1899.
NEW ZEALAND.

PUBLIC TRUST OFFICE
(REPORT RELATING TO THE).

Presented to both Houses of the General Assembly by Command of His Excellency.

The PUBLIC TRUSTEE to the Hon. the COLONIAL TREASURER.

SIR,— Public Trust Office, Wellington, 14th April, 1899.

I have the honour to inform you that since my last report on this office, in 1897, its business has increased satisfactorily. The accounts which have been furnished under the provisions of the office Acts show the position of the office from year to year better than anything I can say. It is extremely satisfactory to be able to report that, notwithstanding the fall in interest, the general complaints as to the difficulty of finding satisfactory investments, and the fact that many of the old securities which were bearing a higher rate of interest than that ruling now have fallen in, the earnings of the office have been such as enabled it to maintain the rate of interest hitherto paid to its clients in respect of moneys in the common fund. This rate can still be maintained.

But little difficulty has been found in investing the office funds on satisfactory securities, and the reports I have received as to the various properties mortgaged to the office justify me in stating that I have no anxiety with regard to our mortgage investments, except in two cases, in one of which there is a possibility of damage to the security by flood, and in the other, although I believe the office would lose nothing, it might take a little time to realise. The interest, however, in both cases has been regularly paid, and I see no reason to anticipate any default being made. The amounts involved are small.

The conduct of the officers has, on the whole, been satisfactory, but two years' further experience confirms all that I stated in my last report as to the inconvenience arising from the present offices, and I beg to repeat all that I then said. They are inconvenient, expensive, and unsatisfactory in every way, and I feel bound to urge the necessity of change. The necessary money can be readily found by the office without expense to the country. Suitable sites in the city are every day becoming more difficult to acquire; and all that is necessary is that the clause in the draft Bill attached to my last report should become law.

The work done by the office is steadily increasing. Much of this is quite unremunerative, and is such that a private institution would not undertake. It is necessary to be done, however, by somebody, and, although it is a positive loss to the office, it has to be carried through. I allude particularly to the large number of small intestate and lunatics' estates; but I cannot suggest any means by which it can be avoided. On the other hand, work that the office has to do, and for which it is not remunerated, was alluded to in my last report, and I would again bring it under your notice, with a view to having the necessary alterations in the law made. That the public confidence in the office is increasing is shown by the increased number of estates which are voluntarily placed under its care; but perhaps the most satisfactory evidence of this is the fact that 742 persons now living have appointed the Public Trustee the executor of their wills, and have deposited those wills for safe custody with him.

Wherever there has been any prospect of business being done an agency has been opened, and there are now thirty-four agencies in the colony. Of these, seven have been opened within the last two years, and inquiries are being made with the view of opening others.

For the purposes of comparison I continue the tables previously published to the end of the last financial year.

The work of the West Coast Settlement Reserves is going on smoothly, and fresh land is from time to time being taken up. I do not anticipate that there will ever be complete satisfaction either on the part of the Natives or the European tenants, because the Natives will not be content unless they can convert their land into money, and the Europeans will not be content until they can convert their leaseholds into freeholds. Small difficulties must of necessity occasionally arise, but I have not received of late complaints of any importance.

There is one question as to which I think the Europeans certainly suffer under a grievance—that is, with regard to the question of fencing as between themselves and lands in the occupation of the Natives. The Natives in a great number of cases will not by their labour contribute to the erection or repair of boundary-fences, and the law directs that their income is to be protected from being attached by any legal process. The European fences the land, and as he knows that he will have to do so when he applies for his lease, I do not think he has cause of complaint here; but the Natives' pigs and cattle constantly destroy or injure the fences, and the tenant is practically without redress. I have recently placed the position before you, and again bring it under your notice, as the matter is one which it seems to me requires legislative action.

