

Expenditure,
1942-43.

The total receipts, to which I have already referred, were expended during the year as follows:—

	£(m.)
War	142·8
Debt charges	12·4
Social services	25·6
Civil administration	10·9
Increase in cash balances and imprests	8·2
	£199·9

Details of these headings, both receipts and expenditure, will, as usual, be found in the tables attached to this Statement. The war expenditure, which includes reciprocal aid to the United States forces, has already been explained, and after eliminating debt charges and social services it will be seen that the balance which constitutes the ordinary maintenance expenditure of the State is reduced to a very reasonable amount.

We have become so accustomed, as a result of the war, to dealing in such huge sums of money—huge compared with pre-war standards and the normal revenues of the Dominion—that we are often inclined to overlook the significance of the position.

Thus to the 31st March last New Zealand had expended on the war a net total of no less than £229,400,000, which is equivalent to over £140 for each man, woman, and child in the Dominion. We are now spending on the war nearly £3,000,000 every week, whereas the total war expenditure arising from the 1914-18 conflict was less than £100,000,000.

Analysis war
expenditure to
31st March, 1943.

In order to give some idea of the magnitude of the activities involved and the purposes of the expenditure, the total war expenditure to date of £229,400,000, covering all services, has been analysed under the following headings:—

	£(m.)
Pay and allowances	60·6
Stores	72·1
Accommodation, victualling, and clothing	18·8
Land, buildings, fortifications, aerodromes, and ships	21·8
Transport	8·4
Repairs, maintenance, and rent	3·3
Administration and general expenses	16·4
Civil (including reserve stocks, Government and commercial indents)	17·4
Reciprocal aid : Reverse Lend-Lease	7·0
Miscellaneous	3·6
Total expenditure	229·4
Cash and imprests outstanding, 31st March, 1943	9·6
	£239·0

This huge outlay of £239,000,000 has been financed as follows:—

	£(m.)
Taxation (including transfers from Consolidated Fund)	88·1
Loans in New Zealand and overseas	123·5
Reciprocal aid : Lend-Lease	26·8
Miscellaneous	0·6
	£239·0

It will be seen from the foregoing that, of the total war receipts of £239,000,000, £123,500,000 or 52 per cent. of the total has been raised by loans.

This brings me to the position of the war requirements for the current year. It is obviously impossible to estimate the needs of war so far ahead with