

During the year investments of £724,900 were found for the Post Office, including £250,000 for loans to local authorities, £200,000 under "The Post and Telegraph Act, 1908," for post-office buildings, £130,000 for advances to settlers and workers, £70,000 under "The Government Railways Act, 1908," for the duplication of railway-lines, and £30,000 for the Hutt Railway and Road improvement.

Offers from Australia to purchase £315,000 of our debentures were received and accepted, the rate of interest being 4 per cent.—a premium of 2 per cent. being obtained on almost every parcel. The money was invested on the balance of the 1907 loan (£191,800), Land for Settlements (£11,300), Government Advances to Settlers and Workers (£60,000), Government Railways Act and the Hutt Railway Road and Improvement Act (£14,800), and the balance under the Aid to Public Works Act, 1903, for renewals, the currency ranging from five to fifteen years.

No action whatever has been taken to induce the public in the Dominion to invest in Government securities, but several persons desirous of investing their savings in that way have, unsolicited, taken up £121,415 worth of 4-per-cent. debentures with a currency of seven years.

None of the other transactions call for special comment.

#### LOANS MATURED.

During the financial year just closed debentures amounting to £3,133,238 fell due, and it may be of interest to honourable members to learn that of this large amount no less a sum than £2,148,488 was renewed by the holders, leaving £984,750 to be provided for by the sale of new debentures. In this connection I may state that a large saving in interest-charges was made, debentures for over £1,000,000, which previously carried a rate of 4 per cent., being placed at 3½ per cent. No one, unless deliberately refusing to acknowledge the splendid results achieved under this head of our finance, can contradict me in asserting that the results are most satisfactory, the exact position being as follows:—

Amount matured,—					£	£
4 per cent.	....	....	....	....	2,010,800	
3½ per cent.	....	....	....	....	1,057,438	
3 per cent.	....	....	....	....	65,000	
					— — — —	3,133,238
Renewed or provided for,—						
4 per cent.	....	....	....	....	910,825	
3½ per cent.	....	....	....	....	2,221,763	
Outstanding	....	....	....	....	650	
					— — — —	<u>3,133,238</u>

#### LOANS MATURING.

During the present financial year £2,619,023 falls due. Of this amount £1,552,650 fell due during the last six months, of which £684,800 has been renewed by the holders and £867,850 paid off. This has been done without any additional charge on the Dominion for interest—in fact, in one instance, a parcel of £40,000 on which we had heretofore to pay 6 per cent. was secured at 4 per cent.

#### LOANS TO LOCAL BODIES.

The balance at credit of the Loans to Local Bodies Account on the 31st March, 1908, was £11,271. Debentures for £250,000 were created and issued during the year, and refunds of unexpended balances of grants amounting to £529 received. Payments on account of loans made during the past year to local bodies amounted to £192,136; towards opening up blocks of land for settlement, £54,713; and the amount transferred to Hauraki Plains Settlement Account under section 4 of "The Hauraki Plains Act, 1908," was £12,000, leaving at the end of the year a balance of £2,951 to the credit of the account.