

2097. When you became the purchaser at auction, I presume your bid was the highest bid?—Yes, it was the highest bid.

2098. Now, what is your idea, viewing the practice of the officers of the Public Trust buying any portion of a deceased person's estate when exposed for sale by auction, either in a legal or moral point of view?—I do not agree that it is good for any officer of the department to be seen at an auction-sale. Therefore, when I bought this watch I sent one of our juniors over, who is not known, to bid for me.

2099. Then, I suppose that was his first lesson in that kind of business when he attended the sale?—That I cannot say.

2100. Well, then, supposing even that the officer is not known, and yet as an officer buys effects that are in the keeping of the Public Trust, whether he purchases himself or through another, do you think that, in a moral or legal point of view, the transaction is a correct one?—I do not see why it is not correct. It secures a better price for the estate than the next bid below, and it is better for the estate that way.

2101. But has it never occurred to you, as one of the chief officers of the Public Trust Office, that you and all other officers are more or less in the position of trustees in respect to your dealings with *cestui que trusts*?—Well, I do not know that they are affected in a matter of this kind in that way.

2102. You never thought of it in that way?—No.

2103. Are you aware that a trustee cannot buy—would not be allowed to buy—anything in connection with an estate for which he acts as trustee without the consent of the Court?—I know that a trustee must not profit by his trust.

2104. You know that a trustee must not buy anything connected with his trust without the consent of the Court?—Yes.

2105. Has it never occurred to you that any part of any estate, whether realty or personalty, is part of your trust—when I say “of your trust,” part of the trust of the Public Trust Office, of which you are an officer in a high position?—Well, I do not see that that applies to the officers in the department. Of course, I do not believe in the officers appearing at the sales and bidding. It makes a bad impression on the public.

2106. When any officer becomes inclined to possess an article that is in keeping of the Public Trust Office, and has had an opportunity of inspecting that article, and in his own mind appraising it, where is the difference, whether it is bought directly by himself or for him?—There is no difference at all; but of course really the officers of the department have no more advantage over the public than any one else, because the public have the right to inspect these things at the auction-room.

2107. I notice that one firm of auctioneers in this city were particularly favoured with all those kind of sales?—Yes; that is so.

2108. Will you name that firm?—George Thomas and Co.

2109. Then, I presume that they were on very good terms with most of the officers in the Public Trust Office?—I do not know how we can say that; in fact, I am not on any terms with George Thomas and Co. at all.

2110. You knew them very well?—By sight.

2111. Had you never to instruct them in connection with these sales?—No.

2112. But some officers had?—Yes.

2113. Why were these sales always put through the hands of one firm of auctioneers?—I believe the idea was that, as the sales were very unequal—sometimes a sale was a good one, and at other times there were very little things to sell—they would take the good with the bad.

2114. Did George Thomas and Co. charge the usual commission, or make any special concession for having these sales?—I do not think they did that.

2115. Do you mean to say they charged the usual commission, and just as much as if they got only an occasional sale?—I do not know what commission an auctioneer would charge on a sale, say, of one watch, bringing 10s., 12s., or £1. I do not suppose he would do that on the same commission as a sale realising £50.

2116. No; but seeing that all that class of estates went into that particular firm's hands for sale, by auction or privately, whether they were large or small, would that firm, and did that firm, charge your office the same rate of commission that they would have done for simply getting any ordinary single transaction?—Yes, I think so.

2117. Then they made no concession because they got the whole of that class of business?—No.

2118. *Mr. Loughrey.*] Had you any idea of the value of the watch purchased for you at that sale?—I was told that a similar watch once before fetched £2 10s.

2119. Have you learnt the value of the watch since?—No, I have not.

2120. Do you think you paid full price for it?—I think I paid full auction-price. The watch might be worth £5 or £6 to buy new, probably is.

2121. *The Chairman.*] You say you do not think that Thomas and Co. made any concession by way of commission?—No; I do not know of any.

2122. You do not think they have ever returned to any one any sum by way of rebate on commissions they had charged?—No; I never heard of a case of that kind.

Mr. PETER PURVIS WEBB examined.

2123. *The Chairman.*] Mr. Webb, you are on the staff of the Audit Department?—Yes.

2124. How long have you been connected with the department?—Since November, 1874.

2125. What have been your duties?—The first work I took up when I entered the Audit Office was the examination of stamp accounts.