

do what was necessary in the realisation of a valuable estate?—Yes, that is so; and I may mention incidentally that there is a considerable amount of work involved when you transfer from one account to another. Of course there are the necessary journal-vouchers to prepare, then it has to be put on requisition, posted, then more journal-vouchers reversing the entries, and other forms to be gone through.

1499. And, after all, the hindrance imposed by the Audit upon your easy method, against giving an advance by way of overdraft, did not make the Public Trust Office any more safe in conducting its business?—It rather increased the risk, because you might overlook the overdraft.

1500. In the form of making advances imposed upon you by the Audit?—Yes, because it complicated matters and increased the risk.

1501. In other words, if you had been allowed, under the usual method adopted by commercial houses where they have to make advances, to make an advance direct by overdraft, there could be no possibility of that overdraft escaping your notice?—Not the least chance, and the Audit would have had just as much security, because they would see at once what the overdraft was and what the assets of the estate amounted to, and could satisfy themselves that the risk was a safe one.

1502. The security would be the same in any case?—Yes.

1503. Then, it comes to this: that in the mode of conducting the business of the Trust Office, where an estate had to be assisted in order in the first instance to get at its assets, your office has been compelled to travel three-quarters of a mile away, and bring that assistance round through the Audit Department?—That is so.

1504. Has this state of things caused your office very great inconvenience?—It has.

1505. And must have given rise to almost daily dissatisfaction among your clients?—Yes, it has.

1506. Have you found that?—I have.

1507. Then, you have no hesitation—if you have, say so—in offering the opinion that the Public Trust Office should be allowed to be the judges as to the security of making advances to estates from time to time for the purpose of realising assets where it happens that those estates are for a time without the immediate cash?—Yes; I am quite clear on that point. I think the Public Trustee should be the man to manage the estates, more especially as if there is any loss he is personally liable.

1508. I apprehend that there could be no loss, unless with absolute recklessness, where you, for instance, before you attempted to make an advance, had satisfied yourself and the Public Trustee that there were more than sufficient assets in your hands?—Yes; the Public Trustee always looks to that point.

1509. For instance, you would be in quite a different position from an ordinary bank-manager in this respect: Banks, as you are aware, and commercial houses, sometimes make an advance by way of overdraft on the mere security of the good name of their customer, without really having anything tangible as security?—Yes.

1510. But it would never for a moment be thought of to do that sort of business in the Public Trust Office?—No.

1511. One of the fundamental rules of the Public Trust Office would be that, under any circumstances, you would only propose to make an advance by way of overdraft where you knew you had in the estate in your hands more than sufficient to meet that advance, when circumstances allowed, and you thought it desirable, to realise it?—Yes, most decidedly.

1512. Have you had cases of inconvenience frequently arising from this difficulty in the way of making a temporary advance?—Yes; I may say, in fact, that they arise almost every day.

1513. Then, the Public Trust Office has had a good deal of blame in that direction really through no fault of its executive?—Yes.

1514. You really have not been responsible for this blame, because you have been tied hand and foot, if I may so express it, by the requirements of the Audit Department?—Yes; that is so.

1515. Then, be clear on the point. I understand your opinion, as well as that of Mr. Hamerton, to be that the sooner that is changed the better, and it would be in the interests both of the Public Trust Office and of the public?—Yes, I believe it would be.

1516. Are these the rough cash-books which you have brought up?—Yes.

1517. They all seem to be similar and identical to the ordinary books used by bakers and butchers for their accounts when trading with customers. That is about the character of them?—Yes.

1518. With this difference: that the baker and butcher keep their books in better form, and do not rule through their accounts as these are ruled through, but simply receipt their books when they get paid?—Yes.

1519. You observe that these books seem to be ruled through page after page, as I presume you disposed of the cash passed through them?—Yes; that is so.

1520. Well, now, do you not think that is rather a—shall I say loose, and slovenly, way of keeping any books where cash entries have been made?—Well, the blocks of the receipts remain as the prime entry of the cash.

1521. Admitting all that, still, notwithstanding that you may have many other books and blocks of receipts showing the same entries again and again, I ask you again if it is not a loose system and a slovenly system to have books in an office like this ruled through in that form?—Well, they are not so good as they might be: I must admit that.

1522. Is it not slovenly to cross out pages and pages of large money transactions with pen-and-ink lines drawn from corner to corner as you see here?—It is not so nice as it should be.

1523. Would you call it proper?—No; it would be far better if the entries were made in a good book, without these lines.

1524. I am not finding fault with the size of the book, if it is sufficiently large for its purpose;