Supervision and Control of Doubtful Securities.

109. A very complete system is in operation for the supervision and control of all securities which possess unsatisfactory features, such as, for example, where the interest due under the mortgage is seriously in arrear, or the property on revaluation fails to show the statutory margin for the loan advanced, or where it is known that the property is not being capably farmed or that the land is deteriorating. All such cases are kept under close scrutiny and review both in the Head Office and in the district offices, and the position is reported specially to the Public Trustee at frequent intervals. Close co-operation is maintained between the district offices and the Head Office as to the policy to be adopted in each case, and the services of the Office staff of trained Farm Inspectors are fully availed of in making the necessary inspections. The cases are also under continuous review by the Reviewing Inspectors at the various district offices, so that it can confidently be stated that every possible means is taken to guard the Common Fund against loss. Having in mind the very large volume of investments now controlled by the Public Trustee, it can be stated that the number of cases which give cause for anxiety are comparatively few, this fortunate result being largely due to the excellent organization which the Office has throughout the Dominion enabling an effective supervision to be exercised over any securities containing elements of danger. There have not been many cases in the year just closed in which it has been necessary to have recourse to extreme measures to protect the funds invested, whilst, generally speaking, it can be said that there is reviving a feeling of confidence amongst members of the farming community, and that where realization of securities becomes necessary, the difficulty met with a few years ago in disposing of such properties is not now experienced.

In one or two instances where properties mortgaged to the Public Trustee have been abandoned by the owners the Office, acting under the statutory powers given to the Public Trustee, has been able to take over the properties, and to stock and manage them so as to make them revenue-producing and avoid loss to the Common Fund. The possession of these powers has undoubtedly conserved the interests of the Common Fund to a substantial extent. It need hardly be said that the Office undertakes the farming of the securities only when no other course is available, and that the earliest opportunity is taken in each such case to dispose of the property to a satisfactory purchaser.

Total Mortgage Registrations throughout the Dominion.

110. Statistical publications issued by the Government Statistician contain interesting particulars regarding the registration and discharge of mortgages year by year. The following table shows the number of mortgages registered and discharged during the period ended 30th June of each year, together with the excess of registrations for each year.

June 30th,	Registered.	Discharged.	Excess of Registrations.
	£	£	£
1921	60,990,229	25,182,025	35,808,204
1922	29,682,340	12,061,988	17,620,352
1923	27,649,910	16,371,122	11,278,788
1924	40,992,062	24,405,643	16,586,419
1925	42,188,458	32,616,144	9,572,314
1926	46,959,768	33,284,500	13,675,268
1927	36,437,039	26,680,765	9,756,274
1928	33,174,967	24,268,782	8,906,185

The table indicates some interesting fluctuations in the position regarding mortgages during the eight years covered by the information now compiled. The very large excess of registrations in the year 1921 was undoubtedly due to the heavy sales of property in that year, and doubtless a considerable portion of the £60,000,000 of mortgages registered in that year consisted of unpaid purchase-money repre-