

of all Trust funds as occasion required, adopting as a rule, which has been adhered to with few exceptions, that such investments, sales or exchanges should be made at par. That this practice, altho it undoubtedly deprived the Trusts of any advantage to be derived from investments made when the market should be favorable for such a purpose, protected them against sacrifices should their requirements compel them to realize at an adverse period. That another argument in favor of this mode of proceeding might be found in the fact that it precluded the necessity for the intervention of Brokers, or the pricing of the Securities of the Province which it might be considered the duty of the Government to sustain at the highest Standard. That it may however be contended that this practice, whatever may be its general convenience and equitableness, is not just as regards the Indian fund, from the fact, as stated verbally to him by the Superintendent General, that there is little or no probability that there will ever be occasion to realize its securities, while there is a constant call for investments. Under these circumstances and to avoid the inconvenience of dealing differently with different Trusts, he submits that it may be thought desirable to place the Indian Fund under the sole management of the Indian Department and he accordingly recommends the adoption of that course.

Whilst on the subject of Trusts and investments, the Inspector General takes occasion to submit a proposition which he states he has reason to believe would secure all that is now sought to be attained by the present system, while it would remove some of the inconveniences which obviously attend it - such as the assigning particular securities to particular Trusts and keeping them distinct - the separate accounts necessary to set forth the investing, realizing and transferring of Securities uninvested balances. The proposition is that all Trust monies paid in to the Receiver General's chest shall be taken by the Government to bear interest at the rate of Six per cent from the quarter day next ensuing the deposit. That all Securities now held separately for the several Trusts, shall be carried to one account to be called the "Trust Fund" or "Trust Investment Fund", and that the amount so held shall be returned daily, with the daily balances in the Receiver General's Chest, in order that the Executive may be satisfied that the Trusts are sufficiently secured.