about the commission I said, "If what you say is correct—that Mr. Pym had been the negotiator, and rendered service until the purchase was completed—if you employ a man to do that your are entitled to pay him." I do not say that I used these exact words, but that was the effect of what I said.

448. Did you know at the time the purchase was determined to be negotiated for that Pym was told to stand on one side and not let himself be seen at all in the transaction?—I do not recollect anything of that at all. I was kept out of this matter on another ground. They knew that there were several people after this building. If I recollect rightly, the Australian Mutual Provident Society had not made their second purchase. They bought Mr. Reid's property in High Street, and found that that would not be suitable, and they ultimately bought the corner of Princes Street and Dowling Street. Mr. Sievwright is a man who has great knowledge of property and investments; and he pays special attention to that business. He is also a director of several companies. I should say, as to knowledge of property there are very few people in Dunedin who have a better knowledge. I have no recollection of Mr. Pym having been asked to stand aside. I do not know that I was not consulted about that.

449. You did not know of another gentleman, Mr. Reid, having been employed by your firm?—No. I understood Reid was the agent for Kilgour, one of the part owners.

450. Did you advise that Mr. Pym should be paid the $1\frac{1}{4}$ per cent. commission?—Yes. I understood that he had led up to the negotiation, and hence was entitled to his commission. Of course that is the rule. I could name several cases where that principle has been affirmed in the Supreme Court.

451. But would it not be usual for the vendors to pay that commission?—No; the vendors never pay the vendee's agent.

452. Did it come to your knowledge at that time in Dunedin that the property was offered for sale at £35,000?—No.

453. And that £500 was added on for commission?—No. My impression was that it was offered for £37,000. I am sure that I was told so either by Mr. Luckie or somebody—that £37,000 was the price.

454. It appears from the evidence that the property was put under offer for £35,500, and that £500 was added, by agreement on the part of Mr. Reid, to be available for commission?—I do not know that. The sum mentioned to me was £37,000.

455. *Mr. Levestam.*] You spoke of the Mutual Society, and said they intended to erect large buildings in Dunedin?—Yes.

456. Was it their intention to erect those larger buildings for their own requirements, or to let portions of them?—For both, the same as they have done in Christchurch. They have one of the most elegant buildings in Christchurch. It was opened this year.

457. Are we to understand that the Government considered the advisability or otherwise of the association purchasing buildings?—No; it never came before the Government. The matter came before the Government as to the Wellington buildings.

458. You stated that the Government had to pay hundreds in Dunedin for rent?—Yes.

459. And because the association occupied certain buildings?—That was partly the reason. I mean to say, if the Government got the rooms the Government Insurance occupy they would have less rent to pay.

460. Are the Government letting rooms to the association at a loss? I mean, do they get less rent than they have to pay for other offices?—I think they do.

461. As to the management of the association, you say the difficulty is in lending out money, and you recommend that a Trust Board should do that?—Yes.

462. Would not an honorary Board of Advice do perhaps as well, and better?—Well, if you have a machine in existence that can perform your work, what is the use of creating a new machine?

463. Those gentlemen who form that Trust Board are Government officials?—Yes.

464. Have they any special training that would at all qualify them to be such Board of Advice as to investment of money?—No; I do not think they have any special training. I believe they are careful men, and that in their advice they would be swayed by no political or personal considerations. I do not say that they might not make mistakes.

465. But do you not think that good business-men would be more likely to give better advice to the manager?—The great difficulty is to get business-men to undertake what is, in fact, a new business outside their own business—namely, the lending of money. Nothing is more difficult than dealing with investments in land, considering the sudden rise and fall to which colonial property is subject.

466. You say the necessity for the Board of Advice is to give advice as to whether lives should be accepted?—That is the function of the Board of Advice.

467. Is not that rather a question that should be decided by medical men than by Government officers?—No. The medical man reports on each individual case, and makes a recommendation; but we may have often to ignore the medical man's recommendation. We do not always accept it.

468. Would people engaged in general business not be qualified to give advice?—I may say that this question of life insurance is a very difficult thing to deal with. Before I attempted to perform any duties as a director I read very largely on the subject, and obtained all the information I could gather as to what is done both in England, America, and the Continent, in order to fit me for work I had to perform as a director.

469. Then, as to the buildings, you think it is wise for the Government Association to erect buildings and let portions of them, and one of the considerations would be the rise and fall—probably the rise—in the value of property?—Yes, that is one of the considerations.