

(c) *Indebtedness and Annual Loan Charges*

Some idea of the financial importance of drainage can be gained from the following tables showing the net loan indebtedness of these Drainage Boards, which approximates £2,250,000 at the present time. When it is remembered that most other urban local authorities have fairly large indebtedness on account of drainage, the importance of these works to urban local bodies can be easily recognized. In all probability drainage-works in New Zealand are responsible for nearly £5,000,000 of net loan indebtedness.

Table showing the Amount of Net Indebtedness on account of Loans of Urban Drainage Boards from 1924-25 to 1943-44

Year.			Amount.	Year.			Amount.
			£				£
1924-25	..	..	1,435,322	1934-35	..	..	2,413,030
1925-26	..	..	1,688,460	1935-36	..	..	2,417,946
1926-27	..	..	1,930,584	1936-37	..	..	2,496,417
1927-28	..	..	2,140,199	1937-38	..	..	2,478,224
1928-29	..	..	2,364,675	1938-39	..	..	2,444,051
1929-30	..	..	2,509,216	1939-40	..	..	2,429,641
1930-31	..	..	2,621,717	1940-41	..	..	2,399,146
1931-32	..	..	2,583,035	1941-42	..	..	2,370,609
1932-33	..	..	2,469,895	1942-43	..	..	2,329,928
1933-34	..	..	2,423,006	1943-44	..	..	2,244,766

The only occasion on which an Urban Drainage Board raised loans through the State Advances Corporation was in 1939-40, when £3,000 was so raised.

It is important to remember that this item of expenditure is not likely to drop. The Auckland Metropolitan Drainage Board has a major drainage programme in view, the finance for which will probably have to be raised almost wholly by loans.

The following table shows the annual loan charges paid by Urban Drainage Boards :-

Table showing Annual Loan Charge of Urban Drainage Boards from 1924-25 to 1943-44

Year.			Interest.	Sinking Fund.	Total.	Year.			Interest.	Sinking Fund.	Total.
			£	£	£				£	£	£
1924-25	..	Separate figures not available.			97,730	1934-35	..		114,691	56,410	171,101
1925-26	..				113,980	1935-36	..		115,427	49,859	165,286
1926-27	..				118,315	1936-37	..		118,880	53,917	172,797
1927-28	..				132,686	1937-38	..		118,693	57,335	176,028
1928-29	..				147,968	1938-39	..		118,143	59,729	177,872
1929-30	..				158,447	1939-40	..		119,145	62,747	181,892
1930-31	..				168,227	1940-41	..		118,974	63,666	182,640
1931-32	..				173,273	1941-42	..		115,906	68,589	184,495
1932-33	..				169,591	1942-43	..		111,401	70,401	181,802
1933-34	..				154,248	1943-44	..		109,928	72,016	181,944