

parison it is interesting to mention that the new business for the year aggregates more than the total value of estates and funds under administration only nineteen years ago. I think it may be fully claimed that this sustained growth is an indication of the need which the Office is fulfilling in the community and the esteem in which it is held by the public it serves. Each new estate widens its circle of contact with the public by reason that the work involved in the administration brings it into touch with a number of persons—beneficiaries, creditors, and others—some or all of whom have had no previous dealings with the Public Trustee. By giving satisfaction to these persons, and so impressing on them the numerous advantages and the security which the Public Trustee offers in regard to the administration of estates under his control, the goodwill of his Office is being constantly extended. It is gratifying to note that a considerable portion of the new business arises from clients who, being satisfied with the treatment they have received in previous business transactions, have decided to place their own affairs under the Office management.

43. Apart from the administration of estates, the Public Trustee offers a combination of facilities in other branches of fiduciary work which cannot be found elsewhere. The new business reported during the last few years includes an increasing number of cases where the Public Trustee is appointed Commissioner for sinking, renewal, and depreciation funds, and the Common Fund of the Office selected for the investment of the moneys set aside for such funds. As I have shown elsewhere, an important item in the satisfactory management of sinking funds, &c., is the finding of immediate investments for the instalments, and for the interest arising from the investment of instalments which very often are small in value and consist of broken amounts. As the advantages offered by the Common Fund for the investment of such amounts are unique, it is not surprising that local bodies and others in increasing numbers select this mode of investment in creating sinking funds, &c.

44. As has been mentioned in previous reports, the most outstanding feature of the new business is the increasing number of estates placed in the Office by testators in accordance with directions contained in their wills. Most of such wills are held by the Public Trustee, but it often happens that the Public Trustee is named in wills held by private practitioners and others. Frequently, too, private executors named in wills request the Public Trustee to undertake the administration of the estates of their testators and renounce in favour of the Public Trustee. Transfers from private trustees of estates partially administered are growing in number. These transfers of partially administered estates and trusts often involve a great deal of preliminary investigation of the prior administration and accounts, sometimes over lengthy periods. It has been suggested that the Office is at times over-scrupulous and pursues these inquiries too minutely. That this is not the case will be readily acknowledged once the responsibility of a trustee in respect of breaches of trust by his predecessors is recognized. Having accepted a trust, it is the duty of the trustee to acquaint himself as soon as possible with the nature and circumstances of the trust property, the terms of the trust, and the contents of the documents handed over to him relating to the trust. Before acceptance, however, he should satisfy himself as to breaches of trust which may have been committed under the prior administration. As Underhill points out, a person who undertakes to act as a trustee takes upon himself serious and onerous duties; and when, as too often happens, he adopts a "policy of masterful inactivity" he entirely misapprehends the nature of the office to which he has been appointed.

New trustees should ascertain that the trust fund is properly invested, and that their predecessors have not committed breaches of trust which ought to be set right. If, through his not inquiring into such matters, the trust estate should suffer, a new trustee may be liable although he himself took no part, and could have taken no part, in committing the original breaches of trust. Where part of a trust estate has been lost it is the duty of a new trustee to inquire as to the circumstances, and as to whether there is any probability of recovering the loss or any part of it by appropriate proceedings.