

The foregoing statement shows that the total public debt has been increased during the year by £78,427,638 16s. 2d. The long-term debt was increased by £61,434,638 16s. 2d. and the short-term Treasury bills debt by £16,993,000, as shown in the following summary :—

			£	s.	d.	£	s.	d.
Treasury bills as at 31st March, 1942	..	..	38,961,000	0	0			
Treasury bills as at 31st March, 1943	..	..	55,954,000	0	0			
Increase	..	..				16,993,000	0	0
Long-term debt as at 31st March, 1942	..	..	346,436,732	18	3			
Long-term debt as at 31st March, 1943	..	..	407,871,371	14	5			
Increase	..	..				61,434,638	16	2
Increase as at 31st March, 1943..	..	..				£78,427,638	16	2

The foregoing statement includes transactions under the Memorandum of Security Agreement in pursuance of which £15,436,634 15s. was borrowed from the United Kingdom.

Of this amount and the balance (£2,818,035 8s. 11d.) outstanding on the 31st March, 1942, £8,000,000 was repaid during the year, leaving the amount outstanding on the 31st March, 1943, at £10,254,670 3s. 11d. Since the close of the financial year a further sum of £2,254,670 3s. 11d. has been repaid, which leaves an amount of £8,000,000 outstanding in respect of the advances made under the agreement prior to 31st March last.

Departmental Balance-sheets

As mentioned in my last annual report, the preparation of some fifty departmental accounts and balance-sheets formerly prepared in terms of section 57 of the Finance Act, 1932, was discontinued as an economy measure as from 1st April, 1941. Those accounts which Departments continue to prepare have been audited as heretofore, and will be published as parliamentary paper B.-1 [Pt. IV].

Marketing Department

Export Division.—In addition to dairy-produce and meat, the Marketing Department handles the entire wool-clip, and also purchases and exports tallow, hides, linen flax, and scheelite, the total f.o.b. value of the products dealt with during the 1941-42 season being in the vicinity of £75,000,000. In spite of depleted staff the accounts have been kept in a satisfactory manner and all Audit requirements have been complied with.

Internal Division.—Where the acquisition of commodities on a greatly increased scale, or the undertaking of some new activity has been involved, Audit has endeavoured to ensure that a satisfactory system of control has been instituted and maintained. The Audit staff position has, however, precluded examination of accounts in the detail which is to be desired.

Social Security (Medical Benefits) Regulations 1941

Last year's report under this heading stated that the Health Department had been unable, because of staff shortages, to revise the Patients' Lists of those medical practitioners who are paid from the Social Security Fund on a capitation basis.

The Department now advises that a special staff has been at work during the past few months and that all Patients' Lists have been revised in respect of persons of military age. Verification respecting other persons on the lists is being continued by means of registered letters, as prescribed by regulation. If a registered letter remains unanswered for a period of six weeks, the Medical Officer of Health may proceed to amend the appropriate Patients' List after giving notice to the medical practitioner concerned.

Public Stores

The staff position in the Audit Office compelled it to rely almost wholly upon the work of departmental Inspectors so far as Public Works Department stores were concerned. Reports submitted by the departmental Inspectors disclosed a satisfactory standard under prevailing conditions, and the same position was found to obtain in respect of the stores work of Departments examined by my own Inspectors.

The position of the stores purchased or received for the use of the Armed Forces is separately dealt with in the War Expenses section of this report.