that the bank is called on to disclose the accounts not only of the first guaranteed individual, but the second also?

Mr. Bell.—I suppose it means the whole of the accounts of the person whose account has been guaranteed by any one, any two or three or more gentlemen.

Hon. Sir J. Hall.—A guarantees the account of B. The bank is not satisfied, and then he calls on D. Would not a guaranteed account involve us in three or more other accounts?

Mr. Bell.—I do not know whether there are such guaranteed accounts. If there are, then I understand the summons to produce a guaranteed account includes all persons who may have guaranteed the accounts as well as the accounts of all the guaranteed persons.

Sir J. Hall.—You say that the books and accounts are closed on the 31st March; the books prior to that date could be produced without interfering with the business of the bank? If they are not current books, I should say they might be produced without serious inconvenience.

Dr. Fitchett.—Does that apply to letter-books and telegram-books that are closed? No, they are current.

Hon. Sir J. Hall.—Would compliance with the order involve the production of current letter-books?

Mr. Bell.—I think, if the Committee fixed a date, as was suggested, at some time prior to the 31st March, as the limit of the inquiry, that would probably exclude telegrams and letter-books. I do not know that fixing the date on the 31st March would do it.

Mr. Hutchison.—The 31st March is not a cast-iron date; any date may be fixed that shall be considered reasonable by the Committee. Any representation of inconvenience by Mr. Murray or Mr. Bell should undoubtedly be considered if it were made. I assure the Committee that personally I desire not to inconvenience the bank.

Mr. Bell.—The removal of the letter-books and telegram-books, although not current, from Auckland, and their detention here, would be a serious inconvenience to the business of the bank.

Hon. Sir J. Hall.—"That the Government should insure the bank against any loss which might ensue through their books being sent to Wellington," what should I understand by that, what would be the loss?

Mr. Bell.—It would be simply irreparable. I asked the question yesterday. It appeared to me that the transference of the balances into the current ledger is a preservation of the record; but I am told it is by no means an uncommon thing to have the balances challenged. This information was given to me without my asking the question. It is therefore often necessary to recur to the previous records of account. This was stated as a serious inconvenience which would be suffered by the old ledgers being removed from Auckland to Wellington. If, in the course of transit, the ledgers were lost or destroyed while in this ramshackle building the loss would be irreparable.

Dr. Fitchett.—The bank would not be liable.

Mr. Bell.—They could not prove their balances.

Dr. Fitchett.—Have they not the vouchers?

Mr. Bell.—I do not know that the vouchers would be of much use for that purpose.

Dr. Fitchett.—Have they not the account pass-books, which are made up every day, and refer to the date of every transaction?

Mr. Bell.—The customer, indeed, has his pass-book, but if he challenges his balance I do not see what use his bank pass-book would be to the bank; he would not be likely to produce it. But it is impossible for me to debate this matter with you: I do not know enough of the subject for that purpose.

Hon. Sir J. Hall.—I want to get at some measure of the risk which you are asking, or rather the bank is asking, Parliament to undertake when you say we ought to insure it against loss.

Hon. Mr. Larnach.—Are you aware that at the end of every half-year the bank sends circulars to each customer, stating that his account has been balanced up to date; that the balance is so and so; with the request that he will be good enough to acknowledge the receipt of the communication, otherwise the balance would be regarded to be accepted as correct.

Mr. Bell.—That is, where it is a debit balance; not if it is a credit.

Hon. Mr. Larnach.—You said that the old ledgers and books were constantly referred to; if they were in charge of an officer, what inconvenience would that produce?

Mr. Bell.—You are better able to answer that question than I am; I am not a banker.

Dr. Fitchett.—Could not the books be taken to the bank here every night; that would not cost thousands?

Mr. Bell.—It is during transit that the loss is feared.

Hon. Mr. Larnach.—Are you aware that vouchers carry their date and are tied in large bundles.

Mr. Bell.—You must know the date before you can get your voucher.

Dr. Fitchett.—Are you aware that the banks are in the habit of sending large bundles of bank-notes by post.

Mr. Bell.—I do not know, but I think there could be no great trouble about that, seeing that if the notes went to the bottom of the sea it would not do the bank any harm. They would not object to lose their own promissory notes.

Wednesday, 30th July, 1890.

Hon. T. W. Hislop and G. Hutchison, Esq., M.H.R., in attendance.

Mr. Hutchison.—Mr. Chairman, I have been anxious during the last few days—during the last week or more—to have an opportunity of saying a word or two to the Committee, which I venture to think might save time, and, at any rate, put clearly before the Committee what my views on this matter are. I have acted throughout quite independently of any member or any section of the Committee, and I have observed during the recent discussions that arguments have been advanced