

1914.
NEW ZEALAND.

PUBLIC TRUST OFFICE
(REPORT RELATING TO THE).

Presented to both Houses of the General Assembly in accordance with Section 47 of the Public Trust Office Amendment Act, 1913.

REPORT.

PURSUANT to section 47 of the Public Trust Office Amendment Act, 1913, I have the honour to lay before Parliament the following report of the operations of the Public Trust Office during the financial year ended the 31st March, 1914 :—

1. The net profits for the year were £29,222. The growth of the business is shown by the following table, which covers the past six years :—

Year ended 31st March.	Number on Staff.	Number of Receipts.	Number of Payments.	Number of Estates.	Value of Estates.	Number of Wills de- posited dur- ing the Year.	Capital Funds.	Net Profits.
1909 ..	103	23,414	43,359	5,019	£ 6,399,567	718	£ 2,850,111	£ 10,850
1910 ..	112	25,823	49,613	5,564	7,358,947	844	3,414,168	11,738
1911 ..	138	30,401	54,789	6,112	8,112,342	993	4,287,195	11,241
1912 ..	160	41,159	62,280	6,694	9,493,959	1,024	5,070,305	25,919
1913 ..	182	40,843	65,790	8,496	11,268,311	1,035	5,799,446	27,551
1914 ..	206	45,362	68,406	9,223	12,282,883	1,047	6,366,707	29,222

With the growth of the Office business the Office staff has grown, and, with the staff, the salary-list. The general conditions of officers have been substantially improved. The increase in the staff during the last six years is shown in the foregoing table. The following is the salary-list for the same period :—

	Total Salaries.
	£
1909	15,772
1910	16,807
1911	18,444
1912	21,722
1913	27,221
1914	32,837

2. In order that estates may share in the prosperity of the Office, the common-fund rate of interest has been raised from 4½ per cent. on the first £3,000 and 4 per cent. on the excess, to 4½ per cent. on the first £6,000 and 4½ per cent. on the excess. Moreover, the new scale applies to local bodies' sinking funds, which formerly received only 4 per cent. These increases amount approximately to £3,000 a year, and came into operation on the 1st April, 1914.

3. Under powers conferred by last year's Act the Office Board has been strengthened by the appointment of two non-Service members. The gentlemen selected were Mr. G. E. Tolhurst, for many years the Chief Inspector in New Zealand of the Union Bank, and Mr. W. G. Foster, the Managing

Director of the Wellington Meat Export Company. These gentlemen have special knowledge of finance and of stock and station matters, and I am satisfied that their presence on the Board will not only be of great assistance to the Public Trustee, but will also do much to strengthen the confidence of the public in the Office administration of the large and important interests entrusted to it.

4. The following is a statement showing the net profits of the Public Trust Office for the ten years ended the 31st March, 1914 :—

						£	s.	d.
1905	..	..	..	..	..	13,955	7	2
1906	..	..	..	..	..	11,989	19	9
1907	..	..	..	..	..	11,653	3	6
1908	..	..	..	..	..	9,639	14	6
1909	..	..	..	..	..	10,850	11	4
1910	..	..	..	..	..	11,738	17	10
1911	..	..	..	..	..	11,241	6	8
1912	..	..	..	..	..	25,919	18	8
1913	..	..	..	..	..	27,551	8	4
1914	..	..	..	..	..	29,222	0	0

It will be seen that the profits for the last year are the largest on record.

5. It has been decided to close the agency at Masterton, and establish in its stead a branch under officers of the permanent staff. The change will result in greater efficiency, without greater expense.

6. Active steps are being taken under the West Coast Settlement Reserves Amendment Act, 1913. In almost every instance the European lessees have elected to take new leases. The valuations are in progress, and I am hopeful that the scheme of settlement provided by the Act will prove satisfactory to all concerned.

7. The effect of the Public Trust Office Amendment Act, 1913, is to greatly extend the functions of the Public Trustee, and thereby increase the usefulness of the Office. Amongst other things, the Act provides for the appointment of Advisory Trustees where the Public Trustee administers the estate, also for his appointment as Custodian Trustee where the active administration is in the hands of private trustees. Moreover, in the case of private trust estates, it empowers the Public Trustee to have the accounts audited and investigated on the application of any beneficiary or private trustee. Numerous inquiries have been made on all these points, and I am satisfied that persons interested will avail themselves very freely of the provisions referred to.

8. The Office accounts for the year will be laid before Parliament in due course, and appended hereto are comparative tables showing how the capital funds of the Office are invested, and furnishing other useful information.

Wellington, 20th April, 1914.