The administration by the Public Trustee of the Native lands naturally interferes with the business of Native agents, solicitors, and would-be speculators, and I have some reason to believe that any feeling of discontent on the part of the Natives is made the most of by interested Europeans. Some trouble has occurred during the past two years with the Natives, and they created on two occasions disturbances. The first of these was caused by a purely Native squabble, one class of Natives claiming the occupancy of a certain piece of land whilst another set were in occupation. The dispute was one of many years' standing, and the Natives not in possession did as they had done on more than one occasion previously—broke down fences and destroyed some crops. I believe this dispute is now finally settled by the issue to each Native of a license to occupy his particular portion of the reserve, and no trouble is likely to recur. The other occasion was of a more serious nature. The Natives trespassed on and did injury to lands of European tenants. I do not think any person can say with any degree of certainty what was the real cause which led to this trouble. I reported to you fully at the time. Since then I have visited a great number of the reserves and Native settlements, and could obtain no evidence of any well-founded complaints. At many of the settlements individual Natives had complaints, but in almost every case, on going into the matter, I found what was desired was some personal benefit to the complainant, which he was to obtain at the expense of the other Natives interested.

With a view to encouraging the Natives to occupy and cultivate holdings for themselves, I issue a license to occupy to any of them who desire it, so that they obtain for their exclusive occupation as a home an amount of land proportionate to their interest in the reserves, the only condition attached to their holding being that they must personally occupy and not sublet; that they pay the rates, keep fences in repair, and keep down noxious weeds, &c. For this occupation each Native is debited with the annual value of the land he occupies as against his share of rent; otherwise he would be drawing his full share of rent and, in addition, be obtaining the sole occupancy of part of the land reserved for the general use of the hapu.

The Native reserves other than the West Coast Reserves are a source of considerable trouble. The titles are in many cases difficult to ascertain, and it sometimes happens that it is almost impossible to say whether a piece of land is or is not vested in me under the Native Reserves Act of 1882. In other cases certificates of title or Native Land Court orders have been issued to Natives for portions of reserves as if the Natives were the absolute owners. In turn the Natives have dealt or attempted to deal with the land, and the result has been a considerable amount of litigation, past and pending. There are a great number of Acts dealing with these reserves, and I submit for your consideration whether the time has not arrived for a consolidating statute.

In compliance with your request I have made inquiries as to opening a safe-deposit business in connection with this office. The office is already prepared to receive, and does receive, deeds and papers for custody, but no guarantee is given against loss or destruction by fire or otherwise. The office undertakes as a gratuitous bailee only. To undertake to receive deeds, valuables, or goods for custody the office would require a proper building. This would cost an enormous sum, and I feel confident that the business done would never pay interest on the money expended. It would be necessary to have properly constructed buildings at each of the four centres in the colony. People here have not the jewels and other valuable personal effects which they have in older countries; the banks and solicitors take charge without expense of documents for safe custody, and I cannot see the least prospect of such an addition to this office paying, or being really of much use to the public. If, however, the Government decides that the department shall have a building of its own, the possibility of a safe-deposit department in connection with it should be borne in mind when the plans are prepared. I propose to make some closer inquiries personally into the business of the safe-deposit companies in Australia and elsewhere, and I will communicate with you subsequently upon what information I can gather.

I have, &c.,

The Right Hon. the Colonial Treasurer. J. C. Martin, Public Trustee.

Revenue and Expenditure of the Public Trust Office for the Year ended 31st December, 1893; for the Fifteen Months ended 31st March, 1895; and for the Years ended 31st March, 1896 to 1899.

	Year ended 31st December, 1893.	Fifteen Months ended 31st March, 1895.	Year ended 31st March, 1896.	Year ended 31st March, 1897.	Year ended 31st March, 1898.	Year ended 31st March, 1899.
Expenditure.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Salaries	5,858 3 3	8,571 15 11	7,438 8 1	7,719 6 10	7,673 10 9	7,889 7 7
Commission to agents	1,466 5 10	1,348 8 8	538 4 1	739 2 10	728 14 10	1,102 15 3
Clerical assistance and auditing	984 7 4	410 11 8	261 13 3	278 13 0	244 3 0	272 11 6
Legal expenses ...	519 13 6	690 19 4	542 8 7	503 6 0	229 12 9	244 0 4
Stationery, printing, and office requisites ...	323 3 1	990 8 0	506 2 4	379 0 6	408 2 3	560 13 3
Miscellaneous ...	3,566 2 4	4,523 19 0	3,508 10 7	3,390 1 3	3,627 9 7	4,122 0 0
Unauthorised ...	373 4 7	412 19 6	12 11 7	89 3 7	254 18 7	443 2 10
Deficiency in realisation of mortgages ...	2,041 6 8	340 4 9	1,272 4 8	180 7 4	...	488 0 6
Balance, being excess of revenue	...	1,940 4 3	1,162 11 8	1,221 11 4	4,766 9 2	4,014 17 7
	15,132 6 7	19,229 11 1	15,242 14 10	14,500 12 8	17,933 0 11	19,137 8 10
Revenue.						
Commission and charges	5,299 15 8	7,197 9 1	6,513 11 3	6,898 15 5	8,274 14 6	9,802 18 6
Interest in excess of amount credited to estates	7,369 10 9	10,163 6 7	7,560 7 2	6,376 5 2	8,647 11 0	8,473 11 1
Miscellaneous ...	2,027 6 11	1,868 15 5	1,168 16 5	1,225 12 1	1,010 15 5	860 19 3
Balance, being excess of expenditure ...	435 13 3	...	...	...	...	...
	15,132 6 7	19,229 11 1	15,242 14 10	14,500 12 8	17,933 0 11	19,137 8 10

