

In addition to the natural increase of the colony, the excess of arrivals over departures for the year ending 31st December, 1904, was 10,355.

Between the 24th March, 1904, and the 23rd March, 1905, the number of persons who arrived in the colony under the reduced passage-scheme was 1,751, and they brought with them capital amounting to £94,711, in addition to which they had a declared annual income of £3,396. Capitalising the annual income on a 5-per-cent. basis, the total sum of declared capital taken out by these persons was £172,631; and there can be no doubt that many of them brought out a larger amount of capital than they named in their applications, so that it may be reasonably assumed that the actual amount of capital brought into the colony under the assisted immigration scheme exceeds £200,000.

I may further add that under the previous conditions extending over a period of eleven years, 3,391 persons came to the colony, bringing with them capital and income equal to £623,450, being an average per annum of 281 persons and £56,677.

The ascertained wealth of the United Kingdom per head of population is £302, that of France is £252, that of the United States of America is £234, and of Germany £156, whilst for New Zealand it is £308 per head of population; and the ability to meet our engagements has never been questioned. This has been demonstrated by the increased returns from our railways, from income-tax, and especially by the large amount of voluntary taxation subscribed in the purchase of luxuries under the head of Customs and Excise duties.

In the years 1893-94 it will be found that 3,620 persons paid income-tax amounting to £75,237, equalling £20 15s. 8d. per taxpayer. In 1904-1905 the number of persons paying income-tax increased to 8,934, and the amount increased to £253,951, which equals £28 8s. 6d. per taxpayer.

The people of our colony are the envied of nations, and yet there are amongst us those who are ever railing and prophesying depression and disaster. Luckily little or no attention is paid to them or to their pessimistic forebodings.

Solid facts and improved economic conditions are against the detractors of our colony; the colony has prospered, is prospering, and will go on prospering in spite of them. The pessimists are like the seeds of the thistle, blown hither and thither. They settle down and germinate only to be eradicated as noxious political weeds. It is a free country, and their absence from the country of which they have such a pessimistic idea would be to its lasting advantage.

We must not omit to take lessons from the past, and be warned by the unfortunate conditions obtaining in older countries, especially by the evils arising from the unequal distribution of material wealth, the holding of the land by the privileged few, and the massing of people in the large centres of population.

In this new country care must be taken to avoid the overcrowding of our cities, so common in the older worlds; the poverty, vice, degradation, and death engendered there must be to us as buoys to the mariner, showing the sunken rocks imperiling the ship of State.

It will be pleasing to members to know that our population is rapidly increasing, that the volume of trade has greatly expanded, that our staple industries flourish, that capital finds satisfactory investment, and that there is no dearth of employment; that the condition of our school-teachers and educational matters generally are in a much improved position; that it is open to all our youths to go from the primary school to the university, and there to be fittingly equipped for the battle of life; and that our colony still proves attractive to a large number of tourists, who much admire our varied, unique, and beautiful scenery, and enjoy the sport our rivers and mountains provide.

Whilst placing before honourable members the position of the colony in a well-merited rosy hue, I would warn you that it must not be led on to extravagance. We must ever be careful and thrifty, leaving nothing to chance nor doing anything which would lead our colony and its people into an embarrassed position—in other words, the keynote of our safety is a sound finance. We must be economical and keep the expenditure within reasonable