

1899.

NEW ZEALAND.

GOVERNMENT ADVANCES TO SETTLERS OFFICE

(REPORT BY THE SUPERINTENDENT OF THE) FOR THE YEAR ENDING 31ST MARCH, 1899.

Presented to both Houses of the General Assembly by Command of His Excellency.

THE transactions of the fourth year of the existence of the office have not been of such a nature as to call for any particular comment. During the year the funds available from the first million-and-a-half loan became exhausted, and it became necessary to withdraw the money lodged with the Public Trust Office in respect of loans repaid and deposits made in reduction of loans. This amounted to about £160,000. When this sum had been reinvested, funds were provided by the Treasury, amounting to £150,000, in anticipation of the balance of the loan or a part thereof being subsequently floated. This amount has not been drawn upon to a larger extent than £80,000, because, as now arranged with the Public Trust Office, the moneys received month by month for deposits and repayments are passed to the Public Trustee and the same day withdrawn, and become immediately available for reinvestment on mortgage; only the 1 per cent. sinking fund, now amounting to £31,589, remaining with the Public Trustee.

The instalments of interest and principal to 31st March, 1898, have been collected in full, no sum remaining outstanding on 31st March, 1899. To a date six months later, viz., 30th September, 1898, there is outstanding a sum of £4 16s. from three people.

The department has no securities on its hands; the property at Waverley, which was referred to in my last report, was quitted, without loss, to an improving settler who has erected a six-roomed house on the land, and has felled 150 acres of bush, besides effecting other improvements since he acquired the place. It is now a good investment.

The inspection of securities by District Valuers has been of manifest advantage to the office in enabling attention to be drawn to any property which was in danger of deterioration through neglect or bad farming.

From the tables attached it will be seen that the Board had, up to the 31st March, 1899, authorised 7,050 advances, amounting to £2,073,425. The total amount asked for by the 7,050 applicants, granted in full and partially, was £2,400,135; 828 applicants declined the grants offered them, amounting to £374,280; so that the net advances authorised to the 31st March, 1899, numbered 6,222, and amounted to £1,699,145. The securities for the net authorised advances were valued at £3,759,399, and these are being enhanced by the expenditure in improvements of part of the money borrowed, and the liability reduced by the periodical repayments of principal. The number of applications received to the 31st March, 1899, was 9,032, for an aggregate amount of £2,959,528.

The contribution payable to the Valuation Department will be £2,500 this year, the Advances to Settlers Office retaining the valuation-fees payable by applicants for loans.

In accordance with the arrangement made with the Post Office two years ago, the contribution to that department will be increased from £500 to £700. The expense of audit has also been increased to £200 a year.

The amount owing to the Consolidated Fund stands at £7,000, the department, in addition to having made provision for payment of the year's interest (£45,000) on the loan, and paid its expenses, having reduced its indebtedness to that fund, which stood at £24,500 on the 31st March, 1898, by £17,500.

The manner in which instalments continue to be met by mortgagors is highly satisfactory, and has in no small degree contributed to the result obtained on the year's operations.

A portion of the second million-and-a-half loan has been floated, and the money temporarily advanced through the Treasury has, since the 31st March last, been repaid. The department has now to make provision for an annual payment of £60,000 interest on loans; but, notwithstanding the increase of £15,000 interest payable in respect of the additional sum raised for investment on mortgage, the department will, on the 1st October next (half-yearly due date) require considerably less than the sum borrowed at the same date last year, and it is fully anticipated that by the 31st March, 1900, the office will have sufficient funds available to meet its liability in respect of interest without assistance from the Consolidated Fund.

Advances to Settlers Office, 7th May, 1899.

JOHN MCGOWAN, Superintendent.

PURPOSES for which the ADVANCES appear from the APPLICATIONS to be REQUIRED, classified according to Provincial Districts, to 31st March, 1899.

