

FRIDAY, 2ND JULY, 1886. (Mr. MONTGOMERY, Chairman.)

Mr. S. W. D'ARCY IRVINE in attendance and examined.

734. *The Chairman.*] What is your position?—Inspector of Agents for the Government Life Insurance Association.

735. When were you appointed?—I was appointed Inspector in June, 1884. I had previously been in the service of the Insurance Department since 1874.

736. What were your duties before entering upon the office of Inspector?—I was District Manager in Auckland.

737. What are your duties in connection with the office of Inspector?—I am Inspector of Agents. I have to inspect all the branches and post-offices in the colony which conduct life-insurance business. I have to supervise all the travelling agents in the colony, to see that their work is performed efficiently, and that they send in a proper amount of business. I have also the control of the district and resident agents and their clerks in all parts of the colony where we have branches. I have also to report upon all the medical referees employed in the association—to see that they are men of standing, and whether or not they are carrying out their duties satisfactorily, or whether or not their habits of life are such as become their position. I have to report to the association regarding their capacity generally. I am also responsible for the entire new business throughout the colony. I have also to see that lapses are prevented as far as possible, that ephemeral business is not introduced into the office, and that surrenders are kept down as far as possible.

738. To whom do you report?—I report to the General Manager.

739. Is your report verbal or in writing?—In writing.

740. Have you anything to do with the supervision of the lecturers?—Yes; the lecturer is under my supervision. Mr. Clapcott is the only lecturer.

741. Do you think these lectures are of great benefit?—I do.

742. Do they induce people to insure?—Yes, to a certain extent they induce people to insure; but they do a large amount of good in this way: that, while agents of other offices are going about the country undermining the association, Mr. Clapcott introduces into his lectures facts and figures regarding the office, thus enabling us to contradict the untrue statements of other agents. He also introduces anecdotes into his lectures, and generally we find he has done great good in bringing the association under the notice of the public throughout the colony.

743. Do you think that the lecturing induces many people to insure who would not otherwise insure?—I think so.

744. Do you know whether the agents pester people to insure?—No, they do not.

745. Then what is your opinion about what is called "touting"?—I think it is a very undignified, undeserved, and improper term to be applied to hard-working respectable agents, who are going about the country, not unduly pressing the settlers and the public to insure, but simply bringing under their notice the special advantages that the Government Life Insurance offers, and showing how cheaply insurances can be granted as compared with those in other offices.

746. Then, do they draw a contrast between the Government Insurance Office and the other offices?—They show the Government office to be the cheapest and best.

747. Do they speak against the other offices?—No. My instructions to them are not to run down any office doing business in the country—to work as far as possible without interfering with them—to point the special advantages that are held out by the Government office, and to make the most of the figures and small cost of management, particularly the advantage of the State guarantee.

748. Has it come to your knowledge that any of your agents have spoken in terms derogatory of other offices?—I do not know that it has ever been reported to me since I have been in office.

749. I am asking you this question in your official position as Inspector?—I do not know of any case having been officially brought under my notice where agents have spoken disparagingly of other offices. I may say that there is an action pending against one agent in Wanganui by the National Mutual, and I believe the agent in question is going to defend the case. We have not interfered with him in any way—we have left it entirely to himself.

750. Is it correct, within your own knowledge, that they do not speak disparagingly of other offices?—Yes, that is correct.

751. If any of your agents did speak disparagingly of other offices, what course would you adopt?—I should immediately inform them not to run down other offices, to adhere strictly to their duties in canvassing for the Government, stating the facts and figures given concerning the Government office.

752. When agents are appointed, and you are giving them instructions, do you warn them that they are not to speak disparagingly of other offices?—Yes; there are printed instructions telling them what they have to do. When an appointment is made I always advise the district agent, who is himself aware that they are not to speak disparagingly of any other institution working in the colony.

753. Then, do I understand that you do not yourself give instructions to the agents on this point?—Well, the district agents in whose districts these agents work have already verbal instructions from me that they are not to run down any institution; and when I go round the colony inspecting the agents in the several districts I inform them myself that they are not in any way to speak disparagingly of any other offices.

754. Have there been many lapses during the last year or so?—Yes; they have increased during the last two years.

755. What is the cause of their increasing?—There are several causes: First of all, the depression existing throughout the country; secondly, the great efforts that are now being made by the Equitable (United States) Office and other private offices, who are doing their best to induce our policy-holders to lapse and insure with them. I think it my duty to say this: that there is no