

It is interesting to note that a number of the large trust companies in the United States have felt the difficulty of providing a qualified staff, and have instituted for themselves training schemes in both the theoretical and practical sides of their work.

CONTROL AND DISPOSAL OF ENEMY PROPERTY.

36. The past year has seen considerable progress towards the completion of the duties imposed upon the Public Trustee under the War Regulations, the Treaty of Peace Order, 1920, and its amendments, and the Treaty of Peace (Austria and Hungary) Order, 1924.

I have previously drawn attention to the fact that the duties fell principally under the following headings:—

- (1.) The settlement under the Clearing Office procedure established in terms of Article 296 of the Treaty of Versailles of pre-war debts between British nationals resident in New Zealand and German nationals resident in Germany. To this should be added the settlement of a small number of claims by New Zealand nationals against the German Government in respect of their property in Germany subjected during the war to exceptional war measures.
- (2.) The control and liquidation of the property in New Zealand of nationals of all the ex-enemy Powers with the exception of Turkey.

With regard to the duties comprised under the latter heading, it is interesting to note that the net proceeds of the ex-enemy property retained and liquidated in New Zealand by the Public Trustee as Custodian of Enemy Property, disregarding certain claims by New Zealand nationals chargeable thereon, amounted on the 31st March last to £238,250. Further, up to that date the amounts collected in pursuance of the War Regulations and of the Treaty of Peace Orders previously mentioned which I have been authorized and directed to release to persons whose property is not liable to retention under the relative peace treaties, or to ex-enemy persons in necessitous circumstances by way of compassionate release, or to other persons for sufficient reasons, totalled £118,110, this total not including property handed over in kind.

The progress made towards completion of the work is indicated by the fact that the cash funds and property remaining to be disposed of amount only to £24,646 and £28,137 (approximately). In each of the cases comprised under these headings the finalization of the individual matters depends upon circumstances beyond the Public Trustee's control.

With regard to the settlement of claims falling within the Clearing Office procedure or arising otherwise out of the provisions of the relative peace treaties, I referred in my last report to the absence of any compulsory procedure for securing the final disposal of claims of the former category, but stated that a proposal was then under consideration to confer upon Clearing Offices the right finally to reject claims lodged by the opposing Clearing Office, making it necessary for a claimant to prosecute the claim so rejected before the Anglo-German Mixed Arbitral Tribunal within a limited time, or in default to forgo it. These proposals were duly adopted and took effect as from the 1st May, 1925. The period allowed after final rejection for referring a claim to the Mixed Arbitral Tribunal was fixed at nine months, and consequently the operation of these provisions is not reflected to any marked extent in the statistics for the past year given hereunder. It is anticipated, however, that as a result of the procedure so made available the bulk of the outstanding claims will be finalized during the current year.

Some idea of the progress made to date in regard to claims dealt with by the New Zealand Clearing Office may be gained when it is stated that 216 claims, totalling £53,034, were lodged by British nationals resident in New Zealand against German nationals under the provisions of Article 296 of the Treaty of Versailles, and of these claims only fourteen, totalling £8,031, still remain unsettled. Of the outstanding claims, six, totalling £3,024, have been rejected by the German Clearing Office under the procedure referred to previously. Under the same article of the