Provincial District.	For releasing Mortgage.	For releasing Mortgage, and for improvements.	For releasing Mortgage, and for Stock.	For releasing Mortgage, and for improvements.	For Purchase of other Land.	For converting Leasehold into Freehold.	For converting Leasehold into Freehold, and for improvements and Stock.	For paying Balance of Purchase-money, and for improvements.	For Improvements.	For Stock and improvements.	Not stated in Application.	Totals.
	£	£	£	£	£	£	£	£	£	£	£	£
Auckland ..	150,676	141,111	7,660	9,760	18,375	37,185	10,590	17,720	119,858	24,753	4,425	542,023
Taranaki ..	102,965	70,740	7,975	2,050	6,695	32,131	10,326	8,769	57,855	14,935	3,915	318,356
Hawke's Bay ..	74,610	34,560	1,385	3,320	8,175	10,722	450	2,445	53,538	5,655	2,840	197,700
Wellington ..	230,303	168,578	6,940	7,000	24,415	58,437	25,165	20,396	156,878	28,710	6,695	738,517
Marlborough ..	39,470	23,015	935	150	5,355	11,655	150	5,820	16,090	1,187	1,270	105,097
Nelson ..	30,555	17,155	860	3,800	800	4,130	820	1,255	8,440	2,740	650	71,205
Westland ..	16,165	7,970	670	350	1,430	2,835	250	1,040	11,100	1,615	350	43,775
Canterbury ..	121,801	18,297	1,600	480	2,777	17,983	30	5,105	41,821	6,523	1,830	218,247
Otago and Southland ..	349,863	124,440	6,185	2,930	20,760	66,369	8,925	30,986	89,429	19,631	10,090	729,608
Totals ..	1,116,408	605,866	34,210	29,750	88,782	241,447	56,706	98,536	555,009	105,749	32,065	2,959,528

APPLICATIONS for LOANS received to 31st March, 1899, classified according to Provincial Districts.

Provincial District of	Freeholds. For Loans				Leaseholds. For Loans				Freeholds combined with Leaseholds. For Loans				Totals.	
	Not exceeding £500.		Over £500.		Not exceeding £500.		Over £500.		Not exceeding £500.		Over £500.		Number of Applications.	Amount of Loans applied for.
	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amount.	No.	Amt.	No.	Amount.		
		£		£		£		£		£		£		£
Auckland	1242	235,598	201	215,655	481	59,815	21	23,550	19	3,455	5	3,950	1,969	542,023
Taranaki	406	105,179	107	126,952	388	60,385	20	17,165	4	1,175	6	7,500	931	318,356
Hawke's Bay ..	351	70,795	64	64,140	258	39,970	16	19,450	5	1,870	2	1,475	696	197,700
Wellington	667	174,138	305	364,847	978	137,867	52	46,985	7	1,900	7	7,780	2,016	733,517
Marlborough ..	135	27,630	42	52,275	89	10,577	1	400	13	1,815	8	12,400	288	105,097
Nelson	102	21,570	30	37,925	44	5,060	4	3,100	4	1,350	2	2,200	186	71,205
Westland	132	23,065	18	14,575	18	3,835	..	..	5	1,300	1	1,000	174	43,775
Canterbury	207	39,390	97	126,313	508	47,848	2	1,770	5	926	1	2,000	820	218,247
Otago and Southland ..	951	232,426	378	396,909	559	69,588	16	11,600	37	9,465	11	9,620	1,952	729,608
Totals	4193	929,791	1242	1,399,591	3323	434,945	132	124,020	99	23,256	43	47,925	9,032	2,959,528

ADVANCES AUTHORISED to 31st March, 1899, classified according to Provincial Districts.

