

32. You think that there ought to be some means left by which persons not insured under the Government scheme would be able to insure somewhere or other if they chose?—Yes, I think so.

33. And your individual opinion is that it would be a pity to drive all the private companies out?—As a matter of business, I think it would be only safe policy to keep them.

34. Therefore you personally would be against the compulsory clauses?—Yes, if the effect would be to drive out all other insurance companies from the colony. That would be a mistake.

35. Then, you would be against the Bill?—Not against the Bill; against that part of it.

36. *Mr. R. McKenzie.*] Are you a member of the Auckland Trades and Labour Council?—No.

37. Do you know whether the Council has considered this Bill at any time since it was introduced?—They have had it before them, because they had a public meeting in connection with the matter.

38. I mean a meeting of the Council?—Yes; they had it before them, and on the strength of that they decided to hold an open-air meeting.

39. Had you any directions from the Council as to the evidence you were to give?—No; no more than this: that they expected me to have taken part in the meeting had I not been coming to Wellington, and therefore, on learning that I was coming, they knew I should be able to speak as to their views.

40. Your instructions were general?—Yes.

41. Have you got any idea of the cost of maintaining the present staffs of the fire-insurance companies in the colony?—No; I do not know what it would take for the whole of them.

42. From your knowledge of the subject, do you think that a considerable saving would be effected in wages if fire insurance were carried on by Government officers employed at the present time, rather than by the staffs at present kept by insurance companies in this country?—We think that a saving would be effected, because the fire-insurance business could be carried on by the Life Insurance Department—the same managers and the same buildings would be available, and very little addition to the staff would be necessary. Many companies now are both life and fire companies, and we thought that the two Departments could be run in the same way by the Government.

43. Can you give the Committee any idea of the saving that would be likely to be effected in the staffing?—No; I do not know how many men there are employed.

44. Have you any idea as to the saving in rent of buildings? Very large buildings are taken up by the companies at present, are they not?—I suppose that the Government Insurance Buildings really pay for themselves by the rents derived from the portions let.

45. You know the insurance companies' offices in Auckland and this city?—Yes.

46. If fire-insurance business was carried on in the Government buildings at present in existence, what saving do you think would be effected?—I could not say. But I think there might be a saving in the salaries. I have always considered the salaries paid to managers of companies—insurance companies—are very much in excess of what would be paid to them if they were in private life.

47. Do you think that that saving would amount to much?—It is hard to say.

48. What would be the salary of an insurance-office manager, say, in Auckland?—£1,500, I think.

49. I mean a fair average salary?—£500 or £600 a year, I suppose. £1,500 is paid to the general manager for the colony of one of the companies.

50. Say a man in charge of an Auckland branch office?—I should say £500 or £600 a year.

51. How many such salaries as that would be paid by one fire-insurance company throughout the colony?—The managers would all be paid that amount in the main centres; but those at smaller places would not be paid nearly so much.

52. Places like Napier, Nelson, or Wanganui?—The salaries paid to the managers there would not reach anything like £500 or £600.

53. Have you any idea of the amount of the premiums paid for fire insurance in New Zealand?—No.

54. Nor of the amounts insured?—No.

55. Do you think that if this measure was placed on the statute-book the Government Department could effect reinsurance, either here or in other countries? Have you considered that phase of the question?—I have. I do not know whether they would effect it outside the colony, but I take it they would with the various companies in the colony.

56. Have you considered the Bill carefully?—I have looked into it. I have read the Bill through, but I have not really studied the matter, because I did not anticipate coming down here to give evidence.

57. So that, although you are giving evidence, it is merely of a general character—you have not gone into the details of the Bill?—No.

58. Will you please read clause 61 of the Bill, subclauses (1) and (2)?—Yes. [Witness reads clause.] This seems to point to the fact that there would be another company, from the words "the company that issued the policy."

59. Does it not mean this: If this Bill became law the policies in existence with other companies would be cancelled, and that the people would be compelled to insure with the Government?—That would be under the compulsory clauses. I take it that, if the compulsory clauses were in, it would mean that, but if the compulsory clauses were withdrawn that would be withdrawn. Of course, we looked at the matter in the light of the compulsory clauses being withdrawn. It was stated in the papers that Sir Joseph Ward had decided to drop the compulsory clauses.

60. Of course, the whole of Part II. is purely of a tentative nature; it would have to be adopted by a poll of the people in a locality before it could be brought into force?—Yes, that is so, I think.