H.—3.

prepared by the office, and of disseminating a knowledge of its scope, duties, and advantages—in a word, to popularise the office and to greatly increase its business. Where this shall have been well accomplished in any proposed district, it will become desirable either to divide the district, and appoint a district agent to each division, or to appoint a suitable man or men at the larger centres of population, to whom shall be assigned specified areas within which they shall perform the same duties as a district agent, but reporting to and taking their instructions from the district agent. But I need not, perhaps, anticipate the direction in which the development of the agencies will I have suggested a course for immediate adoption—one which I feel sure will answer satisfactorily. I will now endeavour to show the reason of some of the friction with the public which has occurred at some of the agencies, and to point out the remedy—partial perhaps it may be—which has been applied in the recent appointment at Christchurch. I will take the case of an intestate dying, say, at Ashburton, leaving a fixed-deposit receipt for £50, maturing ten months after his decease, and effects which realised £3 at auction. The police set about the arrangements for the funeral, and agree with the undertaker for, say, £5; but a friend of the deceased, not wishing to see him "buried as a pauper," orders a mourning-coach and cab, and the expenses mount up to, say, £9. The police report will have been forwarded to the agent at Christchurch, in which they will have mentioned the arrangement which they made with the undertaker; consequently, when the claim of the latter reaches the agent he is unable to understand the increased charge, being ignorant of the friend's interference. Correspondence ensues with the police, who interview the undertaker, and the explanation is given, and duly reported to the agent. He, it may be, considers the charge too high under the circumstances, and purposely omits to append his usual certificate without which no claim outside Wellington is paid. Correspondence then takes place with the agent, and further explanation is obtained from Ashburton, resulting in the agent's certificate being given, and the passing of the claim by me. The claim and all information is then forwarded to the Audit, who decline to pass the item for the carriage ordered by the friend, and fresh correspondence ensues, and the information thereby obtained forwarded to the Audit, who, however, remain obdurate, and decline to pass the account. Meanwhile, six or eight weeks have passed in this quadrilateral discussion between the Audit, the Public Trust Office, the agent, and the parties in Ashburton, and financially I have £3, less charges, and a fixed deposit receipt, which, unless I sacrifice interest, I am unable to cash for eight months or more, and the undertaker naturally becomes indignant at the delay. I refer the matter again to the Audit, who decline to pass the item for the carriage. In despair, I reduce the claim by that item. I am averse to losing the interest on the fixed-deposit receipt, so I appeal to the Board (without whose sanction I am unable to make any investment) to purchase the fixed-deposit receipt from the estate. By this means the estate obtains full interest to the date of sale. I now direct the reduced claim to be paid, and explanation sent to the undertaker as to the reduction. This treatment will be remembered against the office, and thus it happens that it is made to suffer on account of the present audit system, which I have vainly striven to alter by reports verbal and written to the various Governments during past years. The records will testify how frequently I have protested against an interference which has in the past greatly militated against the popularity of the office, and which, if not abolished, renders it utterly hopeless that the office can ever become the immense boon to the colonists for which its scope and objects so eminently fit it. I venture to think that, as the Public Trustee is responsible to the estates, the creditors, the next-of-kin or beneficiaries, and to the Supreme Court, it is reasonable to suppose that he will not pay away the assets of an estate without due care: at any rate, he is the responsible man as executor or administrator, as the case may be. We have treated hitherto with the district agency at Christchurch. There might be other district agencies created, and I will specify what, in my opinion, might be done in that direction. But first of all I wish to impress upon the Commissioners my view that, although it is not usual in the service to permit of the payment of commission—that is to say, the Government and Parliament incline to payment of salaries only—it does appear to me to be very desirable indeed, in order to increase the business of this office, which I am satisfied can readily be done, to give a special incentive to the officers by granting a small commission, and thereby enabling them to increase the usefulness of the institution. I now desire to bring before the Commissioners some cases of Audit interference—I do not use the term offensively to show how it has militated against the office, and to impress upon the Commissioners the absolute necessity of an alteration in the present audit system as regards this office, as the first step towards its popularisation. I do not for one moment assert that the department is going beyond what it conceives to be its duty. I believe that the Audit officers are acting in perfectly good faith, fully convinced they are doing their duty. All I say is, that, if it is their duty, legislation should alter it. Now, as far as the office and agencies are concerned, that is all I have to say. I wish now to answer some complaints which were made in the House respecting this department. I should very much wish that the persons making the complaints might have been called, in order that they might be more specific than they have been. At the same time, I consider it necessary for my own justification to bring before the Commissioners some of the statements that have been made, and my explanation of them. The Hon. Mr. Seddon asked the Minister for Native Affairs, on the 29th August, 1890, "If the Government will appoint a Royal Commission to investigate and report on the working of the Public Trust Department of the public service. The administration of the Public Trustee's department had by some means or another caused very serious dissatisfaction throughout the colony.

SA. Mr. Loughrey.] Mr. Seddon specifies some instances there, does he not?—Yes, he does. I think it will be necessary for me to read a letter from Mr. Harcourt, who is the lessee of a section of land at Arahura. That is one case referred to. Section 13 of "The Westland and Nelson Native Reserves Act, 1887," is as follows:—