. The Standard Oil Co. has over a million acres of oil land. The Steel Trust has a tract of coke land worth \$60,000,000. One man owns and controls land equal to Massachusetts, Connecticut, New Hampshire and Rhode Island. This list is capable of marvellous extension. Here are some of the holdings in Canada at the end of 1913 in acres: C.P.R., 11,956,529; Hudson's Bay Co., 4,638,050; Canadian Northern Prairie Lands Co., 816,755; Canada Northwest Lands Co., 373,165. The railways and Hudson's Bay Co. have sold enormous areas, so that these represent but a small part of the original holdings. Many more extensive holdings could be added to this.

Fortunately, the men who had to deal with land reform in New Zealand did not share to any great extent the traditional feeling of veneration for vested interests in land so common to the agricultural class of English people. Laws were passed exempting holdings of 500 acres or under. From 500 to 5,000

Continued on Page 26