Of the total issue from the Unauthorized Account, special items accounted for £129,020, and overdrawn appropriated items for £2,693,290.

Details of the expenditure appear on pages 61–66 of the Public Accounts 1948–49.

Departmental Accounts

Various Government Departments and bodies are required by their governing statutes or under section 57 of the Finance Act, 1932, to present their audited accounts to Parliament, and these are submitted either in their annual reports or in parliamentary paper B–1 [Part IV]. All accounts will have been presented this year up to 1947–48 or later, with the exception of the Public Service Superannuation Fund, for which it is not expected that accounts later than 1945–46 can be prepared. This Fund was merged into the Government Superannuation Fund as from 1st April, 1948, and the Audit Office is pressing for completion of accounts up to the date of merger.

Interest on Capital Liability

References have been made in earlier reports to interest payable on capital liability in terms of section 6 (5) of the National Development Loans Act, 1941. The rate charged to the various accounts is related to that paid by the Consolidated Fund for interest and costs of administration of the public debt. In view of the lower interest rates payable on public-debt securities the Minister of Finance decided to reduce the rate being charged on capital liability from 4 per cent. to $3\frac{1}{2}$ per cent. for all accounts except Housing, which pays 1 per cent. on the first £5,000,000 of its liability and $1\frac{1}{2}$ per cent. on the balance. The new rate applied to all interest accruing from 1st April, 1948.

The following accounts have paid interest in full: Electric Supply, Housing, Post Office.

Part interest has been paid by Housing Construction, Land for Settlements, Maori Land Development and Housing Schemes, Nauru and Ocean Islands, New Zealand National Airways Corporation.

No interest was paid by Linen Flax Corporation, State Coal-mines, State Forests, Working Railways.

In the following cases recoupments to the Consolidated Fund take the form of dividends on shares as earned: Bank of New Zealand, British Commonwealth Pacific Airlines, Ltd., British Petroleum Co. of New Zealand, Ltd.

Dividends were received from the Bank of New Zealand, but not from the other Corporations.

Interest has been received in full on the State Advances Corporation stock, which offsets the capital liability of the State Advances Account.