Income of the Public Trust Office Year by Year, from 1892 to 31st March, 1899.

Class of Estates.	Year ended 31st December, 1892.	Year ended 31st December, 1893.	Fifteen Months ended 31st March, 1895.	Year ended 31st March, 1896.	Year ended 31st March, 1897.	Year ended 31st March, 1898.	Year ended 31st March, 1899.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Intestates	1,695 18 8	1,341 5 3	1,615 7 7	1,494 15 9	1,642 6 9	1,877 14 4	2,380 2 1
Wills, Trusts, Sinking Funds, &c. ..	1,872 15 1	1,871 7 4	2,275 10 1	1,555 17 9	2,115 12 0	2,959 19 9	3,645 18 2
Real and Lunatics ..	513 15 6	477 19 9	839 1 9	524 5 5	545 0 1	521 16 6	810 18 11
Native Reserves ..	492 2 9	682 14 8	731 0 4	628 5 6	536 0 2	567 3 1	575 2 5
West Coast Settlement Reserves	743 3 8	711 11 3	1,264 17 2	1,569 8 6	1,345 11 9	1,361 10 0	1,265 11 11
Miscellaneous ..	594 18 6	2,242 4 4	2,340 7 7	1,909 14 9	1,939 16 9	1,997 6 3	1,986 4 3
	5,912 14 2	7,327 2 7	9,066 4 6	7,682 7 8	8,124 7 6	9,285 9 11	10,663 17 9
Interest	6,177 7 7	7,369 10 9	10,163 6 7	7,560 7 2	6,376 5 2	8,647 11 0	8,473 11 1
Total income ..	12,090 1 9	14,696 13 4	19,229 11 1	15,242 14 10	14,500 12 8	17,933 0 11	19,137 8 10
Total expenditure	14,001 0 0	15,132 6 7	17,289 6 10	14,902 15 0	13,569 14 3	13,471 19 7	16,314 3 7

CAPITAL FUNDS of the PUBLIC TRUST OFFICE, and how Invested, from 1893 to 31st March, 1899.

	On 31st Dec., 1893.	On 31st March, 1895.	On 31st March, 1896.	On 31st March, 1897.	On 31st March, 1898.	On 31st March, 1899.
	£	£	£	£	£	£
The capital funds of the Public Trust Office amounted to	615,663	668,937	774,533	858,638	961,638	956,153
Of which the amount held in cash at credit of the Public Trustee's Account was	21,326	12,101	16,960	16,664	48,667	13,512
Leaving a balance invested of	594,337	656,836	757,573	841,974	912,971	942,641
The investments consisted—						
Of those made by the Public Trustee out of the common fund, and amounting to ...	406,220	358,296	492,788	588,483	631,816	653,710
Of those made by the Public Trustee for estates, and amounting to	144,198	259,279	206,629	205,942	251,643	264,296
Of those made by other trustees of properties afterwards transferred to the office ...	43,919	39,261	58,156	47,549	29,512	24,635
	594,337	656,836	757,573	841,974	912,971	942,641
The capital funds invested were applied to investments—						
In Government securities of the colony, to the amount of	300,108	295,108	319,108	354,108	251,708	160,308
In local bodies' securities, to the amount of ...	2,067	1,839	1,839	1,839	7,839	12,839
In mortgages of real estate, to the amount of	289,680	354,933	432,455	482,206	651,160	766,371
In fixed deposits, to the amount of	630	444	...	...	380	1,689
In companies, to the amount of	1,852	4,512	4,171	3,821	1,884	1,434
Total	594,337	656,836	757,573	841,974	912,971	942,641

