

respect of administration charges and Office fees generally. In accordance with the amending legislation passed last session, half the net profits of the Office are now paid to the Consolidated Fund.

Investments.

The investments during the year totalled £4,216,590, consisting chiefly of loans to local authorities for public-utility works, to farmers for the acquisition and development of their holdings, to business men for the erection of buildings, and to city and town dwellers for the acquisition or building of homes.

Government Life Insurance Department.

The Government Life Insurance Department's operations resulted in a net cash surplus of £222,540, of which the sum of £214,188 was allocated for division amongst policyholders in the form of reversionary bonuses. The new business for the year amounted to £1,918,600—the highest in the history of the Department—while the cost of management was reduced, the percentage of expenses to total income falling from 9·35 per cent. in 1928 to 8·8 per cent. in 1929.

State Fire and Accident Insurance Office.

The operations of the State Fire Insurance Office for the year also constituted a record, both the total income and the total profit being larger than for any year previously, being £261,104 and £78,276 respectively.

The Accident Branch of the State Fire Insurance Office also experienced a record year, a total profit of £18,066 being shown in the annual accounts.

All the foregoing offices pay both land and income tax, and legislation will be introduced this session providing for the charging in addition of license fees and stamp duty on cheques. Thus, in future, all these trading departments will be subject to similar taxation as obtains in the case of trading companies.

State coal-mines.

The State coal-mines earned a net profit of £15,856 for the year, in spite of the difficult trading conditions which obtained, and the total profits earned since inception now amount to £179,174.

Full details of the operations of the Government trading departments will be given in the annual reports of the Departments concerned, but I have dealt with the matter here for the purpose of correcting the popular impression that Government trading activities result in a loss.

EARTHQUAKE DISASTER.

1929 earthquake.

As a result of the serious earthquake that occurred on the 17th June, 1929, considerable expenditure has been incurred in restoration work in the districts affected. The Government took immediate steps to restore roads, bridges, railways, public buildings, &c., the first objective being the making of tracks as temporary means of access to settlers cut off as a result of the calamity. Arrangements were later made for the reopening of main roads and for the restoration of public buildings. This has necessarily involved the Government in considerable additional expense, and up to date the expenditure out of revenue has been £155,252, and from the Public Works Fund out of capital £24,878. This does not represent the total cost to the Crown, as expenditure is still being incurred, particularly in connection with the reconstruction of roads, &c.

Earthquake Relief Fund.

In regard to the administration of the Earthquake Relief Fund, which was comprised of subscriptions received from the public for relief of distress in the affected areas, a central committee was established for the purpose of co-ordinating the activities of local relief committees, and excellent work has been done by the various committees concerned. The resources of the Government were utilized for the purpose of providing reports for the local committees in connection with applications for assistance from the relief funds.

Central Committee.

The Central Earthquake Committee, on the recommendations of the local committees, has authorized grants totalling £81,118 for the restoration of damage and as compensation for loss, but the payment of these grants is not yet completed. The committees have adopted the wise precaution of withholding payment of grants until the work for which assistance has been provided has been substantially completed by settlers, which explains why the fund has not yet been closed.

Assistance has also been provided out of relief funds in the way of sustenance allowances for those settlers who have been deprived of the use of their holdings through lack of access, and in some instances this assistance is still being given, while local committees have also provided assistance for refugees from the affected districts. It still remains for the Central Committee to make permanent provision for widows and dependants of persons killed as a result of the earthquake.