

papers and letters. That is the question we are dealing with. I think we have a right to ask Mr. Bell what course he will take. Mr. Hutchison says he will require the original documents. Mr. Bell assumes that we are a legal tribunal. In that case the order of a Judge of the Supreme Court would be required. If such an order is required, then we must take our own course; if he threatens to proceed further, the bank will take its own course, and rely on the law.

*Mr. Bell.*—I have uttered no word to indicate anything of the kind. I have been most careful to submit to the Committee the reasons why it should not require the private accounts of the customers of the bank to be brought before the Committee, why it should not require the bank even to produce copies of certain accounts without the order of a Judge of the Supreme Court. But I have not indicated by any sign what course the bank would take in the event of an adverse decision.

*Mr. Seddon.*—We have ordered the production of these books. You, Sir, the Chairman of the Committee, have sent that order to the bank to produce them. Counsel is now pressing us on the question of producing them; but he has not said whether he will produce them or not.

*The Chairman.*—He is here, it appears, to endeavour to induce us to alter our requisition. We have not intimated whether we will withhold our assent to any such alteration or not.

*Mr. Seddon.*—He has submitted his view of the matter to the Committee.

*The Chairman.*—We have not even deliberated as to the form of our decision.

*Hon. Mr. Hislop.*—If I do not say anything now, my silence must be taken without prejudice to anything I may have to say hereafter. I look on the order made by you in the light of a subpoena which is issued to a witness out of the Supreme Court. It has nothing whatever to do with the evidence which may afterwards be brought before the Committee, and should not actually be put before it. I apprehend it will be more convenient, and place all in a better position, if I do not interfere in any way between the bank and the Committee. You have heard from Mr. Bell that we have been careful not to have any communication in reference to this part of the case. I have no wish to interfere between the bank and the Committee. All I contended for was that it would have been much more convenient if the charges had been properly formulated before any proceedings were taken, for it might have narrowed the inquiry between the Committee and the bank as to the nature of the evidence which ought to be produced. If that had been done we should have known what evidence was necessary or proper to be called. So far as the inquiry itself comes within the order of reference of the House, we will facilitate it in every way. But we cannot accept the position of assisting an inquiry which may go, in our opinion, beyond that reference. Even in respect of that I should be prepared to modify what I say to this extent: that if the Committee should find—

*The Chairman.*—The Committee would not go beyond the order of reference.

*Hon. Mr. Hislop.*—If the Committee should find on inquiry that there has been serious maladministration of the public funds by the Government, then I am authorised to say that the members of the Government will facilitate in every way possible the fullest investigation of their private relations with the bank.

*Dr. Fitchett.*—In the letter which was sent to the Committee, Mr. Bell says, "I have the honour to inform you that the Bank of New Zealand desires to be represented by Mr. Stafford," &c. The Committee take this to be a claim to be represented during the whole course of the inquiry. I wish to know from Mr. Bell whether his letter, when it was written, was limited to the production of documents, or whether it referred to the proceedings of the Committee as a whole. This, I think, makes it plain that in Mr. Bell's opinion, when he wrote his letter, the bank was a party to these proceedings.

*Mr. Bell.*—No.

*Dr. Fitchett.*—The bank, in view of this letter, deemed itself a party; if the bank be a party the Bankers Act does not apply; it is bound by the Act itself to produce the documents.

*Mr. Bell.*—No one knows better than Dr. Fitchett the difference between a person who is actually a party to a legal proceeding, and a person who is being attacked in the course of the proceedings, and who, being so attacked, has the right to have counsel to watch the proceedings in his behalf. No one would suppose that Parliament would set up a Committee to inquire into the business of the Bank of New Zealand. It might as well set up a Committee to inquire into the business of Mr. Bell or Dr. Fitchett. It only remains that I should explain again what I explained before as to what was meant by this message. The position is this: an inquiry is set up as to the action of certain members of the Government, with which we are in no way concerned at all, except in so far as the bank keeps the Public Account. In the course of that inquiry it is suggested that the bank has been guilty, with the gentlemen whose actions are inquired into, of some corrupt and improper practices. The bank's stability and honour and commercial position are impugned. In the course of the inquiry—not accepting this inquiry in any sense, for neither Parliament nor this Committee has any right to inquire into the private business of the bank, except where it is incident to the conduct of those members of Parliament who are referred to—the bank claims to be heard by counsel, on their behalf, when the evidence is called, impugning the character and honour of his client.

*Dr. Fitchett.*—At that stage will you produce the books?

*Mr. Bell.*—Neither at that stage nor at any other stage is my client a party to these proceedings. Dr. Fitchett concurred in that view at first, and the Committee decided, judging by what took place, that the bank was not a party.

*The Chairman.*—We have not deliberated.

*Mr. Bell.*—It seems to my mind to be perfectly clear that it would be impossible to set up this Committee unless that is admitted. The bank's only right to be present is the ordinary right that any person has whose conduct is attacked in the course of an inquiry to have counsel present to watch the proceedings on his behalf.

*Hon. Sir J. Hall.*—In reference to the guaranteed accounts, suppose an individual whose account is guaranteed has himself guaranteed the accounts of other persons, would you understand