

117. Now, New South Wales. What is the position of the Sydney branch?—The business there is a fairly large one, and at present is a fairly profitable business too; but it has a great load of misfortunes to carry on its shoulders.

118. What is the nature of the misfortunes?—Bad debts and bad investments of bygone years.

119. You told me previously that you could not say as to the writings-off of these places—as to the amounts?—No; but in Adelaide, New South Wales, and in Victoria, as far as we are able to judge, all the bad and doubtful debts are provided for by the arrangements made in 1895.

120. *The Chairman.*] I think you told the Committee detailed information was in course of preparation. Can you give us an idea when that will be ready?—By to-morrow.

121. *Hon. Mr. Seddon.*] Now, the nature of the business in Fiji, and the volume?—We have a fairly large and fairly profitable business in Fiji. It is not quite so good as it has been, but it is a fairly safe and profitable bank business.

122. Now, the bank took over a number of trading concerns under the arrangements made in 1895: a portion of those trading concerns were in Australia?—Yes, that is so, Sir. We have sold the most of them though.

123. Will you state to the Committee what those concerns were?—We had left to us the Globe Timber-mills, with a branch business at Broken Hill. We have since sold the whole of that business.

124. What was its book-value, and what did it realise?—We received a good deal more than at one time we hoped, but something less than the book-value; not more, however, than is easily provided for this year.

125. What other properties had you?—I would like to say, in reference to this Broken Hill business, for example, that we have sold it, and a good many thousands of pounds are paid on account of it; but I think, in the interests of those who have bought the property, that more information should not go to the public. With regard to another large sale, I think it would probably endanger the sale if I were to say anything about it. It is, as a matter of fact, completed, I believe; but it has got to be referred to another body, and if that other body got to know that an authoritative statement came from us here that the sale was effected they would probably repudiate it; and therefore I will ask the Committee, in the interests of the bank, to permit me to leave the matter there. The sale is a very fortunate one for us.

126. The Committee are to understand that you are, as fast as you can, realising on these trading concerns outside New Zealand?—Yes, both outside and inside New Zealand.

127. I will keep you to outside New Zealand?—Yes, as fast as possible.

128. And so far as you have realised, and from what are now under negotiation, you have received satisfactory results?—Yes; we are in a very much better position with regard to them than I believe would have been possible two years ago.

129. Now, come to New Zealand. You took over from the Estates Company a number of trading concerns?—We did.

130. Including a number of shares in companies?—Yes.

131. In respect of the trading concerns, what is their nature?—The Auckland Tramways and the Auckland Flour-mills. With regard to the others, unless the Committee press that I should give the information I think it would be unfortunate to do so, because they are worked as companies, and I think it undesirable that the intimate connection with the Bank of New Zealand with them should be shown. It may create a deal of difficulty in our dealing with them.

132. Do you mean it would be a disaster to the bank or disaster to the companies, or are both in a bad condition?—They are in an extremely satisfactory position so far as profit-making is concerned; but as we are open to dispose of them, and they might be off our hands within a limited period, it is extremely undesirable that particulars of them should be made public.

133. Are you alluding to the iron companies and other concerns?—Yes; I refer to trading concerns, some of which are now under offer, and it might result in great loss to the bank. We want to make as much out of them as we can.

134. I will not press the question so long as it is understood that they are trading concerns which the bank is now carrying on?—Yes.

135. And on the amounts they owe to the bank you say they paid last year a fair rate of interest?—Yes; they were doing very well indeed.

136. How much did you make on the shares you took over? You said you took over a large number of shares; will you state what shares and what companies they belong to, and what you made out of them?—I could not give the details of that information. I can only say some of the dead shares have come to life again, and have been realised to the advantage of the bank.

137. Are these in the North or in the South Island?—They are all in the South Island, the shares to which I refer.

138. Has the bank shares both in the North and South Islands?—Yes; shares of one kind or another we have. But the whole value of the shares stands at not more than £8,000. The whole value of the shares taken over is £8,824.

139. You say, as far as the shares are concerned, that they are not looking so bad, or are coming to life?—That is so.

140. Are there any mining companies' shares too?—Yes.

141. You have gone into mining too, have you?—They are only what came to us. We have not been going into mining.

142. We come now to debentures. The bank also took over debentures in companies in the North and South Islands, did it not?—Yes.

143. How much did the bank make in respect of the debentures it took over last year; did you make anything or lose anything?—I do not think anything is determined in the matter of the debentures.