

30. *Mr. Montgomery.*] Mr. Booth, what has been the effect of the banking inquiry upon the current business of the bank?—Distinctly unfavourable.

31. In what way?—We have lost some business.

32. Much?—I could not say how much.

33. Is the loss confined to New Zealand, or does it go to Australia?—As far as it can be defined, I suppose it is confined to New Zealand—as far as it is definitely within our knowledge.

*Hon. Mr. Seddon* moved the adjournment of the Committee.

Discussion ensued. Motion negatived.

34. *Mr. Montgomery* (to witness).] I would ask you if the position taken up by Mr. Watson had an effect upon the business of the Bank?—I think so.

35. What was the effect?—Favourable.

36. Do you think that the inquiry on the present basis—that is to say, the basis with the limitations which have been made by Mr. Watson—is likely to materially do the bank any harm?—Yes.

37. You do?—Yes.

38. In what way?

*Mr. Cooper*: Might I interpose?

*The Chairman*: Counsel cannot address the Committee.

Discussion ensued.

Committee deliberated. On resuming,

*The Chairman*: I have to state that the Committee cannot allow counsel to address them. Any question that counsel may desire to put must be put through the chair.

#### FRIDAY, 7TH AUGUST, 1896.

Mr. W. G. FOSTER examined as to the production of documents.

1. *The Chairman.*] Are you prepared, Mr. Foster, to hand in the documents contained in the list forwarded to you?—I am prepared to hand certain of them to the Committee at present.

2. In that case it will be as well to take them as they occur in the list, and to get your answer to each. Sub-paragraph 1 of paragraph 7 asks you to produce all balance-sheets submitted to the Committee in 1895?—I have them. My copies of the documents are those supposed by me to have been submitted to the House. The originals are in the possession, I assume, of the Treasurer.

3. *Hon. Mr. Seddon.*] They are not in the hands of the Treasurer. Any documents in the possession of the Treasurer will be kept by the Legislative Council.—They are not in possession of the bank or Estates Company.

4. *The Chairman.*] The next is “all station accounts and balance-sheets of the several stations”?—The same remarks apply as to originals. I produce copies.

5. Then come the balance-sheets submitted to the Government Auditor for adjustment of the accounts as between the Estates Company, the Assets Realisation Board, and the Government, together with all draft balance-sheets prepared for that purpose?—You have passed over the demand for the balance-sheets prepared between June and October. There are none such.

6. Have you got the balance-sheets submitted to the Government Auditor that I have just named?—Yes; I have here a number of statements. There are no balance-sheets showing the adjustments necessary. These, I would like to point out, are original documents—office copies. They have a number of pencil memoranda (which I wish preserved), and I should like to have them returned to us.

7. “Copy of original certificates of the Government Auditor, showing adjustments as between the Government, the Assets Company, and the Realisation Board”?—Those, of course, I have not in my possession.

8. You cannot hand them in?—No; I assume they have been handed in to the Colonial Treasurer.

9. *Hon. Mr. Seddon.*] I have them, and if you wish to have them handed in I will give them to Mr. Foster?—I wrote to the Treasury for a copy, and they said they would produce them when required, also the report of Messrs. Smith and Kember, and the rejoinder.

10. *The Chairman.*] Under subsection (2) you are asked for a “statement in tabular form showing the whole of the globo assets on the 17th day of August, 1895 (the date of the Joint Committee report), and detailing each property (its book-value)”?—I hand them in in that form. I am not producing at present, without the sanction of the board, the latest valuations. The other I shall have to obtain permission for from the Assets Board, as disclosing valuations would seriously affect sales.

11. Subsection (b)—“The bank’s latest ascertained value”—you cannot hand that in?—I am not handing it in.

12. What do you say with regard to subsection (b)?—I consider they are not in my control; they are in the control of the Assets Board, and therefore I cannot hand them in.

13. Subsection (c)—“Any valuations ascertained since the 17th August, 1895, with dates of such valuations”?—The same remarks apply to them.

14. Subsection (d)—“All realisations since 17th August, 1895, with date and result of each”?—Those I hand in. They are realisations of the Assets Board properties.

15. Subsection (e)—“Whether the title to each is considered good, bad, or doubtful”?—I have no document reporting upon that specially, but I understand from the solicitors that the titles are considered good.

16. The request is to state the title to each?—I am unable to state that, but on the whole the solicitors state the titles are good.