

you will please take delivery of all papers relating to the business of this office, all office requisites, and any furniture which may be the property of the department, in which behalf your predecessor, Mr. Alexander Lean, will be duly instructed by me.—R. C. HAMERTON, Public Trustee.

4251. Was that letter not carrying out the intention of your telegram to Sir Julius Vogel?—It was on that telegram.

4252. So that from the fact that Mr. Acland had a partner named Barns, and the firm was Acland and Barns who were written to on the subject, Mr. Acland, the head of the firm, was really the responsible agent for the Trust Office?—I never thought so.

4253. Yet you have sent a telegram on the subject such as you have just read?—Yes. I should like to read a telegram from Sir Julius Vogel, dated the 15th November, 1886: “R. C. Hamerton, Esq., Wellington.—I would prefer appointment being given to Acland and Barns. I see no reason why it should not be given to a firm, and it strengthens instead of weakening appointment.—J. VOGEL.”

4254. Then, that is the reason you wrote the letter to Acland and Barns?—Yes.

4255. You did not tell us that before?—The real reason was that when I was going to read this telegram you said something, and it did not come out.

4256. Now, after reading that correspondence, if there was one member of the firm more responsible than the other, would it not have been Mr. Acland?—As a matter of fact, Barns did the major part of the work. I always looked to him to do it.

4257. Looking at your telegram to Sir Julius Vogel, that you were about to appoint Mr. Acland, but on his reply suggesting the appointment of Acland and Barns, would you not look upon it that if there was a difference between the two partners really the appointment was first intended for Mr. Acland?—Yes.

4258. Now, you told the Colonial Treasurer that, in your opinion, Mr. Acland was not attending to his office-duties?—No; that I had heard so.

4259. Did you tell him from what source you had got your information?—I do not think so.

4260. Will you answer this question: Is the information in that letter among the papers marked “Private” the information that gave you that opinion?—It is to a great extent. I had other opinions from gentlemen in Christchurch.

4261. Now, knowing at the time that this Commission was going to sit so soon to investigate the whole affairs of the Public Trust Office, why did you consider it necessary to make the change you did at Christchurch?—My sole idea was to endeavour to extend the business in Christchurch.

4262. But why did you not make some endeavour at the same time to extend the business at Dunedin and at Auckland?—That would have been done.

4263. Why did you commence at Christchurch at the time you did, just on the eve of the Commission beginning its work?—The simple reason of that was that the agents in Dunedin and Auckland are firmly established, and have been for some time. Mr. Acland was asked to carry on this agency temporarily after the dissolution of partnership between himself and Mr. Barns. It was on account of that temporary arrangement, if I may so term it, that the experiment was tried in Christchurch.

4264. How long had Mr. Acland been conducting the business of the Public Trust Office in Christchurch?—Not at all; Acland and Barns had been appointed.

4265. How long had Acland and Barns been conducting it?—Here is my memorandum to the Hon. Mr. Ballance:—

*Christchurch Agency.*—Hon. Mr. Ballance,—On examining the Commission vouchers of the Christchurch and Timaru agencies, and the copy cash-book of the latter for the year ended 30th September, I find that the receipts upon which agents could charge commission were as follows: Christchurch, £7,822 10s. 10d.; Timaru, £643 11s. 1d.: total, £8,466 1s. 11d. Three-quarters per cent. on this sum would be about £63 10s. On the assumption that the business can easily be doubled in two years, this would give a commission, then, of £127, plus the fees for introducing wills and trusts, which should bring the income from these two sources up to £150. Mr. Hamilton's salary is to be £250; so that by his promotion to Christchurch he should be in immediate receipt of about £315 per annum, which, if he manages well, he ought to find no difficulty in increasing to £400 in two years. But a point arises which is of importance to Mr. Hamilton, and should be settled so far as it is possible without delay: Classification of the Service will probably take place within a year. I cannot of course be aware of the basis upon which the classification will proceed, but I think it should be distinctly understood, in this case, that, for purposes of the classification, as well as for compensation for loss of office under “The Civil Service Act, 1866,” the commission earned by Mr. Hamilton under his new appointment should be deemed to be a part of his salary. It will be obvious that to hold otherwise would be to place Mr. Hamilton at very serious disadvantage, for the sole reason—quite beyond his control—that the department finds it convenient to pay him partly by fixed salary and partly by results. I venture then to recommend for the two purposes mentioned—viz., classification and compensation under “The Civil Service Act, 1866”—that commission earned shall be deemed salary. Mr. Hamilton will require assistance, and I should have preferred to have sent a trained cadet from this office, but, until it is seen what measure of success attends Mr. Hamilton's administration, it will be prudent to authorise an expenditure for this service not exceeding 10s. per week. Many smart youths may be found to undertake the work at this remuneration.—H. C. HAMERTON. 21/2/91.

4266. Then, the Colonial Treasurer referred the matter to the Auditor-General?—Yes.

4267. Was that to consider the whole question?—No; merely the classification and compensation.

4268. Was it not to consider that munificent remuneration of 10s. a week?—[No answer.]

4269. Was there any other memorandum which you sent to the Colonial Treasurer?—I do not see any on the file.

4270. Then, you afterwards had an interview with him?—Yes.

4271. And you told the Colonial Treasurer then, among other reasons, that you had heard that Mr. Acland was not attending to his office duties?—Not the Public Trust Office business, but was not attending to business generally.

4272. Then, what was he doing?—One expression was that he was a “club” man.

4273. Now, do you consider that a great crime?—No; not by itself; certainly not. A gentle-