

2. What was the limit?—It was not a case of total disablement. For partial disablement the Court always fixes the amount. I should say the Court would have awarded him £120 or £150 as the whole amount. Under the old Act it is at the Judge's discretion, and under the new Act it is a fixed amount.

3. *The Chairman.*] You say that this amount was paid to Barton prior to the matter going to the Court?—No, we gave a bond that we should guarantee the costs. Whether it was after the decision of the Court I forget. The promise given was before he went to Court. It was when he had fought and struggled for some time, and when he had reached the position that he had to put the money down.

4. Mr. Barton states distinctly that the agreement he signed was to the effect that he would have to pay you back £150 if he secured a compassionate amount from the Crown?—That is so.

5. Also he is very distinct that he would have to do so if paid by the Arbitration Court?—The Arbitration Court could not give him anything, because he was too late to go to arbitration.

6. Your two statements clash: you say the bond was entered into to enable him to go to Court to prosecute his claim?—That is so.

7. He says it was only after that?—I think my statement is that it was our money that was put up for him to go on with the case.

8. *Mr. Fisher.*] What is the limit of time in which a claim can be put in?—Three months, I think; and that was exceeded. No question of claim ever arose until it was a question of money to pay the lawyer to take the case up.

9. *The Chairman.*] He admits that it was after the time, but you stated that the £150 was paid to him because you wanted to retain the business of the City Council?—Yes; we did not care a rap about the solicitors.

10. Supposing you had lost the £150, what then?—We should have been better off by paying the £150 than by losing the connection.

11. The point is this: that you were not liable to pay him anything at all, and yet you paid him £150?—Just so. It was an *ex gratia* payment really, to retain the City Council's business—not Barton's interest at all. These *ex gratia* payments are very often made under certain circumstances, and after chatting the matter over I had no hesitation in recommending it to Auckland. It was not pure sentiment.

12. It was not with the intention of escaping another £150?—No, because all rights had been lost.

13. And you were prepared, in the event of not getting anything from the Crown, to lose the £150?—Exactly.

14. Is such philanthropy usual?—It is not philanthropy at all. We could not afford to quarrel with the City Council.

15. *Mr. Hine.*] Would not the Corporation be liable for its servants, not you?—They have no liability.

16. Supposing the Corporation did not cover its servants, is it not liable for accidents?—It was to save that position, and not to save Barton, that we paid the £150.

17. There was no liability falling on the Corporation at this time?—No, only a small liability. At that time there was no liability absolutely. The matter was thoroughly fought out at the time.

18. *The Chairman.*] There was no pressure brought to bear on the company by the City Council to make it pay?—Not that I know of.

19. *Mr. Wright.*] Why, seeing that the City Council was outside the Court and you were outside the Court, should you bother to conserve the Council's friendship by paying this £150?—Because they voluntarily would have paid. It has been done before.

20. *Hon. Mr. T. Y. Duncan.*] In a case like that, supposing the time did elapse, would you shut down as an outsider?—We looked upon it as a valuable connection. It is pure business.

21. *Mr. Newman.*] It was to save the face of the Municipal Council in their treatment of their servants that you really did this?—I do not think we put that much sentiment into it, even. They were particularly anxious to pay, and our policy with the Council is a little broader than usual. We paid £16 16s. to send a man away to Sydney who had no claim because two years had elapsed.

22. How did this man come to lose three months? He told us that his compensation would be £300?—It could not possibly exceed £150.

23. How did the three months come to elapse?—His uncle in Christchurch is a solicitor, and he advised him to go to common law, because common law grants a great deal more than the Arbitration law does.

24. And the time elapsed, and he lost his right to make a claim?—The only connection the £150 has is this: As the payment was purely *ex gratia*—as his solicitor and everybody else admits—therefore, if there were any more *ex gratias* done on the other side, the amount would have to be refunded. It was a business clause put in the document in drawing up the clearances.

25. You were to have it returned if he were successful in this petition?—Not in this petition particularly—it was for winning his case in anything. If he got the amount, then this amount could be estreated.

26. Can we get a copy of that agreement?—I dare say I can get it. It is part of the Auckland vouchers.

27. *Hon. Mr. T. Y. Duncan.*] Supposing Barton succeeded, and there was a grant recommended of £200, or even less, would the insurance company expect to get the £150 back?—Certainly not. Legally he can be compelled to pay it, but he knows that we are not going to come down on him in that usurious way. The bond was for a certain amount, but in fact it was stated to the Town Clerk at the time that, although it was for £150, it was very doubtful whether it meant anything more than costs.