

The savings-bank business shows a considerable improvement over that of last year. The deposits totalled £27,252,381—which is £358,685 less than the total for last year. The withdrawals amounted to £28,111,940—being £2,473,056 less than for last year. The excess of withdrawals over deposits for the year was £859,559, compared with £2,973,931 for the previous year. The year's operations disclose an improvement of over £2,100,000. The interest credited to savings-bank depositors for the year was £1,745,050. Thus while there has been an excess of withdrawals, these withdrawals have been met out of interest and not out of principal. The net result is that the accumulated funds at the credit of depositors have increased by £885,491, the total amount standing at £48,644,217.

Post Office
Savings-bank.

Post Office Investment Certificates continue to be popular with people of small means desiring investment for fixed periods at slightly better rates. Sales of certificates during the year amounted to approximately £550,000.

Post Office
Investment
Certificates.

PUBLIC TRUST OFFICE.

This useful State institution reports another very successful year in 1928–29, during which the value of estates and funds under administration rose from £44,155,548 to £48,334,790, a record increase of over £4,000,000. The investments made during the year amounted to £3,190,642, consisting largely of loans to local bodies and farmers, and to town dwellers for housing purposes.

Public Trust Office.

The net profits for the year were £29,467. Taking into consideration the extensive concessions made to clients in recent years, this must be regarded as a satisfactory result. The Office already pays income-tax, and legislation will be brought down this session to provide that in future the Office will also pay land-tax.

In addition, provision will be made for half the net profits of the Public Trust Office to be paid to the Consolidated Fund. In this connection, I may explain to honourable members that the original legislation provided a State guarantee of the Office, and for the whole of the profits going to the Consolidated Fund, but amendments were made later to allow the Office to retain and use its profits for the erection of premises and the building-up of reserves. The Public Trust Office has now reached a position, however, when a partial return to the original intention is warranted.

Disposal of profits.

STATE INSURANCE OFFICES.

The operations of these institutions also proved successful last year. The Government Life Insurance Department issued new policies assuring £1,915,465, the largest amount ever written by the Department in any one year, and bringing the total insurances in force up to £22,084,471, including bonuses. The annual valuation of liability disclosed a surplus of £212,519, excluding interim profits paid during the year. A total of £200,287 has been divided in the form of reversionary bonuses totalling £324,871. This Department already pays both land and income tax.

Government
Insurance
Department.

As to the State Fire Insurance Office, the total income received, £252,093, was a record for the Office. Claims were substantially less than in the previous year, and working-expenses the lowest for the last fifteen years. The surplus of £75,600, after allowing for a rebate of 12½ per cent. to policyholders, was greater than in any previous year in the history of the Office.

State Fire Insurance
Office.

The State Fire Office has been for some years now the largest fire-insurance income-tax payer in the Dominion. In future the Office will also be called upon to pay land-tax.

The Accident Branch showed excellent increases both in premiums and interest received. Claims were higher than for the previous year, but working-expenses were lower, and the surplus of £17,592 was a record one for the Branch.

Accident insurance.

TAXATION.

As to this all-important question, honourable members will have gathered from my remarks earlier in this Statement that, in view of the deficit last year and the general position of the country's finances when the Government assumed office, there is no practicable option but to face the facts and obtain additional revenue from taxation if the Budget for this year is to be balanced—and that, of course, is essential.

Taxation.