

1948
NEW ZEALAND

REPAYMENT OF THE PUBLIC DEBT

REPORT AND STATEMENT OF ACCOUNTS OF THE PUBLIC DEBT COMMISSION
FOR THE YEAR ENDED 31st MARCH, 1948

*Presented to both Houses of the General Assembly in compliance with Section 20 (2) of
the New Zealand Loans Amendment Act, 1947*

REPORT

Wellington, 13th July, 1948.

THE Public Debt Commission has the honour to lay before Parliament the statement of accounts and a report of its proceedings for the year ended 31st March, 1948.

The legislation in connection with the repayment of the public debt was consolidated last session in the New Zealand Loans Amendment Act, 1947. The constitution of the Public Debt Commission was not altered in any way, and its general powers are identical with those under the original Act—viz., the Repayment of the Public Debt Act, 1925, which has now been repealed. The Commission was, however, empowered under section 19 of the 1947 Act to apply the capital moneys of the Public Debt Redemption Fund for redemption of public debt. These capital moneys were accumulated from contributions to sinking funds established under the Public Debt Extinction Act, 1910. Acting under this authority, the whole of the capital moneys £11,287,987 16s. 2d. was used during 1947–48 to redeem debt.

In accordance with the 1947 legislation, the Public Debt Repayment Account established under section 11 of the 1925 Act has been closed, and all transactions are now passed through the Loans Redemption Account.

Under section 3 of the 1947 Act the portion of the public debt subject to the repayment scheme is referred to as “the defined portion of the public debt,” which is the whole of the public debt other than that raised for State Advances purposes and certain portions for which special statutory provision has been made.

The following certificate was furnished by the Controller and Auditor-General:—

Pursuant to section 9 of the New Zealand Loans Amendment Act, 1947, I hereby certify that—

- (a) The total amount of the public debt outstanding at the end of the financial year ended on the 31st day of March, 1948, was six hundred and thirty-one million six hundred and fourteen thousand three hundred and fifteen pounds eight shillings and twopence (£631,614,315 8s. 2d.).
- (b) The total amount outstanding at the end of the financial year aforesaid in respect of the defined portion of the public debt was five hundred and thirty-four million two hundred and fifteen thousand four hundred and eighty pounds twelve shillings and one penny (£534,215,480 12s. 1d.).
- (c) The amount of the public debt repaid or redeemed under the provisions of paragraph (b) of section 12 of the above-mentioned Act within the financial year aforesaid was four million four hundred and fifty-six thousand two hundred and eighty pounds (£4,456,280), and the aggregate amount of the public debt that has been so repaid or redeemed under the provisions of section 12 (b) referred to above and of the Repayment of the Public Debt Act, 1925, since the 1st day of April, 1925, to the 31st day of March, 1948, was forty-six million fifty-one thousand nine hundred and sixty pounds and elevenpence (£46,051,960 0s. 11d.).

J. P. RUTHERFORD,
Controller and Auditor-General.

The wording of the certificate has been varied from that of previous years in order to indicate clearly the total amount of the public debt and that portion which is subject to the repayment scheme.

In terms of section 14 of the New Zealand Loans Amendment Act, 1947, the sum of £4,377,223 2s. 6d. was paid to the credit of the Loans Redemption Account from the Ordinary Revenue Account of the Consolidated Fund, and of this sum, together with the balance at the beginning of the year (£229,694 18s. 3d.), the amount of £4,456,280 was utilized in the discharge from the public debt of securities of a nominal amount of £4,456,280 as per statement hereunder.

STATEMENT OF ACCOUNTS

Receipts

	£	s.	d.	£	s.	d.
Balance at beginning of year—						
Cash transferred from the Public Debt Repayment Account						
as at 1st April, 1947				229,694	18	3
New Zealand Loans Amendment Act, 1947, section 11 (b)—						
Annual contribution from the Consolidated Fund in respect						
of the defined portion of the public debt—						
One-half per cent. of the total amount of the defined						
portion of the public debt outstanding at 31st						
March, 1947	2,713,395	18	6			
Four per cent. of the total amount of the defined portion						
of the public debt repaid or redeemed to 31st						
March, 1947	1,663,827	4	0			
				<hr/>		
				4,377,223	2	6
				<hr/>		
				£4,606,918	0	9
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STATEMENT OF ACCOUNTS—*continued**Payments*

