

still to exist, notwithstanding the remonstrance of the Public Trust Department?—Yes. I think the remonstrances of the Trustee, or rather the position he has taken up, is very much exaggerated. No friction ever arises between the Insurance Department and the Audit.

2274. *Mr. Loughrey.*] Do you exercise any control over the expenses of the Public Trust Office?—Yes.

2275. *Mr. Macdonald.*] Has not considerable delay arisen in consequence of that control?—No.

2275A. *The Chairman.*] But you have not got such a various kind of business to deal with in connection with the Life Insurance Department as you have with the Public Trust Office?—No.

2276. The business of the Public Trust Office now partakes more of a commercial character?—Yes.

2277. Then, I take it the books of the Government Life Office are more simple to audit—are they not?—I do not know that they are very voluminous. They have a complete system of double entry in the Insurance Department, and a very large number of books.

2278. *Mr. Macdonald.*] What system do you call it that obtains in the Public Trust Office?—I think it is a sort of composite arrangement.

2279. Then, it is not the same system here that it is in the Insurance Department?—No.

2280. *The Chairman.*] Could you find any summations in the books of the Insurance Department not filled in in ink?—No.

2281. From your experience in connection with this office, do you think that this examination, whatever may be the result, has occurred any too soon?—That I do not know. I do not quite know what the Commission was appointed for.

2282. For the general good of the Public Trust?—As regards actual correctness of entries in the books, I have no doubt about them, however slipshod they may be in the interval portion.

2283. Do you keep the books in the Audit Department on double entry?—No; the only ones we keep are simply books for checking the appropriations of Parliament.

2284. Are they kept by double entry?—No; only so much voted, so much paid away, and so much balance. That is checked once a week with the balance in the bank. At one time the Audit used to keep a set of duplicate books with the Public Trust Office. That was abolished, I think, in 1884.

2285. You have frequently had occasion to put your signature or initials in some books of this office?—No.

2286. Do you sign none of them?—I sometimes initial Mr. Moginie's imprest ledger.

2287. Do you sign or stamp your initials or signature?—I stamp them.

2288. Do you think that a compliance with the Act?—I do not know that there is provision in the Act for putting any signature at all.

2289. Have you read the Act? There are many Acts dealing with the office. I presume you are well up in the Acts?—Yes, we have frequently to deal with them.

2290. Then, where the Act says it is necessary to sign, do you think a stamping of the signature suffices?—I think the only case in which it is necessary to sign is the general cash-book, which is signed in full by Mr. FitzGerald. The Public Trustee signs in full with a stamp.

2291. I understood you to say you had read the Act, and understood its meaning?—Not necessarily with regard to the duty of the Public Trustee. It would not be part of our function to see that the Public Trustee did his duty.

2292. Is it no part of your function to see what his duties are?—[No answer.]

2293. Then, in carrying out your duties, you confine yourself to the actual requirements of the Act?—On an odd occasion we have made suggestions, only to find the Public Trustee to say, "That is my duty, not yours." When you find a man restive you will leave him alone. For some reason he seemed to be always very sore on the matter of audit.

2294. There has been a good deal of friction between the Public Trust and Audit Departments?—I do not know that there has been a good deal of friction. There have been at times very strong memoranda.

Mr. FREDERICK JOHN WILSON, Solicitor in the Public Trust Office, examined.

2295. *The Chairman.*] Mr. Wilson, how long have you been connected with the Trust Office?—Since 1st October, 1886.

2296. Your profession is that of a solicitor?—I call myself a solicitor, but I am an enrolled barrister and solicitor. I articulated for solicitor. I have never practised in the Supreme Court, though in the inferior Courts often enough.

2297. Would you state to the Commissioners what the terms of your engagement are?—I am engaged under the Civil Service Reform Act of 1886, on three months' notice on either side, at £500 a year.

2298. Any promise of improvement?—No; it is rather exceptional. I was negotiated with six months before the Act passed, and the original agreement was that I was to have £500 for one year, I think, and then a promise of an increase if satisfactory; but as the Bill was before the House, and Sir Julius Vogel, then the Ministerial head of the department, refused to do anything towards the appointment until the Bill was passed, he substituted this, and, as I was almost prepared for it, I did not think the difference was worth bothering about.

2299. In order to join the Public Trust Office you gave up a good practice in Otago?—I made, and can show the figures for it, an income at the rate of £750 net for 1886, and my only fear was that if a third practitioner came into the district it would cut it down. Until this day no third has come, and my successor, who bought my business, has stated his obligations to me for putting him into what he thinks a good thing.

2300. Is your time wholly taken up in a professional way in connection with the Public Trust