

1950
NEW ZEALAND

PUBLIC TRUST OFFICE

(REPORT OF THE) FOR THE YEAR ENDED 31st MARCH, 1950

Presented to both Houses of the General Assembly in accordance with Section 47 of the Public Trust Office Amendment Act, 1913

PURSUANT to section 47 of the Public Trust Office Amendment Act, 1913, I have the honour to lay before Parliament the attached report on the working of the Public Trust Office for the year ended 31st March, 1950.

1. Progress has been maintained at a steady rate during the year under review, and new business reported for administration was of a total value of £6,962,966, representing an aggregate value of 3,551 estates, as compared with the corresponding total of £6,945,966 for 3,602 estates during the preceding year.

2. The total number and value of estates and funds under administration by the Public Trust Office as at 31st March, 1950, were :—

			No.	Values. £
Estates	..	..	16,453	39,209,760
Funds	..	..	1,860	19,436,528
Totals			18,313	£58,646,288

3. Although the general wage increase (operative on and from the 1st June, 1949) caused a considerable increase in the Department's operating costs, this was more than offset by the reduction in staff which followed a further simplification of methods and delegation of authority during the year under review. The staff at 31st March, 1949, numbered 902 officers; at 31st March, 1950, it totalled 846 officers, a reduction of 56 officers. Reference is made to this reduction in the Public Trustee's report.

J. R. MARSHALL,
Minister in Charge of the Public Trust Office.

Wellington, 21st July, 1950.

REPORT ON THE WORKING OF THE PUBLIC TRUST OFFICE FOR THE YEAR ENDED 31st MARCH, 1950

Public Trust Office, Wellington C. 1, 19th July, 1950.

SIR,—

I have the honour to submit a report on the working of the Public Trust Office for the financial year ended the 31st March, 1950.

NEW BUSINESS

New estates to the number of 3,551, and valued at £6,962,966, were accepted for administration during the year. The corresponding figures for the previous year were 3,602 and £6,945,966 respectively.

No fewer than 7,603 testators appointed the Public Trustee their executor during the year, this being only slightly less than the number in the previous year—namely, 7,881, which constituted a peacetime record. The total number of wills held for living testators is now 146,288. During the year systematic action was taken to bring under the notice of testators the necessity for revising their wills should a change of circumstances have rendered this necessary. That the Public Trustee's services in the redrafting of wills is appreciated and freely availed of by testators is shown by the fact that whereas 4,391 wills were redrafted in the year ended 31st March, 1940, the number for the year ended 31st March, 1950, was 7,100.

The table appearing hereunder illustrates the great increase over the past fifty years in the number of wills held in safe custody :—

Wills of Living Persons on Deposit

Year Ended 31st March,	Deposited in the Year.	Total.
1900 .. .. .	.. .. .	675
1910 .. .. .	.. 844	..
1920 .. .. .	.. 2,188	25,792
1930 .. .. .	.. 6,893	68,253
1940 .. .. .	.. 7,204	97,675
1950 .. .. .	.. 7,603	146,288

ADMINISTRATION OF ESTATES AND KINDRED DUTIES

Under the Public Trust Office Act, 1872, by which the Office was constituted, the main function of the Public Trustee was to act as executor or trustee, and, if appointed by the Supreme Court, guardian of any property or committee of the estate of a person under mental disability. Subsequent legislation has very considerably extended the range of service and the Public Trustee now acts in many diverse capacities—*e.g.*, as administrator of intestate estates; agent or attorney for absentees or persons desiring to be relieved of business cares; sinking fund commissioner for local bodies; administrator of unclaimed lands and property; statutory administrator of the estates of mental patients (other than Maoris) where no committee has been appointed by the Court; manager (when so appointed by the Court) of estates of aged and infirm persons unable to administer their own affairs; administrator (unless the Court orders otherwise) of compensation moneys payable in respect of the death of a worker; statutory administrator of the estates of convicts (other than Maoris); agent for the investment of the moneys of the National Provident Fund and for the administration of mortgage investments forming part of the Government Superannuation Fund; and in various other capacities.