A. L. HERDMAN,
Minister in Charge Public Trust Office.

CAPITAL FUNDS OF THE PUBLIC TRUST OFFICE, AND HOW INVESTED, ON 31ST MARCH, 1909 TO 1914.

	On 31st March, 1909.	On 31st March, 1910.	On 31st March, 1911.	On 31st March, 1912.	On 31st March, 1913.	On 31st March, 1914.
The capital funds of the Public Trust Office amounted to	£ 2,850,111	£ 3,414,168	£ 4,287,195	£ 5,070,305	£ 5,799,446	£ 6,366,707
Of which the amount held in cash was	15,741	218,030	158,973	141,432	283,749	208,375
Leaving a balance invested of ..	2,834,370	3,196,138	4,128,222	4,928,873	5,515,697	6,158,332
The investments consisted—						
Of those made out of the Common Fund	1,986,750	2,189,551	2,991,350	4,707,755	5,255,660	5,923,606
Of those made for estates ..	843,200	950,792	1,075,028	154,844	177,964	149,288
Of those made out of profits ..	..	52,545	59,719	64,149	82,073	85,438
Of those made by other trustees of properties afterwards transferred to the Office	4,420	3,250	2,125	2,125	..	..
	2,834,370	3,196,138	4,128,222	4,928,873	5,515,697	6,158,332
The capital funds invested were applied to investments—						
In advances to estates and accounts	..	..	71,793	68,421	88,743	147,603
In Government securities of the Dominion	334,180	337,968	340,468	189,208	161,513	157,505
In Land Settlement Finance Act debentures	..	..	63,680	215,664	279,281	266,681
In local bodies' securities ..	190,774	218,159	237,549	265,784	321,804	509,850
In mortgages of real estate ..	2,309,416	2,587,466	3,353,210	4,125,116	4,581,671	4,989,907
In fixed deposits ..	..	..	1,803	531	612	1,348
In freehold property and furniture	..	52,545	59,719	64,149	82,073	85,438
Totals	2,834,370	3,196,138	4,128,222	4,928,873	5,515,697	6,158,332

NUMBER AND ESTIMATED VALUE OF ESTATES IN THE PUBLIC TRUST OFFICE.

The following was the number and estimated value of estates in the Public Trust Office on the 31st March, 1909 to 1914 :—

Class.	Number of Estates and Accounts					
	On 31st March, 1909.	On 31st March, 1910.	On 31st March, 1911.	On 31st March, 1912.	On 31st March, 1913.	On 31st March, 1914.
Wills and trusts	1,533	1,737	1,810	2,217	2,455	2,921
Investment agencies .. ..	..	..	..	..	221	284
Intestates' estates	1,389	1,558	1,788	1,747	1,828	1,747
Mental patients' estates	1,128	1,238	1,422	1,520	1,953	1,877
Convicts' estates .. ..	..	..	..	12	17	19
Native reserves	94	94	94	94	94	94
West Coast settlement reserves	460	460	460	460	460	460
Unclaimed lands	342	379	392	406	418	420
Sinking funds	69	94	143	190	242	408
Pension funds	4	4	3	6	8	11
Land Settlement Finance Act, 1909 .. ..	..	..	..	22	35	38
Miscellaneous .. ..	..	..	..	20	99	105
Miscellaneous Native accounts .. ..	..	..	..	..	666	839
Totals	5,019	5,564	6,112	6,694	8,496	9,223

Class.	Value of Estates and Accounts					
	On 31st March, 1909.	On 31st March, 1910.	On 31st March, 1911.	On 31st March, 1912.	On 31st March, 1913.	On 31st March, 1914.
Wills and trusts	£ 2,504,614	£ 2,803,724	£ 3,257,297	£ 3,619,753	£ 4,366,450	£ 4,771,855
Investment agencies .. ..	..	..	..	..	162,362	199,984
Intestates' estates	370,484	385,755	385,090	457,366	474,072	590,456
Mental patients' estates	364,985	395,642	429,958	462,149	524,095	509,442
Convicts' estates .. ..	..	..	..	4,295	8,450	6,485
Native reserves	430,000	465,000	430,000	430,000	430,000	430,000
West Coast settlement reserves	940,000	1,100,000	940,000	940,000	940,000	940,000
Miscellaneous Native accounts .. ..	..	..	..	171,074	213,027	233,449
Unclaimed lands	34,712	34,719	35,330	37,668	39,465	40,209
Sinking funds	1,166,000	1,438,877	1,711,060	1,991,451	2,300,603	2,408,337
Pension funds	387,988	536,609	675,489	812,976	997,284	1,208,825
Land Settlement Finance Act, 1909 .. ..	..	..	..	245,493	465,516	501,493
Maori Land Board funds .. ..	..	..	46,491	79,765	75,347	117,850
Miscellaneous funds	106,481	87,618	78,785	93,225	94,963	118,935
Office funds	54,303	58,458	63,123	84,595	94,604	120,125
Office premises, furniture, &c.	40,000	52,545	59,719	64,149	82,073	85,438
Totals	6,399,567	7,358,947	8,112,342	9,493,959	11,268,311	12,282,883

