

accounts, the periodical balancing of the accounts, the collection of interest and the collection of rents where the mortgaged properties are leased and the rentals are assigned to the Public Trustee in payment of interest and reduction of principal. The instructions also provide for the transfer of certain portions of the mortgage administration work to the district officers. In the case of maturing mortgages the District Public Trustees will approach the mortgagors and ascertain their wishes, and where renewals are desired the District Public Trustees will undertake the whole of the preliminary work, including the ordering of the special Government valuations and the preparation of the necessary papers for submission to the Public Trust Office Investment Board. Similarly in the case of minor applications for partial releases of properties mortgaged to the Public Trustee, the district officers will undertake the preliminary action and put the matter in order for submission to the Investment Board. The local officers will also be entrusted with the responsibility for seeing that the mortgage securities are regularly inspected, this requirement being made specially applicable where loans have been granted for long terms on the instalment system.

As the adoption of the new system marks an important departure from the centralized system which has been in force for many years, it has been thought advisable to test the delegation at one office before making it generally applicable. Accordingly arrangements have been made to test the system thoroughly at the Christchurch District Office for a period of six months. So far as the test has proceeded up to the present it has proved satisfactory, and it is anticipated that before long it will be possible to give full effect to the transfer of the work to district officers.

It should be made clear that the whole of the work connected with the consideration of applications will be retained by the Public Trustee, and that the granting and renewal of all loans will still remain wholly within the control of the Public Trust Office Investment Board.

Not only will the adoption of the new system remove the congestion which would undoubtedly arise with the rapid mounting of the total investments of the Office were they all retained at headquarters, but it will serve to bring the district officers in closer touch with the mortgagors and lead them to become more closely acquainted with the mortgaged properties. This factor is important, as the day is now past when an investor on rural securities can advance his moneys on mortgage and then rest satisfied with the security. The troublous times through which the farming community is passing at present and the fluctuations in the prices for primary products make it necessary that the mortgagee should keep closely in touch with the financial position of his mortgagors, and should be fully aware of the condition of the mortgaged properties and the manner in which they are being farmed and maintained. Fortunately, the Public Trust Office has an excellent organization which will enable it to keep in close touch with the properties throughout the country, and an additional safeguard exists in the provision which is now being made for the regular inspection by the Farm Inspectors of the Office, who are well qualified to see that the properties are maintained in good order and condition, and are also in a position in many cases to offer valuable advice to the mortgagors on the management of their properties.

LAND TRANSFER (COMPULSORY REGISTRATION OF TITLES) ACT, 1924.

73. It will readily be understood that in view of the large number of mortgages, amounting to nearly four thousand, held by the Public Trustee as investments of the Common Fund a number of productions of the title-deeds held with the mortgages is involved in order that dealings of various kinds may be registered thereon.

Even under normal conditions the number of productions throughout the year is very large, but it has been increased in recent years as a result of the passing of the Land Transfer (Compulsory Registration of Titles) Act, 1924, which requires that as from the 1st April, 1925, the date of the coming into force of the Act, all private European land must be brought under the provisions of the Land Transfer Act as soon as possible.

During the year just closed a number of deeds titles have been requisitioned for by the District Land Registrars throughout the Dominion in order that Land Transfer titles may be issued in their place. Although this involves considerable