

particulars of any complaints, say, during the past five years, by third parties; also, if, and what, delays occur in your receiving replies and instructions from Head Office, and if no delays why complaints made, and generally on points affecting the efficient working of your office, or calculated to improve same. It is desired report reach Commissioners on or before 23rd instant.

Their replies are herewith.

As it was known that the various law societies had from time to time made representations to the Public Trustee, we invited them to formulate their views, and we received communications from the following societies: Auckland District Law Society, Hawke's Bay District Law Society, Taranaki District Law Society, Nelson District Law Society, Canterbury District Law Society; and from Sir Arthur Guinness and others on behalf of the practitioners at Greymouth.

We also personally heard representatives on behalf of the New Zealand Law Society and the Wellington District Law Society.

Consequent upon a newspaper advertisement, we received letters from various members of the public, containing complaints of maladministration and remissness in relation to estates. We did not consider it within the scope of our Commission to inquire into these complaints from the point of view of being able to afford the complainants any remedy. We nevertheless did make an inquiry, and formed certain conclusions in some of those cases. The conclusions at which we arrived are embodied in a separate memorandum, as it might be thought undesirable to make the matters to which they relate public. In the other cases the explanation of the Public Trustee is appended to the complaint. We informed the complainants in each case that our report thereon would be forwarded to Your Excellency.

We now proceed to deal with the matters into which we were directed to inquire, and in doing so we shall, as a matter of convenience, alter the order in which the directions were put.

PRELIMINARY.

In order to make our subsequent observations clear, it is desirable to bear in mind that, broadly speaking, the functions of the Public Trustee come under two distinct categories, namely—(1) Those relating to the management and realization of estates; (2) those relating to the investment of trust funds.

Under the management of estates come such multifarious business as letting, supervising tenants, repairs, sales, carrying on businesses pending sale, and suchlike. Under the same head come the distribution of income, and the fixing and payment of maintenance for infants.

The investments of trust funds applies not only to moneys forming part of, or derived from, the realization of estates and not requiring to be immediately distributed, but also the large sums annually received on account of superannuation, sinking, and many other classes of public funds.

The functions with regard to investment are direct and simple as compared with those involved in management and realization, and obviously, therefore, call for less resources in the way of staff, and for less office expenditure, than are required for management and realization.

A point to be noted is that the functions of management and realization are carried out by means of the office branches and agencies in various parts of the Dominion under the control and direction of Head Office. The Trust Office in this respect is like a bank with a head office controlling the various offices at which the actual banking is done. But there is this difference: that in the case of the Public Trustee no provision is made by law (with the exception of the Act passed in 1912 authorizing the creation of Deputy Trustees at four centres) enabling the Public Trustee to delegate his functions. Up to 1912 the law was silent as to branches or agencies. The Public Trustee had, therefore, no alternative, even if for other reasons it was not the proper course to pursue, but to concentrate all the work of management and realization at Head Office by requiring that no act involving discretion or liability should be done without the sanction of Head Office. Hence with regard to