

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.

The Board has had further experience of the working of the Act, and has seen nothing which would lead it to modify its previous opinion.

The Board gratefully acknowledges the consideration and expedition which the Public Service Commissioner, so far as the restrictions imposed by the Public Service Act permit, has given to the numerous and important requisitions made in the matter of staff; but the Board regards the machinery of the Act as wholly unsuitable in its application to a business office, tending, as it does, to constant and vexatious delay in the settling of appointments, which seriously impairs the efficiency of control.

So long as the staffing arrangements are subject to the conditions of the Public Service Act and regulations and the voice of the Board responsible for the management of the institution becomes, according to law, only of secondary importance, then so long must there be a loss of efficiency impossible of being denoted in sterling value.

The Board raises no objection to the application by any reasonable process of those safeguards adopted in modern times for preserving rights and privileges so as to ensure that merit and seniority of those in its employ are given proper consideration, but, being *de facto* responsible for the policy and development and business success of the institution, considers that it should not be hampered by the restrictions that now apply, more particularly the injurious effects arising from a division of responsibility of control, the evils of which must be apparent to any reasonably minded person who has had experience in the business management of a commercial undertaking.

DECENTRALIZATION.

The policy of decentralization of the work appertaining to the administration of estates which was inaugurated by the Board during its first year of office has been steadily pursued during the year. It is a matter for regret that an opportunity has not yet occurred of obtaining the further legislative sanction which was forecasted in last year's report.

Within the limits of the existing powers every possible means has been adopted of having the administration of estates transacted in close proximity to the clients and other interested persons.

The difficulties attendant upon decentralization are accentuated by the large volume which the work has now attained. The Board is of opinion that it would have been of the greatest possible benefit to the Office if decentralization had been carried out years ago before the work had assumed such large proportions.

During the year practically all new estates reported from Auckland, Wellington, Christchurch, and Dunedin have been delegated to the Local Deputy Public Trustees at those centres for administration, and this action has served to accelerate the winding-up of the estates and the distribution of the assets to beneficiaries. The wisdom of this course was amply demonstrated in connection with the sudden and large influx of work as the result of the epidemic at a time when the staff was seriously depleted. The work was disposed of with commendable promptitude, but if all the estates which came to the Office as the result of the epidemic had been administered from the Head Office as under the old system, with its constant cross-correspondence and traffic of documents between Head Office and District Offices, and *vice versa*, it is difficult to see how complete congestion of work could have been avoided.

In addition to newly reported estates the administration of many old estates has been transferred from the Head Office to the four principal District Offices during the year. Previously the rule had operated that the administration of estates exceeding £1,000 in value should be retained in the Head Office, except in special cases. This rule was not satisfactory, since the value of an estate is no true criterion of its difficulty: a very large estate may possess no features of special difficulty, whilst a comparatively small estate may from its complexity present problems of administration which do not lend themselves to ready solution.