

A large portion of the remuneration of the Advisers will be met by the Office, the balance being recovered from the estates in which their services are employed. Although this action will add to the annual expenditure of the Office without producing any compensating income, the Board feels that the step should be taken in order to secure to estates the benefit of the best expert opinion available.

It is anticipated that this departure will specially commend itself to prospective clients of the Office in farming districts.

ADVANCES TO ESTATES AND BENEFICIARIES.

During the year the Office has continued to make advances from the Common Fund of the Office both to estates, in order to discharge urgent liabilities, and also to beneficiaries, in anticipation of legacies or other shares in the estate due to them.

The course of making an advance to meet liability for stamp duty is often adopted in cases where estates possess few liquid assets.

The system greatly benefits estate and beneficiaries in the following ways :—

- (1.) By making it possible to avoid forced realizations of property at a disadvantage, and enabling it to be preserved until a suitable opportunity occurs for disposing of it profitably.
- (2.) By the liquidation of bank overdrafts and the repayment of mortgages bearing high rates of interest.
- (3.) By enabling beneficiaries to raise amounts against their vested shares at reasonable rates of interest.

The usefulness and popularity of this feature of the Office administration is demonstrated by the frequency with which it is resorted to.

On the 31st March, 1919, the amounts on loan to estates and beneficiaries by way of overdrafts totalled £338,704.

CONTROL AND INSPECTION OF TENEMENTS BELONGING TO ESTATES.

Much undeserved odium is sometimes cast upon the Office owing to the condition of residential tenements belonging to estates under its control, and it is desirable that some of the difficulties which surround the administration of such properties should be made known.

The Public Trustee frequently finds himself called upon to administer estates in which an asset consists of property in a condition of disrepair and situated in areas which are not regarded favourably by better-class tenants. The Public Trustee is bound to undertake this duty to the best of his ability.

Many special difficulties occur in such a case, the nature and extent of which are not fully appreciated. It frequently happens that, although repairs are urgently needed, there is no money in the estate to allow of their being carried out; and where such repairs are a charge against income it is impossible to raise the necessary funds by charging the capital property therewith.

Again, it may happen that the income from the property is the sole support of a widow in straitened circumstances and with infant children to support, so that it is impossible to divert any of the funds to the carrying-out of repairs.

In many cases, owing to the provisions of the will under which the estate is being administered, the properties cannot be disposed of by sale.

The opinion appears to be widely held that the Public Trust Office as a Government Department should set a better example in repairing tenancies under its control. The fact is, however, that in this matter the Public Trustee is like any other trustee and can proceed only so far as the assets in the estate and powers of the trust permit. Subject to these restrictions, the Office endeavours to see that all tenancies under its control are maintained in as good a condition as possible.