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 December in each of the years 1892 and 1893, and on the 31st March in each of the years 1895 to 1899:—

Class.	Number of Estates.						
	On 31st Dec., 1892.	On 31st Dec., 1893.	On 31st March, 1895.	On 31st March, 1896.	On 31st March, 1897.	On 31st March, 1898.	On 31st March, 1899.
Wills and trusts (including sinking funds accounts)	354	371	392	447	466	493	538
Intestates' estates	845	868	850	812	781	797	821
Real estates	117	117	113	91	86	84	79
Lunatics' estates	202	271	335	434	510	558	507
Native reserves	101	102	103	107	112	112	115
West Coast Settlement Reserves ..	293	293	293	293	293	293	293
Unclaimed lands	..	..	..	52	86	76	138
Total	1,912	2,022	2,086	2,236	2,334	2,413	2,491

Class.	Value of Estates.						
	On 31st Dec., 1892.	On 31st Dec., 1893.	On 31st March, 1895.	On 31st March, 1896.	On 31st March, 1897.	On 31st March, 1898.	On 31st March, 1899.
	£	£	£	£	£	£	£
Wills and trusts (including sinking funds accounts)	442,671	543,239	586,814	673,478	744,742	789,162	865,446
Intestates' estates	81,650	84,436	80,287	86,132	88,751	97,140	133,409
Real estates	22,706	23,465	22,462	14,686	11,161	10,572	8,414
Lunatics' estates	40,380	51,278	72,706	73,995	88,133	85,890	111,793
Native reserves	346,499	348,500	350,000	350,000	355,000	355,000	357,500
West Coast Settlement Reserves ..	350,839	400,000	450,000	600,000	600,000	600,000	620,000
Unclaimed lands	..	..	..	8,662	10,376	12,550	13,754
Total	1,284,755	1,450,918	1,562,269	1,806,953	1,898,163	1,950,314	2,110,316

THE GOVERNMENT LOANS TO LOCAL BODIES SINKING FUND.

(Placed under control of Public Trustee by Section 5 of "The Government Loans to Local Bodies Act Amendment Act, 1892.")

Amounts received by the Public Trustee.

During the Year ended 31st March.	From Consolidated Fund.	Transferred from Land Assurance Fund.	Net Income from Investments.	Total Receipts during each Year.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1893	14,000 0 0	7,015 11 9	...	21,015 11 9
1894	20,528 19 7	4,494 1 5	1,058 16 0	26,081 17 0
1895	11,406 13 7	3,802 4 6	2,148 0 7	17,356 18 8
1896	13,384 18 0	4,461 12 7	2,958 3 3	20,804 13 10
1897	14,960 1 10	4,986 14 0	3,651 3 11	23,597 19 9
1898	16,496 3 8	5,498 14 6	4,477 3 5	26,472 1 7
1899	17,866 7 8	5,955 9 2	5,942 8 3	29,764 5 1
Total ...	108,643 4 4	36,214 7 11	20,235 15 5	165,093 7 8

"THE GOVERNMENT ADVANCES TO SETTLERS ACT, 1894," DEBENTURE SINKING FUND.

STATEMENT showing Principal Moneys paid over to the Public Trustee, and Amounts Withdrawn for reinvestment.

During the Year ended 31st March.	Amounts received by Public Trustee from Superintendent.	Net Income from Investment withdrawn by Superintendent.	Amounts of Principal withdrawn by Superintendent for Reinvestment.	Balance at Credit on 31st March in each Year.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1896	3,369 12 7	20 17 3	...	3,369 12 7
1897	23,843 17 6	435 1 7	...	27,213 10 1
1898	71,187 19 8	2,112 5 3	...	98,401 9 9
1899	104,473 0 2	1,177 8 0	171,284 13 10	31,589 16 1

STATEMENT showing, Year by Year, from 1886 to the 31st March, 1899, the CAPITAL of the PUBLIC TRUST OFFICE, and HOW INVESTED, and the INCOME AND EXPENDITURE of the Office.

