special loan for two or more specified public works, and has allocated for each of these works a defined portion of the total amount of the loan, each such defined portion shall for the purpose of raising the statutory additional amount of 10 per cent. be deemed to be a separate loan raised for the purpose of an undertaking. Prior to the passing of this section it had been doubtful in such a case whether the additional 10 per cent. of any one portion could be raised until the whole of the loan-moneys had been expended.

Under the Local Legislation Act, 1927, power was taken by several Harbour Boards to raise 10 per cent. additional loans in respect of loans already raised by them, it having been ruled that Harbour Boards which had received special legislative authority to raise loans are not thereby entitled to raise 10 per cent. additional loans under section 19 of the Local Bodies' Loans Act, 1926.

Under the special authority conferred by section 57 of the Local Legislation Act, 1927, a loan was granted by the Public Trustee to the Tauranga Electric-power Board for the conversion of an 11,000-volt power-line to one of 33,000 volts.

Under special legislation (the Egmont National Park Endowment Act, 1927) the Public Trustee made available the sum of £3,500 for the improvement of the road within the Park extending from the Egmont Road to the North Mount Egmont Hostel.

Decentralization of Investment Work.

94. Reference was made in last year's report to the proposed adoption of a decentralized system for the investment work of the Office similar to that which has been in force for several years past in connection with the administration of estates by the Public Trustee, and mention was made of the fact that, as the new system marked an important departure from the centralized system which had been in force for many years, it was thought advisable to test the delegation at one office, and that accordingly arrangements had been made to test the system thoroughly at the Christchurch District Office as a preliminary to the general adoption of the change.

The trial made at the Christchurch office proved satisfactory in every way. Accordingly arrangements were made to put in hand the general delegation of the investment work, and this has been carried out during the year under review and is now complete.

It will be realized that the task of delegating the work was a considerable one, as there were over four thousand mortgages to be dealt with, representing ten classes of investments, which, together with all subsidiary accounts, required to be balanced on each occasion before the accounts relating to any particular branch could be transferred. As a preliminary to the carrying-out of the work, complete instructions covering every phase of the accounts work as applying to mortgages were compiled in the Head Office and circulated to all district officers concerned for their information and guidance. The accounts for the Christchurch District Office had already been delegated when the previous annual report was prepared. The transfer of the accounts in respect of the remaining South Island mortgages took place as at the 30th June, 1927, and thereafter the delegation to the North Island branches was carried out in geographical order from north to south, several branches being dealt with at the end of each month. The whole of the work was completed at the end of December, 1927. In order that the new system might be properly installed in the district offices and that those members of the staff who would be called upon to deal with the work in future might be fully advised on all points of difficulty, arrangements were made for experienced officers to visit each branch concerned and assist in the installation of the system. As a result of the careful preparation made, and with the efficient co-operation of all officers concerned, the transfer to the various offices was carried out without any interruption in the work, and the district officers were able to complete the annual balance as at the 31st March last without difficulty.

For the present the control and management of that portion of the investments which is represented by local-body debentures has been retained in the Head Office.

95. It has been recognized throughout in connection with the decentralization of the Department's work that a necessary corollary of delegation is the setting-up of an efficient system of inspection and review. This requirement has been