

874. Would the Colonial Treasurer, if present, take the chair at those meetings?—He has never been present, and the question has consequently not arisen. Any changes with regard to the staff, and matters outside ordinary routine, go before the Board after they have been considered by the committee, and the Board approve of the proposals every week in a body, except those which are specially reserved to the Board by the committee. The proposals are dealt with once a week by Mr. Luckie, Mr. Frankland, Dr. Johnston, and myself, the first two and myself sitting together as a sub-committee after Dr. Johnston has previously gone through the applications; and, if there are any cases about which we differ in opinion, such are referred to the Finance Committee; and if the committee do not agree to deal with them, they are then sent to the Board to be dealt with specially.

875. Do you receive proposals with recommendations from the Inspector?—No.

876. Whom do they come from?—They come from the travelling agents, and are usually sent to the nearest district or resident agent, who then forwards them to us. This does not apply to the medical papers prepared by the medical referees, as such are confidential.

877. Then, practically the first committee which deals with the finance business is composed of the whole of the members of the Board excepting the Colonial Treasurer?—Yes; practically it is a committee of the whole.

878. What advantage is gained by reporting this finance business to themselves for confirmation?—The only advantage is, that they go through the business, and put it in a shape to be passed rapidly at the Board. A *précis* or summary of the business that is to be done by the Board is issued.

879. Would that be full enough to convey the conclusions the Finance Committee had come to?—No; their conclusions are embodied in a report which I prepare for the signature of the chairman of the committee.

880. Were you the Secretary under the old management?—No, I was Accountant; but for the last year practically Secretary.

881. Had you the same knowledge of the mode of transacting the business as you have now?—Yes—practically the same knowledge.

882. You knew the manner in which the business was then conducted?—Yes, thoroughly.

883. What, in your opinion, led to the necessity for the establishment of the Board?—It was felt to be necessary to give the policy-holders a larger control over the institution, in order to popularize it and improve the management.

884. Was it also caused from the large increase of business making it impossible for the Colonial Treasurer, who was the Chairman, to attend sufficiently to that business?—I think that had a good deal to do with it. No doubt the dealing with investments of over a million becomes a serious matter. It involves a great deal of care and time, which the Colonial Treasurer could not bestow. Then, again, there were the officers to deal with. Of course, it became necessary to give the officers of the institution what they were entitled to in the market, and to deal with them apart from ordinary Civil servants.

885. In your opinion, has the change led to the general business being more efficiently dealt with?—I think the work of the office has been greatly improved under the Board. The expenses have gone up, but we are getting a considerable amount of money out on mortgage, and improving the rate of interest.

886. The rate of interest on Government securities is now not very high?—Upon a considerable amount it is $4\frac{1}{2}$ per cent.; but that was arranged before the Board came into existence.

887. Has the appointment of the Board, in your opinion, led up to increased business?—The new business has not very largely increased during the year 1885 as compared with 1884; but the lapses and surrenders have been less, and I think the former will be still less during the present year. The indication up to the present is that way.

888. Has the expenditure increased under the Board?—Yes.

889. Can you say to what extent?—It has increased from 16.1 to 20.6.

890. Has this increased expenditure brought proportionate business?—No, it has not; but the increased expenditure that can be apportioned to the new business has been caused by the paying of a higher rate of commission, and by the greater competition in the colony owing to the existence of so many companies.

891. Has the increase of expenditure arisen in part from increased salaries?—Not materially.

892. Do you think the business has been checked by the publicly-known disagreements which have taken place on the Board?—Unquestionably.

893. Do you know whether the proposal to go into expensive buildings has had any effect upon the business of the association?—The people in the country I know have been greatly against it. I have seen several letters from policy-holders grumbling about it.

894. Do you think that it has checked the ordinary extension of the business?—I think we should have had a better year but for all the trouble on the Board—the dissensions between the members of the Board.

895. Have you any knowledge of whether the recent appointments made by the Board have had any effect in the districts where they were made or elsewhere on the business of the association?—They have not had so much effect in the Otago District as in Canterbury and other districts in the colony.

896. What is the general capacity of the premises used all over the colony for the business purposes of the association?—Is it sufficient?—I think the office accommodation in the post-offices in Christchurch and Dunedin is not sufficient. This remark also applies to the Auckland Post-office.

897. Do you consider large and expensive business-places would have any effect in inducing business, provided the premises were sufficient for the ordinary carrying-on of the business?—I am