

to U.S.A. was preferable to no cash and no debt, and that the proceeds of lend-lease phosphate sales should be allotted also on the quantity basis of 2 to 1 irrespective of where sales were made. Treasury agreed and authorized an adjustment by the Commission of the proceeds of sales in New Zealand, involving payment by the Commission of some £98,000 to Australia instead of to New Zealand.

Reverse “Lend-lease” Assistance

Reverse lend-lease assistance provided to the Armed Forces of the United States during the year cost £22,777,672, making a total of £80,951,652 since the outbreak of the war to 31st March, 1946, subject to certain downward adjustments, principally in connection with the residual value of assets returned by the Americans.

Canada Mutual Aid

Canadian mutual aid to New Zealand recorded in the public accounts during 1945–46 amounted in value to £5,806,112, making a total of £6,103,721 for the two years during which the scheme operated. This aid has ceased, but the final total value has not yet been recorded in the accounts.

War Gratuities

In terms of the War Service Gratuities Emergency Regulations 1945, the date of entitlement of gratuities to members of the Forces is in general the 31st March, 1946, and Treasury desired to bring an approximate amount to charge in the accounts to that date. This involved an estimate being made, and an amount of £18,000,000 was arrived at. This sum, which appears as expenditure in the Public Accounts in War Expenses Account, Subdivision VII, “Gratuities,” was placed to the credit of the Post Office Account, which in turn will credit the individual servicemen in accordance with advices as Base Records makes them available. The Audit Office test checks the assessment of the amounts of gratuities.

The amount of £18,000,000 is therefore subject to adjustment—it may turn out to have been too much or not enough. The latest information is that 141,000 applications out of an estimated possible 206,000 have been dealt with and have resulted in credits to individual accounts to a total of £12,000,000. The estimated grand total may therefore prove to have been a fairly close one.

Allied Military Currency issued to the New Zealand Forces in Italy

While the New Zealand Forces were in Italy all cash requirements of lire were obtained from the Allied Financial Agency, which was responsible for the issue of Allied Military Government lire.

The Imprest Account of the Paymaster, 2nd N.Z.E.F., Central Mediterranean Forces, discloses that Allied military lire of the New Zealand equivalent of £2,504,831 has been received from the Allied Financial Agency up to 20th February, 1946, the date of the closing of the Paymaster's Imprest Account. Against this amount there is a probable set-off of £68,612 arising from a devaluation transaction.