

impression that pressure had been put upon the Government, by saying it had been an advantageous operation altogether, and by expressing his desire for more such operations. I think that is all I have to say.

Mr. Bridges.
14th Oct., 1874.

729. But, Mr. Bridges, you must tell the Committee what "the circumstances" were to which you were referring when you said that certain circumstances had come to your knowledge in confidence while you were Manager of the Bank?—I concluded, as I have said, that pressure must have been put on the Government, or the price would not have been given, having heard that that price was generally considered excessive. I also have an impression that I have heard (though this is only hearsay) that the previous Ministry had determined that they would not give more than a certain price.

730. Then the Committee are to understand that what was in your mind when you gave your former evidence was this: that whether it was the Bank or the Mercantile Loan Agency Company that was immediately interested, you held that the circumstances, whatever they were, were either between those institutions or by both together?—Yes.

731. Well, what were those circumstances?—I do not quite understand you.

732. So far it appears that the two institutions are to be taken together, instead of the Bank alone, as having put pressure on the Government. Now, I again ask you what the circumstances were under which pressure was put on the Government?—The circumstances by which I came to my opinion are these: I heard Mr. Bathgate make a certain statement. I heard Mr. Larkworthy say it was a very good operation, and he left the impression on my mind that it was a very profitable operation indeed. I felt very little interest in the matter, and I do not remember putting any questions to Mr. Larkworthy respecting it. I also heard that the Ministry had given more than the previous Ministry determined to have given. These are sufficient circumstances to prove that pressure had been put on the Government.

733. Then, are the Committee to understand that it was from this conversation that you had with Mr. Bathgate that you were led to make imputations such as those which are contained in your previous evidence?—I had no intention of making imputations. If you remember, I requested to let me withdraw or modify that answer, stating that it was a hasty one.

734. Are the Committee, then, to understand, by your present evidence, that it was not your intention to cast any imputation upon anybody?—Yes.

735. And are the Committee to understand that you have no other information to give on the question of the purchase of the Port Chalmers Railway?—I have no other information to give. On the advice of my counsel, I have no further information to give, but I am prepared to answer questions as to facts within my knowledge. My counsel says the Act does not protect me.

736. *Hon. Major Atkinson.*] Then you have information to give?—I do not know that I have any information to give.

737. *The Chairman.*] I will ask you again, are there any circumstances whatever, which as a matter of fact, came to your knowledge in a confidential way, and are there any account books, or papers, or any officers of the Bank, or otherwise, with respect to which you are able to give any information whatever to the Committee?—As a matter of fact I do not know.

[Witness was here requested to withdraw while the Committee deliberated, and the usual hour of adjournment having arrived, he was not recalled, but was ordered to attend at half-past 11 o'clock next day.]

FRIDAY, 15TH OCTOBER, 1875.

Mr. BRIDGES, Director, and Acting General Manager of the National Bank of New Zealand:
Examination continued.

738. *The Chairman.*] Mr. Bridges, in your original examination you said at different times that pressure had been exerted by the Bank upon the Government. The term "pressure" in reference to any action taken by a bank has a well-understood meaning among all persons acquainted with banking transactions?—Yes, I suppose so; it is generally understood.

Mr. Bridges.
15th Oct., 1875.

739. In fact it means that any arrangement which may exist as to overdrafts or accommodation generally will not be continued to the same extent at all events?—Yes, that is the usual mercantile acceptance of the term.

740. Then, when you said that you did not mean that political pressure had been exerted by the Bank in the instance you mentioned, but simply that pressure had been exerted, you meant pressure in the ordinary sense?—Pressure may be described in other ways.

741. What is the other way?—I meant it in the ordinary way.

742. At the time the purchase of the Port Chalmers Railway was completed, the following persons were members of the Ministry:—Sir Julius Vogel, Sir Donald McLean, Hon. E. Richardson, Mr. Bathgate, Mr. O'Rorke, Mr. Reynolds, and Dr. Pollen. To which of those gentlemen did you mean to refer to as upon whom the pressure had been exerted?—That is a matter of opinion.

743. Was it Sir Julius Vogel?—I do not know that Sir Julius Vogel had any accommodation from the Bank at the time.

744. I am not asking you about the express amount of accommodation, but about the word "pressure"—the influence, in fact, which you designated by the term "pressure." Do you think it was exerted on him?—I have said that I had no knowledge that any member of the Government had an overdraft at that time. I was in England.

745. The word "overdraft" has not been mentioned.—Well, advance or accommodation.

746. Did you mean Sir Julius Vogel as one of the members of the Government when you said that pressure had been exerted?—I do not think I am permitted to answer that question, because I do not know it as a fact that he had any accommodation or advance.

747. As a matter of opinion, was he in your mind when you used the term?—I am advised by my counsel that I must say nothing as a matter of opinion; it must be only as a matter of fact.

748. You have distinctly stated that you believed pressure was exercised by the Bank on the