

amounts to £6 10s. per cent. These are my own calculations. They have not been checked by the officers, but the figures upon which I made the calculations were supplied to me by the office. I think in every other respect the change has been disadvantageous.

972. Do you attribute the non-proportionate increase of business to the causes you have just named?—I think there has been no such non-proportionate increase. The business of 1883 was an utterly unwholesome and improper business. It was business conducted under a system by which an overriding commission was given to one gentleman who had the charge of all the agents. Then, again, so far as I can judge, the doctors were appointed to take lives and not reject them. I think, compared with any other year than 1883, the business of 1885 does not show any falling off at all, but rather an increase. I do not think there has been any large number of surrenders in consequence of the publication of the fact of difficulties existing on the Board or of the Board's management. I attribute surrenders to the competition of the Equitable Association of New York, which has offered inducements which were not open to policy-proponents upon any system before in vogue in the colony.

973. Do you think the differences on the Board have led to the new applications being more limited than they would have been?—I confess I see no trace of that at all. It is a subject which I have considered very carefully, from comparing the papers of this year with the papers of previous years. Our population is not increasing so fast as that we should expect any very great increase in any year. Besides that, the insured of New Zealand are now so numerous already that it is actually difficult to find a man who is not insured, and who can be asked by an agent to insure.

974. The investment of money by the association for the purpose of buildings has been much commented on. Do you think that has had any deterrent influence in the way of preventing fresh applications and renewals?—I do think that has had some effect. I do not attribute it to the investments upon the properties, but rather to what has been said about those investments.

975. Do you think that the business of the association necessitated such provision as is proposed to be made for buildings?—I say that the Board found itself in possession of a large property in Wellington and a large property in Dunedin. I was not a party to the purchase of any site, because the purchases took place when I was unable, through illness, to take my seat at the Board; but I did think, and do think, that it was not impolitic to provide for as good buildings in Auckland and Christchurch as we were practically pledged to by our large purchases in Dunedin and Wellington. But, as to the general question asked me, I should say I do not see any reason for large or handsome offices, but I do think it necessary to have offices in the business centre of each large town.

976. Since you have been on the Board purchases have been made in Auckland and Christchurch?—Yes; they were made since I have been a member of the Board. I was absent, but I hold myself responsible for everything that has been done.

977. Can you explain whether anything has been done in the way of making these various purchases available for the business of the association?—As to Dunedin we cannot. The site which we should use is of course the corner-site, known as "Wise's Corner." There are two unexpired leases which our tenants have refused to surrender, except at an exorbitant premium.

978. To what extent do you consider those purchases were looked upon as investments when made rather than as providing sites for business purposes?—I do not think we had any legal right to make the purchases for purposes of investment. It seems to me to be prohibited by the Act.

979. How is it that a large portion of the Christchurch property is practically disposed of by a lease for twenty-five years?—I do not agree that it is. We got in Christchurch, as everywhere else, more than we required for our own offices. That must be perfectly obvious. The piece of land left us in Christchurch, with the arrangement which entitles us to have two rooms in Maling's building, will, in my opinion, give us ample space for our offices. I had the opportunity of examining it the other day.

980. Then, in that case, the investment must be looked upon as an investment of the funds outside the necessary provision for offices?—Yes, in the sense in which you put it. I have already said that, in my opinion, you must have offices in the business centres. If you have offices in the business centres, the price per foot will be such that you must have a three-storeyed building, and therefore a great deal more room upon the land than you require yourself. I admit that that does not apply to the Christchurch building.

981. Was not the Christchurch property purchased in two distinct allotments from different persons?—I think so.

982. And in the proposal to build, which has been considered by the Board, was there not ample space on the smaller sites to provide all necessary buildings for the association?—Yes, I think so; but I should like to add that, if we have a property with two storeys on it, I think there is nothing in the Act to prevent us building a third storey, so as to make that property more valuable than before. If I had been a member of the special committee which was appointed to consider the question of the Christchurch purchase, I do not think I should have recommended the purchase of Messrs. Maling's property.

983. How far do you think the post offices in the colony could be availed of as offices for the conduct of the ordinary business of the association?—In the country towns I think it is possible. In the large cities there is not sufficient space in the post-offices to afford us the accommodation required. In Wellington it would be impossible. In Dunedin we have, I think, three clerks, a District Manager, and a cadet; but a public office is required, where the public can come in, and also a private office, where the District Manager can be seen. More accommodation is required by us than can be supplied by the post-offices in the large towns.

984. In the case of the Wellington office, do you consider the present accommodation as ample?—If we took the whole building it would, I think, be ample, but as we are at present it is dreadful; the clerks are penned together.

985. Is not that building absolutely the property of the association?—Yes.