

Again, of late years our public debt has been swollen by the purchase of large estates for close settlement; by the borrowing of capital to lend out to settlers, who have been able to obtain loans from the Government on very much more advantageous terms than they were able to do at the time from outside lenders; by the borrowing for the purpose of making loans to the local authorities at exceedingly low rates of interest, so as to enable them to make roads and build bridges, and our settlers to get their produce to market. For such and other reproductive purposes our public debt has been, of course, considerably increased of late years; but are honourable members prepared to assert that our public debt should not have been increased in this way? Certainly they are not prepared to go that length; indeed, I am told all round that I do not purchase enough large estates, as the earth-hunger is still so great.

I am happy to say there are a large number of people, and especially young colonists, who are eager to get upon the land. Local authorities are also complaining that roads and bridges urgently needed cannot be given to the struggling settlers because we do not lend them the money they require.

The unthinking may talk glibly of the burden of the public debt, but I am of opinion there is no burden, and I feel quite sure there would be a great public outcry—and well deserved—if we were to absolutely close down our borrowing, with the result that so many urgent works would be left undone.

To obtain a more accurate idea of what the public debt amounts to, I have had a table prepared, wherein I show the debt per head of population, year by year, since 1892, after eliminating the reproductive loans, such as the capital amount of the railway-lines open for traffic, money borrowed for the Advances to Settlers Office, and for loans to local bodies. I also take out the money obtained to purchase estates for closer settlement, and other loans of a reproductive nature. It is most satisfactory to find that what I may term the "normal" debt per head has decreased nearly $11\frac{1}{4}$ per cent. since 1893—namely, from £36 9s. 7d. to £32 7s. 9d.; surely this is a matter for congratulation. In another column I show the debt per head upon the moneys borrowed for these reproductive purposes. I will now read the table, and the results speak for themselves.

STATEMENT of the YEARLY DEBT per Head of Population since 1892.

Year.	Gross Public Debt, exclusive of Reproductive Loans.	Indebtedness per Head of the Population, exclusive of Reproductive Loans.	Balance of Public Debt, Reproductive Loans.	Indebtedness per Head of the Population, Reproductive Loans.
31st March, 1893	£ 23,938,420	£ s. d. 36 9 7	£ 15,319,420	£ s. d. 23 7 0
" 1894	23,697,613	35 0 4	16,128,802	23 16 8
" 1895	23,523,460	34 2 6	16,863,504	24 9 0
" 1896	24,078,292	34 4 10	18,972,488	26 19 7
" 1897	24,475,655	34 2 1	19,890,963	27 14 4
" 1898	24,450,770	33 8 4	20,512,654	28 0 8
" 1899	25,412,539	34 0 8	21,525,467	28 16 7
" 1900	24,930,112	32 17 3	22,944,340	30 4 11
" 1901	25,630,126	33 3 5	23,961,119	31 0 2
" 1902	26,735,316	33 16 10	26,231,131	33 4 1
" 1903	27,735,376	34 0 9	28,163,643	34 11 3
" 1904	27,170,496	32 7 9	30,351,719	36 3 7

CONTRIBUTIONS FROM THE CONSOLIDATED FUND TO THE PUBLIC WORKS FUND, IN AID OF WAYS AND MEANS.

For the past thirteen years transfers of moneys from the Consolidated Fund to assist the resources of the Public Works Fund have been regularly made, in amounts ranging from thirty thousand to five hundred thousand pounds. These contributions make a grand total of three millions seven hundred and fifty-five thousand pounds—a very handsome sum it must be admitted, and which has enabled my colleague to undertake and complete many public works of importance which, under other circumstances, it might have been found necessary to hold over.

The importance of these contributions is scarcely understood, and is consequently liable to be underrated. I am confident that this extra amount of