The principal factors which have contributed to the increase in the number of the staff employed are,—

- (a.) The marked expansion in the Department's business during the year:
- (b.) The rapid growth in the work of administering estates of deceased soldiers, and the agency work performed for soldiers on active service:
- (c.) The depletion of the skilled staff of the Office, involving the appointment of temporary officers who are less familiar with the details of the work.

APPEALS FOR EXEMPTION FROM MILITARY SERVICE.

The Board regretfully found itself compelled to appeal for the exemption of some of its staff from military service, but appeals were lodged only in the case of those officers who were regarded as essential for the conduct of the Department's work.

The process of substituting temporary officers for permanent officers called up for military service was carried as far as possible, but in a Department which administers assets to the value of over £17,000,000, controls the investment of funds of a total value of nearly £9,000,000, and stands in a fiduciary relation to all classes of the community, it is clear that there is a limit to the possibility of such substitution.

Before the war the shortage of skilled staff had become apparent.

In the report of the Commission which investigated the working of the Office in 1912 the Commissioners, Messrs. Alexander Macintosh and J. H. Hosking (now His Honour Mr. Justice Hosking) referred to the matter in the following terms:—

The staff is insufficient in numbers in the skilled departments and is greatly overworked. The extent of overtime worked indicates the inadequacy of staff, and also renders it impossible to get the best work out of it during the day. The undermanning particularly applies to the skilled staff.

The difficulty to which reference was made by the Commissioners has been experienced in an aggravated form by the Board during its year of office, and has rendered the staff problem extremely difficult of solution.

OPERATION OF THE PUBLIC SERVICE ACT.

Those who entrust their affairs to the Public Trustee have a right to expect safety, efficiency, and expedition in the conduct of their business. To ensure this the staff must be maintained at a high standard.

The Public Trust Office is a unique institution. Its work is highly skilled and technical, and the number and complexity of the problems which daily arise for solution make it essential that a staff adequate in numbers, possessing ability and aptitude in a marked degree, and thoroughly equipped with special knowledge of law, accountancy, or business practice should be provided to cope with the work. These requirements—(a) The provision of a skilled technical staff for the more professional portions of the Department's work; (b) the recruiting of special talent and experience for the business side of the Department's activity—render it imperative that those responsible for the Department should possess complete freedom in its administration, and particularly the power to properly remunerate those in its employ, and to take measures to recruit the staff whenever necessary.

Accretions to the staff have never kept pace with the expansion of the business. Five years ago it was reported, as referred to above, that the skilled staff was insufficient, and the position then disclosed still exists.

The Board reports that its experience of the working of the Department over a period of several months has demonstrated that the conditions essential to its well-being cannot be realized whilst the provisions of the Public Service Act control the employment of officers of the Public Trust Office. However suited the Act may be to the needs of those general Departments of the Public Service where the work is more or less routine in character and stationary in volume, its operation in such a Department as the Public Trust Office, where the work is highly specialized and complex in character, and manifests a rapid and continuous expansion in volume, impedes the safe and efficient conduct of the Department.