3720. Did you not send a message or some communication in order to let your father know that this lace was wanted?—None whatever.

3721. To no one?—No.

3722. You are sure of that?—Yes.

3723. Did you see your father when he came to the office the next morning?—Yes.

3724. Did you say anything to him then?—No.

3725. And you had no communication whatever with him on the subject of this lace?—None whatever.

3726. And yet you knew that it was wanted?—Yes.

3727. Do any more of your family live with your father?—Two younger children.

3728. Is your father at home now?—Yes.

Mr. W. L. Rees, M.H.R., examined.

3729. *The Chairman.*] Mr. Rees, you have attended here to-day to put before the Commissioners a short statement of certain grievances which are within your own knowledge, and exist in the Gisborne district?—Yes.

3730. Perhaps the easiest mode of dealing with the matter will be to ask you to make a statement, as briefly as you think it desirable, in reference to any of those matters, and the working of any of the agencies?—I only know of the Gisborne agency. I know of no other agency at all. I have been living in Gisborne and practising there as a solicitor for many years, and the conduct of the agency in Gisborne has been a very serious source of annoyance to many people, and, in my opinion, very wrong. In the first place, the agent in Gisborne, although the statute law prevents the Public Trustee from interfering in politics at all, is an ardent party politician, and lends all the assistance of the Public Trust Office and all the influence he has to party politics. During a late election he acted as chairman of Mr. Arthur's committee, to whom I was opposed at the time. It was publicly known. He drove all about the country canvassing. The Public Trust Office has immense influence in the country districts on account of its lending moneys, collecting moneys, and so on. This agent of the office at Gisborne canvassed very strenuously. That is one cause of complaint. The next is that, so far as I know, in Gisborne, even in the lending of moneys from the Public Trust Office, political questions and political parties came into view, and those who were opposed in politics to the party this agent espoused had very little hope of getting money; in fact, very few of them applied, but when they did apply they were refused. The next cause of complaint arises from the fact that without the payment of, in many cases, heavy fees to the agent there is no hope of getting a favourable report from the Trust Office. I know of an instance where a gentleman wished to borrow a large sum of money. He wanted to get the money as cheaply as he could, and he made an application to the Trust Office, at first for £20,000. The security was undoubted, but his application was refused. He had declined previously to pay any procuration-fee. Directly he said he would pay the fee of one hundred guineas the application was granted. He said he would not have to pay a procuration-fee if he applied in Wellington, but he had to pay Captain Chrisp. Then, another thing—I suppose this would apply to all agencies—the Maoris do not receive fair-play from the Trust Office in the administration of moneys at all. I applied for moneys on security that was undoubted, as I will show the Commissioners presently, on behalf of two Maoris—Wi Pere and another. They shear twenty thousand sheep. Therefore, their income is between £3,000 and £4,000 a year. They only applied for £1,500 or £2,000, on freehold security, and it was refused. The next day I got it from a bank. Of course I had to pay a little more, but any bank would have lent the money; but because Wi Pere and I were opposed to the party in power we were refused. It was necessary to buy freehold estate which they were purchasing, and they wanted this loan. There was between two and three times the security in value, and any bank would have advanced the money. I myself applied for a loan, but was refused, and no reasons were given. I had absolute security. I got the money also from the bank. There was no reason why the loan should not be advanced if the Public Trust Office was administered in the interests of business and commerce. In the face of all these facts, I complain that the Public Trust Office has been used as a political weapon; and I was strengthened in that by the fact that this Captain Chrisp, the agent at Gisborne—although it was perfectly known to Ministers that he was acting politically for Mr. Arthur, one of their supporters, while he was the agent, and using all the influence he could on Mr. Arthur's behalf—was created a Justice of the Peace when the late Government were going out of office. It is illegal for the Public Trustee to enter into politics, and I believe it is illegal for his agents to do so, because they are the Public Trustee in the place, and have immense influence. The whole administration of the Public Trust Office at Gisborne is unsatisfactory to the public and the legal profession who have to do with the borrowing and the payment of money. I say that advisedly, and the other members of the profession are perfectly prepared to say the same.

3731. *Mr. Macdonald.*] Is that the fault of the agent or of the department?—That I do not know. We believe it to be governed by favouritism and political considerations, and not in the interests of the public, for the investment of moneys on the best terms. I do not think the administration of the department is at all fair. The Public Trust Office ought to be like the Land Office, and conducted altogether irrespective of parties and party politics. Directly the security is passed by the valuator, and the character of the applicant for a loan is good, then he should be entitled to get the money.

3732. Presumably that is the case now?—It is not, although it ought to be. I say absolutely it is not the case.

3733. Of course it is very difficult to avoid the prejudices and personal feelings of men entering into these considerations?—There are two officers in Gisborne, and I suppose it is the same in