STATEMENT SHOWING YEAR BY YEAR, FROM 31ST MARCH, 1896 TO 1914, THE CAPITAL FUNDS OF THE PUBLIC TRUST OFFICE, AND HOW INVESTED.

Capital of the Public Trust Office.

	Cash.	In- Invest- ments.	Total.	Yearly Increase or Decrease in Amount.	Invested Total.		Total.	Invested in						Share in Com- panies.
					For Common Fund.	For Estates and Accounts.		General Govern- ment Securities.	Local Bodies' Securities.	Mortgages of Freeholds.	Freehold Pro- perty.	Land Settlement Finance Account Debentures.	Ad- vances to Estates.		Fixed Deposits in Banks.
Year ended 31st March, 1896	£ 16,960	£ 757,573	£ 774,533	£ 105,596	£ 492,788	£ 264,785	£ 757,573	£ 319,108	£ 1,839	£ 432,455	..	£ ..	£ ..	£ 4,171
Ditto, 1897..	16,664	841,974	858,638	84,105	588,483	253,491	843,974	354,108	1,839	482,206	..	..	..	3,821
" 1898..	48,667	912,971	961,638	103,000	631,816	281,155	912,971	251,708	7,839	651,160	..	..	..	1,884
" 1899..	13,512	942,641	956,153	Decrease. 5,485	653,710	288,931	942,641	160,308	12,839	766,371	..	..	..	1,434
" 1900..	27,880	1,028,988	1,056,868	Increase. 100,715	794,987	234,001	1,028,988	137,778	19,429	871,771	..	..	..	..
" 1901..	53,925	1,618,379	1,672,304	561,511	1,407,419	210,960	1,618,379	607,798	19,239	991,261	..	..	..	81
" 1902..	59,501	1,723,450	1,782,951	110,647	1,049,885	673,565	1,723,450	578,323	28,129	1,116,998	..	..	..	..
" 1903..	74,765	1,861,308	1,936,073	153,122	1,239,027	622,281	1,861,308	578,343	31,129	1,251,836	..	..	..	..
" 1904..	65,386	1,595,330	1,660,716	Decrease. 275,357	1,477,123	118,207	1,595,330	103,363	44,129	1,447,238	..	..	..	600
" 1905..	82,516	1,813,709	1,896,225	Increase. 235,509	1,548,112	265,597	1,813,709	117,385	63,429	1,632,895	..	..	..	..
" 1906..	29,402	1,851,396	1,880,796	Decrease. 15,429	1,526,967	324,429	1,851,396	41,896	91,249	1,718,251	..	..	..	..
" 1907..	9,776	2,117,924	2,127,700	Increase. 246,904	1,695,897	422,027	2,117,924	123,047	111,344	1,883,533	..	..	..	..
" 1908..	62,949	2,444,712	2,507,661	379,961	1,887,920	556,792	2,444,712	217,462	131,859	2,095,391	..	..	..	..
" 1909..	15,741	2,834,370	2,850,111	342,450	1,986,750	847,620	2,834,370	334,180	190,774	2,309,416	..	..	..	..
" 1910..	218,030	3,196,138	3,414,168	564,057	2,189,551	1,006,587	3,196,138	337,968	218,159	2,587,466	52,545	..	..	..
" 1911..	158,973	4,128,222	4,287,195	873,027	2,991,350	1,136,872	4,128,222	340,468	237,549	3,353,210	59,719	63,680	71,793	1,803
" 1912..	141,432	4,928,873	5,070,305	783,110	4,707,755	221,118	4,928,873	189,208	265,784	4,125,116	64,149	215,664	68,421	531
" 1913..	283,749	5,515,697	5,799,446	729,141	5,255,660	260,037	5,515,697	161,513	321,804	4,581,671	82,073	279,281	88,743	612
" 1914..	208,375	6,158,332	6,366,707	567,261	5,923,606	234,726	6,158,332	157,505	509,850	4,989,907	85,438	266,681	147,603	1,348

Approximate Cost of Paper.—Preparation, not given; printing (4,000 copies), £5 10s..

By Authority: JOHN MACKAY, Government Printer, Wellington.—1914.

Price 3d.]