at the question of guaranteed accounts: the persons who may have guaranteed these accounts have here no person to protect them but the bank and myself. If my account at the bank were guaranteed by the Premier, should I not have a substantial grievance, and would not the guarantor have a grievance if his private accounts, his business matters, were exposed to the inspection of a Committee? I do submit, Sir, that the customers of the bank whose accounts have been guaranteed would have a serious ground of complaint. They have no right to tell me, they have not told me, whether there are such accounts in the bank or not, but, if there be such guaranteed accounts, the parties would have a grievance against the bank, an intolerable grievance, if it were to produce their accounts to this Committee for the purposes of an investigation of charges against other persons.

Mr. Seddon.—I suppose that, if an order of the House were to ask for an inspection of the bank's books, that would have equal power with the order of a Judge of the Supreme Court.

Mr. Bell.—Yes; but in that case I should ask to be heard at the bar of the House. I quite agree that the authority of the House is paramount. I quite agree that the House may be parallel to the Supreme Court in a case of this kind. I do not conceal the fact that if this be a legal inquiry a Judge's order is necessary. If it be not a legal inquiry, then, by analogy, it could be done by an order of the House; but I apprehend that the House would not make such an order without hearing what the bank, represented by counsel at the bar of the House, would have to say against it.

Mr. Macarthur.—Would the House make an order inconsistent with what had been done by the Legislature in the form of an Act of Parliament?

Mr. Bell.—The House can make any order: the House might order me to prison, although the law said it should not do so.

Dr. Fitchett.—I understood you to say that this was a legal proceeding.

Mr. Bell.—What I submit is that if this is a legal proceeding the Judge's order is necessary; if it is a legal proceeding the Bank Act applies, but it does not apply if the bank is a party.

Dr. Fitchett.—Do you say that the bank is a party, and therefore the Bank Act applied?

Mr. Bell.—I stated as clearly as I could yesterday what I believed to be the position. I said I accepted the statement, and I accept it now, that the bank is not at this moment before the Committee.

Dr. Fitchett.—If it is not before the Committee then the Bank Act does not apply.

Mr. Bell.—It is rather the other way; if the bank is a party the books must be produced. What I contend is that it is not a party at the present stage of the inquiry. Until the Committee commences an inquiry into the conduct of the bank it is not necessary that counsel should say anything in its behalf. I fully concur in the statement made by the Chairman, but the moment an inquiry begins into the conduct of the bank, then it has a right to appear by counsel, and it will be permitted to do so. The Bank Act says it shall not produce its books without the order of a Judge of the Supreme Court.

Mr. Hutchison.—My learned friend's contentions are mutually destructive: he says, for the purpose of his present argument, that the bank is not a party; inferentially he wishes the Committee to accept that statement, but as soon as this inquiry begins he is prepared to contend that the bank is a party.

The Chairman.—As I understand, if the bank is made a party, he is going to contend that the bank, as a party, ought to be represented by counsel.

Hon. Mr. Larnach.—Is it not a fact that this Committee was set up with full powers to call for persons and papers?

The Chairman.—I would suggest that we should not branch from the question before us. That matter will come on for discussion later. I understand, however, that Mr. Larnach said the whole question was one of balances.

Hon. Mr. Larnach.—Mr. Bell had stated that he would like to appear before the bar of the House upon the question as to whether the books should be produced. I want to know whether this Committee, set up for the purpose of this inquiry, has not all the powers that it could have.

Mr. Bell.—I was asked whether the House could not make an order such as the Supreme Court could make. Before the House would make an order it would hear counsel at its bar.

Mr. Seddon.—Notwithstanding, we have the power of calling for the production of papers. Does the bank say, "We will not produce our ledgers"?

Mr. Bell.—I submit it is not fair to ask the question. I simply submit the grounds on which the Committee should not require the bank to produce these documents. If the Committee should decide against my view, the bank must take the course which its duty and honour require. Am I to presume that the Committee is going to decide against me? If not, it is not fair to ask me that question now.

Dr. Fitchett.—I think we are entitled to ask Mr. Bell whether he claims the bank to be a party or not; if it be not a party then the Bank Act would apply.

The Chairman.—Are not these matters for deliberation?

Dr. Fitchett.—You have not said whether the bank is a party or not.

Mr. Bell.—I said that, as soon as the inquiry charges the bank with misconduct, so soon will the bank claim the right of being heard by counsel; until then the bank cannot be said to be a party. You are to inquire not into the conduct of the bank, but into the relations of certain members of the Government with the bank. If the bank's conduct is attacked, then it will produce evidence to rebut that. The Committee has to inquire into the relations of certain of its customers with the Bank of New Zealand.

Dr. Fitchett.—Do you claim the right to appear from the beginning of the inquiry?

Mr. Bell.—Certainly, to watch the proceedings.

The Chairman.—The bank is not accused of anything, so that Mr. Bell does not appear to defend it.

Hon. Mr. Ballance.—But he does appear for the bank in this matter of the production of