These multifarious duties render it imperative that the Public Trustee should be represented in the main centres of the Dominion and in the principal smaller ones. The administration work is thus conducted in well-organized branches throughout the country in close proximity to the beneficiaries and the assets. The work to be performed very often extends beyond New Zealand for in many cases there are estate assets in the British Isles and in other overseas countries requiring to be administered.

During the year the administration of 4,205 estates and funds was completed and assets valued at £7,922,974 were accounted for to those entitled. This turnover of estates approximates that of last year, when 4,275 estates and funds were closed, but the value of assets accounted for was £8,939,843.

The market for all classes of assets has continued to be good and is a main factor in the speedy administration and closing of estates. It largely accounts for the smaller number of estates remaining under administration at the close of the year—namely, 18,313—as against 18,953 at the close of the previous year.

Wills and Trusts.—This class of estate always represents the main part of the Office business. During the year 2,291 estates of this kind, of a value of £5,361,348, were accepted for administration. This represents an increase over the previous year of 60 in number and £594,420 in value.

Intestate Estates.—In former years the number of intestate estates accepted for administration annually was much greater than has been the case in recent years. The number has remained between five hundred and six hundred per annum for some time past. This reduction in numbers is an indication of a greater public awareness of the need for making a will. The testator can then ensure that his estate will be distributed in accordance with his wishes, instead of in accordance with a rigid system of distribution fixed by statute, which does not necessarily ensure that those with the strongest moral claims will benefit most from the testator's estate.

It is often a matter of very great difficulty to ascertain and trace the next-of-kin entitled under an intestacy. If the nearest relatives are a wife and children, no difficulty arises, but in other cases investigations extending over years are often necessary to determine the persons entitled to the estate. In many instances extensive and sometimes costly inquiries have to be made in Great Britain, and the fact that an experienced officer is attached to the office of the High Commissioner for New Zealand in London greatly facilitates the obtaining of the certificates of birth, death, and marriage and the other proofs usually required to establish the rights of those appearing to be the next-of-kin.

Intestate estates of a value of £480,183 and 524 in number came under administration in the year, as against a value of £440,748 and number of 565 in the previous year.

Estates of Persons Under Disability.—It has long been recognized that means should be provided for the administration of the affairs of those who, by reason of their mental condition, are unable to act for themselves. In New Zealand the necessary provision is made by the Mental Defectives Act, 1911, and its amendments. Under the Act the Public Trustee is the administrator of the estates of all patients (other than Maoris) within the meaning of the Act, except where a private committee is appointed by the Court. In the latter event the Public Trustee is required to exercise certain supervision over the accounts and administration of the committee.

In the past year the estates of 599 patients, valued at £818,700, were accepted, as against 678 estates of a value of £906,910 in the preceding year. The total number of patients' estates under administration as at the 31st March, 1950, was 3,489, with assets of a value of £4,333,128.

Under the Aged and Infirm Persons Protection Act, 1912, provision is made for the care of the estates of persons who are unable to manage their own affairs by reason of age, sickness, mental infirmity, or other cause. The Act provides for the appointment by the Supreme Court of a manager (who may be the Public Trustee or a relative or some

other person) to control such part of the estate as the Court directs. In practice the Public Trustee is appointed in most of these cases, and where he is not appointed it is his duty to have the accounts of the manager examined and reported upon to the Court. The Act provides an alternative means to the Mental Defectives Act for the administration of the property of persons whose condition is such that they do not require institutional care, but are unable to protect and manage their assets.

In cases arising under either of the Acts mentioned an advisory trustee may be appointed to act with the Public Trustee. When this is done the advice of the advisory trustee, who usually has a personal knowledge of the affairs of the protected person, is availed of and appreciated.

Agencies.—An important part of the work of the Office is the administration of the agencies of clients who, for various reasons, wish to avail themselves of the office facilities. Sometimes this is because they are proceeding abroad, or the assets to be administered are in another district; or they wish to be relieved of business cares; or because of ill health. Much goodwill is cultivated by this means.

