

1922, the Act presents an important practical problem how to ensure financial certainty, prompt payment of claims, and avoidance of friction at a reasonable cost. The Act provides no guarantee that compensation will in fact be paid on the one hand, or, on the other hand, that the employer will not be seriously affected by the incidence of an award for compensation. This twofold disadvantage is generally avoided by the practice of employers insuring against the risk. The Public Trustee as an employer in connection with estates administered by him is insured by the State Fire and Accident Insurance Department against claims under the Act, as also against claims under the Deaths by Accident Compensation Act, 1908, or at common law, or otherwise; and in accordance with the conditions of the policy it is his duty, in case of an accident within the terms of the policy, to transmit notice of the accident and all available particulars to the insurer as soon as possible. The object of such insurance is, of course, not to insure that the valid rights under the Act of an injured worker or his dependants will be effectively recognized by payment, but that the estate out of whose administration the claim arose is effectively protected against the incidence of a claim.

*As Representative of a Deceased Employer.*—Where a right for compensation has accrued due prior to the death of the employer a claim may be enforced against the deceased employer's legal representative. The Public Trustee's position in this case is different from his position in the case last considered. There he is primarily liable though he has a right to be indemnified out of the assets of the estate. In the latter case, however, he merely represents the deceased employer, and is liable only to the extent of the assets of the estate.

*As Representative of a Deceased Worker.*—The cases where the death of a worker is caused by an accident arising out of and in the course of his employment are naturally more numerous than those where an employer dies against whom a claim for compensation is pending. Though provision is made in the Act that if a deceased worker has no representative, or if proceedings are not taken by the representative within three months after the death of the worker, the proceedings may be taken by the dependants, it is the duty of the representative, where there is one, to prosecute a claim for compensation if there are reasonable grounds and he is protected for the costs of the action.

The prosecution of such a claim involves an inquiry whether the conditions precedent to liability exist, the most important of these being (a) the causes of the accident, and (b) the existence of dependants.

Inquiry is made with regard to each estate administered by the Public Trustee where the death was caused directly or indirectly by accident. It frequently happens that the immediate cause of death has been a disease, but this disease may have been accelerated by an accident. In one case a claim for compensation was established where a worker died from a disease brought on by an accident which occurred some twelve years previously.

When it is ascertained that the death was due to accident a copy of the inquest depositions is obtained if an inquest has been held, and a report is obtained from the local officer administering the estate as to the various circumstances and conditions requisite to support a claim.

A search for dependants frequently involves inquiries outside New Zealand, which may extend over a period of several months. It is provided by the Act that an action for compensation must be commenced within six months from the date of death. If the action is not commenced within that time the failure may be excused by the Court if due to absence from New Zealand or any other reasonable cause. The application is frequently made in such cases to the employer for an extension of time for the commencement of legal proceedings pending inquiries as to whether the deceased person left any dependants.

*As Statutory Administrator under the Mental Defectives Act.*—The condition of a mental patient is sometimes due to an accident arising out of and in the course of his employment, and, moreover, even though the mental infirmity was not caused by accident there would be a claim for compensation if the patient was incapacitated by accident at the time his mind became impaired.

*As Custodian of Compensation-moneys Payable to a Person under Disability.*—When any moneys are payable under the Act to a person under the age of twenty-one years, or of unsound mind, or under any other legal disability, the Court may