	Capital of the Public Trust Office.															Income of Public Trust Office.			Total Expenditure of Office.
					Invested Total.					Invested in									
	In Cash.	In Investments.	Total.	Yearly Increase or Decrease in Amount.	For Common Fund.	Specially.			Total Common Fund and Special.	General Government Securities.	Local Bodies' Securities.	Mortgages of Freeholds.	Fixed Deposits in Banks.	Shares in Companies.	Total.	Commission, Charges, &c.	Surplus Interest on Investments.	Total.	
						By Public Trustee.	By Former Trustees.	Total.											
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Year ended				Increase.															
31st Dec., 1886...	6,983	267,526	274,509	32,455	182,610	72,366	12,550	84,916	267,526	151,336	1,907	114,183	100	...	267,526	7,097	2,884	9,981	8,995
" 1887...	8,315	301,226	309,541	35,032	194,261	87,190	19,775	106,965	301,226	172,336	1,907	126,978	5	...	301,226	6,178	3,735	9,913	8,406
" 1888...	14,254	366,886	381,140	71,599	204,857	113,649	48,380	162,029	366,886	220,436	1,607	144,783	60	...	366,886	7,208	4,012	11,220	8,653
" 1889...	964	462,782	463,746	82,606	216,943	195,592	50,247	245,839	462,782	219,208	2,274	181,107	59,792	401	462,782	8,528	5,799	14,327	9,145
" 1890...	14,966	478,895	493,861	30,115	198,622	232,486	46,787	279,273	478,895	199,208	2,174	215,909	60,001	1,603	478,895	6,081	3,080	9,161	8,469
" 1891...	17,920	505,349	523,269	29,408	252,279	208,188	44,882	253,070	505,349	188,608	2,067	253,070	60,319	1,285	505,349	5,471	4,308	9,779	(1) 11,751
" 1892...	15,960	551,101	567,061	43,792	408,231	96,072	46,798	142,870	551,101	269,608	2,067	276,393	1,449	1,584	551,101	5,913	6,177	12,090	(2) 14,001
" 1893...	21,326	594,337	615,663	48,602	406,220	144,198	43,919	188,117	594,337	300,108	2,067	289,680	630	1,852	594,337	7,327	7,370	14,697	(3) 15,132
Fifteen months ended 31st March, 1895	12,101	656,836	668,937	53,274	358,296	259,279	39,261	298,540	656,836	295,108	1,839	354,933	444	4,512	656,836	9,066	10,163	19,229	(4) 17,289
Year ended 31st March, 1896	16,960	757,573	774,533	105,596	492,788	206,629	58,156	264,785	757,573	319,108	1,839	432,455	...	4,171	757,573	7,682	7,560	15,242	(5) 14,902
Ditto, 1897 ...	16,664	841,974	858,638	84,105	588,483	205,942	47,549	253,491	841,974	354,108	1,839	482,206	...	3,821	841,974	8,124	6,376	14,500	(6) 13,569
" 1898 ...	48,667	912,971	961,638	103,000	631,816	251,643	29,512	281,155	912,971	251,708	7,839	651,160	380	1,884	912,971	9,285	8,648	17,933	(7) 13,472
				Decrease.															
" 1899 ...	13,512	942,641	956,153	5,485	653,710	264,296	24,635	288,931	942,641	160,308	12,839	766,371	1,689	1,434	942,641	10,664	8,473	19,137	(8) 16,314

(1) Including £2,280 on account of expenses of Royal Commission.
(2) Including £1,596 on account of expenses of Royal Commission, and £1,717 on account of deficiency on realisation of mortgages.
(3) Including £2,041 on account of deficiency on realisation of mortgages.
(4) Including £340 on account of deficiency on realisation of mortgages, and £470 for unauthorised expenditure.
(5) Including £1,272 on account of deficiency on realisation of mortgages, and £13 for unauthorised expenditure, and £832 for Assurance and Reserve Fund.
(6) Including £180 on account of deficiency on realisation of mortgages, and £89 for unauthorised expenditure, and £290 for Assurance and Reserve Fund.
(7) Including £255 for unauthorised expenditure, and £305 for Assurance and Reserve Fund.
(8) Including £488 on account of deficiency on realisation of mortgages, and £443 for unauthorised expenditure, and £1,192 for Assurance and Reserve Fund.

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