£3,027,500, at prices varying from 101 to 96, the minimum. Tenders at £96 8s. received about 37 per cent., and those above that figure received in full, the average price at which the loan was placed being £96 11s. There were 424 tenders, a number exceeding that of any of the other colonial loans issued during the present year. There were several influences of a discouraging nature which had to be faced in floating this loan. The market was decidedly hostile, as their demand for a 1-per-cent. underwriting commission had been refused; the influence of the debenture-holders in the Midland Railway, there is not the slightest doubt, was used to the very utmost extent to depreciate the credit of the colony, even to the length of approaching the Stock Exchange Committee with the view of obtaining their refusal to grant a quotation for the loan, concerning which the *Economist* writes, on the 15th April last, "The petition to "the Stock Exchange asking that any future New Zealand loans should be "boycotted is a request which is seldom made to the Committee, even in "regard to the most hardened of defaulting States; and while no doubt can be "entertained as to the response which will be made to the petition, the fact "that it should have been presented while the matters in dispute are *sub judice* "is not calculated to impress disinterested observers with the strength or the "justice of the debenture-holders' position." Upon the same subject *Commerce* writes as follows: "They (the Midland Railway Company) took the extraordinary "—the almost unparalleled—course of petitioning the Committee of the Stock "Exchange in London that it should refuse to give an official quotation to any "further loan or loans which the Government of New Zealand may attempt to "raise in future. Was anything so utterly peevish, so consummately impudent, "ever before heard of, we wonder, in the annals of finance?" Another leading journal made remarks evidently written for the express purpose of bringing about a feeling of want of confidence as to the reception of the loan. Notwithstanding all this, the flotation has been regarded as a distinct success; and in this connection *Finance* says, "Truly a very excellent result, and one "on which the Agent-General for the colony, the Hon. W. Pember Reeves, "is to be congratulated." It will not be out of place to add my congratulations to the Agent-General and to the Loan Agents for the success achieved, and I am quite satisfied that the result compares most favourably with the issues of the other colonies who have recently come into the market for loan purposes.

I append a few particulars of colonial 3-per-cent. loans recently issued compared with previous flotations:—

	Amount offered.	Amount applied for.	Minimum.	Lowest Price tendered.			Average Price.			Redeemable.
	£	£	£	£	s.	d.	£	s.	d.	
New Zealand—										
New loan ...	1,000,000	3,027,500	96	96	9	0	96	11	0	1945.
Previous loan, 1895	1,500,000	5,960,400	90	94	8	0	94	8	9	
Cape—										
New loan ...	3,107,400	5,147,200	97	97	0	0	97	2	3	1933–43.
Previous loan, 1898	1,250,000	4,654,300	100	102	18	6	102	18	9	
Natal—										
New loan ...	1,000,000	1,639,200	94	94	0	0	94	5	0	1929–49.
Previous loan, 1893*	890,000	1,963,400	94	95	2	0	95	5	5	1939.
South Australia—										
New loan ...	1,500,000	2,378,250	94½†	94	11	6	94	17	10	1916.
Previous loan, 1897	1,000,000	4,784,500	95	96	16	6	97	13	8	
Victoria—										
New loan ...	1,600,000	3,568,500	95	95	2	0	95	3	6	1949 or 1929.
Previous loan, 1892*	2,000,000	2,000,000	92	92	0	0	92	1	5	1921.

LAND- AND INCOME-TAX.

The revenue derived under the head of land-tax was £298,052, being considerably over the estimate owing to the fact that although the valuation was finished the results as they affected the taxpayers were not known at the time the estimate was supplied. The receipts from income-tax were £115,480, being almost the same as in the previous year. Business incomes generally manifested the same increase as in former years, but the effect on the revenue in this respect was neutralised chiefly by the falling-off in the receipts from fire insurance companies, whose profits were largely below those of previous years.

* Issued at 3½ per cent. † Underwritten at 1 per cent.