investment in suitable securities, and necessarily difficulty is at times experienced by such commissioners in having the requisite moneys available for redemption of the debentures at maturity. It is almost impracticable to arrange investments the termination of which will coincide with the maturity of the debentures. The result is that in many cases the investments fall in before the funds are required, so that they have to be held for longer or shorter periods uninvested or temporarily invested at low rates of interest. In other cases, where the investments consist of mortgages of land, it is often impossible to obtain payment of the moneys on the date they are required for the repayment of the debentures. Even where the sinking funds have been invested in other forms of securities forced realization on the date the moneys are required may prove very disadvantageous.

11. With the advantages which the Common Fund affords, the rate of interest must necessarily be lower than that obtainable from the investment of the pooled moneys in specially selected securities at the highest rates. When, however, it is recalled that interest is being allowed at the present time at the rate of $5\frac{1}{4}$ per cent. per annum, notwithstanding the decline in the rate of interest obtainable on first-class investments, it will be admitted that this is an excellent return and the highest compatible with security of the moneys invested. This return is free from all charges, and, moreover, it must be remembered that even with the most conservative selection of securities there is a possibility of loss, from which risk investment in the Common Fund is entirely free.

12. The advantages which I have outlined are real and valuable, but the outstanding advantage is the absolute safety of capital and interest. It is well known that many beneficiaries whose funds have been invested on mortgage by trustees during the past few years have, as a consequence of the depreciation in securities, suffered serious loss not only of interest which could not be collected, but also of a substantial portion of the capital funds invested. Indeed, cases are not wanting where practically the whole of the principal sums have, from one cause or another, disappeared. In marked contrast with this is the experience of beneficiaries whose funds have been invested in the Common Fund of the Public Trust Office, and who during the difficult times through which the Dominion has recently passed have not lost one penny of capital or interest, or been obliged to wait a day beyond the due date for payment.

13. The impression is sometimes conveyed that investment in the Common Fund is the only mode of investment available to estates under administration by the Public Trustee. It cannot be too strongly emphasized that any testator or settlor who desires to place his estate in the hands of the Public Trustee for administration has a free choice whether he will adopt the Common Fund system of investment or whether he will have the funds of his estate or trust invested in the same mode as that adopted by private trustees. The Public Trustee is quite as capable of investing estate funds in mortgage or other selected forms of investment as any private trustee, and is in a much better position than a great majority of such trustees to obtain good investments. Where funds are entrusted to him for special investment he will obtain just as high a rate of interest as can be obtained by any private trustee. No bias is shown by the Office in favour of the Common Fund system as against the special-investment system, and the relative advantages of each are fully and honestly explained to testators at the time of making their wills. Instructions for the preparation of wills are given and signed by testators on a special form provided by the Office, and in order that they may be fully aware of the position a summary of each system appears on the form, so that the whole of the facts are fully before testators when arriving at a decision. Thus the sole factor in determining which mode of investment shall be adopted is the will of the testator, and the Public Trustee will faithfully and honourably observe any directions conveyed by the will. Special investments are protected against any discrimination on the part of the Public Trustee in favour of the Common Fund by statutory provisions. The vast majority of testators, after having both methods of investment fully explained to them, adopt the Common Fund as the better one, providing, as it does, a very fair return of interest, with complete liquidity of the funds and State guarantee of principal and interest, without any charge being made for the collection of interest or for the making or the supervision of investments.