

By these two simple provisions—the payment into the fund each year of an amount sufficient to liquidate the whole of our then-existent debt in a given time, and the application of the interest saved to sustain its equilibrium whenever loans are paid off, the adjustments will be automatic, and the fund always remain actuarially sound no matter what interest is being earned or how much is borrowed or redeemed.

As a corollary to the establishment of this fund I propose to submit a Bill asking for authority to create stock under which all our loans can be consolidated.

All documents relating to the issue of such stock will have conspicuously printed on them the fact that a sinking fund to insure the discharge on maturity of the loans they represent is in existence, and will be maintained. This pledge, in addition to giving a feeling of security to the holders, must have a powerful effect in preserving the fund intact.

The repayment of our loans need not give us much concern for many years, if we have a substantial and growing fund, with the money safely invested, to meet them in future. The accumulations can be set off against our liabilities. The amount will grow slowly at first, and it would be better not to commence repayment of our loans until a large sum was available. These figures will show its strength at periods of five years for seventy-five years, supposing the annual amount of £150,000 is paid into the fund.

Number of Years.	Amount. £	Number of Years.	Amount. £
5	812,400	45	18,154,350
10	1,800,900	50	22,900,050
15	3,003,450	55	28,673,850
20	4,466,700	60	35,698,500
25	6,246,750	65	44,245,200
30	8,412,600	70	54,643,500
35	11,047,800	75	67,294,650
40	14,253,750		

The amount annually paid will, of course, vary, increasing as our debts grow, and decreasing as they are reduced.

Power will be given to purchase for cancellation Government debentures at or below par should there be a surplus of funds that cannot otherwise be invested.

Considering the great and growing demand for money in the Dominion for development purposes, there need be no apprehension as to the failure to invest the funds. Probably if not a penny of our debts were repaid for the whole term of seventy-five years the sum that the fund would then represent could be safely absorbed by our settlers, workers, and local bodies, without seeking any other investment whatever. Looking back along the path we have come during the last fifty years in this Dominion, we must be profoundly impressed with our rapid growth; and who will be found so pessimistic as to say that we have reached maturity, and our development must now cease? It will not for a century at least, and our plans must be laid accordingly. The fertilizing streams of capital that will in future years percolate to every part of this country through the creation of this fund must have a great effect in assisting in its development.

It will be observed that nothing will be done to disturb the sinking funds at present being accumulated to discharge a loan under any Act or Ordinance by which on raising it a sinking fund was agreed to be created for its repayment. It would be highly improper to apply such sums, or divert any contributions rightly due to them, to the repayment of the general loans of the Dominion. They are insignificant in amount, but their continuance must be safeguarded religiously.

Such a proposal as this is truly of national importance, and I trust it will receive the support of all lovers of their country inside and outside this House, and that those who come after us will respect our wishes to share the burden of discharging the Dominion's obligations, and not violate the trust created by us for that purpose. I have sufficient faith in the public men of the future of this country to believe that nothing will be done to destroy the work we are now engaged upon, but that with increased prosperity the contributions to the fund may even be increased in order to shorten the term of repayment.