

scale. Increased operating-costs over recent years have been met without corresponding increases in charges to estates and clients, but it is felt that this course can no longer be followed and that a revision of the scale of charges will be necessary in the near future.

25. *Advances to Estates and Beneficiaries.*—The statutory power enabling the Public Trustee to advance moneys to estates or to beneficiaries on the security of their interests in estates has again been fully availed of during the year. This has been of particular advantage to new estates accepted for administration during the year which had insufficient liquid assets to meet debts, death duties, and other immediate liabilities. Similarly, many beneficiaries in need of financial assistance were enabled to obtain immediate benefit from their interests which were not in a form rendering distribution in the ordinary way possible. One advantage of this means of finance is that the expenses incidental to the arrangement of finance by way of mortgage are avoided. The Public Trustee has a statutory charge over the whole of the assets in any estate to which an advance is made, subject, of course, to any prior encumbrances; consequently, no documents of security are necessary. A further advantage is that immediately moneys become available for application in reduction of the advance, they are so applied and the interest charge falls accordingly.

26. Where the assets of an estate to which an advance is made include land, the Public Trustee may file with the Commissioner of Taxes a certificate regarding the amount of any advance so made, and such certificate has the same effect for land-tax purposes as has the registration of a mortgage against the title, thus ensuring that the allowance for land-tax purposes is not lost.

27. The amount advanced during the year totalled £114,560 and the total of current advances to estates and beneficiaries at 31st March, 1947, was £490,212.

28. *Local Bodies' Sinking Funds.*—The Public Trustee is Sinking Fund Commissioner of a considerable number of local bodies' sinking funds and is called upon each year to provide substantial sums from those funds to meet maturing debentures. During the past year, in addition to a large number of normal annual redemptions, one large loan matured and the Public Trustee, as Sinking Fund Commissioner, was called upon to provide in cash a sum of approximately £369,000 for the redemption of the loan.

29. *Deposits under the Life Insurance Act, 1908.*—Under the provisions of the Life Insurance Act, 1908, and its amendments, every company carrying on life-insurance business in New Zealand is required to deposit with the Public Trustee money or certain classes of securities commensurate with the total amount insured by its policies, but with a maximum of £50,000. The amount of cash and securities held by the Public Trustee on the 31st March, 1947, in accordance with this Act was £719,585 on behalf of sixteen companies.

30. *Deposits under the Insurance Companies' Deposits Act.*—In terms of the Insurance Companies' Deposits Act, 1921–22, and its amendments, deposits in cash or approved securities are required to be lodged with the Public Trustee by all insurance companies carrying on business in New Zealand (other than those incorporated under the Mutual Fire Insurance Act, 1908, or those concerned solely in life, earthquake, or marine insurance). The maximum amount of the deposit required by each company varies in accordance with the nature of the business conducted. On 31st March, 1947, the capital amount of deposits held under this Act on behalf of 61 companies was £1,674,160. The interest on this sum is paid at regular intervals to the companies concerned.

31. *Safe-deposit Lockers.*—At the Head Office and at many of the branches of the Department safe-deposit lockers, designed to guard against theft or fire, are installed in the Office vaults or strong-rooms for the convenience of clients. The rental of these lockers is moderate and access to them may be obtained by lessees at any time during ordinary business hours. The lockers system thus provides a means of safe keeping for negotiable securities and other valuables, and affords clients relief from the anxiety inseparable from the keeping of valuables in homes and insecure premises where there is a risk of loss through fire or by theft. That this service is appreciated is amply evidenced by the continued and increasing demand for such lockers.