

REPORT ON THE WORKING OF THE PUBLIC TRUST OFFICE FOR THE YEAR ENDED 31ST MARCH, 1931.

SIR,—

Public Trust Office, Wellington, 11th August, 1931.

I have the honour to submit a report on the working of the Public Trust Office for the financial year ended 31st March, 1931.

ADMINISTRATION BY PUBLIC TRUSTEE.

1. *Functions of Office.*—Acting as executor, trustee, attorney, administrator, or in various other fiduciary capacities constitutes the main function of the Office. It is true that in its operations as a lender the Public Trust Office plays a large and useful part in the commercial life of the community ; but in this capacity it is in reality acting on behalf of the estates and funds under its control. The source of the money for the investments is the estates under administration, and the lending transactions are simply the natural corollary of its main work—the administration of estates and the undertaking of kindred fiduciary duties.

The work of administration of estates has attained very large dimensions, as can be gauged from the fact that at the 31st March, 1931, 19,597 estates and funds, valued at £57,527,263, were under the control of the Public Trustee, and during the year ended on that date the new estates and funds accepted for administration totalled 3,651, aggregating £9,251,035 in value. These are impressive figures, and the volume of business they represent entails a heavy burden of responsibility, particularly in a time of exceptionally adverse financial and economic conditions such as those which now exist throughout the world. As may be imagined, the assets included in this large total are of wide diversity, covering the whole range of property interests, and situated throughout New Zealand and in many jurisdictions overseas.

2. *Organization for Conduct of the Work.*—This has been set forth at length in previous reports, and it is not deemed necessary to do so again on this occasion. The Public Trustee has an extensive system of representation throughout New Zealand. The simple system of delegation which was inaugurated some years ago has proved most effective, and enables a large part of the work in connection with the administration of estates to be carried on, subject to proper safeguards, in close proximity to the assets requiring to be administered and to the beneficiaries entitled.

Particular attention is devoted to the selection and training of the officers to carry out the work of administration and the numerous other important duties which the Public Trustee is called upon to perform. As is shown elsewhere in this report, a large number of the officers are specially qualified in law, accountancy, finance, and commerce, and devote the whole of their business lives to specialization in these classes of work.

For a long time past much time and thought has been expended on the building-up of the organization of the Department, with the result that lately there has not been the need for changes of any great moment. Every year there cannot be striking reforms to record ; but even in those years where there is an absence of spectacular changes gradual improvement and consolidation are going on all the time. I am thankful to say that the existing organization is standing the test of time, and under it the colossal business is being promptly and efficiently conducted.

The Public Trustee administers a large number of farming interests. Seeing that in New Zealand the major portion of the national dividend is derived from the primary produce of the country, the farming interests are of vital importance to the Dominion ; and, indeed, the dominating element in the economic situation in New Zealand to-day is the position of the farmer. To assist him in the administration of farming assets the Public Trustee has attached to the staff of his office Farm Inspectors who are skilled in matters pertaining to the agricultural, pastoral, and