

manner by a marked growth in the last ten or twenty years in agricultural economic-research institutions throughout the world. These institutions are for the most part associated with universities, Government Departments, and agricultural colleges. The United States has advanced a considerable distance in research in this field, and it is reported that during 1927 the appropriation for the Bureau of Agricultural Economics exceeded £1,000,000. Important work in agricultural economic research has also been undertaken for many years in Continental countries, notably Denmark, Sweden, and Germany. An Agricultural Research Institute has been established at Oxford since 1913, and since the war the scope of its work has been considerably extended. In Canada and South Africa also research in agricultural economics is being developed. In recent years, too, an increased interest has been devoted to the subject in New Zealand.

Circumstances are often such that the farmer is not in the same position as the ordinary business man in the matter of particulars for the keeping of costs and the maintaining of a close watch on his financial position. Apart from the investigation of the major economic problems in the agricultural industries in relation to the country as a whole, one of the objectives of the research work in the field of agricultural economics should be to furnish farmers with a background of economic information which will guide intelligent programmes of production, increase farm efficiency, and decrease production costs.

Numbers of farms which come under the Public Trustee's control are a combination of different enterprises—grain-growing, sheep-farming, stock-raising, dairying, &c.—which are interdependent. It is often found that farmers pursue unprofitable lines of business for years, working hard in cropping and other directions without realizing that these activities do not pay for the labour and materials involved. Without cost records it is often impossible to ascertain what lines of business are profitable and what are not, and if steps are not taken to ascertain this vital fact good businesses may be damaged by the drain imposed by unprofitable lines.

I am pleased to be able to report that the Office control and management of businesses has met with a large measure of success. Many of these concerns have been carried on for a number of years to the entire satisfaction of the interested parties.

REALIZATIONS.

51. The favourable realization of estate assets very properly merits a great deal of attention on the part of the Office. From its long experience it has acquired expert knowledge of the methods of realization, and in dealing with all kinds of assets it has grown familiar with the complexities and difficulties of the market. In determining the course of realization in the case of wills, the provisions thereof must be primarily the guide to the trustee. Sometimes a will directs immediate realization, and at other times authorizes postponement and the carrying-on of a farm or other business for a time. The Office is fully and anxiously alive to the various business considerations, combined with a trustee's duties, to be taken into account with reference to the realization of estate assets. In this matter, however, it must not be overlooked that a trustee cannot, without incurring uncalled-for responsibility, deal with another man's property and affairs without regard to what the law demands of a trustee. A trustee must be guided by the interests of the estate he administers, and cannot permit himself to embark on any risky or speculative course. The circumstances of a particular estate largely determine a trustee's course of action. Where liabilities are heavy and creditors pressing, realization may be forced, through no fault of the trustee, possibly at an unfavourable time. Where an estate is sound financially, or where financial accommodation can be arranged, the Public Trustee is, of course, in a position, if need be, to await favourable markets and improved conditions before attempting to dispose of the assets. Elsewhere in this report mention has been made of the facilities which the Office affords for financing estates in suitable cases, and thus preventing the sacrifice of assets by enforced realization. Apart from compulsory directions in the will or the paramount directions of creditors in insolvent estates, wherever it can possibly be done the action of the Public Trustee as to realization or to carrying