

NEW BUSINESS.

42. In the new business another record year has been experienced, the volume of new estates and funds reported to the Office during the year for administration reaching a total of £5,551,019, or, by way of comparison, more than the total value of estates under administration only nineteen years ago. As I have indicated earlier in this report, this pleasing result points to the fact that, as the Office comes into wider personal touch with a greater portion of the public, the efficiency of its administration, the numerous advantages and the security which it offers in regard to the administration of estates under its control, and the sympathetic manner in which its difficult and so often delicate duties are performed are more widely realized and appreciated.

The most outstanding feature of the new business for the last few years has been the increase in the number and volume of the estates placed with the Office by testators in accordance with the directions contained in their wills, and of settlements created by living persons who have selected the Public Trustee to act as their trustee. The figures in regard to transfers from private trustees of estates partially administered have also shown a striking increase. Frequently trustees find that the increasing pressure of their business affairs, or advancing years, or failing health does not allow them time or energy enough to devote to the conduct of other people's affairs. Frequently, too, persons assume office as trustees without fully appreciating the responsibilities which attach to that position, but in course of time, as the responsibilities and difficulties of the position become apparent to them, they desire to be relieved of the responsibilities which they undertook.

By the Acts constituting and governing the Office the Public Trustee can readily be appointed to act in the place of private trustees who desire to retire from their office.

REALIZATIONS.

43. The generally unfavourable outlook during the past year has been reflected in the difficulties which have attended the handling of farming and agricultural properties. In cases where the properties are only partially improved, or are situated in districts which have been opened for settlement only in recent years or in the "deteriorated" areas, these difficulties have been exceptionally pressing. In most cases such properties are found to be more or less heavily encumbered, so that the financing of them, when in the prevailing conditions the revenue from them is so reduced, presents problems necessitating the closest attention.

The statutory powers of the Public Trustee to advance funds to estates under his control are utilized wherever possible in cases showing the required margin of security, and this has been of great benefit to the individual estates. Unfortunately, in a large number of instances no such margin exists, with the result that the administration is often very perplexing indeed.

The difficulties to which I have just referred have not been so pronounced in the case of town properties, and, except in certain localities where special conditions have ruled, there has not been any outstanding difficulty in effecting satisfactory sales. Of course, to secure adequate prices it is very often necessary to offer fairly liberal terms for the payment of the purchase-money, but wherever it is possible, and it is advisable in the interests of the particular estate to do so cash sales have been arranged.

INVESTMENT OF FUNDS OUTSIDE THE COMMON FUND.

44. In previous reports attention has been drawn to the two methods of investment open to those appointing the Public Trustee executor, trustee, or in similar capacity—viz., (a) investment in the Common Fund; (b) investment outside the Common Fund. When the appointment of the Public Trustee is being made, executors and others are quite at liberty to choose whichever form of investment they think best. Earlier in this present report I have referred to the striking fact that the majority of testators, settlors, and others appreciate the numerous advantages the Common Fund possesses, and select it in preference to any other form of investment.

As I have already indicated, if it is specially desired to exclude trust funds from investment in the Common Fund, special provision may be made when the will or other trust instrument is being drawn up directing the mode of investment.