

689. Then the Board exceeded its power?—Yes.

690. Is your office Solicitor ever consulted as to these matters?—No; not in matters as between the Board and myself. He was not consulted in this matter.

691. There are some very startling positions in this return, which deserve your attention, because the values of the Property-tax Department are very widely different from that which is assumed by the borrowers themselves?—We take no notice at all of the borrower's valuation.

692. They are very different even from the private valuers' notions?—It must be borne in mind that since the property-tax valuation has been given it is quite likely that buildings of some kind have been erected; so that it is scarcely fair to take the property-tax valuation entirely without further inquiry.

693. Not if you take it for this year. If the mortgage was granted some years ago, and the property-tax valuation is made at a period subsequent to that, the probability is that the property-tax valuation would be greater. Here is another case, in which £3,865 is lent, and the property-tax valuation is £3,677?—I should require the papers before giving an explanation.

694. *The Chairman.*] Are you aware it is the general impression throughout the country that the colony is responsible for any losses made on mortgage business done by the Trust Office? The general feeling amongst the public who do not know better is that the colony is responsible?—I was not aware of it. I have advertised very differently. I have not advertised to give that impression.

695. Looking at the increasing business done, and which can be done in the future, have you ever thought whether, in case an independent officer were appointed and on the staff of the Trust Office to solely give his attention to valuations and inspections of property with which the Trust Office is connected, such an appointment would be of service in connection with the interests of the Trust Office?—I have considered that, and it has been very carefully considered by the Board of the Government Insurance Office as far as that business is concerned. I have come to the conclusion that the employment of local valuers would be more safe to the department lending the money, and would give greater satisfaction to all concerned. Then, if we had, say, an Auckland man appointed as valuer, and in the course of his duty he was sent away to Invercargill, we could not hope that his valuations would be as good as those of a local valuer, better acquainted with the value of property there. An Invercargill valuer would better understand the values in his own district.

696. Do you not think there are always local influences, more or less, that may or may not sway the valuations of the local man?—No doubt. We are between two difficulties—that difficulty on one hand and the ignorance of the man on the other.

697. Take the instance of an Auckland man valuing property at Invercargill: if he had general experience would he not be gaining in the course of his duty every day experience towards enabling him to make an independent valuation?—No doubt; but hitherto the business in this particular direction has not warranted the appointment of a valuer on the office staff.

698. *Mr. Macdonald.*] Would it not have been almost better to have had one man employed in each local district, and recognised as your valuer, rather than have strayed from flower to flower?—Yes.

699. The practice now is to select from a certain number of individuals in each district?—Yes. I do not know that any greater gain would accrue than has done.

700. You are charged with the administration of Native reserves?—Yes.

701. You have got Native reserves in the City of Wellington?—Yes.

702. Have you ever gone into the question of the proper administration of the Native reserves granted for religious and charitable purposes (*Vide* report of the Commissioner of Native Reserves presented in 1871 to Parliament)?—That does not come in under the Native Reserves Act of 1882.

703. You will see that certain of the reserves there were granted for certain religious and charitable purposes; and I shall be glad if you will tell the Commissioners whether it does not come within the scope of your responsibilities to examine into the administration of these reserves?—I shall take a note of the question, and report.

TUESDAY, 14TH APRIL, 1891.

Mr. R. C. HAMERTON, Public Trustee, further examined.

Witness, at their request, handed to the Commissioners a copy of the Public Trust Office Bill, 1885, and also a copy of the Public Trust Office Bill, 1890. He desired also to read the following memoranda, and to put them in evidence:—

*Memorandum for the Hon. the Premier relative to a Change in the Government of the Office.*

The large increase in the business of the Public Trust Office, and the conviction that the time has arrived for an alteration in its constitution as at present existing, induce me to approach you with a recommendation, which I venture to submit, with a view of adequately providing for the vastly-increased and largely-increasing duties.

Under the present law the Public Trustee is the sole director and responsible head of the office. Every question must be dealt with by him in some shape or form, and only comparatively recently no record was permitted to be filed without his direction; and in the earlier days of the present Trustee's administration no action or correspondence was taken or written without his instruction.

The constant and increasing pressure of work has necessitated, from time to time, alterations in the method of office routine, and gradually more and more of the work has been placed upon the shoulders of the Chief Clerk, Accountant, Sub-accountant, and Ledger-keepers; whilst the Solicitor, the last addition to the staff, undertakes the supervision of the internal legal work of the office, advises me upon all points of law, and materially assists in consultation.