

923. *Mr. Levestam.*] In one case you stated that the interest was less because the security was exceptional?—Yes.

924. Are we to infer from that, where the same interest has been charged upon a far larger amount, the security was not good?—No.

925. *Mr. Montgomery.*] How often does the Board meet?—Once a week—every Wednesday.

926. How long does it generally sit?—From three to half-past four or five o'clock.

927. How often does the Finance Committee meet?—Every Monday evening.

928. What is the length of its sittings generally?—I should think from half-past seven till half-past nine or ten o'clock, or sometimes later.

929. Is it an executive body as well as an advising body? Has it the power to make appointments, and so forth?—No; it has no power whatever under the Act: it can only recommend.

930. Does it, in fact, make appointments?—No appointments except valuers, and then such are reported to the Board at its next meeting.

931. I wish to know whether it is an executive or advising body?—It is simply an advising body.

932. How did the appointment of the Board prevent lapses?—When the Board came into operation it made arrangements with regard to the collection on renewals. Then, again, the business during the latter half of 1884 and during 1885 has not been of such an ephemeral nature as that before introduced. The appointment of an Inspector was a step in the right direction, because he had not a direct pecuniary interest in the amount of business introduced. His salary is fixed. Previously, for a considerable time, the new business was let out by contract. His predecessor practically got commission on all business introduced to the office.

933. When did Mr. Thorne cease to be a servant of the Board?—I think it was about April, 1884. The Board was not then in existence. Mr. Luckie terminated Mr. Thorne's agreement.

934. When was the Inspector appointed?—About two months afterwards.

935. And it is from that date that the business ceased to be less ephemeral than previously?—Yes; the business has improved since then. All appointments of travelling agents and doctors having to go before the Board, that fact has exercised a powerful influence in getting better business.

936. How did the appointments to which you have referred affect business in Canterbury?—The agents of private companies made so much use in Canterbury of the appointments as an argument.

937. What appointments are you referring to?—Mr. Driver's appointment.

938. Do you think, if sufficient accommodation could be obtained in the principal post-offices, it would be to the advantage of the institution to have the district agents located in the post-offices?—I am afraid that, with the growing requirements in the large centres of the colony, sufficient accommodation could not be got in the post-offices.

939. How many clerks are there under the district agents in the chief towns?—Auckland has two clerks under the agent; Christchurch has two clerks and a cadet; I believe there are the same number in Dunedin.

940. Would it require large office-accommodation for two or three clerks and a district agent?—It would require, at all events, three rooms.

941. Do you know the post-office buildings in Christchurch?—No, not the new buildings.

942. Do you know whether accommodation could be obtained there or not?—No.

943. Do you know that the Collector of Customs and the Public Works offices are in the new building?—No.

944. And the Property-tax Department?—No.

945. Who pays the valuers?—The people who borrow—the applicants. They deposit a fee, and when the valuator is appointed and has made the valuation, we pay him.

946. Can you furnish, for the information of the Board, documentary evidence as a specimen of how property on which money has been lent was borrowed and recommended?—Yes.

947. *Mr. G. F. Richardson.*] What is meant by "Introduced by" in the list of mortgages?—That means when the application comes through a second party, and is not directly introduced by the applicant.

948. Is it not unusual for such business to be introduced and valued by the same person?—Yes. We would not allow the same person to value and recommend.

949. Have you not done so?—I do not think such has been done intentionally.

950. Was not one property in this list introduced and valued by the same person?—I cannot say, but I will furnish the information.

THURSDAY, 8TH JULY, 1886. (Mr. ORMOND, Chairman.)

Mr. J. H. RICHARDSON in attendance, and further examined.

951. *The Chairman.*] The Committee desired your attendance to-day for the purpose of obtaining information as to the investments. In the list of mortgages there is an investment of £25,000: where are the general terms and particulars of that property?—In the papers now produced. The valuations of the property by Mr. — and Mr. — are respectively £31,180 for land, £16,645 for buildings. £22,000 was granted, and an additional £3,000, subject to £4,000 additional being expended on the buildings. The £3,000 was to be paid in progress-payments.

952. Are these the valuers usually employed by the Government at —?—These gentlemen are two of the three valuers in —.

953. *Mr. Levestam.*] Who recommended these valuers?—They were put on by members of the Committee.

954. Did any correspondence take place with regard to the fitness of these valuers?—Yes.