

I append a table showing the revenue from land and income taxes for the past ten years, with other particulars which may be of interest :—

Year.	Land-tax.		Income-tax.	
	Revenue.	Taxpayers.	Revenue.	Taxpayers.
	£		£	
1895-96 ... ..	271,394	12,577	92,778	3,822
1896-97 ... ..	272,309	13,360	105,504	4,276
1897-98 ... ..	267,286	13,132	115,210	4,588
1898-99 ... ..	298,052	15,449	115,480	4,647
1899-00 ... ..	293,627	15,892	128,721	5,088
1900-01 ... ..	294,583	16,888	173,808	5,656
1901-02 ... ..	312,835	18,468	179,397	6,556
1902-03 ... ..	296,062	18,869	200,683	7,589
1903-04 ... ..	334,991	20,865	221,369	8,258
1904-05 ... ..	352,854	22,778	253,952	8,934

An increase of land-tax payers of 81 per cent., and increase of income-tax payers of 133 per cent.

The cost of collection for 1904-5 was,—

Land-tax ....	4.28 per centum.
Income-tax ....	2.25 per centum.

#### THE PUBLIC DEBT.

The gross public debt has been increased during the year by the sum of £2,389,785, and the net debt by £2,339,304; but when analysed it will be found that nearly half the amount has been borrowed for purposes which return to the Government considerably more than is required per annum to provide for the interest on the capital.

For the purchase of estates and closer settlement £730,200 was raised.

To enable us to make grants at a very low rate of interest to local bodies for making roads and bridges, so that our settlers may be able to bring their produce to suitable markets, we borrowed £185,000.

For the purpose of developing the State coal-mines we obtained £33,000, and to start our Fire Insurance Department £2,000.

A small sum of £10,000 was borrowed to lend again through the Advances to Settlers Office; and £1,458 was received for our Consols inscription, and has been suitably invested. These remunerative self-earning borrowings amount to £961,658, and which represent a very large proportion of the increase in the public debt.

£63,200 was raised for the purpose of providing for the sinking fund payable during the year; and, as a result of conversion operations and renewals, an increase in the capital amount of £24,639 took place.

To make a start towards the preservation of our magnificent scenery, and the acquiring of further beauty spots and places of historical importance, we raised £10,000.

For public-works purposes we raised £1,330,288, including £26,738 towards the completion of the Paeroa-Waihi Railway, £45,000 towards the Hutt Railway and Road Improvement Account, and £416,050 representing the balance of the million loan authorised in 1903.

Under the authority of last year we borrowed £750,000 under "The Aid to Public Works and Land Settlement Act, 1904," and £92,500 authorised by Parliament under "The Railways Improvements Authorisation Act, 1904."

Taking the population on 30th June last to be in round figures 922,000, the indebtedness per head in respect of the public debt, exclusive of reproductive loans, amounts to £31, and upon the balance of the debt which is reproductive the indebtedness per head amounts to £34.