New Zealand Loans Amendment Act, 1947, section 12 (b)—

Redemption of securities—

Securities redeemed at maturity—

	£	s.	d.	£	s.	d.
4-per-cent. debentures (matured 15th February, 1943-46)	300	0	0			
4-per-cent. debentures (to mature 15th April, 1946-49)	11,540	0	0			
5-per-cent. rural-advances bonds (matured 15th September, 1947)	150,000	0	0			
2½-per-cent. ordinary stock (matured 15th September, 1947)	3,945,000	0	0			
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				4,106,840	0	0

Securities redeemed before maturity—

2½-per-cent. death-duty stock (to mature 15th September, 1947)	3,970	0	0			
2½-per-cent. death-duty stock (to mature 15th May, 1948)	3,630	0	0			
4-per-cent. death-duty stock (to mature 30th November, 1948)	900	0	0			
2½-per-cent. death-duty stock (to mature 15th June, 1947-49)	20,990	0	0			
2½-per-cent. death-duty stock (to mature 15th February, 1949-50)	10,500	0	0			
2½-per-cent. death-duty stock (to mature 15th April, 1950-51)	3,550	0	0			
2½-per-cent. death-duty stock (to mature 1st October, 1953)	31,690	0	0			
3-per-cent. death-duty stock (to mature 1st August, 1951-54)	14,350	0	0			
4-per-cent. death-duty stock (to mature 15th June, 1952-55)	475	0	0			
3-per-cent. death-duty stock (to mature 15th September, 1952-55)	28,995	0	0			
3-per-cent. death-duty stock (to mature 15th May, 1953-56)	22,690	0	0			
3-per-cent. death-duty stock (to mature 15th December, 1953-56)	66,865	0	0			
3-per-cent. death-duty stock (to mature 15th February, 1955-58)	57,115	0	0			
3-per-cent. death-duty stock (to mature 15th April, 1956-59)	40,850	0	0			
3¼-per-cent. death-duty stock (to mature 15th September, 1957-60)	8,060	0	0			
3-per-cent. death-duty stock (to mature 15th April, 1960-63)	965	0	0			
3-per-cent. death-duty stock (to mature 15th July, 1962-64)	34,835	0	0			
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				349,440	0	0

4,456,280 0 0

Balance at end of year—

Cash in the Public Account	150,638	0	9			
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	£4,606,918	0	9			

The capital accounts which have been relieved of liability due to the above redemptions are :—

	£	s.	d.
(1) Miscellaneous Account	4,093,660	0	0
(2) Public Works Account	28,415	0	0
(3) War Expenses Account	304,205	0	0
(4) Exchange Account	30,000	0	0
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	£4,456,280	0	0

PUBLIC DEBT REDEMPTION FUND

The whole of the capital moneys of the Public Debt Redemption Fund was utilized in terms of section 19 of the New Zealand Loans Amendment Act, 1947, in the discharge from the public debt of securities of a nominal amount of £11,287,987 16s. 2d., as per statement hereunder :—

	£	s.	d.
2½-per-cent. ordinary stock (to mature 15th February, 1949–50) ..	594,350	0	0
4-per-cent. ordinary stock (to mature 15th June, 1952–55) ..	372,650	0	0
3½-per-cent. ordinary stock (to mature 15th January, 1953–57) ..	3,015,850	0	0
3-per-cent. ordinary stock (to mature 15th February, 1955–58) ..	776,300	0	0
3-per-cent. ordinary stock (to mature 15th April, 1960–63) ..	3,388,837	16	2
3-per-cent. ordinary stock (to mature 15th July, 1961–63) ..	1,600,000	0	0
3-per-cent. ordinary stock (to mature 15th July, 1962–64) ..	1,540,000	0	0
	<u>£11,287,987</u>	<u>16</u>	<u>2</u>

The capital accounts which have been relieved of liability due to the above redemptions are :—

	£	s.	d.
(1) Miscellaneous Account	9,427,026	14	4
(2) Public Works Account	1,860,961	1	10
	<u>£11,287,987</u>	<u>16</u>	<u>2</u>



Chairman, Public Debt Commission.

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