

On the other hand, £77,527 New Zealand Consols were paid off, and a debenture for £300, under the Aid to Public Works Act, 1901, which was outstanding, was redeemed.

In considering our public indebtedness it must be borne in mind that a very large portion of it is directly interest-bearing, and, further, many millions of it have assets of values largely in excess of the amount of capital borrowed in respect of them. If we deduct the amounts so represented by assets such as railways, Native lands purchased with borrowed moneys, moneys advanced to local bodies secured on rates, the total amount will not be more than, say, £25,000,000.

Considering the average and increasing wealth of our people, our vast resources, our expanding revenue, and the purposes for which the moneys borrowed have been expended, our public debt need cause no anxiety. For every million of our debt our assets may safely be said to have increased by three millions.

LOANS MATURED.

The financial year ended 31st March, 1910, so far as regards loans falling due and requiring to be provided for, has been a heavy one. Debentures amounting to £2,140,450 fell due, and were duly provided for. Of this amount £1,739,500 was renewed, leaving £400,950 to be provided for by the sale of new debentures.

In connection with the renewals, debentures for £40,000 which carried 6 per cent. interest were renewed at 4 per cent., and £548,900 4-per-cent. debentures were placed at a lower rate—viz., £465,400 at $3\frac{3}{4}$ per cent., and £83,500 at $3\frac{1}{2}$ per cent. £1,011,600 (covering £949,600 4-per-cent. and £62,000 $3\frac{1}{2}$ -per-cent. debentures) were renewed on the same terms. £139,000 $3\frac{3}{4}$ -per-cent. debentures were renewed at 4 per cent.

Position as follows : Amount matured :—					£	£
6 per cent.	..	..	..	..	40,000	
4 per cent.	..	..	..	..	1,689,450	
$3\frac{3}{4}$ per cent.	..	..	..	..	349,000	
$3\frac{1}{2}$ per cent.	..	..	..	..	62,000	
					—————	2,140,450
Amount renewed :—						
4 per cent.	..	..	..	..	1,128,600	
$3\frac{3}{4}$ per cent.	..	..	..	..	465,400	
$3\frac{1}{2}$ per cent.	..	..	..	..	145,500	
					—————	1,739,500
Paid off	..	..	..	..	..	400,950

New Zealand Consols.

£478,573 $3\frac{1}{2}$ -per-cent., fell due 1st February, 1910; £77,527 of this sum was paid off, and £399,799 renewed at 4½ per cent., leaving £1,247 outstanding.

LOANS MATURING.

The loans falling due during the present financial year amount to £621,943. This is what I am right in saying is one of our light years, and concerning which I do not anticipate any difficulty in satisfactorily arranging for them at maturity. Of this amount £42,500 has already matured, of which £41,500 has been renewed by the holders. Debentures for £1,000 have not been presented. A saving of interest has been effected on the renewals. Of £25,000 bearing interest at the rate of $4\frac{1}{2}$ per cent., £16,900 has been renewed at 4 per cent. and £8,100 at $3\frac{1}{2}$ per cent. The balance of £16,500 has been renewed at the same rate of interest—viz., 4 per cent.

LOAN TRANSACTIONS.

Authority to raise a loan of £1,250,000 for public works was obtained in the short session of last year, and a further sum of £1,000,000 was authorised in the second session for the same purpose, so that I had available borrowing-power for public works under these two authorities of £2,250,000. The London market was, however, unfavourable for the floating of the loans, and I therefore deferred going on