Workers' Compensation.—Moneys payable in respect of the death of a worker are in the ordinary course paid to the Public Trustee, who is then required to report to the Court on the allocation of them among the dependants. To enable the report to be made, much tactful inquiry is often called for, and this enables a recommendation to be made to the Court that is considered to be the most equitable one in the particular circumstances, based upon the long experience of the Office in formulating schemes of apportionment. Particular care is taken to ensure that moneys directed by the Court to be held on behalf of the widow and children are expended to the best advantage. Where necessary, portion of the moneys is advanced to the widow to enable her to purchase or erect a dwelling, or to repay a mortgage. Where a mortgage is taken from the widow to secure the amount advanced, provision is made for crediting her with a reasonable sum as maintenance of the children.

Claims for Damages.—The Public Trustee is not, as he is in the case of compensation moneys, the statutory custodian of moneys awarded or paid as compensation for damages, except in the case of moneys recovered on behalf of an infant or person of unsound mind. In these cases it is usual for the Public Trustee to report to the Court upon the allocation of the moneys, and here again careful investigation has to be made regarding the relative dependency of those entitled to the moneys and the most equitable method of allocation among them.

Other Duties.—The above are some only of the many capacities in which, as already stated, the Public Trustee acts pursuant to statute, Court order or other authority, ranging from the administration of the estates of convicts (other than Maoris) to consenting to the disposal by will by a minor of his interest in a life insurance policy.

Enemy Property Emergency Regulations 1939.—During the year the Public Trustee, as Custodian of Enemy Property, has continued to carry out the duties cast upon him under the Enemy Property Emergency Regulations 1939. Funds representing enemy property collected or realized by the Public Trustee and now held amount to £97,450.

Negotiations for a final settlement with the Italian Government, pursuant to the Treaty of Peace Regulations 1948, were continued during the year, and on the 19th April, 1950, the final agreement was signed, and the funds held on behalf of Italian nationals have since been disbursed. Negotiations are still continuing for inter-Government agreements dealing with the disposal of funds still held for nationals of several other countries.

Much work is entailed, in collaboration with the Department of External Affairs, in dealing with claims of New Zealand nationals and others against former enemy and enemy-occupied countries in respect of loss and damage suffered to their property.

FINANCE

Investment of Funds.—It is pleasing to record that the increase in the flow of applications for loans on mortgage, noted in the report for last year, has continued during the current period. It is also gratifying to note that a substantial proportion of the new applications is for loans to erect new houses. In this respect the Department is rendering a service to home-builders by providing finance at competitive rates and making progress payments to suit the requirements of the applicant during the course of construction of the building. The removal of restrictions on the sale price of urban properties will probably increase the number of applications for assistance in rearranging finance, as a result of more properties changing hands.

The value of mortgage investments held on behalf of the Common Fund as at the 31st March, 1950, was £9,191,668, an increase of £225,964 on the amount held at the same date last year.

Despite the improvement in the total amount invested, it is still necessary to use every effort to obtain securities in this highly competitive field, to ensure the close investment of the funds available, and thus maintain a satisfactory yield to the beneficiaries entitled to the moneys.

The new investments completed during the year totalled £1,500,447, compared with £2,569,633 for the preceding year, a decrease of £1,069,186. The reduction was partly due to the assumption by the National Provident Fund Board of the duty of investing certain portions of its funds which had previously been attended to by the Office, and, compared with the previous year, to a greater percentage of maturing investments being renewed instead of being repaid and new investments found for the proceeds. These factors resulted in a much smaller sum than usual requiring investments to be arranged. The total investments completed by the Office and still held at 31st March, 1950, inclusive of those held on behalf of certain estates and funds whose funds are required to be specially invested, totalled £32,365,702, which represents a decline of £580,984 on the corresponding figure at 31st March, 1949. The reason for this decline is set out in later paragraphs under the heading "Deposits Under the Insurance Companies' Deposits Act" and "Local Bodies' Sinking Funds."

