

Of the total inscribed debt of local bodies, amounting to £1,669,480, the following figures will indicate to what extent the local authorities have availed themselves of the reduced rates of interest: at $4\frac{1}{2}$ per cent., £964,361; at 4 per cent., £30,430; at $3\frac{1}{2}$ per cent., £674,689. Seeing that the rate of interest is now higher than when the Act was passed fixing the rate at $3\frac{1}{2}$ per cent., it may become necessary to raise the interest chargeable. I am pleased to be able to report that the payments of interest by the various local bodies on the inscribed debts continue to be fully and punctually made.

NEW ZEALAND CONSOLS ACCOUNT.

The deposits received during the year were the smallest since the account was opened, the amount being only £4,232. The reason for this is no doubt due to the fact, as stated in last year's Budget, that a better rate of interest is obtained by purchasing other Government securities. The total amount now inscribed is £472,500, which has been invested in Government and other securities, yielding a rate of interest to the colony equal to about $3\frac{1}{4}$ per cent. per annum.

THE GOVERNMENT INSURANCE DEPARTMENT.

During the twenty years ended on the 31st December, 1902, the Government Insurance Department has made great progress. The new policies issued during the period were 66,375, representing a sum assured of £14,561,581. The business in force at the end of the twenty years increased from £5,176,217 at the beginning to £9,896,572, representing a net increase of £4,720,355. The income from premiums during the twenty years amounted to £4,841,651, while that from interest amounted to £1,995,565. The amount paid to policyholders or their representatives during the twenty years was £3,054,773. The amount added to the funds was £2,677,928, while the total accumulated funds at the end of the twenty years was £3,382,817.

The following table shows the position at the end of the respective ten-yearly periods—viz., 1892, 1902:—

	New Business completed during each Period.		Business in force at the End of each Period.	
	Number of Policies.	Sum assured.	Number of Policies.	Sum assured.
Ten years ended 31st December, 1892 ...	33,958	£ 7,776,713	30,316	£ 8,036,220
Ten years ended 31st December, 1902 ...	32,417	6,784,868	42,406	9,896,572
	Income during each Period from		Paid to Policyholders during each Period.	Added to Funds during each Period.
	Interest.	Premiums.		
Ten years ended 31st December, 1892 ...	£ 708,001	£ 2,068,264	£ 1,023,250	£ 1,275,409
Ten years ended 31st December, 1902 ...	1,287,564	2,773,387	2,031,523	1,402,519

In connection with the above table it should be borne in mind that during the decade ended the 31st December, 1902, the amount paid to policyholders or their representatives has very greatly increased, owing to the larger number of insurances maturing and the increased deaths and surrenders occasioned by the larger number of policies in force.

PUBLIC TRUST OFFICE.

This institution has outgrown the troubles of infancy and reached a vigorous manhood. By comparing the figures of the years 1882 and 1902, its rapid growth can be seen at a glance.