

Chancery, or under certain Acts which provide for this investment. The mode of investment in such cases is determined by the Court. For example; take the Trustee Relief Act, 1862, after providing for payment into the Treasury at first, leaves the Court to direct subsequent disposal.

As regards the Debtors' and Creditors' Act, until the order to cede and deliver to the Trustees appointed by the Court, the property remains in the hands of the receiver under the order of sequestration, and if the Court ordains a sale (as it does in the cases of perishable property), such order goes on to direct the payment into Court of the net proceeds, to be verified by affidavit. After the trust property has been conveyed to the Trustees, they become, like any other Trustees, responsible to the Court for the due execution of the trusts.

In this district for a short time the Sheriff was appointed Sequestrator, but it was found, as it was expected, inconvenient; and having been informed by the Registrar, as indeed I can well understand, that it would be impossible for him to take the office compatibly with his other duties, I was under the necessity of appointing Mr. Seager, who was recommended to me, and has been approved of by the profession generally. But it was found quite impossible to measure the amount of security, even supposing he were in a condition to give it in each case. He has therefore of necessity been appointed, and has acted as Sequestrator without giving any security; and he has further been appointed Trustee at the instance of the parties in several cases where the creditors failed to recommend any person as Trustee. No orders have been made by the Court as to the remuneration, nor has any formal application for such remuneration ever been made. The sums paid into Court to the credit of the Insolvent Estates' Fund, under section 39, are only altogether £10 14s. 9d., and are in the Bank of New Zealand; and no order on this Fund or on the Colonial Treasurer has ever been made or applied for in this district. It might be convenient that the Registrar should have an order of the Court to pay into the Treasury such sums monthly as he does with respect to fees, &c. I have at his instance directed him so to do; but perhaps the Sub-Treasurer should be instructed to receive the same.

I have, &c.,

The Honorable the Attorney-General,
Wellington.

H. B. GRESSON.

No. 6.

CHIEF JUSTICE SIR G. ARNEY TO THE ATTORNEY-GENERAL.

Auckland, 19th May, 1865.

SIR,—

I have delayed from time to time the replying to your letter of the 8th March last, on the subject of the various funds paid into and out of the Supreme Court, and the method of keeping the accounts and disposing thereof, because I hoped to be able to deal with the subject more fully, more so than even now I have either time or ability to do.

I am myself so little versed in the business of an accountant, that I do not feel myself competent to render the Government assistance in the devising of any comprehensive scheme for setting up and managing an "Accountant General's" department in connection with the Supreme Court.

I have, however, no difficulty in dealing with the two important questions of—

1. Whether some such official should be ultimately provided and
2. What is the relation in which he and his department should stand towards the Court.

Of the necessity that some such department should be constituted, I have long been made painfully conscious. When requested some time back to offer suggestions as to the accommodation to be provided in the new Supreme Court Buildings then contemplated for Auckland, I wrote a long Memorandum by way of letters to the Superintendent of Auckland, and forwarded copies to the then Colonial Treasurer on the 26th June and the 28th September, 1863, and then warned those officials, that before long, accommodation would be required for a Treasurer or Accountant's Department. I beg to refer you to portions of those letters as explaining some of the practical duties of the Official Administrator and Assignee of Insolvents Estates respectively, for I cannot but think that any one acquainted with such details will acknowledge that the official administration must come to a dead lock if it be interfered with in the manner which is indicated by your letter. Indeed, I confess that my convictions as to the propriety of erecting an accountant's department are based upon reasons not only different from, but in one material respect opposed to what I gather to be your views upon this subject.

Perhaps I shall best serve the purposes of the Government, and render myself more intelligible by dealing with the questions and interests involved in the same order as yourself. And it may be well first to explain what the action of the Supreme Court in such matters really is, and thereafter consider what it should be.

I. FUNDS BELONGING TO INTESTATE ESTATES, OR RECEIVED UNDER THE REAL ESTATE ADMINISTRATION ACT, 1860, AND HEREUNDER.

(A.) As to personality, the Registrar at Auckland (and throughout this letter I beg to be understood as writing of my own experience and opinions only), lays before me monthly