The net debt amounted to £91,689,835, arrived at as follows :—

	£	£	£
Gross debt of the Dominion			99,730,427
Less sinking funds—			
Government Loans to Local Bodies Acts		799,601	
Naval Defence Act, 1909		173,449	
State Advances loans		1,138,460	
Section 26 (5) (*b*), State Advances Act, 1913—	£		
Hauraki Plains Settlement Account ..	2,176		
Opening up Crown Lands for Settlement Account	3,417		
Rangitaiki Land Drainage Account ..	904		
		6,497	
Public Debt Extinction Act, 1910		464,258	
War and Defence loans..		192,691	
Canterbury Loan Ordinance, 1862		24,840	
New Zealand Loan Act, 1863		264,196	
			3,063,992
			96,666,435
Less redemption-money twice included			4,976,600
Net debt 31st March, 1914			£91,689,835

Increase in our Indebtedness.

The borrowing of large sums of money in anticipation of redemption of debentures maturing between the 15th May, 1914, and the 1st July, 1914 (inclusive), increased our public debt by £9,669,664 since 31st March, 1913. Now that these redemptions have taken place this amount should be reduced by £4,976,600, so that the actual increase to our indebtedness during the year is £4,693,064. The following is an analysis of the increase, in which redemption-moneys are included :—

	£
State Advances Debt :—	
Advances to settlers .. .. (£1,667 at 3½ per cent., London ; £1,280,314 at 4 per cent., London ; £37,000 at 4 per cent., Dominion.)	1,318,981
Advances to workers .. .. (£1,250 at 3½ per cent., London ; £1,038,735 at 4 per cent., London.)	1,039,985
Advances to local authorities .. .. (£3,333 at 3½ per cent., London ; £602,474 at 4 per cent., London ; £57,000 at 4 per cent., Dominion.)	662,807
Land for settlements .. .. (£2,917 at 3½ per cent., London ; £275,291 at 4 per cent., London.)	278,208
Native-land settlement .. .. (At 4 per cent., Dominion.)	110,000
	£3,409,981