

778. Which, in fact, wiped off the overdraft from the Wellington account?—Yes.

779. Do you know whether that cheque which extinguished the overdraft at Wellington was placed to the debit of his account in Auckland?—I do not know. Not within my personal knowledge.

780. That question has been put to you at the request of the Committee generally, and the Committee also desire to know how you connect the fact of the overdraft in Sir Julius Vogel's account with the purchase of the Port Chalmers Railway?—The accommodation granted by the Bank was so excessive that the Bank would have great power over him.

781. You have stated £200 as the amount of overdraft he was allowed in Wellington?—Yes.

782. Do you call that an excessive amount of accommodation?—No, that was a frequent occurrence. I mean the transfer of his account to Auckland.

783. Then this operation of transferring his account, when the overdraft reached £200, was an occurrence that took place frequently?—Yes.

784. *Mr. J. Shephard.*] You knew nothing of the state of Sir Julius Vogel's account in Auckland?—No.

785. Nor did you at the time you were Manager?—No.

786. At what intervals was this overdraft cancelled in this way?—At irregular intervals.

787. About what intervals?—I cannot trust my memory to make any answer to that question. They were very frequent.

788. Four or five times in a year?—I should say much more than that, but I really cannot tax my memory.

789. *The Chairman.*] You stated, when you were last here, that you wished to give some further evidence with respect to Mr. Batkin's memorandum. Before you do that, I wish to ask you some questions in elucidation of evidence you have given in reference to the general banking arrangements. In question 495, you stated that the course pursued in Victoria of employing the Associated Banks worked well. How would you propose to make the receipts and payments to the different accounts in New Zealand? Are there any such separate accounts kept in Victoria, and any such payments made there?—I believe so. I was in Melbourne, on my way to this colony, in September, 1874, and I consulted two of the Bank Managers there on the subject. I asked them whether there would be any difficulty in the matter, and they said, "No." I asked Mr. Curtayne, the Manager of the Union Bank of Australia, how it was done, and he said "Easily enough; there is no difficulty in the matter." Something called away his attention, and I did not get particulars; but I believe the difficulties pointed out by Mr. Batkin are visionary.

790. Do you know whether the Government of Victoria has any local paymasters?—I do not.

791. Did those Bank officers whom you conferred with in Melbourne know or were they aware of the accounts kept by the New Zealand Government when they gave you their opinion?—No, I should think not.

792. You do not know anything about the matter yourself?—No.

793. In answer to question 522, you said that you knew the London bank rate for fixed deposits for twelve months varies from 4 to 5 per cent. What London banks were you referring to? Were you referring to Colonial banks having offices in London, or English banks?—English, Colonial, and Indian banks.

794. Name some of those that give from 4 to 5 per cent.?—All the London banks give from 3½ to 4 per cent. The London and Westminster and Union Bank of London give from 4 to 5. It is a matter of advertisement that they give 5 per cent. for deposits for twelve months.

795. Did the National Bank of New Zealand offer to take any part of the loan?—Not that I am aware of.

796. Mr. Magniac, in a recent report of the National Bank of New Zealand, states that they had a share of the loan. How did they obtain it?—By tendering, I suppose.

797. To your knowledge they did not make any offer to the Loan Agents to place any of the loan?—I am not aware that they did.

798. You never heard that it was their intention to make an offer?—No.

799. You stated, in answer to question 554, that you could prove that the Bank of New Zealand put pressure on the public?—Yes. There are so many cases within my knowledge of persons being pressed that could be proved. There is no doubt in the mind of any banker on the subject.

800. But the Committee wishes to have your own knowledge—not what you may think was in the mind of any banker?—I have heard many persons mentioned, whose names I do not remember, upon whom pressure had been put by the Managers, who stated they must have money.

801. You have said that your own Bank found it necessary to put pressure on different individuals?—That is a different matter. We have not put on pressure because we wanted money, but because we thought the overdrafts were too large. The tenor of my evidence was that the Bank of New Zealand had anticipated receiving the proceeds of the loan, and had, consequently, made larger advances than prudence justified; and when there was a doubt as to whether the loan would be raised, they began pressing their customers.

802. But according to the returns of the different Banks, as gazetted, the Bank of New Zealand had increased its advances in March 1875?—Up to March, yes. That includes the three months from January to March.

803. And when was the pressure put?—About the time that news was received in the colony from various quarters that doubts existed as to whether the loan would be floated.

804. *Hon. Major Atkinson.*] What was the time?—My own impression is that it was, about February—no earlier than that.

805. Then pressure was put on while they were still increasing their advances?—No, not at all. The returns are averages.

806. *The Chairman.*] But in the quarter ending 31st March there was a decided increase in the Bank of New Zealand advances. The pressure to any great extent could not, therefore, have occurred in that quarter?—The pressure might have occurred without affecting the figures at all. It does not follow that because a bank presses its customer it gets the money.

Mr. Bridges.
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18th Oct., 1875.