Interest Payable on Moneys Invested in the Common Fund.—As the period lengthens during which low interest rates have prevailed, so the proportionate part of the Common Fund which in earlier years was invested at the higher rates of interest decreases. The result has been that each year maturing investments have either been renewed or have been repaid and subsequently reinvested at current rates, which have almost invariably been lower than for the original investments. The cumulative effect has been to reduce the earnings of the Common Fund to such an extent that it became necessary to reduce, as from 1st August, 1949, the rate of interest credited on moneys in the fund to 3 per cent. In view, however, of the advantageous features of investment in the Common Fund, it is considered that the present rate is, under existing conditions, a favourable return.

Advances to Estates and Beneficiaries.—The statutory provisions whereby the Public Trustee is able to advance money on the security of the assets of, or of a vested share in, an estate administered by him continues to be of material advantage both to estates where, for various reasons, it is not desired to realize assets immediately for the discharge of liabilities, and to beneficiaries who are in need of immediate financial assistance. Such advances can be promptly arranged at a low rate of interest, no legal costs are involved, and repayment may be made without notice. The amount advanced under this heading during the year under review was £77,732, and the total amount of current advances at 31st March, 1950, was £423,919.

Deposits Under the Insurance Companies' Deposits Act.—Pursuant to the Workers' Compensation Amendment Act, 1947, various insurance companies ceased to engage in employers' liability insurance business as from 1st April, 1949, and as a result became

entitled to a return of the deposits which they had made with the Public Trustee to comply with the terms of the Insurance Companies' Deposits Act, 1921-22, and its amendments. After the necessary steps had been taken to satisfy the Public Trustee that the interests of insured persons would not be prejudiced by the release of the deposits, the sums of £493,000 in cash and £34,500 in securities were returned to the companies concerned. Deposits in respect of certain other classes of insurance are still required to be made with the Public Trustee by all insurance companies (other than those incorporated under the Mutual Fire Insurance Act, 1908) carrying on business in New Zealand, the maximum amount of such deposit varying in accordance with the nature of the business undertaken. On 31st March, 1950, the capital amount of deposits held under this Act on behalf of sixty companies was £1,179,660.

Deposits Under Life Insurance Act, 1908.—The provisions of the Life Insurance Act, 1908, require every company carrying on life insurance business in New Zealand to deposit with the Public Trustee cash or approved securities commensurate with the total amount insured by its policies, but with a maximum of £50,000. The amount of cash and securities held by the Public Trustee on the 31st March, 1950, in accordance with this Act was £747,390 on behalf of sixteen companies.

Local Bodies' Sinking Funds.—Although the substantial sum of £3,450,122 was held at 31st March, 1950, in the Common Fund as sinking funds for the repayment in due course of local bodies' loans for which the Public Trustee had been appointed Sinking Fund Commissioner, this type of fund shows a decreasing tendency. Many of the local-body loans raised in recent years have been repayable by annual instalments, whereas those raised earlier were on terms similar to a flat mortgage. Consequently the necessity to create a sinking fund for the repayment of the loan on maturity date is unnecessary in such cases, the annual appropriation by the local body being applied almost immediately in repayment of an instalment debenture. In addition, the time has now arrived when a number of the loans raised many years ago are maturing, thus resulting in large calls being made on the accumulated sinking funds. During the year under review several substantial sums were applied in redemption of matured loans, the effect of which was to deplete the total sinking funds held by £185,000, compared with the corresponding figure at 31st March, 1949.

Safe Deposit Lockers.—The leasing of safe deposit lockers to the public for the safe custody of securities and other valuables is a service which is obviously appreciated by the lessees who now number nearly 1,200. These lockers are installed in vaults or strongrooms at the Head Office and at various branches throughout the Dominion, and are designed to afford both protection against theft or fire and privacy as to their contents.

