

total plantations, which far exceeds the area planted in any one year by any other State in the British Empire. The total area now planted is approximately 253,800 acres, which is also a record for the Empire. At 31st March last the total area under State forests and plantations amounted to about 7,700,000 acres, or approximately 12 per cent. of the total superficial area of the Dominion. The actual expenditure by the Department for the year amounted to £360,813, and the total assets are now valued at over £38,000,000.

LONDON LOAN, 1930.

To enable the Government to pursue its public-works programme during the ensuing year, a loan of £5,500,000, bearing interest at 5 per cent. per annum, was issued in London on the 5th May, 1930. The issue price was £99 per cent., and the loan is repayable at par on the 15th December, 1949. Including redemption of the discount over the period of the loan, the return to investors is £5 1s. 8d. per cent., and the cost to the State £5 5s. 2d. per cent. This cost is about  $\frac{1}{4}$  per cent. higher than that of the £7,000,000 loan of January, 1929, but in the interval the financial world had been much disturbed by the boom and collapse on the New York Stock Exchange, the "Hatry" crisis in London, and the demand for gold by European countries, while the supply of capital for long-term investments was also affected by the almost world-wide depression in business resulting from falling prices.

The loan was oversubscribed on the day of issue, and this, in conjunction with the terms of issue, which were substantially better than those of recent issues by other dominions, is a striking proof of our credit abroad.

In terms of the prospectus, the proceeds of the loan will be expended on the following purposes :—

	£
Public works—General purposes .. ..	4,500,000
Development of hydro-electric-power works ..	500,000
Construction of and additions to railways and rolling-stock .. .. .	500,000
	<hr/>
	£5,500,000
	<hr/>

PUBLIC DEBT.

The public debt as at 31st March, 1930, amounted to £267,383,343, the net increase for the last financial year being £3,191,360.

This net increase is much smaller than usual, owing to the fact that £5,379,105 of the £7,000,000 loan of January, 1929, was received during the previous financial year. It may be explained that this £7,000,000 loan wisely raised by the late Sir Joseph Ward much earlier than was customary, was not drawn upon to meet requirements in 1928–29, but the proceeds were carried forward intact into last financial year. The last instalment of the loan, amounting to £1,620,895, was not received until April, 1929, and thus came into last year's debt figures. The real increase in the public debt on account of last financial year was thus the actual net increase of £3,191,360, plus £5,379,105 carried forward, a total of £8,570,465. Apart from conversion operations, which I will deal with presently, no loan was floated in London during 1929–30.

Including the portion of the £7,000,000 added to the debt during the previous financial year, the aggregate of additions to the debt on account of the year was £11,099,325. This amount was raised for the following purposes :—

	£
Public works .. .. .	7,988,250
State advances .. .. .	2,144,075
Land-settlement .. .. .	615,000
State forests .. .. .	352,000
	<hr/>
	£11,099,325
	<hr/>