

Of this total, £7,250,000 was raised in London, £5,500,000 being on account of the 1930 London loan, £685,703 was derived from various supplementary issues of the same stock, while the balance represents charges and expenses of raising the 1929 and 1930 loans and the remainder of the expenses in connection with the large conversions of 1929 consolidated stock.

Local issues accounted for £3,873,700, of which £455,090 was derived from the sale of Post Office investment certificates and departmental investments bearing interest at from 4 per cent. to $5\frac{1}{4}$ per cent., while the balance of £3,418,610 was received direct from the public, and bears interest at $5\frac{1}{2}$ per cent. Local issues.

Of the new capital raised during the year £1,500,025 was for State advances, but in addition to this amount a further sum of £1,141,324 was received on account of the sale of rural-advances bonds, thus the total new moneys available for State advances purposes totalled £2,641,349. In this connection, I may explain that, in accordance with the legislation under which the rural advances system was set up, rural-advances bonds do not form part of the public debt. State Advances.

As a partial set-off against the new loans raised, debt totalling £2,473,685 was repaid during the year, £426,107 of which debt was domiciled in London and the balance of £2,047,578 in New Zealand. These repayments of debt were effected as follows:— Debt repayments.

	£
Under Repayment of Public Debt Act, 1925 ..	1,209,928
Under funded-debt agreement with British Government ..	426,107
Out of reparation-moneys, &c.	466,500
From Discharged Soldiers Settlement Account ..	157,350
From other accounts	213,800
	<u>£2,473,685</u>

The payments of £1,209,928 and £426,107 represent the operations under the debt-repayment schemes, the funds for which are drawn from the Consolidated Fund. As honourable members are aware, the funded-debt agreement provides for the repayment over a period of about thirty-six years from 1922 of an amount (originally £27,532,164) advanced by the British Government during the war. Further payments are to be partially suspended this year, but I will refer to that presently.

The balance of the public debt, apart from certain minor exceptions, is automatically included in the general debt-repayment scheme, which provides for repayment upon an annuity basis over a period of sixty years from 1925 in respect of the loans then outstanding, and from the year of issue in the case of subsequent loans.

The transactions of the public debt during 1930–31 may be summarized as follows:— Summary of debt operations.

	£
Debt as at 1st April, 1930	267,383,343
Add new loans raised—	£
Ordinary	9,623,675
State advances	1,500,025
	<u>11,123,700</u>
	278,507,043
Less redemptions—	
Ordinary	244,610
War	2,071,725
Discharged soldiers	157,350
	<u>2,473,685</u>
Debt as at 31st March, 1931 ..	<u>£276,033,358</u>