senting equities in properties at inflated prices. During the next two years there was a reaction consequent upon the depression which was then experienced, but from 1924 to 1926 there was again an increase until a total of nearly £47,000,000 of registrations was reached. Since then the amounts registered have been more moderate, with the result that the excess of registrations have fallen to less than £10,000,000 each year.

Even including the excess for the year 1926, when there was a mild "boom," the average excess of registrations for each of the last four years is about £10,000,000. Of this it is safe to assume that a considerable quantity represents equities in land transferred, while in other cases the mortgages are doubtless collateral to other securities and do not genuinely represent amounts advanced on mortgage. Moreover, in many cases new mortgages are registered where existing loans are merely being renewed. If it be assumed that under these three headings about £3,000,000 of the registrations would be accounted for, it would follow that during each of the last four years there has been about £7,000,000 of new money advanced on mortgages.

RURAL INTERMEDIATE CREDIT.

111. The passing of the Rural Intermediate Credit Act, 1927, has resulted in important duties devolving upon the Public Trustee and his Office.

This Act brought into effect certain recommendations of a Royal Commission which was set up and which visited America and Europe in 1925 for the purpose of investigating the rural credit facilities obtaining in countries abroad.

Summarized briefly, the Rural Intermediate Credit Act, 1927, supplies the means by which farmers may obtain advances, for terms not exceeding five years, at a reasonable rate of interest, and mainly upon the security of their live and dead stock. Advances may be made by four methods:—

(*a*) By advances to farmers as members of a special class of limited-liability company, termed "co-operative rural intermediate credit associations" (Part II of the Act):

(*b*) By advances to farmers individually, the loans being additionally secured by the partial or entire guarantee of a company or private individual (Part III of the Act):

(*c*) By loans to farmers' co-operative organizations (Part IV of the Act):

(*d*) By discounting farmers' promissory notes or bills of exchange (section 15 of the Act).

The Act makes provision for the administration of the scheme to be controlled by a special Board, of which the Public Trustee is *ex officio* the principal executive member, under the style of "Commissioner of Rural Intermediate Credit."

As was mentioned in the last annual report, the Act conferred on the Board authority to employ the services of any Department of State in carrying on its business. In view of the fact that the Public Trust Office has branches or representatives in practically every important centre of population of the Dominion, it was considered by the Board to be the most suitable Department to conduct the administrative side of the Board's business. The Office has accordingly during the whole of the past year acted in the capacity of agent for the Board throughout the Dominion.

The principal executive officers of the Board have also been selected from among the senior officers of the Public Trust Office. These are—Deputy Commissioner of Rural Intermediate Credit, Mr. J. Snell (Controller of the Mortgage Division); Chief Accountant, Mr. W. M. Barr (Chief Accountant, Public Trust Office); Solicitor to the Board, Mr. C. E. Cole (Assistant Solicitor, Public Trust Office).

The advantages to the Board of having at its disposal such a widespread organization as the Public Trust Office are apparent. If the Board had been required to set up its own administrative machinery the expense of securing the present extensive representation would have been prohibitive. Under the present system the Board has the advantage of being able to appoint to the position of District Supervisor senior district officers of the Public Trust Office, who bring to the position the benefit of their experience in the Office and the intimate contact which they have established with the farming community in the administration of country estates and the