

The statement shows that the total public debt has been increased during the year by £36,744,394 7s. 4d. The long-term debt was increased by £45,359,394 7s. 4d., while the short-term Treasury bills debt decreased by £8,615,000, as shown in the following summary :—

	£	s.	d.	£	s.	d.
Long-term debt as at 31st March, 1944	510,879,017	7	4			
Long-term debt as at 31st March, 1945	556,238,411	14	8			
Increase				45,359,394	7	4
Treasury bills as at 31st March, 1944	55,615,000	0	0			
Treasury bills as at 31st March, 1945	47,000,000	0	0			
Decrease				8,615,000	0	0
Increase to 31st March, 1945				£36,744,394	7	4

The statement includes as long-term debt, transactions under the Memorandum of Security Agreement. The balance outstanding at 31st March, 1944, was £16,732,500, and a further amount of £8,480,000 was borrowed during the year, while £6,250,000 was repaid, leaving a balance outstanding at 31st March, 1945, of £18,962,500.

Departmental Balance-sheets

Certain Departments are required by their governing statutes to produce balance-sheets and supporting accounts for presentation to Parliament, and others have been directed to do so in terms of section 57 of the Finance Act, 1932. These balance-sheets and accounts, duly audited, will appear in due course either in parliamentary paper B.—1 [Pt. IV] or with the annual departmental reports to Parliament.

Marketing Department

Export Division.—A continuous audit has been maintained on the transactions of the Division, and the accounts for the year ended 31st July, 1944, have been certified as correct. In my last report it was mentioned that stabilization accounts for dairy-produce and for meat had been opened in the books of the Division, the intention being that the accounts should be credited with the proceeds arising from increases above the selling prices being received for these products at 15th December, 1942, and debited with any subsidies paid by the Government to maintain costs of production at the level ruling at that date. All debits to the stabilization accounts were to be agreed to by representatives of the relative industry, and Audit has concerned itself to see that debits are in accord with agreements. As the Division did not have statutory authority to pay the subsidies in question out of these accounts such subsidies were met from War Expenses Account until the necessary legislation was provided by section 2 of the Finance Act, 1945.

Internal Division.—This Division is also subject to continuous audit, and the only difficulty experienced during the year has been a minor one in connection with the audit of the accounts governed by the Egg Marketing Regulations and the funding of the District and National Egg Pools. These matters have now been placed on a satisfactory basis, and the appointment by the Division of several pool auditors has assisted considerably in this direction.

Presentation of completed accounts of this Division for audit has been somewhat delayed, and those for the year ended 31st March, 1944, were only certified in June last. They have since been presented to Parliament.

Native Land Development

During his inspection of Native land development accounts in one district my Inspector drew attention to the large numbers of live-stock written out of the accounts of certain schemes as “ deaths ” and “ unaccounted for.” The Department set up a special committee to look into the position, and the committee has brought forward recommendations which it is hoped will reduce the losses. The recommendations were summarized into :—

- (1) The completion and repair and maintenance of all boundary and road fences :
- (2) The avoidance of overstocking :
- (3) The removal of cattle from unfenced country adjacent to bush areas when feed is short :
- (4) The close scrutiny of all travelling mobs of stock passing through properties.