

11. It is a necessary consequence of the present conditions, which have resulted in a lower earning-power of assets and in added difficulties both in the collection of rent, interest, and other estate income and in the realization of estate assets, that the revenue of the Department from commission charges has not shown an increase comparable with the growth of the business. To a large extent the remuneration for services which were rendered by the Public Trustee during the year under review will not be received until with an improvement in the general conditions a favourable market for realization develops. In these circumstances it is particularly satisfactory to record that the operations of the Department over the past year resulted in a surplus of £3,046, after making substantial provision for possible losses of interest in respect of the investments.

12. It was explained in the foreword to the Public Trustee's report for the preceding year that the administration of the Hawke's Bay Earthquake Relief Fund had been conducted through the Public Trust Office organization, the Public Trustee acting as Executive Officer of the Central Committee which controlled the disbursement of the fund. Owing in substantial measure to the efficient and expeditious services of the Public Trustee and his organization, the administration of the fund had been practically completed by the commencement of the year under review, but since that time a revision of some of the benefits provided for in the fund has become necessary in view of the recent decision of the Privy Council as to the rights of workers injured as the result of the earthquake and the dependants of workers who met their deaths under these circumstances to claim compensation under the provisions of the Workers' Compensation Act. In representative cases submitted to it the Court of Appeal in this Dominion had held that claims for compensation did not lie, and financial assistance was then sought from the Relief Fund to cover the expenses of an appeal against this decision to the Privy Council, which it was thought might be successful. The assistance was granted, and the appeal was upheld by the Privy Council. In consequence of this decision the provision made out of the fund for a number of persons injured and dependants of workers killed will be reviewed and a substantial measure of relief will be afforded to the fund. It will be seen from the appended report that the Public Trustee was directly associated with the submission of the cases to the Privy Council. In addition to his association with the administration of this fund, the Public Trustee acted as Executive Officer of the Wairoa-Gisborne Earthquake Relief Fund established to relieve distress caused by the earthquake which visited the Gisborne and Wairoa districts on the 16th September, 1932. The administration of this fund proceeded on similar lines to that of the Hawke's Bay Earthquake Relief Fund, and the services of the Public Trustee and his organization were made available without any charge to the funds.

13. In the administration of these special funds the Government have had direct knowledge of the quality of the services rendered by the Public Trustee and his staff, and that the same high standard of services applies to the general work of the Department is evident from the unsolicited expressions of appreciation from beneficiaries and clients which come to the notice of the Government from time to time, and from the absence of justifiable complaints of any moment.

GEO. W. FORBES, Prime Minister.

Wellington, 8th November, 1933.