

560. Who communicated with Mr. Driver?—I do not know.

561. What was the first you knew of his proposed appointment?—On the 30th December, or about that time.

562. What were the circumstances?—There was a special meeting of the Board called for the 31st December, and held on that date.

563. Who were present?—The Colonial Treasurer, the Public Trustee, Mr. N. Reid, Mr. Graham, Mr. Fisher, Mr. Bethune, and Mr. Shannon. There had been a committee, who reported orally; there was no written report on the subject.

564. Is there anything on the minutes to show that a committee was appointed to discuss the question of the Dunedin agency?—Yes.

565. Why not give us that first?—That was not as to Driver's appointment. There was a report made by Mr. Reid bearing on the agency matters in Dunedin and Christchurch, but it does not mention Mr. Driver. On the subject of Mr. Driver the committee reported orally.

566. What took place at the special meeting held on the 31st December?—The following is taken from the minutes of that meeting:—

Dunedin District Agency.

Mr. Fisher moved, That the recommendation of the committee relative to the Dunedin district agency and the appointment of a resident agent for that district be deferred for one month, and that applications be publicly invited from persons willing to accept the office of district agent at Dunedin at a salary of £600 per annum.

Mr. N. Reid then moved, as an amendment, That Mr. Driver be appointed manager of the Otago and Southland Branch of the Assurance Association at a salary of £800 a year, and an overriding commission of 2s. 6d. per cent. on the net new business.

Mr. Fisher's motion was put first and was lost.

Mr. N. Reid's amendment was then put, and was declared to be carried.

Mr. Fisher called for a division, which was taken and found to be as follows:—*Ayes*—The Hon. the Chairman, the Public Trustee, Mr. N. Reid, Mr. Graham, Mr. Bethune, and Mr. Shannon. *Noes*—Mr. Fisher.

567. Are there any other records?—A meeting of the Board was held on the 6th January, and I take the following from the minutes of that meeting:—

Mr. N. Reid moved, That the following be added to the resolution passed at the last Board meeting appointing Mr. Driver district manager at Dunedin for Otago and Southland at a salary of £800 per annum: That the Board guarantee that the 2s. 6d. per cent. commission on the net increase will yield at least £200 for the first year.

Two divisions were called for: (1.) Whether or not the motion be put. *Ayes*—Secretary to Treasury, Mr. N. Reid, and Mr. Bethune. *Noes*—Public Trustee, and Mr. Bell. The Chairman did not vote. (2.) On the motion, which was declared approved. *Ayes*—Mr. N. Reid, Mr. Bethune, Mr. Bell, and the Secretary to the Treasury. *Noes*—Public Trustee, and Mr. Shannon.

568. Then, what took place next?—After that meeting I wrote to Mr. Driver.

569. Have you got a copy of that letter?—Yes; the following is the letter:—

New Zealand Government Life Insurance Association,
Head Office, Wellington, 8th January, 1886.

DEAR SIR.—

I have the pleasure to inform you that the Board of Directors of this association has appointed you to the office of district manager for the Provincial Districts of Otago and Southland, on the terms following: (1.) Your remuneration will consist of (a) £800 per annum, payable monthly; (b) an overriding commission at the rate of 2s. 6d. per cent. on the net increase in the sum assured under Tables I., II., III., and IV. by policies in your district. Such net increase will be computed by deducting the total of the sum assured under the tables above specified, by policies discontinued during the year from all causes, from the sum assured by new policies issued during the year under the same tables. The overriding commission will be calculated at the close of each calendar year. The Board guarantees that the amount payable to you as such commission during the first year of your office shall be at the least £200. (2.) In the event of your at any time resigning or otherwise ceasing to hold the appointment, the overriding commission accrued up to the end of the calendar month immediately preceding the date of the discontinuance of your appointment will be computed and paid to you. Should such discontinuance occur during your first year of office, then the amount of overriding commission which shall have then accrued shall in like manner be computed and paid to you, it being hereby provided that the amount of commission for such broken period of the said first year shall not be less than the proportionate part of the said guaranteed sum. (3.) Your duties as district manager, in addition to those connected with the ordinary current routine of the office-work, and preparing returns for Inspector's branch, &c., will involve your superintending the operations of all canvassing-agents within your district, providing for the whole being properly canvassed, including those sub-districts under the more immediate charge of the resident agents at Invercargill and Oamaru, mapping out such suitable routes for individual canvassers as shall prevent their clashing with each other, recommending suitable men for appointment as canvassers when required, and generally the supervision of the affairs of the association, and the representation of its interests within the limits of your district, and subject to the control and inspection of the head office. (4.) You will be expected also to give the office the benefit of your experience and observation in the matter of applications for loans on mortgage, and in the selection of sound securities for the investment of the office funds. (5.) It is obviously impossible here to enumerate all the duties which appertain to the office, and you will therefore be good enough to hold yourself in readiness to carry out such additional instructions concerning the business of your district as may from time to time be given by the General Manager. (6.) In accordance with the rule of the office, you will require to provide from the Victoria Insurance Company a fidelity policy for the sum of £500, and send the same to me. The first year's premium payable on this policy must be paid by yourself. Subsequent payments of premiums on such policies are defrayed by the association. (7.) By another resolution of the Board with respect to new appointments, your connection with the association is terminable by one month's notice on either side. Mr. Clapcott, who holds the office of district agent, will be prepared to hand over charge of the office to you on your formally signifying to me your acceptance of the office, which may be done by telegram at your earliest convenience. Mr. Clapcott will be requested to remain in Dunedin for some time in order to explain to you various formal matters connected with the business of the office. Meanwhile, feeling assured that your large and personal influence will be devoted to the welfare and progress of the association,

I have, &c.,

D. M. LUCKIE,
Acting General Manager.

Henry Driver, Esq., Dunedin.

570. Did he accept that appointment?—He did.

571. *Mr. Stewart.*] Without any communication?—He telegraphed; and on the 14th January, 1886, he wrote a long letter suggesting some alterations in the conditions stated.

572. *The Chairman.*] Did Mr. Driver, in accepting that appointment, say whether he was content with the one month's notice?—No; he objected to one month's notice, and wished twelve months' notice.