

Z. Statement of Bank of New Zealand, sent in by Mr. McCarthy.

A2. Additional statement of Bank of New Zealand, sent in by Mr. Watson.

B2.) Statements showing number and classification of advances in Bank of New Zealand

B3.] at 31st March, 1895, in New Zealand, other colonies, and London.

C2. Profit and Loss Account, Bank of New Zealand, for the year ending 31st March, 1894.

A letter was laid upon the table by Mr. Chairman from Mr. McGowan, and the same was read; also,

A letter was laid upon the table by Mr. Chairman from Mr. Andrews, acting-manager Bank of New Zealand, and the same was read.

The Committee then adjourned, at 5.30 o'clock, until 9 o'clock.

The Committee resumed at 9 o'clock.

All the members of Committee were present.

*Resolved*, on motion of the Hon. Mr. Seddon (the Hon. Sir R. Stout alone dissenting), the Committee, having taken such evidence and information as is available to them, resolve to appoint a sub-Committee to consider and report on the best course that can be taken in respect to the matters referred to the Committee by both Houses of Parliament, That a sub-Committee be appointed to examine and report on the proposals submitted by the directors of the Bank of New Zealand, and to make such other proposals as the sub-Committee may deem expedient under all circumstances; the Committee to consist of the Chairman, the Colonial Treasurer, Mr. Buchanan, the Hon. Mr. McLean, the Hon. Mr. Ormond, the Hon. Mr. Stevens, the Hon. Mr. Kelly, the Hon. Sir R. Stout, and the mover (the Hon. Mr. Seddon).

A return was laid on the table from Mr. McGowan, showing reductions on original values to be £60,240.

The Committee then adjourned, at 11.15 o'clock, until to-morrow (Saturday) afternoon.

## JOINT COMMITTEE ON BANK OF NEW ZEALAND.

MONDAY, 26TH AUGUST, 1895.

The Committee met, pursuant to notice, at 4 o'clock.

*Present*: Hon. Mr. Bowen, Hon. Mr. Stevens, Hon. Mr. Kelly, Hon. Mr. McLean, Hon. Mr. Montgomery, Hon. Dr. Grace, Hon. Mr. Ormond, Hon. Mr. Jennings, Hon. Mr. Walker, Hon. Mr. Seddon, Hon. Mr. Ward, Hon. Mr. J. McKenzie, Hon. Sir R. Stout, Captain Russell, Mr. Buchanan, Mr. Pinkerton, Mr. Fraser, Mr. Millar.

The minutes of the previous meeting were read and confirmed.

The following additional returns were laid upon the table:—

D2. List of assets owned by bank outside New Zealand.

E2. Schedule giving particulars of properties not inspected by Mr. McGowan.

Mr. Chairman read a series of propositions prepared by the sub-Committee to submit for the consideration of the Joint Committee, as follow:—

1. That, having conferred with the directors of the bank, and ascertained their views as to the relief required to sustain the bank, the sub-Committee decides to consider and propose a scheme for the consideration of the full Committee.

2. That the amount to be provided for on the bank and Estates Company combined amounts to £2,734,000, of which £1,879,000 represented on the last reduced valuation by landed estate and stock in New Zealand.

3. That it is essential that the Estates Company be separated from the bank on lines to be defined.

4. That the following assets of the Estates Company—viz., stations, sundry freeholds and leaseholds in New Zealand, interest in Thames Valley Land Company, and coal-mine in Waikato, valued in all at £1,879,105, be disposed of to an Assets Realisation Board, the Realisation Board to issue 4-per-cent stock to the bank to the amount of £2,734,000, with a currency of nine years, the Government to guarantee any deficiency in the bonds. The net proceeds of realisation to be paid to a Bond Trust Account. Security for such guarantee to be given over assets valued at £1,879,105, and collateral security to be given on £500,000 of reserved liability of bank shareholders, £500,000 of bank capital, and on net profits of bank up to £50,000 per annum. Any surplus on realisation to be the property of the bank.

5. That £500,000, payable by a further call of £3 6s. 8d. on them, be made on the reserved liability of the shareholders, to be paid in four equal instalments, the first to be due on the 30th June, 1896, the second on the 31st December, 1896, the third on the 30th June, 1897, and the fourth on the 31st December, 1897.

6. That £500,000 preference shares in the bank, bearing 3½-per-cent. dividends, be purchased by the Government with 3½-per-cent. stock.

7. That £900,000, present bank capital, and £450,000, estimated proceeds of first call, be written off.

8. That the second million A stock, now invested according to law in liquid securities, be freed for use in the bank's general business.

9. That in order to enable the bank to increase its earning power, by securing further banking business if advisable, section 3 of "The Banking Act, 1894," be repealed.

10. That the first charge on all profits of the bank beyond £50,000 should be a payment of interest not exceeding 4 per cent. on amount paid by shareholders on the second call of reserved liability.