

49. *Repairs.*—With such a large number of tenancies, and especially those of the residential type, the supervision of the repairs requires constant attention. On previous occasions I mentioned that much undeserved odium is frequently cast upon the Office owing to the unsatisfactory condition of repair of some of the premises under its management. As criticism of this nature still continues at intervals, it is considered desirable to point out again this year some of the difficulties which surround the administration of such properties. As may be expected in the conduct of a large trust business, the Public Trustee is frequently called upon to administer estates amongst the assets of which are properties in a condition of disrepair, and perhaps situated in areas not regarded favourably by better-class tenants. The Public Trustee would not be justified, even were he able to do so, in refusing to act in an estate merely because it was possessed of properties of this kind. A little consideration will convince critics that many special difficulties occur in such a case, the nature and extent of which are not fully appreciated.

It may happen that, although repairs are urgently needed, there is no money in the estate to allow them being effected. Where repairs are a charge against income it is impossible to raise the necessary funds by charging the property with the incidental cost. It may happen, too, that the income from a property is the sole support of a widow of straitened circumstances and with infant children to maintain, so that it is impracticable to divert any of the funds to the carrying out of repairs. It is sometimes urged that the Public Trustee, as a Government official, should set a better example in repairing tenancies under his control. The fact is, however, that in this matter the Public Trustee is like any other trustee and must administer an estate as he finds it. He can only proceed so far as the assets and the powers of the trust will permit. Often a trustee has under his control properties which, if he were the absolute owner thereof, he would extensively improve or renovate. As, however, he is acting in a fiduciary capacity, he must faithfully carry out the trust he has undertaken, and he is limited to the powers conferred upon him by the trust instrument or by the law governing trustee work. Subject to these limitations, the Office endeavours to see that tenements under its control are maintained in as good a condition as possible.

50. *Inspections.*—Periodical inspections of the properties are carried out by expert officers of the Department, who report on their condition and draw attention to any action necessary on the part of the tenant or of the Office. These inspections ensure that properties are kept in good order, and that covenants entered into by the lessees are observed. The Inspectors' reports are filed with the estate correspondence, and are permanently on record for reference and guidance in the problems which arise.

51. *Insurance.*—Whilst it is not obligatory upon a trustee to insure trust properties against various risks, still it is a prudent precaution to take. The most common risk is that of fire, but consideration must also be given to insurance against earthquake in the case of buildings of brick or stone, breakage where valuable plate-glass windows exist, and the loss of rent or profits which would be caused by fire.

52. *Tenancies.*—The Office rent roll is now very large, and consequently the collection of rents is most important, involving considerable work and heavy responsibility. In the four principal towns where there are very large numbers of tenants on a weekly, monthly, or other short-term basis, permanent rent-collectors are attached to the staff who devote the whole of their time to rent-collection and dealing with matters arising out of this work.

Any loss of income or extra expense would in many cases be severely felt by those beneficially interested in the estates under administration. Great care is necessary in the selection of tenants, as severe losses may arise through unsuitable or unfinancial persons being allowed into occupation of estate properties. In addition to the loss of income suffered through default in payment of the rent, expenses may have to be incurred through legal action necessary to secure possession of premises occupied by undesirable tenants, or through damage caused by irresponsible or careless occupants. In all tenancies and leases a close watch is maintained to ensure that the rent is properly paid, the premises are kept in proper order and condition, and any covenants entered into are observed. Strict