

of the Public Trust Office funds for the prosecution of this action. You ought to represent to the Government that the costs of these proceedings, which will be undoubtedly expensive, should be paid out of the ordinary revenue." In consequence of that I thereupon sent a copy of this letter to the Government, and was referred to Mr. Sheridan, who is an officer in the Native Land Purchase Department—I think his title is Native Land Purchase Officer—and he told me that any moneys that would be required I could have on application to him. Subsequently, some moneys were required, and I applied to Mr. Sheridan. I wrote to him, but he was then out of town, and I received a telegram in which, amongst other things, he states: "I will be in Wellington on Wednesday. You can have as much money as you like then." I had no reason to believe the money would not be forthcoming, and it was subsequently paid to me. I did not do anything further until after the decree was served upon me, and I forwarded it to the Government with a request that I should be put in funds to pay these costs. Mr. Stafford, in forwarding the decree, says, "The defendants will require payment of these costs at once. Please therefore let me have a cheque for that purpose." I did not get any reply from the Government, and consequently sent the accountant in the office to endeavour to obtain the money. He went several times, and came back and said Mr. Sheridan was unable to give him the money. I then wrote to Mr. Sheridan as follows on the 6th September: "The position is this. The amount of these costs has been settled by the Supreme Court decree, and the defendants are in a position to issue execution if the costs are not paid at once." Then follow certain things that are not material. I then state, "You previously informed me that I could have any money required in connection with Horowhenua. This money is required at once. If the Minister wishes to deal with all the costs at the same time, the difficulty might be got over by my paying out of unauthorised expenditure the amount now required as a temporary thing until Messrs. Stafford and Co.'s costs are received. Please obtain Minister's approval to this course, if he agrees." The message I received was that the Minister wishes to deal with my own solicitor's costs and the costs of Messrs. Buller and Beddard at the same time. On the 6th September we had previously applied verbally. I received no reply. On the 9th September I wrote: "With regard to the costs ordered by the decree to be paid to the defendants, I must beg the Government to place me in a position to pay them. The amount is settled by the order of the Court. The defendant's solicitors have repeatedly, I am informed, asked for it, and are now threatening to issue execution. I have no power to apply my office funds towards liquidating the amount ordered to be paid. Mr. Sheridan assured me that any moneys which I properly required would be paid me on application. My accountant has been to him now five times to endeavour to obtain the amount payable, but without result." Between the 3rd and the 9th September the accountant was going morning and afternoon with instructions to endeavour to get this money. Then, subsequently Mr. Stafford wrote to me, stating, "I think you should finally urge the Government either to furnish you with funds to pay these costs, or to authorise you to pay them out of the Public Trust Office Account. It would be a very deplorable position if execution is put into the Public Trust Office to enforce payment of the costs, or if the Public Trust Office is charged with contempt in disobeying the decree of the Supreme Court. Under any circumstances, it appears to me that the Government lay themselves open to criticism in not furnishing you with the funds to pay these costs, or, in the alternative, giving you authority to pay them out of the Public Trust Office Account. If the costs are not paid, then, apart from the public scandal, further costs will be the result, and it is impossible to say what the outcome of the proceedings may be. That you will send this memorandum to the Government is plain, emphasizing the urgent necessity of having the costs paid either by a direct cheque from the Government or by a cheque from yourself, authorised by the Minister, whose sanction is necessary. After this memorandum it seems to me that nothing is left except to await whatever proceedings the defendants may take." I forwarded that to the Hon. the Premier, and still with no result; and so I thought then I would see whether the Audit would pass the amount, and I would put it through without further reference to the Government. I laid the matter before the Audit Inspector, and on the 20th September he informed me that he had seen the Auditor-General and the Audit Office would not pass such payment except out of unauthorised expenditure, and then only on the approval of a Minister. Then the Minister of Lands, who, by arrangement amongst the Ministry, is the Minister to whom the ordinary correspondence of this office is addressed, being out of town, I forwarded the following letter to the Premier with a copy of past correspondence: "As the Hon. the Minister of Lands is, I understand, absent from Wellington, I forward herewith, as the matter is urgent, copy of a letter which I have just received from Mr. Stafford. I also enclose copies of previous correspondence. I understand that the Hon. Mr. McKenzie wished to receive the costs of Messrs. Stafford and Co. before dealing with the matter. These costs, however, have to be made up and taxed, so that some considerable time must elapse before they can be submitted for payment." I received back a memorandum to the effect that as soon as the costs of my solicitors were rendered and taxed, the whole thing would be considered by Cabinet. Then this application was made to the Court. I wrote to the Government on the 5th October: "The defendants have applied to the Court for an order directing me to attend and be examined as to what property is under my control, so that they may ascertain whether I have any property which can be charged and attached to pay their costs. The Chief Justice to-day adjourned their application, but intimated that I ought to apply to the Government and obtain a definite answer as to whether the Government would pay or ask the House to vote the amount of the costs in question, and the matter has to come on again for hearing to-morrow week. I have received this information verbally from Mr. Stafford, and I enclose a copy of a letter which I have received from him. Mr. Stafford's costs have been rendered and are being taxed, and, if the Registrar is available, the taxation should, I think, be completed to-morrow." The following is a copy of the letter from Mr. Stafford, which was enclosed: "The summons taken out by the defendants to examine you as to what debts or sums of money were held by you with respect to which a charging-order could be made came on for hearing before the Chief Justice this morning. Mr. Baldwin and myself appeared for you, to show cause why such an order ought not to be made. The Chief Justice made no order, and intimated that he thought that no charging-order would be of any avail; at the same time, while he thought that your examination by the defendants might be fruitless in disclosing assets which might be made available by a charging-order, yet that he thought that the defendants might be entitled to have you examined. The Chief Justice expressed no decided opinion upon either the right of the defendants to have you examined, or as to whether there was any property against which the charging-order could be enforced. He intimated that the defendants ought to be informed whether or not the Government intended to provide funds to pay the defendant's costs, and, for that purpose, adjourned the summons until Wednesday, the 13th instant, in order that you might, by communication with the Government, ascertain whether they intended to recommend to Parliament the vote of a sum of money to pay these costs. Under these circumstances you should ascertain from the Government whether or not it intends to place on the estimates a sum of money to pay these costs, so that the defendants may know what they are to expect. If the Government will not give you a decided answer on this point, then it appears to me that the Chief Justice may make an order for your examination. I feel satisfied that no charging-order can go against any assets in the Public Trust Office." In the meantime Messrs. Stafford and Co.'s costs had been rendered, and were referred to the Registrar for taxation, and were taxed in due course. Then on the 9th October I received the Registrar's allocator or allowance, and I wrote to the Government informing them that the taxation was completed and at what amount the bill had been allowed. There the matter rests, and I do not know that I could have done more than I have done to endeavour to get these costs.

I understand, Mr. Martin, the Government have given you no reply as to your application either to provide the funds or to your application as to whether they would ask Parliament to vote the necessary amount?—I omitted to mention that I received my memorandum of the 6th September back with a note upon it that the Minister could not authorise payment, and requesting that I would forward him the total cost of the proceedings, so that he might bring the same before the Cabinet, and I received no further communication.

I understand you, therefore, to say that, so far as you are personally concerned, you have done all in your power to provide the necessary funds to satisfy the judgment?—Yes; of course, if I had power to pay them I should pay them immediately.

What bank accounts does the Public Trust Office possess?—The only one is the Public Trust Office Account.

Kept under the provisions of section 29 of the statute?—Yes; under "The Public Trust Office Consolidation Act, 1894."