

performed by the existing organization with a slight reduction in the number of staff employed. At the same time it is evident that the high standard of the administration services which have in the past been rendered to beneficiaries and clients has been fully maintained.

9. Due to the unfavourable market which has existed for the realization of most classes of assets, the lowered earning-power of the assets, and the difficulties of collecting rent, interest and other estate income, the revenue of the Department from commission charges has shown a substantial decline, and this position has been accentuated by the decreased return from the investments of the Office. As the work involved in the administration of the estates and funds, the control of the investments, and the general operations of the Department have not decreased, but have, on the other hand, been greatly added to, a corresponding reduction in the expenditure has not been possible, and in consequence the accounts for the year's working have disclosed a loss of £18,614. As the Public Trustee points out, however, when conditions improve and realizations now deferred are effected the Office will then receive its remuneration for a substantial proportion of the services rendered during the year and these receipts will operate as a set-off against the loss at present shown. In this connection the whole position and the causes thereof are explained in paragraphs 33-38 on pages 14 and 15 of the Public Trustee's accompanying report (especially paragraphs 34 and 37).

10. In the administration of the Hawke's Bay Earthquake Relief Fund very valuable and efficient services were rendered by the Public Trustee and by the organization of his Office. As explained in my foreword to the report on the Public Trust Office last year, the fund has been administered by a central committee in Wellington, with the Prime Minister as chairman and the Public Trustee as executive officer, and by local relief committees set up in the earthquake area to attend to the detail work in regard to relief there. Practical assistance was given by the Public Trustee in the provision, without charge, of a competent and experienced staff to administer the fund upon the general lines laid down by the central committee. The Public Trustee has also held the relief funds at call pending distribution, and has credited interest on the daily balance at trust rates, this resulting in a substantial increment to the amount available for relief. The administration of this large fund, involving very extensive work of an unusual and difficult nature, was practically completed within a period of little more than a year from the date of its establishment, and this achievement was made possible largely by the assiduous attention devoted by the local relief committees to the work and by the expeditious and efficient services of the Public Trustee and his Office in the organization and performance of the work.

It is fitting that I should now place on record the central committee's appreciation of the services rendered by the local relief committees. At its last meeting the committee expressed the feeling that the thanks and gratitude of the people not only of the devastated area, but of the whole of New Zealand, were due to the members of the local committees for the painstaking work rendered by them, especially as the whole of their services were rendered in an honorary capacity.

At this meeting the central committee also expressed itself as being extremely well pleased with the services rendered by the Public Trustee. It recognized that the task of administration was a difficult one, and considered that the excellent and expeditious manner in which the work had proceeded was due to the very efficient organization of the Public Trust Office. It was also within the knowledge of the central committee that the local committees had expressed the keenest appreciation of the assistance given by the Public Trustee in the administration of relief matters. These committees were representative of their communities, and their appreciation of the manner in which the work has been done must be gratifying to the Public Trustee.

11. I have already referred to certain matters which clearly prove that the confidence of the community in the Public Trust Office is well maintained. It is evident that the Office is fully equipped to meet the exigencies of the present position, and that notwithstanding the added difficulties and responsibilities the work of the Department is proceeding to the satisfaction of the beneficiaries and clients. This is further evidenced by the absence of justifiable complaints of any moment from those for whom the Public Trustee acts or with whom the office is brought in contact.

GEO. W. FORBES, Prime Minister.

Wellington, 26th September, 1932.