

of field staff could only be gauged after a review of the mortgage accounts in each district and the field organization was therefore built up district by district concurrently with the transfer of the mortgage assets from the Lands Department.

The rural field work is under the control and direction of the Supervising Valuers attached to Head Office. The Dominion has been divided into ten field districts—seven in the North Island and three in the South—and each is under the charge of a senior field officer who is responsible to his Supervising Valuer for the field work in his area and for the control and direction of the Farm Appraisers and Assistant Farm Appraisers under his charge. The rural field staff has a numerical strength of fifty-seven officers, which provides coverance for the whole of New Zealand.

There are serious difficulties in the way of any attempt to assess the valuation of land by exact science, but our present field staff have been carefully chosen for their ability to apply practical knowledge of farming to the task of arriving by more scientific methods at a fair valuation uninfluenced by waves of prosperity or of depression.

The organization of an urban field staff under the control of the Chief Property Supervisor attached to Head Office to deal with urban and suburban securities is also under way, and in so far as urban securities are concerned the Corporation will ultimately be in a position to provide coverance for the whole Dominion. The urban field officers numbering fourteen as at 31st March, 1937, have been specially chosen for their practical knowledge of building construction and urban values.

The aim has been to establish an efficient and fully representative field staff in both the rural and urban spheres which will enable the Board to give in the future the utmost expedition to new loan applications and in addition to maintain a steady oversight of existing securities in order to ensure that the interests of the Corporation as mortgagee and of its clients as mortgagors are constantly safeguarded. It is the desire of the Board to provide a genuine service to its clients, and it has been impressed upon the field staff that the Board looks to it to cultivate a spirit of co-operation between the Corporation and its mortgagors, without which this ideal cannot be attained. The lack of a fully representative field staff has been a serious handicap, particularly in the depression years, but in saying this it is admitted that the best possible results were obtained from the organization then available.

16. *Agencies for other Government Departments.*—Section 40 of the State Advances Corporation Act, 1936, empowers the Corporation to undertake on behalf of any Department of State the inspection of mortgaged property, the collection of moneys in respect thereof, or any other duties in relation to mortgages or other securities representing the investment of public moneys. In the meantime the position may be reported as follows :—

(a) *Loans by the Government under the Agriculture (Emergency Powers) Act, 1934.*—These loans have hitherto been administered by the Lands and Survey Department on behalf of the Treasury, but arrangements have now been made for the administration to be undertaken by the Corporation on an agency basis. The transfer of the relative securities and mortgage accounts to the number of thirty, involving approximately £40,550, has been completed. Future loans under this legislation will be handled by the Corporation on behalf of the Government.

(b) *Collection of Moneys due under Hutt Valley Deferred Payment Licenses.*—Substantial areas of land in the Hutt Valley were acquired by the Crown for subdivisional purposes, and residential sections were sold by the Lands and Survey Department. Loans were granted by the State Advances Office on the security of these sections for the erection of dwellings, and both organizations are therefore concerned in the collection of principal and interest in respect of the balance owing on the deferred payment licenses and the amount owing on mortgage.

Arrangements are now in train whereby the Corporation will provide facilities for the collection of the instalments due under the deferred payment licenses in conjunction with instalments due under its own mortgages for the convenience of the mortgagors.