

Two instalments, however, amounting to £103,669 6s. 5d. have recently been paid into the Public Account, and it is intended to apply these receipts to reduction of the war debt.

PUBLIC DEBT.

The gross public debt at the 31st March, 1925, was £227,814,647, as compared with £221,616,361 twelve months previously. Public debt.

The debt is allocated as follows:—

	£
Ordinary	119,936,859
War	76,631,722
State Advances	21,436,180
Discharged-soldiers settlement	9,809,886
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	£227,814,647

The increases are—

	£
Ordinary debt.. .. .	2,646,320
State Advances	4,335,658
Discharged soldiers	18,770
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	£7,000,748

while war debt has been reduced by £802,462, leaving the net increase in the gross debt at £6,198,286.

It will be seen that out of the increased debt of £6,198,286 the State advances to settlers and workers absorbed £4,335,658, or 70 per cent. The total borrowed for ordinary debt purposes was £4,725,243, but by redemptions out of Ordinary Revenue Account, £1,081,215, and from other accounts, £997,708, the increase in ordinary debt for the year was reduced to £2,646,320.

Accrued sinking funds held amounted to £13,462,839, leaving the net debt at £214,351,808, as compared with £208,642,333—the increase in the net debt thus being £5,709,475.

The movement in the gross debt during the year is shown by the following:—

	£
Raised for redemptions during 1925–26	64,680
New loans raised during the year for—	
Public works	3,000,000
Waihou and Ohinemuri Rivers improvement	50,000
Discharged soldiers settlement	22,870
Education Loans Account	540,000
Hauraki Plains settlement	70,000
Native Land Settlement Account	289,324
Rangitaiki Land Drainage Account	37,100
State forests	100,000
Swamp-drainage	90,000
State Advances—Settlers Branch	2,925,000
State Advances—Workers Branch	1,500,000
Charges and expenses—	
Public works	547,451
Land for settlements	1,168
State Advances—Settlers	103,355
State Advances—Workers	107,304
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	£9,448,252