

Each association would, of course, be charged interest on the advance it received, as well as rent for the land it occupied. The rent, if not actually paid by the association, would be paid by the Public Trustee as mortgagee, so the Natives entitled would not suffer. The interest, if paid, would go to replenish the primary fund. In this way, if the scheme succeeds, the primary fund will become self-supporting, and the Natives will get back what has been deducted from their rents in order to form it. Legislation would, of course, be necessary.

PALMERSTON NORTH NATIVE RESERVE.

During the last year this Native reserve was subdivided into building-sites and roaded. Tenders were called for leasing, and a considerable number of the lots have been leased at satisfactory rentals. The result is to benefit the Natives by increasing their incomes, and the town by opening up land for residence and business purposes.

LAND-SETTLEMENT ASSOCIATIONS.

Twenty-four of these associations have been formed. The Act makes the Public Trustee the statutory agent of each association, and requires him to raise the purchase-money of the land by the issue of debentures which are guaranteed by the State. The result is that the State incurs a very heavy liability, and it is therefore of importance that the expense of launching the associations should be reduced to the lowest possible terms. The Office is doing all it can in this direction.

The Act exempts from stamp duty the transfer from the vendor to the association. I suggest that transfers from the association to the members should be similarly exempted; also that the mortgages from members to the association should be exempt from mortgage-tax. These concessions would strengthen the finance, which is weak at best. In some cases the members are already in arrear with their payments.

The Act provides that the debentures are to have a currency of twenty years, but are redeemable on six months' notice at any time after five years from date of issue. The effect of this is that the debentures are not a permanent security for investors. It would be better if the provision for redemption were omitted, and power given to the association to apply its funds in redeeming its debentures at any time by purchase in the ordinary way.

Several cases have occurred where a member has leased his allotment with a purchasing clause, the purchase price showing a large profit. It is a question whether this is not against the principle of the Act.

LAND ASSURANCE FUND.

In 1905 the attention of the Government was called to the position of this fund, which, owing to the large contributions to the sinking fund of the Government Loans to Local Bodies, had shrunk to £18,335, and was steadily diminishing. As a consequence those contributions were abolished, with the result that the balance to credit has risen to £29,615.

GOLD-MINERS' RELIEF FUND.

Under the Mining Act, 1908, and its amendments, this fund is administered by the Public Trustee for the relief of injured miners. Six hundred and sixty-four payments were made last year.

WORKERS' DWELLINGS.

At the request of the Labour Department, which has not the necessary machinery for the work, the Office has undertaken the collection of rents, instalments, insurances, &c., in connection with all workers' dwellings.

LOANS TO LOCAL BODIES.

The Office makes large advances to local bodies, and in order to reduce the cost to them a special scale has been framed under which, for a fee of $\frac{1}{2}$ per cent. of the amount of the loan, the local body can, if it so desires, obtain the services of the Office Solicitor, who will supervise all the proceedings and draft all the resolutions, advertisements, orders, debentures, and other documents required to raise and complete the loan.

In this way the Office as lender satisfies itself that all necessary steps are properly taken, and there is no risk of objection or difficulty at the last moment. Moreover, the cost to the local body is greatly reduced. For example, the total cost of raising a £10,000 loan would be £12 10s., plus actual disbursements for advertising and printing.

ADMINISTRATION OF INTESTATE ESTATES.

A recent decision of the Supreme Court has raised an important question as to the status of the Public Trustee in the administration of intestate estates. The question is of such vital importance to the Office that I think it my duty to set out a brief summary of the legislation dealing with the matter.

It goes back to the days of the Curator of Intestate Estates. The Intestate Estates Act, 1865, repealed the earlier legislation providing for the administration of intestate estates by the Registrars of the Supreme Court, and empowered the Governor in Council to appoint Curators for each province. By section 8 of that Act the Curator, upon receiving information of the death of a person, was required to apply for administration, but the order was not to be granted unless, amongst other things, the Court was satisfied there was no person entitled and within the colony ready to take a grant, and that the estate, or some part thereof, was exposed and liable to waste or injury.