Provincial Districts.	Authorised on Freehold Securities on Applications.						Authorised on Leasehold Securities on Applications.						Authorised on combined Freehold and Leasehold Securities on Applications.						Totals.		
	Not exceeding £500.			Exceeding £500.			Not exceeding £500.			Exceeding £500.			Not exceeding £500.			Exceeding £500.			Number of Applications.	Amount applied for.	Amount of Advances authorised.
	No.	Amount required.	Amount authorised.	No.	Amount required.	Amount authorised.	No.	Amount required.	Amount authorised.	No.	Amount required.	Amount authorised.	No.	Amount required.	Amount authorised.	No.	Amount required.	Amount authorised.			
		£	£		£	£		£	£		£	£		£	£		£	£			
Auckland	891	172,976	159,452	153	157,435	134,780	255	37,015	29,018	14	14,620	11,195	12	2,545	2,390	5	3,585	3,150	1,330	388,176	339,985
Taranaki	414	102,954	97,215	100	111,868	92,790	306	44,580	35,775	13	12,945	10,850	5	1,760	1,570	5	5,500	5,450	843	279,607	243,650
Hawke's Bay	305	64,140	59,730	59	57,865	51,175	168	26,390	21,000	8	6,750	5,650	5	1,220	920	1	825	825	546	157,190	139,300
Wellington	611	165,062	151,883	301	326,405	292,770	745	115,375	91,510	31	39,355	24,145	15	3,945	2,970	6	8,950	6,835	1,709	659,092	570,113
Marlborough	114	24,487	22,425	27	31,330	28,120	51	6,995	5,865	..	..	..	10	1,665	1,640	9	13,950	12,750	211	78,427	70,800
Nelson	103	20,950	19,520	20	22,950	19,175	14	1,650	1,460	..	..	..	2	600	600	..	..	..	139	46,150	40,755
Canterbury	171	35,347	32,000	75	101,895	83,175	367	36,412	26,625	..	..	..	8	923	845	..	..	..	621	174,577	142,645
Westland	76	15,385	13,960	8	6,450	5,600	8	1,270	1,090	..	..	..	3	900	745	..	..	..	95	24,005	21,395
Otago and Southland	827	204,993	183,275	308	316,313	270,190	379	48,285	32,947	8	5,850	3,685	24	7,940	6,195	10	9,530	8,490	1,556	592,911	504,782
Totals	3512	806,294	739,460	1051	1,132,511	977,775	2293	317,972	245,290	74	79,520	55,525	84	21,498	17,875	36	42,340	37,500	7,050	2,400,135	2,073,425

ADVANCES AUTHORISED TO 31st March, 1899.

	Freehold Security.			Leasehold Security.			Freehold and Leasehold combined.		
	No.	Amount of Advance.	Value of Security.	No.	Amount of Advance.	Value of Security.	No.	Amount of Advance.	Value of Security.
Advances not exceeding £100	1,180	84,740	230,994	1,684	109,721	280,709	20	1,785	4,761
Less declined	91	6,805	20,737	82	5,720	19,893	2	165	530
	—	—	—	—	—	—	—	—	—
Advances exceeding £100 but not exceeding £300	1,663	352,082	866,878	515	102,795	248,783	47	9,585	6,408
Less declined	234	51,505	120,782	85	6,770	21,620	8	1,560	530
	—	—	—	—	—	—	—	—	—
Advances exceeding £300 but not exceeding £500	803	335,670	723,052	111	46,850	117,124	15	6,185	14,556
Less declined	131	54,375	112,291	13	5,350	15,157	1	415	714
	—	—	—	—	—	—	—	—	—
Advances exceeding £500 but not exceeding £750	389	243,370	499,435	30	17,779	45,299	15	8,545	15,942
Less declined	86	56,040	119,380	2	1,300	3,492	2	1,200	3,781
	—	—	—	—	—	—	—	—	—
Advances exceeding £750 but not exceeding £1,000	229	203,505	423,131	14	12,100	25,056	11	10,025	25,577
Less declined	55	49,345	107,539	3	2,800	8,970	1	900	1,530
	—	—	—	—	—	—	—	—	—
Advances exceeding £1,000 but not exceeding £3,000	349	497,868	980,608	13	11,570	30,626	12	19,250	39,564
Less declined	79	124,695	249,899	1	2,000	6,080	2	3,395	6,179
	—	—	—	—	—	—	—	—	—
	270	373,173	730,709	12	9,570	24,546	10	15,915	33,385

Total amount granted on 6,222 applications, £1,699,145. Total value of securities, £3,759,399.