Annual Accounts.—As a result of the continued inflow of new business and of the buoyant economic conditions throughout the Dominion, the Office revenue for the year under review increased by more than £9,000 to £548,290. That increase, however, would not have been sufficient to meet the increased operating expenses had not substantial savings been effected by reductions in staff and other economies. The combined effect of the increased revenue and of the economies mentioned has been a net profit for the year, after providing £17,113 for depreciation on premises, plant, &c., of £7,016, which has been transferred to the Assurance and Reserve Fund. In this connection attention was drawn in last year's report to the provisions of section 24, Finance Act, 1929, which directed that when the Office made a profit for any year one-half thereof was to be paid to the Consolidated Fund, but if a loss was sustained the whole amount thereof was to be charged to the Office Assurance and Reserve Fund. I am pleased to record that amending legislation was passed in the 1949 session authorizing the Public Trustee, before paying to the Consolidated Fund one-half of the profits for the year ended 31st March, 1950, or for any subsequent year, to offset the losses which had been incurred since the year 1946-47 and which were charged wholly to the Office Reserves.

LEGAL DIVISION

During the year steps have been taken to effect a further decentralization of the legal work of the Public Trust Office. Where the gross value of any estate of a deceased person does not exceed £400, the Public Trustee is empowered by statute to file in a Registry of the Supreme Court an election to administer, which has the same effect in law as a grant of administration, testate or intestate, as the case may be. It was formerly the practice to file all such elections in the Wellington Registry of the Supreme Court, but during the year district officers were instructed to prepare and file such elections in local Registries of the Court in their respective districts.

In the case of estates where the gross value of the assets is in excess of £400, applications for grant of probate or letters of administration have in the past been prepared by the Legal Division at Head Office and filed in the Wellington Registry. During the year district legal officers were instructed to prepare the main papers in connection with these applications and to forward the same to Head Office for completion and filing. The knowledge and experience gained by district officers as a result now make it possible for a further delegation of legal work to be made in respect of these applications, and at the present time arrangements are on foot to delegate to certain District Public Trustees in the larger centres authority to prepare and file in the local Registries of the Supreme Court applications for grant of probate and letters of administration in estates administered in their districts. Where exemplifications of the New Zealand grant of administration are required for realization of assets abroad, these are also now prepared at the district offices and forwarded to Head Office for filing, except where the grant has been obtained in a Registry other than the Wellington one.

Apart from applications to the Supreme Court for the initial grants of administration, whether testate or intestate, other applications have to be made on matters arising out of the actual administration of estates or trusts where it is necessary to obtain the Court's directions or authority. The Court papers in regard to these applications are now, in the main, being drafted by the legal staffs at district offices and forwarded to the Legal Division at Head Office for approval or revision. The applications in regard to these matters are, however, still being filed in the Wellington Registry of the Supreme Court where, in practice, hearings are obtainable at shorter intervals than in other centres.

Legal questions of difficulty or importance which arise in the administration of estates are dealt with at Head Office by the Office Solicitor and his staff, consisting of the Assistant Office Solicitor, Assistant Solicitors, and Legal Clerks. An important portion of the work handled by the Office Solicitor and his staff consists of applications and reports to the Compensation Court in connection with the apportionment of compensation moneys paid under the Workers' Compensation Act, 1922, and to the Supreme Court in regard to the apportionment of damages recovered under the Deaths by Accidents Compensation Act, 1908. The determination of the next-of-kin in intestate estates and of beneficiaries under wills (except where the estate is small and no difficult problems are involved) is also dealt with by the Office Solicitor and his staff. All wills prepared at district offices, except simple ones, are independently checked in Head Office by members of the Office Solicitor's staff. The purpose of this check is to ensure that the trusts and provisions of wills do not reveal any defects.

The legal staff at district offices undertakes the preparation and revision of wills and attends generally to the conveyancing and other legal work of the district offices. This work includes the preparation of mortgage and other securities in regard to loans from Office or estate funds, except in cases where private solicitors are instrumental in arranging the loans, in which case such mortgages and securities are prepared by them. District legal officers also attend to the conduct of proceedings in the Magistrates' Court

and in the Land Valuation Court, which are incidental to the administration of estates in the Office, and generally advise upon such legal matters as are not of such difficulty or importance as to warrant reference to the Office Solicitor.

