

*Mr. Simpson.*

3rd Oct., 1878.

that he would be let out of his liability to Mace and Arkell, do you think that would have had any effect upon the insurance companies? Suppose Pestridge had a lease for fourteen years, and could not get out of it, and he got a hint from anybody that the best way to get out of the lease was to burn the place down—you see, I am assuming Pestridge to be guilty—Pestridge got a hint that the best way to get out of the difficulty would be to get the place out of that. Supposing that Pestridge, for his own purposes, let the insurance companies know that, would that have had any effect on them paying the money over without further investigation. Suppose there had been an improper transaction, and Pestridge “peached,” as the saying is?—Do you mean to say, suppose there was collusion to which Mace and Arkell were parties?

1272. Yes; in that case, would the insurance companies at all events have tried to have the matter investigated before they paid the insurance?—Certainly, if there was a strong case.

1273. How much did the insurance amount to in all the offices?—To £900.

1274. Had you ever inspected the premises yourself?—Yes.

1275. Was it a mere shell of a place, or was it a well-built place?—It was not a strongly built place.

1276. Do you remember evidence being given at the Licensing Court, and that the ground on which the license was refused was that it was merely a big box, and hardly capable of resisting the wind?—Yes; but I do not think that was the fact. It was rather too strong a term to use. It was not a strongly-built place, still it did not deserve such comment as that.

1277. You say the insurance amounted to £900?—Yes; there was £650 on the building, and £250 on the furniture.

1278. And it was all Mace and Arkell's?—There was one policy for £500 in the name of Moeller, and Mace and Arkell—Moeller was trustee for Mrs. Egan—and the other £150 was in the name of Mace and Arkell alone.

1279. The money has been paid? Whom has it been paid to?—Mace and Arkell, I know, have been paid theirs, and Moeller's and Mace and Arkell's is liable to be paid. I do not know whether it has been, or not.

1280. *The Chairman.*] Was there a rumour that the witness had been got out of the way?—Yes, it amounted to a rumour; there were strong suspicions.

1281. Had you reason to believe it?—I had no particular reason to believe it, except, as a fact, he was not at the trial.

1282. Practically, did you believe it?—I did.

1283. Who was this witness?—A man named Ferguson.

1284. You have never heard of him since?—No; I have not endeavoured to.

*Sergeant Fraser.*

3rd Oct., 1878.

Sergeant FRASER, being duly sworn, was re-examined.

1285. *The Chairman.*] Would you turn up your letter-book, and refer to the letter sent to O'Connor on 25th January, covering a Post Office Order?—[Letter produced.]

1286. That is the only entry?—Yes.

1287. You know the evidence is that £40 was given to Inspector Atchison with which to make certain payments, and to retain a certain amount. Is there any book in which the receipt of that £40 is entered?—No.

1288. It was dealt with as a matter of account?—No.

1289. This £10 is a payment out of it?—Yes.

1290. Five pounds were paid to you?—Yes.

1291. What had you to do with Heggarty's case?—I was in the office and took down the statements of witnesses sent by Inspector Atchison to me; and I had several interviews with a man named Gordon, who, we thought, would be a good witness. I did not do a great deal in the matter.

1292. Of your own knowledge, do you know if Farrell had anything to do with the matter?—I cannot say, of my own knowledge. I believe he was on the wharf in company with Sergeant Smith, and there arrested Heggarty.

1293. *Mr. Barton.*] There is not a letter-press copy of this letter?—No; we have no press in the office.

1294. Are all letters copied *verbatim* into this letter-book by the clerk?—Yes; I copy them. There are some documents which leave the office which are not copied, because they are so unimportant—various memoranda, &c. Anything which is considered of importance is entered up in this book.

1295. Could you find in this book any entries of a similar description to that of the letter to O'Connor?—No.

1296. How long a period do the entries extend over?—From 3rd January, 1875, to the present date.

1297. I suppose there are three or four hundred letters a year entered?—No; there were 276 during 1875. They are all numbered, as you can see.

1298. *Mr. Swanson.*] What is the principle on which the reward money is dealt out?—It is generally dealt as the Inspector thinks fit.

1299. You are a regularly-organized body, with rules and regulations?—Yes.

1300. Well, in a matter of that sort, what is the rule?—I think the present rule is that no one is allowed to receive any money without the sanction of the head of the establishment, which, I presume would be the Commissioner.

1301. Is the Inspector himself entitled to receive any?—I do not know.

1302. Is it not part of your duty to know these things, and, indeed, of every policeman when he joins the service?—I do not know. I presume that if the Inspector did anything unusual he would be entitled to receive portion of a reward, as well as any other member of the force.

1303. *The Chairman.*] But who would be the judge as to whether he deserved it?—The Commissioner, I should say.

1304. In this case, was the matter referred to the Commissioner?—No.