

To give effect to this decision the following transactions took place:—

- (1) The amount of £3,250,000 State Advances Corporation stock was sold to the Post Office and the proceeds utilized to purchase from the Post Office an equivalent amount of New Zealand Government stock:
- (2) The investment in the hands of the Public Trustee was converted into a like amount of New Zealand Government stock.

All the investments of the Fund then consisted of New Zealand Government securities, and these were cancelled in accordance with the Commission's resolution. The result was a reduction of the public debt, as already stated, by £11,287,987 16s. 2d. and the extinguishment of the Fund.

Repayment of Public Debt

The following table gives particulars of the amount of securities redeemed under the provisions of section 12 (b) of the New Zealand Loans Amendment Act, 1947, and the Repayment of the Public Debt Act, 1925 (since repealed), and the total cost of redemption.

Rate of Interest, per Cent.	Nominal Value of Securities redeemed.						Total Cost of Redemptions.	
	Total to 31st March, 1947.		Year 1947-48.		Total to 31st March, 1948.			
	£	s. d.	£	s. d.	£	s. d.	£	s. d.
Free of interest ..	780	0 0	..	..	780	0 0	780	0 0
1½	459,417	10 0	..	..	459,417	10 0	459,417	10 0
1½	1,760,437	0 0	..	..	1,760,437	0 0	1,760,437	0 0
2½	4,228,190	0 0	4,018,430	0 0	8,246,620	0 0	8,246,620	0 0
2½	199,200	0 0	..	..	199,200	0 0	199,200	0 0
3	5,766,288	14 8	266,575	0 0	6,032,863	14 8	6,032,863	14 8
3½	613,150	0 0	8,060	0 0	621,210	0 0	621,210	0 0
3½	7,067,676	8 8	..	..	7,067,676	8 8	7,067,676	8 8
3½	288,111	7 4	..	..	288,111	7 4	288,111	7 4
4	8,486,045	10 6	13,215	0 0	8,499,260	10 6	8,487,572	19 7
4½	2,104,760	0 0	..	..	2,104,760	0 0	2,089,382	5 0
5	5,423,735	0 0	150,000	0 0	5,573,735	0 0	5,573,181	5 0
5½	1,530,990	0 0	..	..	1,530,990	0 0	1,530,972	10 0
5½	1,033,310	0 0	..	..	1,033,310	0 0	1,030,894	12 2
6	2,633,588	9 9	..	..	2,633,588	9 9	2,612,292	8 8
	41,595,680	0 11	4,456,280	0 0	46,051,960	0 11	46,000,612	1 1

The balance of contribution unspent at the beginning of the year was £229,694 18s. 3d., and during the year £4,377,223 2s. 6d. was transferred from the Consolidated Fund to Loans Redemption Account. Securities of a nominal value of £4,456,280, as shown above, were redeemed for a like amount, leaving a balance of contribution of £150,638 0s. 9d. included in the balance of Loans Redemption Account at 31st March, 1948.

In addition to the amount of £4,456,280 redeemed during the year, as shown above, the following amounts making a total redemption of £29,086,155 16s. 4d., as mentioned in the preceding section of this report, have been paid out of Loans Redemption Account to redeem securities:—

- (1) £13,341,888 0s. 2d. in terms of section 12 (c) of the New Zealand Loans Amendment Act, 1947: