

How can any one in view of these striking facts say that our debt is increasing our taxation, and is being piled up to such an extent as to be unbearable? It is to be much regretted that statements of this kind should be so persistently spoken and written by those who should know better. Ignorance in connection with this subject is to be expected in ill-informed persons, but for public men and newspaper-writers, who have access to the records of the Dominion, to make such misstatements is inexcusable. They have done no serious injury to our country, whether they meant to do so or not. It is the duty of every person who speaks as one having authority in public matters to make himself acquainted with the truth respecting our debts. The more minutely they are examined the better. It will be found that they are a diminishing load for the tax-payer to bear, that they have been on the whole well expended, and that the inhabitants of the Dominion have benefited enormously by them. The provision now established by which they will be wholly extinguished in seventy-five years from the present time should further relieve well-wishers of the country from any anxiety in respect of them.

I have considered it desirable to go somewhat at length into the position of our indebtedness owing to the persistent misrepresentations made about the financial position during the last few months. There appears to have been almost a widespread conspiracy of defamation of our country's financial condition which has made the foregoing full analysis necessary. As in mechanical laws, so in politics, action and reaction are equal and opposite, and when erroneous statements are made often a recoil is to be expected. I shall return to this question again and as often as appears to be necessary.

WEALTH AND ASSETS OF THE DOMINION AND ITS PEOPLE.

There are so many wrong impressions conveyed regarding the general position of New Zealand that I think it will be recognized as of use to our people if I set out an estimate of the private wealth in 1911.

Our position may be seen at a glance by comparing our liabilities with some of our assets.

Liabilities, £79,837,388 (of which only £25,452,758 is deadweight debt).

Assets—

	£
Crown lands	22,000,000
Educational lands	5,038,615
Government railways open and under construction on 31st March, 1911	31,509,960
Other public works, telegraphs, lighthouses, harbours, water-supply on goldfields	6,000,000
Value of lands held as security for amounts borrowed for Advances to Settlers and Workers	20,000,000
Value of lands held under Land for Settlements Acts	6,000,000
Bank of New Zealand shares, say	2,000,000
Reserve Fund securities	800,000
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	£93,348,575
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This does not, of course, cover all our assets, private land and mortgages being taxable as against public debts. If we include all our wealth, such as land, live-stock, bank deposits, timber, &c., the total exceeds £650,000,000.

The sales of land have shown that the valuations are very much below that of actual sales, so that no exception can be taken to the valuations under this head as they are well on the low side.

I am not taking into account the incomes derived from salaries and professions which now approach about four million sterling per annum. Nor do I take into account the earnings of the wage-earners, the estimated total income of which is £46,000,000 per annum. The public and private wealth in the Dominion is over 650 millions sterling, and I would again call the attention of honourable members to the fact that for every million increase in the public