During the year ended 31st March, 1950, administration was obtained in 2,345 estates, 70 exemplifications of New Zealand grants were sealed, and 20 foreign grants were resealed. Powers of attorney to the number of 41 were prepared for the purpose of obtaining grants of administration overseas, and 79 applications were made to the Supreme Court on various matters relating to estates and trusts.

REPRESENTATION

To meet the convenience of the public and to enable the work of the Office to be carried out with the least possible delay it is necessary for the Public Trustee to be represented throughout the Dominion. At the present time this representation comprises 26 District Public Trustee offices, 22 District Manager offices, 15 part-time offices, and 38 agents, a total of 101 representatives. The organization is extended from time to time when it can be shown that the public interest will be better served by the appointment of additional representatives. During the year under review part-time offices were opened at Norsewood and Kaitangata under the control of the District Public Trustees at Dannevirke and Invercargill respectively.

Representation Overseas.—Since June, 1947, the Public Trustee has been represented in London by an experienced officer seconded from New Zealand. This officer is engaged in the administration of assets in the United Kingdom and in tracing overseas beneficiaries. This service, previously performed by the Office of the High Commissioner for New Zealand, has proved of great benefit to clients of the office.

INSPECTION AND AUDIT

The system in force for the regular inspection of the work at branch offices has been maintained throughout the year. The system covers review of all phases of the Office work, particularly the administration of estates, investment of Office funds, and internal audit checks. The cash transactions are also subject to a supplementary audit by the Government Audit Office. The staffing of the branches and the organization and co-ordination of the work also receive careful consideration in order to promote efficiency and effect economy where desirable.

STAFF

Because of the cost involved in the transfer of officers from one locality to another, every endeavour is made to keep staff movements to a minimum consistent with efficiency. The acute housing shortage in all parts of New Zealand has also added greatly to the problem of arranging the efficient use of the staff available. It is not possible, however, to limit arbitrarily the number of transfers as in many cases officers' promotion depends upon their assuming higher duties in other districts.

During the year under review it was necessary to arrange a considerable number of transfers to replace senior officers who had retired on superannuation, and special efforts were made to effect the transfers more or less contemporaneously so that the officers concerned would have the opportunity of arranging exchanges of houses. This worked reasonably well and resulted in a considerable reduction in the amount which would otherwise have been payable by way of accommodation allowances to officers awaiting housing accommodation.

The principal staff changes made during the year were as follows :—

- Mr. A. C. Dick, District Public Trustee, Dunedin, appointed Controller, Estates Division, Head Office, *vice* Mr. H. W. S. Pearce, promoted.
 Mr. D. Campbell, Supervising Estates Clerk, Head Office, appointed District Public Trustee, Auckland, *vice* Mr. A. S. Faire, retired.
 Mr. J. G. McGhie, District Public Trustee, Napier, appointed District Public Trustee, Wellington, *vice* Mr. F. M. Whyte, retired.
 Mr. A. Bell, District Public Trustee, Invercargill, appointed District Public Trustee, Dunedin, *vice* Mr. A. C. Dick, promoted.
 Mr. F. H. Muirhead, District Public Trustee, Masterton, appointed District Public Trustee, Invercargill, *vice* Mr. A. Bell, promoted.
 Mr. W. R. Millier, District Public Trustee, Timaru, appointed District Public Trustee, Palmerston North, *vice* Mr. P. C. Dwyer, retired.

Officers Deceased.—I record with regret the deaths of the undermentioned officers :—

- Mr. H. Williams, District Solicitor, Wellington. (Died while on retiring leave.)
 Mr. T. K. Wills, Clerk, Ashburton.
 Mr. A. F. A. Wingrove, Clerical Assistant, Wellington.
 Mr. C. D. Burrows, District Manager, Taihape.

Staff Training.—A staff training scheme has been carried out in this office for many years with the object of ensuring that officers obtain a sound knowledge, both theoretical and practical, of their duties. Having regard to the fact that much of the work relating to estates administration is both involved and technical, officers are encouraged to qualify themselves further by taking professional examinations in law and accountancy.

