3. The total revenue of the Office during the year under review amounted to £274,845, a net decrease of £7,541 compared with the revenue derived from the previous year's working. The past year, however, was the first complete year in which the concessions by way of increased rates of interest and reduced charges granted as from 1st January, 1926, operated, the previous year's working having been affected by these concessions over a period of three months only. Viewed in this light it will be seen that the results have been eminently satisfactory.

4. The investments of the Office have now reached a total of £26,179,886, and the assets, other than those which are the property of estates under administration, amount to £1,135,690 in all. Of the investments, £15,583,706, or considerably more than one-half of the total investments, represent mortgages secured upon land in the Dominion for advances on loan made to farmers, business men, and others, thus evidencing the important part which the Office plays in the financial life of the Dominion. The sum of £8,298,026 has also been lent to local bodies for the furtherance of works of public service and utility. The investments made during the year total £2,812,643, and the net increase in the investments and Office assets amounted to £2,083,001.

5. The wills deposited with the Office increased during the year by a net number of 4,574, which is well above the average yearly increase for the past ten years. The total number of wills on deposit is now 53,531, showing that a large percentage of the will-making population of the Dominion is availing itself of the advantages offered by the Office. It is estimated that the wills deposited represent prospective business of over £200,000,000, so that it will be seen that the future of the Office is well assured. In addition, it is to be remembered that many wills appointing the Public Trustee executor are not reported to the Office until after the deaths of the testators; and in view of these factors and with the anticipated steady increase in the other phases of Office activities its continued expansion is confidently anticipated. The importance of will-drafting is recognized by the Public Trustee, and every possible care is taken to ensure that the intentions of testators are given effect to. Every will prepared in the Office is scrutinized by experienced legal officers before being finally filed away. Special accommodation has been provided for the storage of wills deposited with the Public Trustee.

6. As a certain amount of misapprehension appears to exist on the subject, I feel it my duty to direct special attention to the method of investment of trust and other similar funds dealt with by the Public Trustee. All moneys held by the Public Trustee for investment either fall into the Common Fund or are specially invested outside it. If the funds are invested in the Common Fund,—

(1) The investments are not earmarked to the estate.
(2) The capital and interest are guaranteed by the State.
(3) Interest accrues from the day the money reaches the Office, and is paid without interruption until the capital is paid out to the persons entitled.
(4) The interest is at such rate as is from time to time fixed by the Governor-General in Council, and is free of all Office charges. The present rate for trust moneys other than moneys at call is $5\frac{1}{4}$ per cent. per annum.

If, on the other hand, the moneys are directed to be specially invested outside the Common Fund,—

(1) The investments belong to the estate.
(2) Although every care is taken in investing, there is no State guarantee, and, subject to the Public Trustee's ordinary liability as a trustee, any loss falls on the estate.
(3) Strictly speaking, the capital should earn no interest until actually invested, but the Public Trustee has for some years past in appropriate cases made certain concessions by introducing a scheme of temporary allocation. This is referred to at length in the Public Trustee's report.
(4) Commission is payable at scale rates on the interest collected,