

Treasurer, and the Public Trustee, ought to have been led to inquire not only into the genuineness of the profits of the Public Trust Office, but also as to the *bona fides* and values of the mortgage securities held by the Public Trustee; but no prudent course of that kind appears to have suggested itself to any one of these high officers.

In dealing with the charges made in reference to business done by the Public Trust Office, your Commissioners have to point out that these have been excessive. Up to the end of the year 1889, ten per cent. seems to have been the charge made for the collection of rents, and where an agent was employed, he was allowed one-half, or equal to five per cent. Since the year 1889, seven and a half per cent. has in many cases been charged, the agents, whenever employed, receiving two-thirds, or five per cent. For collecting income the charge has been five per cent., and where agents have been employed two and a half per cent. is paid to them. But in all cases where it has not been necessary to employ agents the Public Trust Office seems to have taken the full benefit of the maximum charge of commission made to clients.

Agents, too, are allowed to charge borrowers procuration-fees on applications for loans recommended by them for the consideration of the Public Trust Office. This practice cannot but be productive of injury to the business, as the agent, in his anxiety to earn procuration-fees, which may on even one transaction exceed his whole annual commission from the Head Office for general services, is apt to be tempted to over-value a security, with the result, as already proved in more than one case, of serious loss when the security had to be realised. The charges of late made by the Public Trustee in respect to intestate estates have been seven per cent. for the first £250 realised, and five per cent. for all amounts over that sum. For the collection of moneys in possession of Banks and Insurance Companies, involving neither risk nor trouble, the charge has been half of those rates. Since the beginning of October, 1890, there has been a new schedule of charges, which is fully set forth in the Appendices.

Your Commissioners believe that, in the interests of the public, the charges can be very much modified and lessened in such a manner as to increase the business of the Public Trust Office.

As to the means adopted for avoiding delay and inconvenience in managing estates and properties falling into the hands of the Public Trustee, your Commissioners have come to the conclusion that, while the Audit Department has had much to do with the causes of complaint in respect to delay, the confused method of book-keeping practised by the Public Trust Office has added to the evils of which complaints have been made. Your Commissioners are of opinion that, until a more simple and perfect system of keeping the books, papers, and records of the Public Trust Office be adopted, dissatisfaction will continue to be expressed by those who would be likely, under an improved condition of management, to place business with it.

On the important point of satisfying the claims of beneficiaries or persons who may be entitled to participate in estates, the Public Trustee has seldom done his duty effectively. So far as your Commissioners have been able to form an opinion, they feel justified in stating that immediately an estate is entrusted to the control of the Public Trustee little if any effort is made to find out the next-of-kin or the beneficiaries entitled to participate therein; indeed, the evidence seems to point to a feeling that obtains in the Public Trust Office that possible beneficiaries ought to find out for themselves by some occult means whether moneys to which they might be entitled were in the hands of the Public Trustee. Nor has the Public Trustee apparently realised the importance of his duty to acknowledge and reply to letters in reference to estates and effects that have fallen into his hands. Long periods of time have frequently passed away during which the Public Trustee and his superior officers have slumbered over important letters of inquiry as to a deceased person's estate that has been under the care of the Public Trust Office. The result of this course of action has been that many of those interested beneficially in intestate estates, through want of proper information or of means, have been deprived of all benefit, the law as it exists compelling the Public Trustee to pay all moneys—proceeds accrued from personalty of intestate estates—which have been unclaimed for six years into the Consolidated Fund. The consequence has been that many thousands of pounds, which under a system of careful inquiry would have been distributed to beneficiaries, have been taken possession of by the Colony.

Your Commissioners desire to draw attention to a sum of over £30,000 which has been absorbed by the Colony from unclaimed funds and balances arising out of the administration of estates vested in the Public Trustee. This sum is exclusive of the £18,000 previously referred to. They strongly recommend that some earnest efforts of a systematic