

The Treasury has authority under section 16, Finance Act, 1927 (No. 2), to treat these transactions in this manner, and contends that the balances of the Public Accounts are shown properly in the published figures. As this matter has been brought to the notice of Parliament on numerous occasions, and has been discussed by the Public Accounts Committee at various times, I do not in the meantime propose to pursue the subject any further.

Repayment of the Public Debt.

The following table gives particulars of the amount of securities redeemed during the year under the provisions of the Repayment of the Public Debt Act, 1925, and also of the total amount so redeemed to 31st March, 1937 :—

Rate of Interest.	Nominal Value of Securities.			Total Cost of Redemptions.
	Total to 31st March, 1936.	Year 1936-37.	Total to 31st March, 1937.	
Per Cent.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
3½	56,460 0 0	56,460 0 0	56,460 0 0
3¾	0 12 0	0 12 0	0 12 0
4	2,301,763 0 0	2,301,763 0 0	2,290,075 9 1
4½	2,070,940 0 0	2,070,940 0 0	2,055,562 5 0
5	5,415,215 0 0	5,415,215 0 0	5,414,661 5 0
5¼	1,530,990 0 0	1,530,990 0 0	1,530,972 10 0
5½	953,980 0 0	500 0 0	954,480 0 0	952,064 12 2
6	942,900 0 0	1,690,688 9 9	2,633,588 9 9	2,612,292 8 8
	13,272,248 12 0	1,691,188 9 9	14,963,437 1 9	*14,912,089 1 11

* This figure does not include cost of exchange on remittances.

The following statement shows the amount of loans subject to the Repayment of the Public Debt Act, 1925, and of those not subject to the Act as at 31st March, 1937 :—

Debt subject to the Repayment of the Public Debt Act, 1925	£	s. d.
	215,232,294	4 5
Debt not subject to the Repayment of the Public Debt Act, 1925—		
Loans raised in respect of the State		
Advances Account—	£	s. d.
Advances to Settlers Branch ..	18,485,401	5 6
Advances to Workers Branch ..	11,989,026	8 1
Advances to Local Authorities Branch	2,778,690	15 7
	33,253,118	9 2
Loans for which special sinking funds are provided—		
State Coal-mines Account ..	78,423	6 8
Electric-supply Account ..	13,905,509	1 0
Nauru and Ocean Islands Account ..	389,675	0 0
Westport Harbour Account ..	614,250	0 0
Samoan Loans Suspense Account ..	96,730	0 0
	15,084,587	7 8
Funded Debt to the Imperial Government—		
Ordinary Revenue Account—		
Naval Defence Act Account ..	577,446	11 5
War Expenses Account ..	23,320,196	17 0
Public Works Fund—		
General Purposes Account ..	169,109	15 3
Land for Settlements Account ..	33,446	6 11
	24,100,199	10 7
Exempted under Finance Act, 1931 (No. 4), section 7 (2): Deed of hypothecation	2,700,000	0 0
Total debt not subject to the Act ..	75,137,905	7 5
Total debt as at 31st March, 1937 (see B.—1 [Pt. III], 1937, page 10) ..	£290,370,199	11 10

N.B.—These figures do not include loans under Rural Advances Act, 1926, amounting to £4,213,050, which are not treated by the Treasury as forming part of the public debt.