possible that many of these depositors, as well as the public generally, might be glad of a more permanent form of investment, if one can be provided which is at the same time secure and easily convertible into cash. I shall therefore submit, for the consideration of the House, a Bill authorizing the issue at par of a loan of £250,000, the principal and interest of which will be payable in New Zealand only. I propose that the loan shall bear interest at a rate not exceeding 5 per cent., and that it shall be issued in the form of Inscribed Stock, with the right to the subscriber to obtain from time to time bonds payable to bearer of ten pounds and upwards. The advantages of such a form of investment will doubtless require some time to be generally understood, but if a local market can be once created, as I think it may be with judicious management, the stock would be found a great public convenience as a means of temporary as well as of more permanent investment. It is possible, Sir, that the time for such a 5 per cent. stock has not arrived, and if so, the proposal will fall to the ground, and we shall have learned, at any rate negatively, something about our power of obtaining money locally. The time for making the experiment is very opportune, because the money market is easy and we are not dependent for money upon its success. The Government, Sir, do not propose in any way to force this loan, recognizing that with the object in view—that of supplying a local want—the time necessary for the proposal to be understood by a wide class must be allowed; but they think the offer should be made, and they will use all serious endeavours to familiarize the public mind with its nature. The proceeds of the loan it is proposed to use for public works: authority will therefore be asked to pay them into the Public Works Fund, to be dealt with in due course by Parliament.

Before concluding, it may be desirable, Mr. Speaker, to glance briefly at the progress of the colony since 1870, and to compare it with that of our great neighbours in these seas. The population in 1870 was 248,400: it is now 489,700—that is, it has almost doubled in ten years; and what, Sir, have our two powerful and attractive neighbours, Victoria and New South Wales, done during the same period? In 1870 the population of Victoria was 726,599; of New South Wales 502,861. It is now 858,582 and 750,000 respectively; thus showing an increase in the Victorian population of 18 per cent.; and in that of New South Wales of 49 per cent.; while in New Zealand the increase has been 97 per cent. Then, Sir, let us look at the value of our imports and exports. In 1870 they were respectively £4,639,015 and £4,822,726 Last year—that is, for the year 1880—they were: Imports, £6,162,011; exports, £6,352,692; showing an increase in imports of £1,522,996, and in exports of £1,529,936, a not unsatisfactory result when the universal commercial depression of the year 1880 is remembered. And, lastly, let me compare the net revenue of 1870–71, exclusive of land sales and the revenue appropriated to local bodies, with that of 1880–81. In the former year it was £1,057,218, in the latter £3,123,960, a difference, Sir, which is ample to cover all the additional interest we have to pay, and with a good margin to spare, to provide for the increased cost of Government. It may however be said that this increased income does not arise from natural growth, but from the far heavier taxation under which the country now labours than it did in 1870. But is this so; are we in truth more heavily taxed now than we were in 1870? I venture to think we are not taxed now more than in 1870. The taxation per head then was £3 4s. 6d., it is now £3 11s. 9d.; but education is now paid for by the State,—an additional charge since 1870; if, therefore, the rate per head of the cost of education, 9s. 9d., is deducted from the taxation of 1880–81, we find that it is less now by 2s. 6d. than it was in 1870.

For these and other reasons, Sir, we may claim that our Immigration and Public Works scheme has been fairly successful. Had, however, the purposes of the loans of the period been more precisely defined, and more strictly adhered to; had the amount of those loans been limited as originally proposed, and had economy prevailed from first to last, we should have been able now to affirm, without fear of contradiction, that they had been an eminent success. With the clear view which is now open of the dangers we have escaped, and of their sources, the Legislature may, if it is resolute, make the future operations more thoroughly