The following statement of professional qualifications held illustrates the high standard of education reached by members of the Office staff :—

Degree or Other Professional Qualification.	Number of Officers.
LL.M. Degree .. .. .	.. 11
LL.B. Degree .. .. .	.. 27
Law Professional Examination .. .. .	.. 50
M.A. Degree .. .. .	.. 2
B.A. Degree .. .. .	.. 4
B.Com. Degree .. .. .	.. 26
Accountants' Professional Examination .. .. .	.. 175

ORGANIZATION

Reference was made in last year's report to a survey that was being undertaken of the Department's organization and systems with a view to simplification of procedures so that the work of the Office could be carried out by fewer staff.

During the year all phases of the work were closely reviewed and steps were taken to modify systems and to eliminate unnecessary checks and precautions where this could be done without adversely affecting the services rendered. The delegation of powers to district officers, already on a generous scale, was further extended, and junior officers have been encouraged to assume increased responsibilities.

As an illustration of the increased authority granted to district officers, the change made in the method of administering estates under the control of a District Manager is cited. Previously the administration of these estates, although to a large extent performed by the District Manager, was nevertheless subject to a fairly rigid oversight by the controlling District Public Trustee. This oversight entailed detailed reference to the District Public Trustee (on matters which could well have been decided by the District Manager himself), with consequent loss of time and unnecessary work at the parent office. Under the new system the District Manager has been given much wider powers to deal with the administration locally, referring to his controlling District

Public Trustee only on matters of major importance. At branches controlling several District Manager offices, the change has resulted in an appreciable lessening in estates administration work, so much so that it has been found possible to release fourteen officers at the branches concerned.

Substantial savings have also been made in the accounting work of the Department by the widening of the measure of authority granted to accounting officers. As a result of this it has been found practicable to reduce considerably the number of Examiners and Senior Accounts Clerks at some branches, the work previously done by these officers now being shared among the remaining staff.

The staff at 31st March, 1949, numbered 902 officers; at 31st March, 1950, 846 officers, a reduction of 56 officers.

While it is not claimed that the reorganization of the work referred to above has been the sole contributing factor in effecting the reduction of staff, it has been the major factor. As a direct result of the reorganization approximately 30 officers were placed at the disposal of the Public Service Commission for transfer to other Government Departments. Other positions left vacant by officers on retirement or promotion to other Government Departments have not been filled.

An important feature of the reorganization is that, despite the reduction in staff and an increase in the volume of new business, there has been no impairment of the high standard of services rendered to clients of the Office or to the public generally.

Every effort is being directed towards reducing expenses so that the operations of the Department are conducted on a sound financial basis. At the same time action has been taken to ensure that the Department's assets yield an economic return, and with this end in view the consolidation of Office staffs has been carried out at Head Office and several of the larger branches so that further floor space might be made available for renting. Rentals exceeding £3,000 per annum are now being received for space previously unproductive. This policy will be followed wherever possible to ensure that all available accommodation is put to economic use.

Early in the year the estimates of income and expenditure were closely scrutinized, and prompt and appropriate action was taken to ensure that if possible a profit would be made. It seemed that the increases in salary from 1st June, 1949, would preclude this, but the expenditure was kept under close review throughout the year to such good effect that a profit of £7,016 was shown, as against a loss of £5,801 for the previous year.

CONCLUSION

In submitting this report I desire to place on record my appreciation of the co-operation and assistance given to me by the Assistant Public Trustees and of the services rendered by the staff at Head Office and the district offices and by the agents throughout the Dominion. The satisfactory results recorded during the year contain in themselves a tribute to their devoted and efficient service.

I have, &c.,

H. PEARCE,
Public Trustee.

The Hon. the Minister in Charge of the Public Trust Office.

Approximate Cost of Paper.—Preparation, not given; printing (1,194 copies), £27

By Authority: R. E. OWEN, Government Printer, Wellington.—1950.

Price 6d.]