

**STATEMENT BY THE HONOURABLE MINISTER OF JUSTICE
TO THE HOUSE OF THE REPRESENTATIVES -
ADMINISTRATOR-GENERAL'S DEPARTMENT ANNUAL
REPORT 2014/2015**

It is with great pleasure that I table in this Honourable House of Representatives today the 2014/2015 annual report of the Administrator-General's Department. Mr. Speaker, the report shows that the Agency achieved most of its targets for the period. And Mr. Speaker, this Agency is performing, producing, and delivering quality work that should be emulated by other Government Agencies.

If someone dies without making a **Will** (that is to die intestate) and leaves children under the age of 18 and assets, the role of the Administrator-General's Department is to protect the interests of these children and other beneficiaries as well as creditors. When people die and leave assets, those assets are a part of what is called an estate which is what Jamaicans commonly refer to as ***dead lef'***. Many of us in this House can recount stories relating to inheritance in our constituencies and we are aware of the problems surrounding estates. It is the Administrator-General's Department role to ensure that the estates are administered and ultimately passed into the hands of the rightful beneficiaries.

The Department's 2014/2015 annual report highlights the tireless work of the indomitable Administrator-General (AG) and CEO, Mrs. Lona Brown and her team of Executives, Case Attorneys, Case Officers, Accountants and other staff members. Mrs. Brown was appointed as Administrator-General in 1996. In preparation for the Administrator-General's Department achieving Executive Agency status on April 1, 1999, the AG was also appointed CEO in 1998. Today, I invite members of this House to join me in commending Mrs. Brown and her team for transforming the Agency into a result-driven Department.

The Agency continues to do well in the areas of:

- Estate Closure;
- Grants of Letters of Administration;
- Investments;
- Revenue Collection; and
- Estate Account Preparation

I will now briefly speak to how well the Agency performed in each of these areas, and the details can be seen in the 2014/2015 Report:

1. Estate Closure

This is the most important target as it represents the final output of the administration process which is to pass the

assets into the hands of beneficiaries. Can you imagine the joy of family members when estate properties and funds are transferred to them? This enables wealth creation as the properties can be used as collateral for a loan and also ownership of land boosts confidence and self-esteem – “I own a piece of the rock”.

For the 2014 - 2015 period, the Department closed 565 estate files against a projection of 500 – 13% above target.

2. Grants of Letters of Administration

The Administrator-General’s Department also surpassed the targets set for the number of **Grants of Letters of Administration** filed and received from the Court.

A Grant of Letters of Administration (**LA**) is the legal authority given by the court for the AG to manage an estate by performing functions such as collecting assets, paying debts and maintaining beneficiaries. You may want to know that money from the estate is used to pay school and medical expenses for children and to make monthly payments. As I said before, the final output would be to give the monies and properties to beneficiaries.

For the 2014 – 2015 period, the Department filed 201 LA applications in the Court against a target of 140, and received 176 Grants of LA from the Court against a projection of 130.

It is significant to note that amendments were made to the Administrator-General's Act in 2015. These amendments empower the AG to issue her own ***Instrument of Administration***. This means the AG no longer has to apply to the Court for a Grant where the estate has minors. If all documents are submitted to the Department, an ***Instrument of Administration*** is issued within three months. **Since these amendments, the Administrator-General's Department has actually been issuing instruments within three months thereby greatly expediting the process of administration.**

3. Investments

Mr. Speaker, **Investments** is another area in which the Agency surpassed its target. The agency is mandated to hold Estate and trust funds in secure investments in order to safeguard against any risk. Notwithstanding this and the current low interest rates being earned on investments, **the Department surpassed the projected 6% target, earning**

6.89% on the \$2B billion of estate funds under management.

4. Revenue

The target for **Revenue** was also exceeded in 2014/2015. The Department collected \$132M from estate fees against a projection of \$102M. Although the financial statement reflects earnings of \$160M, the Agency collected only \$132M due to the inability of some estates to settle their fees.

Collection of revenue represents 52% of the \$252M expenditure for the year. The improvement in revenue is as a result of the increase in the number of LA's received and the improvement in closures.

5. Estate Accounts

This is another area in which the Department exceeded its target. **A total of 1,652 Trust and estate accounts were prepared during the year against a target of 1,200.** The Agency continues to update **Estate Accounts** so that accounts to beneficiaries can be produced in a timely manner. The Agency is moving to automate its accounting processes to allow for real time accounting by 2018.

Another highlight of the annual report is the Administrator-General's Department eldest beneficiary; the 101 year old Mrs. Linda Pilliner. (Page 16 of the annual report highlights the relationship between Mrs. Pilliner and the Administrator-General's Department). Her father, Surgeon Dentist, William Crosbie (who died in 1928) named the Administrator-General for Jamaica as the Executor and Trustee of a Trust Fund for the benefit and advancement of his wife and children. Since 1928 – that is 88 years ago - the AG in the capacity as Trustee, has been managing this Trust fund ensuring that the welfare of the beneficiaries both in Jamaica and overseas are taken care of. Today, Mrs. Pilliner continues to benefit from the fund. In addition to the Crosbie testamentary trust, the AG also manages several other trusts, including living and charitable trusts.

My colleagues of this Honourable House, I encourage you, and others who want their estates to be properly managed, to consider naming the Administrator-General's Department as Executor of your Will as it is efficient, well managed and most importantly, it is perpetual.

Mr. Speaker based on the performance of the Administrator-General's Department, I commend the Department for the work it

has done and continues to do. Mr. Speaker, when anyone dies, assets – sometimes huge amounts of real and personal properties – become sterile and cannot be effectively used, mortgaged, sold or invested until the estate is administered, either through a Grant of Letters of Administration or Probate.

My Ministry's goal is that all estates will get Grants or Probated in the Courts within three (3) months from the filing of the necessary documents. If that is done Mr. Speaker, huge amounts of assets can be released into the economy to drive economic growth and job creation, but most importantly, administration brings satisfaction and closure to the many beneficiaries who receive these assets. I now table this report in the House of Representatives.