

Company, and we thought we ought to give him £10, and I paid him that sum on behalf of the two offices. This money did not go through the Inspector, but was paid direct to Farrell; and I presume the Inspector never knew anything about it. Farrell did not ask for the money, and it was only through his explaining casually that he was money out of pocket: it came out in conversation. There was also another point. Since I was last here I have recollected that Mr. Boardman did show me some report or evidence in Quin's case.

1242. *Mr. Barton.*] Have you a copy of Farrell's report in Pestridge's case?—I had some sort of a report, I think, but I cannot find it. I destroyed all the papers in connection with that case.

Mr. R. J. DUNCAN, being duly sworn, was examined.

Mr. Wallace.
3rd Oct., 1878.

1243. *The Chairman.*] We wish to ask you one or two questions about a matter which has been alleged. Do you remember your store or office having been left open one night by mistake?—Yes, I do.

Mr. R. J. Duncan.
3rd Oct., 1878.

1244. How long ago was it?—I suppose about four months, as far as I remember. In consequence of what a policeman told me, I went down, and found the place in charge of a man; and I offered him 5s.—all the money I had in my pocket at the time—and he said he could not take it.

1245. Have you made any payment to the police on account of that?—Not that I remember.

1246. You have not paid Inspector Atchison anything?—No.

1247. The allegation is that there had been one or two cases in which offices had been left open, and that payments had been made to the Inspector on that account, and that he had not given the money to the police. It was said that yours was a case of that kind?—Speaking from recollection, I do not remember anything of the sort, and I think I should have remembered it had there been such a payment made. I thought it nothing but right to offer the man something, and he said he could not take it.

1248. *Hon. Mr. Fox.*] If you had given a £5-note you would have remembered it?—Yes.

1249. *Mr. Barton.*] Do you remember who the policeman was?—No; I can only say he was a tall man. I do not say, positively, that I did not send a pound to the police; but I cannot remember it, and if I had done so, I think I should have remembered it.

1250. Did the man suggest you should send the money to the office?—No; I do not think so.

1251. Are you aware that the police may get such rewards through their officers for diligence?—Yes; but he simply refused it, and I heard nothing more of the matter. I think I told Atchison and Smith that the man had refused anything, and I was surprised.

1252. *Hon. Mr. Fox.*] It did not strike you that he refused because he did not think it enough? No; it was not refused in that way. I said I was sorry I had not more to offer, and he said that did not matter, he could not take it.

Mr. SIMPSON, being duly sworn, was examined.

Mr. Simpson.
3rd Oct., 1878.

1253. *The Chairman.*] You are Manager of the New Zealand Insurance Company?—Yes.

1254. Have you been in communication with agents of other insurance companies as to investigations into fires which have occurred?—Yes, in one case I was interested—that of Pestridge.

1255. In any other?—No.

1256. Had you any reason, in that case, to complain of the police?—In the first steps that were taken they were very vigorous, and I am not sure that they were to be blamed for any part of it; but there is no doubt that the chief witness in the case was absent when he was wanted.

1257. How was that?—I do not know.

1258. Did you think there was a case against Pestridge?—I did. I had looked the matter up, and thought there was a case; and I thought the police had a strong case, as the man was arrested so quickly. I thought they had a strong case, and probably had evidence with which I was unacquainted.

1259. Have you any idea at all how it was that that witness was allowed to get out of the way?—I really do not know. I heard that subpoena was not issued, or not served, till the man was out of the way. I think there must have been negligence; but I do not know whose fault it was.

1260. Was any reward paid on that occasion, or anything given to the police?—Yes; I gave £5 to the agent of the National Insurance Company, my half of the reward to be paid to Detective Farrell.

1261. Have you transacted business here for any length of time?—For about eighteen months.

1262. Do you know of any other occasion on which money was paid to the police?—Not of my personal knowledge; but I know that £40 was paid in the case of Heggarty.

1263. From your experience, do you consider it advisable to offer payment to the police in cases of supposed incendiaryism?—That is a course I have strongly advocated myself.

1264. Why?—Well, not particularly to the police; but I think the offer of a reward expedites matters, and causes the police to take some interest in the thing.

1265. Do you think the police are remiss in such inquiries?—No; from my personal knowledge I think they are not. In this case of Pestridge's I think they showed considerable energy, and they appeared confident they had a good case.

1266. Have you had experience in matters of this kind in any other place?—No.

1267. *Mr. Barton.*] There was an insurance on these premises at the time they were burned down?—Yes.

1268. There was one in your office?—Yes.

1269. Who were the insurers?—Mace and Arkell.

1270. If Pestridge had been convicted, would that have had any effect upon the insurance company's action in paying Mace and Arkell the money without question; or would it have caused them to resist payment?—No; they could not possibly have resisted payment, because it was Mace and Arkell's interest, and not Pestridge's, that was insured.

1271. Let me suppose this for a moment. I do not for a moment wish to cast an imputation upon rich and respectable people, but let me put this: The place was not likely to pay, because a license had been refused for it several times, and the building was practically of no value for business purposes. Suppose Pestridge had burned it down to get out of his lease, and got some understanding