ADVANCES AUTHORISED on FIXED LOANS, classified according to Provincial Districts, to the 31st March, 1899.

Provincial Districts.	Not exceeding £500.			Exceeding £500.			Total.		
	No.	Amount of Mortgage.	Value of Security.	No.	Amount of Mortgage.	Value of Security.	No.	Amount of Mortgage.	Value of Security.
		£	£		£	£		£	£
Auckland ...	17	2,260	6,710	2	1,400	3,051	19	3,660	9,761
Taranaki ...	6	1,260	4,809	3	2,250	6,254	9	3,510	11,063
Hawke's Bay ...	9	2,400	5,754	1	700	1,857	10	3,100	7,611
Wellington ...	17	3,470	11,360	10	8,085	19,676	27	11,555	31,036
Marlborough ...	...	...	...	...	...	...	...	...	...
Nelson ...	2	150	393	...	...	...	2	150	393
Westland ...	5	570	1,757	...	...	...	5	570	1,757
Canterbury ...	2	725	1,647	1	550	1,124	3	1,275	2,771
Otago and Southland	35	7,985	19,899	4	6,480	14,857	39	14,465	34,756
	93	18,820	52,329	21	19,465	46,819	114	38,285	99,148

NOTE.—The figures supplied in this return are not to be read as in addition to the preceding tables, being embodied therein.

THE GOVERNMENT ADVANCES TO SETTLERS OFFICE.
STATEMENT of the LIABILITIES and ASSETS at 31st March, 1899.

Dr.	Liabilities.	£	s.	d.	Cr.	Assets.	£	s.	d.
3-per-cent. loan, redeemable 1st April, 1945	1,500,000	0	0		Investment Account—				
Bank of England temporary advances	150,000	0	0		Advances on mortgages	£1,638,580	0	0	
Consolidated Fund advances	7,000	0	0		Less repayments	203,751	1	9	
Suspense Account	1,648	4	5				1,434,828	18	3
Accrued interest payable	1,656	0	6		Temporary investments, Bank of New Zealand guaranteed stock		4,836	17	0
Profit and Loss Account	12,321	16	1		Sinking Fund Investment Account with Public Trustee		31,589	16	1
					Mortgage instalments receivable—overdue		876	11	10
					Interest receivable—overdue		3,907	7	10
					“ accrued		16,877	8	5
					Loan-flotation charges		105,897	7	5
					Cash in hand and in bank		73,811	14	2
							£1,672,626	1	0

STATEMENT of PROFIT AND LOSS ACCOUNT for the Year ending 31st March, 1899.

Dr.	£	s.	d.	Cr.	£	s.	d.
To Balance at 31st March, 1898.. ..	5,276	0	10	By Management Account, interest, gross profits	22,412	5	10
Management Expenses Account	4,814	8	11				
Balance	12,321	16	1				
	£22,412	5	10		£22,412	5	10

STATEMENT of CONSOLIDATED FUND ACCOUNT at 31st March, 1899.

Dr.				Cr.			
1898.				1898.			
		£	s. d.			£	s. d.
April.	To Cash refunded	..	..	2,000	0	0	
May.	"	..	..	3,000	0	0	
June.	"	..	..	5,000	0	0	
July.	"	..	..	5,000	0	0	
Aug.	"	..	..	9,500	0	0	
Oct.	"	..	..	1,000	0	0	
Nov.	"	..	..	4,500	0	0	
Dec.	"	..	..	4,000	0	0	
1899.							
Jan.	"	..	..	6,000	0	0	
March.	"	..	..	1,500	0	0	
"	31. Balance	..	..	7,000	0	0	