

Chancery in London; and clearly the Public Trustee is not responsible for what the Court of Chancery in London does.

31. *Mr. Loughrey.*] Did you make any efforts to get that money out here?—Yes; we have it here.

32. At what rate of interest is it invested?—Five per cent. Mr. Brown goes on to say, “He would give an instance in which a sum of £1,400 was willed to a person in the colony, and when it got into the hands of the Public Trustee it was reduced to £1,250, the expenses having amounted to £150 in England; and in New Zealand, through the Public Trust Office, another £50 was swallowed up in expenses.” My answer to that is, that I cannot control the costs of the English solicitors. A hundred and fifty pounds appears heavy; and the £50 said to be paid for legal expenses in New Zealand was not paid without the usual taxation.

33. How were those expenses incurred—£50 seems a lot of money?—It was incurred by solicitors in Wellington sending necessary information to the English solicitors, consisting of the Lunatics Act, Public Trust Office Acts, verified by the seal of the colony, a power of attorney from the Public Trustee, and other legal documents necessary. A little later in the debate, it was stated in the House by a member that “he believed there was a man in their district who received 10 per cent. for collecting” (rents of Native reserves). My answer to that is, that the agents receive 5 per cent., and no man in the colony is receiving 10 per cent., or more than 5 per cent. He says, “We pretend to administer their estates (meaning the Native estates), and then allow it to be said, and said truly, that it costs us 25 per cent. to administer the cash we shall get for these people, and 5 and 10 per cent. to collect it.” My reply to that is, that it costs for administration and collection $7\frac{1}{2}$ per cent., which is very much less than the administration has ever been conducted for before. There were complaints made by two or three members of the excessive charges. I should like to point out to the Commission that by the Administration Act of 1879 an executor is permitted to ask the Court for a percentage for his work not exceeding 5 per cent. Now, if an ordinary executor may receive 5 per cent.—and he is not able to give the guarantee which the Public Trust Office can give—I say that a charge of 5 per cent. or less, according to the amount of estate, cannot be an excessive charge by the Public Trust Office—that is to say, in other words, that if the Public Trust Office, as it does, charges 5 per cent., with the guarantee of safety which it is enabled to give, it cannot be considered excessive when the Court orders to ordinary administrators the same rate of remuneration.

34. Do you know that the Court in large estates never orders 5 per cent.?—We do not charge 5 per cent. in large estates. If the Commissioners will look at our scale of charges, they will find that our lowest charge is 1 per cent.

35. *The Chairman.*] In reference to that Gisborne loan, I understood you to say that for collecting the interest once a year you charge $\frac{1}{2}$ per cent.?—Yes, on that particular investment.

36. What trouble or risk does it occasion to the office to collect that interest?—Very little, excepting the renewal. We have to send directions to renew. Directions went up two or three days ago.

37. These directions mean writing a memorandum or letter?—Yes, that is all.

38. In collecting that interest you take it out of the bank?—This is the *modus operandi*: We send to the Union Bank of Australia, Gisborne, to renew the fixed-deposit receipt on its due date at the rate of interest then current, and request them to hand over the interest then due to the Secretary of the Gisborne Harbour Board—that is, the interest accrued to the date of the redeposit.

39. What is the amount of that interest?—Five per cent. at present.

40. Then the interest would amount to nearly £3,000?—Yes, in round numbers.

41. And the Public Trust Office would charge nearly £15 for that operation?—Half per cent.

42. You charge about £15 for that operation?—Yes; that is so.

43. It entails upon the Public Trust Office the writing of a letter and the cost of postage, but really no handling of the money?—That is so.

44. Do you think that is a reasonable charge for the office to make?—Yes, because the responsibility is great.

45. Where is the responsibility? You do not handle the money?—The responsibility is in seeing that it is paid over at the proper time, redeposit money, and so on.

46. But the banks do that?—Yes, on being told by us.

47. Is not the Gisborne Harbour Board a public concern, which concerns the colony in a certain way indirectly as this office does more directly?—Yes; it is a public body.

48. And, this being presumably an office for the convenience of the public, I ask you again whether, in your opinion, it is a reasonable charge?—That question may be answered in this way: The Crown Lands Department administers the lands of the colony. They do it for the public benefit. Very well, the colony pays for it. If the Public Trust Office is to do its business in the same way there is no objection; but Parliament and Government have decided otherwise—namely, that it shall be self-supporting. If duties are cast upon it which are not remunerative then it follows that it cannot be self-supporting. If it is to be self-supporting these fees must be charged.

49. Your office must make certain charges to be self-supporting; but is there not a degree by which to regulate the charges, according to the volume of business and the risks to be run, where, in the public interest, the charges ought to be at a much lower rate than they are? Have you ever considered that?—Yes; very often. But it appears to me it would be a task of very great difficulty indeed to have a number of tariffs in order to fit specific cases. For instance, one estate comes into the office. Say it is £1,000. That estate gives enormous trouble, and the charge of the office—5 per cent., or whatever it may be—does not pay the office for the trouble involved. Another estate of the same magnitude comes in, and there is no trouble at all. The same charges are made. Equitably, that is wrong; but if we were to attempt to say, as a lawyer does, “The