

farming community. The fluctuations of overdue interest month by month during the past years since 1921–22 have closely corresponded with the variations which have taken place during that period in the financial position of the primary producers of the Dominion. It is satisfactory to record that the figures for the 31st March, 1929, show that the total amount of interest outstanding as at that date was at a lower point than any reached since 1921–22, although since that date the investments have, of course, enormously increased.

Further evidence of the improved position of the farming community generally is afforded by the fact that in the case of many maturing mortgages which are renewed by the Public Trustee the mortgagors find it possible to reduce the principal sum of the mortgage on renewal.

PUBLIC TRUSTEE AS INVESTING AGENT OF PUBLIC SUPERANNUATION FUNDS, ETC.

102. The Public Trustee acts as investing agent for the Government Railways Superannuation Fund, the Teachers' Superannuation Fund, and the National Provident Fund. The whole of the interest derived from the investments is credited to the fund concerned, a fixed percentage charge being made for the Public Trustee's services as agent. Any losses sustained in connection with the securities are borne by the fund. In the case of the Public Service Superannuation Board the investments are made by the Board itself, but the Public Trustee is entrusted with the management of the securities on behalf of the Board, the district organization of the Office being specially useful in this connection. A percentage charge is made for the work involved.

TOTAL INVESTMENTS UNDER CONTROL.

103. The investments under various headings amount to the substantial total of £30,935,141.

It will readily be realized that the supervision and control of this large volume of investments involves close and careful attention in order that the possibility of loss may be kept at a minimum. Moreover, the incidental transactions which arise from time to time, such as the production of title-deeds to enable dealings with the properties to be registered, consents to leases and easements, the consideration of partial releases on the sale of portions of the securities mortgaged to the Public Trustee, and similar incidental matters, call for prompt attention on the part of the staff. It is satisfactory to record that the work has proceeded during the year practically without complaint on the part of those who have had dealings with the Office.

RENEWALS OF EXISTING MORTGAGES.

104. As many of the loans in past years have been granted on the basis of a flat mortgage for a fixed term of years, the renewals of existing mortgages have attained a considerable volume. For the year ended 31st March last renewals of existing Common Fund mortgages reached the large total of £1,628,542. As all such renewals are dealt with by the Public Trust Office Investment Board, in addition to the granting of new loans, the work of the Board has been heavy throughout the year.

DECENTRALIZATION OF INVESTMENT WORK.

105. Mention was made in the report for the previous year that the whole of the investment work of the Office, with the exception of that relating to local-body loans and Government securities, had been decentralized by the 31st March, 1928, so that the keeping of accounts, the collection of interest, the preparation of Board papers for the renewal of existing mortgages and for incidental matters, such as partial releases involving a reference to the Public Trust Office Investment Board, are now undertaken by the district officers who are situated in reasonable proximity to the securities and are, generally speaking, readily accessible to the mortgagors. The experience of decentralization gained during the past year has proved the system to be an unqualified success. No difficulty has been experienced in carrying out the system, and the work has proceeded smoothly and promptly. The benefits have been appreciated both by the district officers, who are now in close touch with the securities in their districts, and by the mortgagors of the Office, who are