

The fall in income has, however, been more than compensated for by the savings effected. The expenditure under all headings amounted in 1920–21 to £226,103, and in 1921–22 to £202,199, representing a saving of £23,904. This result has been secured only by the exercise of the most rigid economy and a watchful care over all classes of expenditure. In a later portion of this report will appear details of the savings effected.

It may here be mentioned, however, that the principal savings effected were in the expenditure on salaries, which sank from £168,028 to £156,482, and on stationery, which declined from £10,050 to £5,087. For the year 1922–23 the savings will be still further increased.

9. The total value of the assets (realized and unrealized) under the control of the Office on the 31st March, 1922, was £25,497,779, an increase of £3,133,460 over the value of those held on the 31st March of the previous year.

TRANSFER OF ADMINISTRATION OF NATIVE ESTATES, RESERVES, AND FUNDS TO THE NATIVE TRUSTEE.

10. In accordance with the provisions of the Native Trustee Act, 1920, the administration of Native estates, reserves, and funds was on the 31st March, 1921, taken over by the Native Trustee. The transfer of this work enabled this Office to make available for the Native Trustee practically the whole of the staff of twelve which had previously been engaged in the Head Office in dealing with Native matters. In addition, the services of the various District Officers of this Department were placed at the disposal of the Native Trustee until such time as he was able to complete his arrangements for the conduct of the work in the various parts of the Dominion. As a result, effect was given to the new legislation with a minimum of inconvenience to the clients of the Office and to the Native beneficiaries concerned.

The total amount of cash held on the 31st March, 1921, on behalf of Native estates, reserves, and funds was £844,345. The transfer of this amount was effected by payments in cash of £45,868, and by allocation from the Common Fund of this Office of securities to the value of £798,477. The investments allocated bore interest at varying rates, the amount at each rate being in the same proportion to the total amount allocated as the amount invested at each rate in the Common Fund of this Office bore to the total Common Fund investments. To provide the Native Trustee with additional funds which he required after the transfer had been completed the Office took back securities to the value of £97,570, and made cash to the same amount available to the Native Trustee. The transfer is now complete.

INSURANCE COMPANIES' DEPOSITS ACT, 1921.

11. For some time past the question has been under consideration of placing the fire-insurance companies under the same obligation of making deposits in the Dominion as the life-insurance companies, and during the 1921–22 session of Parliament an Act—the Insurance Companies' Deposits Act, 1921—was passed dealing with the subject. By its provisions the following deposits were required to be made with the Public Trustee in cash:—

British companies carrying on business in New Zealand in respect of—

	£
Fire insurance	15,000
Employers' liability	15,000
All other classes of insurance (except marine and life) ..	5,000
Foreign companies carrying on business in New Zealand in respect of all classes of insurance (except life) ..	35,000

The deposits due by the companies at present carrying on business in the Dominion are—

	£
Thirty-one British companies ..	895,000, due 6th June, 1922.
Two foreign companies ..	70,000, due 6th August, 1922.
Total ..	<u>£965,000</u>

These amounts do not come into the figures of business for the year 1921–22.