

The statement shows that the total public debt has been increased during the year by £102,668,645 12s. 11d. The long-term debt was increased by £103,007,645 12s. 11d., while the short-term Treasury bills debt decreased by £339,000, as shown in the following summary :—

	£	s.	d.	£	s.	d.
Long-term debt as at 31st March, 1943 ..	407,871,371	14	5			
Long-term debt as at 31st March, 1944 ..	510,879,017	7	4			
Increase				103,007,645	12	11
Treasury bills as at 31st March, 1943 ..	55,954,000	0	0			
Treasury bills as at 31st March, 1944 ..	55,615,000	0	0			
Decrease				339,000	0	0
Increase to 31st March, 1944 (including £39,568,574 9s. 11d. adjustment of exchange as at 1st April, 1943) ..				£102,668,645	12	11

The statement includes, as long-term debt, transactions under the Memorandum of Security Agreement. Exchange amounting to £2,563,667 11s. was added to the previous year's balance of £10,254,670 3s. 11d. sterling, and a further £11,732,500 was borrowed in terms of the agreement during the year; £7,818,337 14s. 11d. was repaid, leaving a balance outstanding at 31st March, 1944, of £16,732,500.

Departmental Balance-sheets

Certain Departments are required by their governing statutes to produce balance-sheets and supporting accounts for presentation to Parliament, and certain 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 in the annual departmental reports to Parliament.

Marketing Department

Export Division.—A continuous audit is maintained on the transactions of the Division, and the accounts for the 1942–43 season, which ended 31st July, 1943, have been certified. These accounts disclose a reduction in the value of produce handled from £75,000,000 for the 1941–42 season to approximately £70,000,000. The reduction is attributed to a fall in production and to the diversion of a considerable quantity of dairy-produce to the use of the Allied Forces in the South Pacific. The diverted produce was not handled by the Division.

Although accounts have not been completed for the 1943–44 season, which commenced on 1st August, 1943, it has been noted that stabilization accounts have been opened as from that date for dairy-produce and meat. These accounts have been opened in accordance with the terms of an agreement between the Government and the Farmers' Federation.

The Dairy Stabilization Account has been debited with special allowances to cover increased farm and factory costs, including increased wages, all of which have been approved by the Stabilization Commission. The allowances are in the nature of equalizing payments, and are authorized in terms of section 12, Marketing Amendment Act, 1937. No credits have yet arisen in this account.

The Meat Stabilization Account has been credited with proceeds from the United Kingdom and elsewhere arising from increases in respect of the 1942–43 season's meat over the 1941–42 level of prices. As yet there have been no debits to this account.

In other respects the accounts are similar to those of the previous year, and Audit requirements have been complied with.

Internal Division.—A continuous audit is applied to this Division also, and has proceeded normally throughout the year. The work involved in purchasing and processing in districts has caused the Department to decentralize its accounting, and additional separate accounting branches have been set up at Christchurch, Nelson, and Hastings. Arrangements have been made for Audit Office Inspectors to carry out inspections at these centres.