

154. That a property at Lawrence valued at £2,559 has been sold for £1,009; that a property at Marton valued at £265 has been sold for £25; that a property at Normanby valued at £69 has been sold at £3; that a property at Rangiora valued at £1,390 has been sold at £1,000; that a property at Wanganui valued at £3,805 has been sold at £3,303; that a property at Wyndham valued at £77 has been sold at £90? Do you consider these sales are likely to be sample sales, or are they sales of the worst properties?—I am not able to say. We went very carefully through the list, and I have told the Committee the conclusion we came to. I think we shall get quite as much as we expected to get.

155. Have they since been valued?—No.

156. Now, the Good-will Account. Is it intended to write this down or keep it fixed?—To write it down.

157. It has not been written down this year, has it?—No.

158. Does the £75,000 represent the written-down Good-will Account, or the actual?—The actual. We hope to write it down this year by at least £5,000.

159. What are the charges upon your net profits by law?—There are, first of all, the bad and doubtful debts that have to be provided for; then £50,000 has to be paid to the Assets Realisation Board.

160. Has not the interest on the guaranteed shares to be paid first?—Yes; that requires some further provision, I believe, by Parliament. The payment of the dividend is, I think, dependent upon the will of the shareholders.

161. I mean the guaranteed £2,000,000—£80,000?—Yes.

162. Then, the preferred shares—do they not come before the Assets Board £50,000?—The section provides, as I was giving it to the Committee. In the first place the guaranteed shares, and then the preferred shares; after that, £50,000 per annum to the Assets Board.

163. And the dividends to shareholders?—5 per cent. may be paid on the call that is now being made with the consent of the Colonial Treasurer for the time being.

164. And the residue to the Assets Board?—And the remainder goes to the Assets Board.

165. Coming to the Bank of New Zealand and its valuations: What valuations have been made since 1888?—I do not know.

166. When were the bank's buildings last valued?—I do not know.

167. You do not know what instructions have been given to value them at any time?—No.

168. It is not within your knowledge because you have only been recently appointed?—The matter has never come before us.

169. You cannot tell me what depreciation has been written off the different classes of property yearly? What is the practice with regard to writing-off depreciation in bank's premises?—I am not able to say. As far as any information goes that I have come across, the bank's premises are very good value for what they stand at in the books—probably in excess of that.

170. Now, coming to the information afforded the Government by the directors: What is the date you were appointed director?—About September, 1894.

171. Am I right in saying that you immediately began to inquire into the condition of the bank—all the directors did so at that time?—Yes, that is so.

172. Was any communication made by you, or by other directors to your knowledge, to the Government from time to time with regard to the affairs of the bank?—I am not able to say.

173. You do not know?—No.

174. You know so far as to whether you made any communication? Did you make any communication to the Government from time to time?—I made none.

175. To no Minister?—No.

176. When was the first information given to the Government with regard to the position of the bank?—I do not remember the date. Do you mean in 1894?

177. There was no information given in 1894, after you were appointed a director?—I have no knowledge.

178. What was the first information in 1895, to your knowledge?—I am not able to give you the date; but when we were prepared to disclose the condition of the bank we did inform the Government, and arranged a meeting with Ministers; and, so far as I know, that was the first intimation they had of the urgent need the bank was in for assistance.

179. Have you any letters to produce bearing on that question?—I have not.

180. Were there no letters written by you or by any of the directors or officers?—I believe a letter was written, by instructions from the directors, by the President to the Government.

181. Were letters written to the Government before the Banking Committee was set up—the Banking Committee of 1895?—They were made acquainted with the condition of the bank.

182. Verbally, or by letter?—I do not remember to what extent they were made acquainted by letter. I do not know whether any communication went beyond a simple intimation that the affairs of the bank, and the condition of the bank, required to be reported upon to them.

183. Is this letter a copy of a letter sent to the Banking Committee by the directors, including yourself [letter of the 22nd August, 1895, handed to witness]?—Yes, I know of this.

184. Do you know of none before that?—I have no recollection of any before this.

185. Would you inquire whether in the bank's letter-book there are copies of letters which caused the Government to set up this inquiry, and produce all letters and memoranda sent to the Government on the subject or any member of it?—I will make a note of that.

186. Was private information given to the Government in 1895 which was not given to the Committee?—I have no recollection of that being done.

187. You could not say?—I am not aware of any such thing.

188. Who would be the person who would communicate with the Government verbally?—The President is the medium of communication between the Government and the directors when there is any communication.