

answer vague charges such as these which are made by members. I say most distinctly and emphatically that no person has written to the office without being able to get information. I say most distinctly that every man who writes or has written to the office for information has received it. Now, as regards the Public Trustee not taking up work unless he has his fees in his hands, that charge arose out of the case of G. W. Westropp: and it is necessary I should explain this very distinctly, because a false impression has been given about the case by that charge, and it will be for the Commissioners to say whether I can refute it or not. First of all, on the 20th August, 1888, D. M. Ross, of Timaru, telegraphed, "George William Westropp, a teacher, died on the 16th. His will said to be deposited with you. Daughter wants copy, also immediate protection. Stop payment against Raphael, money-lender, Christchurch, dealing with Government life policy £200. Kindly instruct self and Inspector Pender, Christchurch." I replied, on the same day, "Westropp's will not deposited here. Cannot act unless will found, or unless requested in writing by next-of-kin." On the 22nd August the Christchurch agents inquire if the will is in the Public Trust Office. They are told it is not. The Crown Solicitor, Mr. Martin, writes, on the 28th August, 1888, stating that there was not sufficient in the estate to pay the expenses of administration; but that the transactions ought to be looked into. It is a fundamental rule in the Public Trust Office, which is forced upon it by law and practised by the Audit Department, that the Public Trustee shall not pay out of any estate anything which is not there—in other words, that an estate shall not overdraw. There was a letter from Acland, Barns, and Co., dated 30th August, 1888, and then a letter from the same gentlemen on the 8th September, 1888. On the 10th September Acland, Barns, and Co. forward copy of a letter and promissory note received from Mr. Rhodes, who wishes the Public Trustee to apply for administration. Mr. Martin concurs that strict investigation is necessary. I reply to that, "The Public Trustee agrees that an investigation is desirable, but can only be authorised on condition that no fees be paid until funds accrue. He has not been informed of any other property except a life policy, said to be assigned to Raphael."

29. Were inquiries made at the Government Insurance Department?—On the 3rd September, 1888, I applied to the Government Insurance Commissioner as to the position of the policy, and Mr. Richardson, who was then Secretary, wrote, "The policy No. 50280 has been assigned to Mary Ann Raphael, and such assignment was registered in December last." Then I got another letter from Acland, Barns, and Co., on the 2nd October, 1888, "Mr. Raphael has received the amount of policy. Are satisfied that a large proportion should be the property of the children." I wrote on the 4th October to the agents, "I am directed by the Public Trustee to inform you, in reply to your memorandum of the 2nd instant, that it is quite impossible for me at this distance to take action which must of necessity be initiated by the agents, and that he is quite prepared to pay any reasonable sum for investigating the affair, provided always that sufficient is recovered out of the estate for the purpose." That is the case; and what I would draw the attention of the Commissioners to is simply this: that I acted legally, and in accordance with the practice of the office since its inauguration; and to hold that the Public Trustee is to take action in favour of any person at the expense of the colony is, to my mind, untenable. It is only right that I should add that the then Colonial Treasurer, Sir H. A. Atkinson, authorised such payment out of the Expenses Account, on the recurrence of such a case, as might be necessary to defray the cost of a proper investigation.

30. *The Chairman.*] What has been done in the case?—Mr. Martin has taken action *in forma pauperis*, and has recovered £57 from Raphael. The member also says, "As far as he could find, the Public Trust Office had no system of sending out proper accounts every three or six months to the beneficiaries." Mr. Rhodes was misinformed, because the rigid rule of the office is to send out statements of accounts every three or six months, when remittances are made, which depend entirely upon the form of investment. If moneys are invested in Government securities the interest is payable by the Treasury on the 30th June and 31st December. In such cases statements of account are made half-yearly. Where moneys are invested on mortgage, and the contract is that the interest shall be paid quarterly, remittances are made and statements of account are rendered quarterly. But if the member meant, as I think he did from his following words, "This was a very great hardship to people, who really did not know what they might expect they would have to live upon for the next six months or so"—if he meant that the Public Trust Office does not, as many private merchants and solicitors do, pay to beneficiaries the interest which has become due, although they themselves may not have received it, then he is correct. The office does not advance interest which it has not received. As regards the centralisation of the office in Wellington—his third charge—of course I have nothing to say. It is a fact that it is centralised in Wellington, just the same as the head office of all the leading companies must have some centre. Mr. Rhodes says, "Other private offices had reduced their charges, and he thought the Public Trust Office should reduce their charges also. When money was deposited at a bank 5 per cent. was a very high charge for collecting interest, as in the case of the Gisborne Harbour Board." The fact of the matter is that $\frac{1}{2}$ per cent. is charged against the Gisborne Harbour Board for receiving that particular interest. Again, the member went on to say, "Although they charged commission on all sums, capital, and interest which they received, yet the business did not pay for the working of the office." The fact is that nothing is charged for the receipt of capital. Then he says, "The accounts had to be preaudited by the Audit Office in Wellington before they could be paid. That was a very great hardship to beneficiaries." I quite indorse his opinion on that point. Mr. J. C. Brown says, "In a matter in which he himself was interested, and which only involved interest to an amount of £24 a year, being £800 invested in English consols at 3 per cent., the charges of administration amounted to £4. The solicitors' and other charges in England were considerably over £2, and then there was 5 per cent. charged by the Public Trust Department. What he had to complain of was that a principal of £800 was invested in such a way that it yielded so small an amount." The reply to that is, that the £800 was invested by order of the Court of