in your office?—If I paid a claim for an estate the voucher would pass through against that estate, and be paid out of the estate, and the cheque drawn would be paid in to the credit of my Imprest Account to refund me.

1224. So that if you had occasion to pay money on account of any estate in your office, you would not charge your Expenses Account with that in the first instance?—No.

1225. You would charge your Imprest Account?—Yes.

1226. If you had occasion to-day to pay money on account of any estate that might not happen to have funds at disposal, would you charge that payment to your Expenses Account, or would you charge it to what you call Imprest Account?—If it was an administration charge, we should pay it out of the estate account, but prior to doing that we should make an advance from Imprest Account to estate account to put it in funds.

1227. That is to say, we will now form a triangle A, B, and C, with equal sides—A top, B below, and C below on a level with B. In order that C may reach B at your nearest point you really would have to go round by the furthest angle at A at the top to get to B?—Yes, we would.

1228. Do you not think that that system could be improved upon?—I do, certainly.

1229. What do you suggest?—I would suggest that we be allowed to charge the estate whether it had funds or not—in other words, that we be allowed to overdraw the estate account if there were not funds sufficient to meet the necessities of the charge. Of course, that would have to be under proper restrictions.

1230. Do you mean that the Public Trust Office should not have to refer to the Audit Department?—Well, of course, as I said before, it would have to be under proper restrictions. It would not do to give the Trust Office power to overdraw an estate to any extent it liked.

1231. *Mr. Loughrey.*] The office knows best the position of an estate?—Yes.

1232. *The Chairman.*] The Public Trust Office management ought to be capable of judging whether they are justified in overdrawing an account for expenses which are absolutely necessary for the dealing with and working of an estate?—Yes; I think it ought to be left in the discretion of the management of the Public Trust Office.

1233. Then, if that were so, the Imprest Account that you have spoken of, and this set of books, would not be necessary?—Yes, the Imprest Account would. The Imprest Account is used for a fund out of which stamps can be paid, and for the payment of certain claims which must be met immediately. Of course, if a man's claim is to be paid on the spot, it is done out of Imprest Account, but in the ordinary course it will take a few days to go through the ordinary stages.

1234. You say Imprest would still be necessary because of stamps—revenue and postage stamps have to be paid out of it, and immediate payments may have to be made any time on account of estates?—Yes.

1235. But supposing, now, that your office was authorised to charge the estate to which payments referred when such payments had to be made, would not that do away with that portion of the necessity of that account?—If the Public Trust Office management were authorised to draw cheques on the Public Trustee's Account without reference to the Audit, it would do away with using an imprest account to pay claims.

1236. And do you not think, if that were so, it would very much facilitate the conduct of business with the Trust Office?—Most decidedly.

1237. And do away with a great many of the daily complaints now brought about?—I think so, because, however expeditious this department and the Audit Department may be in referring things back from one to the other, there must of necessity be a waste of time.

1238. In other words, you think that the high officers of the Public Trust Office are either fitted or unfitted for their positions, and, if they are fitted for their positions, they are the best judges of what payments should be made, and should be trusted; and, if they are not fitted for their positions, they have no right to be where they are?—Exactly.

1239. Now I seem to have got rid of your chief reasons for the necessity for this Imprest Account; there only remains the difficulty about the payment of stamps out of it?—Yes.

1240. Well, do you use many stamps?—About thirty or forty pounds' worth a month.

1241. Then, supposing you opened a Revenue Stamp Account in one of your ledgers, that stamp account would then speak for itself, and show the balance at any time that ought to be in hand?—Just so.

1242. And would not that be the proper way of keeping it?—Yes.

1243. Now we have got postages and petty cash to deal with—that is, small moneys, sixpences and shillings, and five shillings, which you may have got to pay at times: we have therefore only got the postages and these petty-cash payments to deal with?—Yes.

1244. Could not £10 occasionally be charged to your Expenses Account and given to a junior to keep a record of petty cash and postages paid away?—Yes.

1245. Is that not frequently the training for a junior when he first joins an office—that his integrity is tried by little matters of petty cash, and that he is taught his first lesson in posting by keeping properly a petty-cash book?—Yes.

1246. Do you not think that would do away with your Imprest Account?—Yes, and simplify matters.

1247. Then, if the whole system were remodelled, the Imprest Account of the Head Office could be done away with?—Yes.

1248. Now we see a way of doing away with these Imprest Account books, and we agree about a better system. You agree that what I have proposed would be a much better system, and more simple?—Yes, I do.

1249. You have some branch imprest business in connection with the West Coast Natives?—Yes; that imprest is advanced to the officer to pay the shares of Natives. We supply him with a list of the moneys payable, and supply him with the money, and he disburses it.