

mal increase of deposits during the first quarter of 1895, the total sum deposited amounting to £725,273 13s. The withdrawals were £568,448 3s. 6d., so that there was an excess of deposits of no less than £156,825 9s. 6d. for the quarter—a result believed to be largely due to the reduction of the rate of interest on fixed deposits by the banks and other financial institutions.

GOVERNMENT LIFE INSURANCE DEPARTMENT.

The condition of the Government Life Insurance Department continues to afford every satisfaction. The funds at the close of last year amounted to considerably over two and a quarter millions sterling, and at the present date exceed £2,300,000. The sums assured, with bonus additions, amounted at the end of the year to nearly nine and a quarter millions. The commercial depression of the past twelve months, due to the low prices ruling in the Home markets for the colony's chief staples, did not appreciably affect the volume of new business secured, the policies for the year having amounted to £729,013, as compared with £740,428 for 1893. As might have been anticipated, some slight increase is shown in the discontinuances by surrender and lapse, but in this respect the department's experience contrasts favourably with its Australasian compeers, whose published returns do not in any instance show such a large net gain as the department's, whilst in most cases a decrease in the business on the books is recorded. The Act which was passed last session extending the department's powers as regards investments on mortgage is proving an advantageous measure, and desirable securities at satisfactory rates are now being freely offered.

PUBLIC TRUST OFFICE.

The legislation by which the Public Trust Office was constituted and its administration regulated was consolidated and amended by the Public Trust Office Consolidation Act of last session. By that Act the functions of this important office are so clearly defined and the powers of the Public Trustee so enlarged as to render the office capable of affording services of a wider scope, and of being more attractive for the purpose for which it is mainly designed—of affording to the estates of deceased persons the guarantee of the colony for a faithful administration, and for the security of the invested funds. The business of the office continues to increase, and at the close of the financial year the total number of estates in the office of all classes was 2,086, of the total estimated capital value of £1,562,268. The best index to the public confidence in the office is in the increase in the number and value of the estates placed in the office by wills or instruments of trust, and these properties, at the close of the financial year, had increased in number from 371 to 392, and in value from £543,238 to £586,813.

In this year's estimates I propose to ask the Committee for a sum of £1,272 to meet the deficiency which has resulted during the year from the realisation of bad and doubtful securities on which the capital funds of the office had been invested. This deficiency will bring the total amount up to £5,370 of all such deficiencies proved by realisation, and will be met, as formerly, out of the profits of the office.

The administration by the Public Trustee of the reserves subject to "The West Coast Settlement Reserves Act, 1892," is regarded generally with increasing satisfaction by the Native owners, and is promoting settlement with satisfaction to both races. There has been some little difficulty in matters of detail in respect to insurances of the buildings. The tenants claim that the said insurances should be effected in their names, and not in the name of the Public Trustee. This matter will rectify itself without hindrance or disadvantage to the lessees. An area of 33,389 acres of these reserves, formerly unoccupied, has, since the passing of the Act, been leased in sections of an average area of 172 acres. The income of the Native owners has already risen to £15,470, and will continue to increase; for tenders are now invited for leases of an area of upwards of 16,000 acres more of the lands which the Natives cannot themselves occupy, and could not more profitably employ than by letting them to our settlers. Of the Native reserves vested, subject to other Acts, in the Public Trustee, the income from lessees amounts to £7,788.