entry I made in my diary in reference to an interview I had with Captain Cameron, the marine superintendent. It is as follows: "Thursday, 18th, Dunedin. Slept at Cox's temperance restaurant last night. Interview Captain Cameron, who told me that I could not sail in the Union Steamship Company's boats without joining the friendly society. He granted me a free passage to Sydney by s.s. 'Talune.'"

101. *Hon. Major Steward.*] Are you aware of the agreement entered into recently between the Seamen's Union and the Union Steamship Company in reference to this society?—I am not.

102. *The Chairman.*] Supposing that the society were made purely voluntary, and managed by the men themselves, without any interference by the Union Company, do you consider then it would be a beneficial thing for the sailors?—I consider it is a beneficial thing as it stands without coercion, but we all know there is some way of coercing the men. They can make some excuse for discharging a man without saying they are discharging him because he would not join the benefit society.

103. What is the object of this coercion? What is the advantage to the company in making men join this society?—I, of course, cannot judge. I had lost faith in the Union Company before this, because they had broken their promise to me—I mean the officers or representatives of the company had broken faith with me.

104. And, consequently, you thought if you joined this society you would be still more in their power?—Yes, that is what I thought.

105. Simply because, by subscribing towards the funds of this society, you were placing your money in the custody of their officers?—Yes; they had me more in their power. Of course, I acknowledge they made a liberal offer of £500 to start the society; and if they had done away with the coercion I believe I would have joined the society. The Union Company broke their faith with me, and I lost faith in them when they started this benefit society.

Richard Waine Gibbs was examined on oath.

106. *The Chairman.*] What is your occupation?—I am accountant at the head office of the Bank of New Zealand.

107. How long have you been in the Bank of New Zealand service?—Nineteen years.

108. There is an institution called the Bank of New Zealand Officers' Guarantee and Provident Association?—Yes.

109. Are you an official of that association?—I am secretary.

110. Have you got a copy of the rules?—Yes. [Exhibit 45.]

111. How long have you held your present position as secretary?—Since January, 1895.

112. Is this printed balance-sheet [Exhibit 46] a statement of the funds of the association?—That is the latest balance-sheet issued.

113. I notice there is a schedule here of the investments: do you know how long it is since they were valued?—They were valued at the time they were taken. In the case of mortgage, freehold security, the deed of settlement provides that upon expert valuation the advance shall not exceed two-thirds. At the time of the renewal of any mortgage a fresh valuation is obtained.

114. There has been no writing-down of these?—None whatever.

115. This represents, in your eyes, the present actual value of the securities?—Yes; that is a correct statement, to the best of my knowledge.

116. Has it been brought to your knowledge that the clerks of the Bank of New Zealand feel sore about this provident fund?—No doubt a large section of the staff are dissatisfied with the fund.

117. I believe a petition for its abolition was signed by thirty-six Wellington men?—A large number of the Wellington men sent in an application, and we felt the pulse of the staff generally as to the wish of members throughout the colony for its distribution.

118. What was the result?—The result was a strong feeling in favour of distribution or reconstruction.

119. Has it been reconstructed?—It has not.

120. *Mr. Fisher.*] Can you give us the figures relatively of the poll, so called?—The voting in favour of distributing the funds was practically about 90 per cent. of the present staff.

121. You cannot give us the actual votes polled for and against per officer?—I have not the figures by me, but speaking from memory I think 90 per cent. of the votes were for the distribution of the funds.

122. *The Chairman.*] Is it not the case that the clause in the regulations which relates to the distribution of the funds is entirely dominated by section 23—that is to say, the trustees can make any new rules or laws they please, subject to the approval of the directors?—I consider section 23 dominates the whole association.

123. In case of the bank getting into difficulty, is it absolutely certain that these moneys which have been subscribed by officers of the bank, and which may be considered really more personal belongings of the officers than bank property, would be a preference claim?—The funds are entirely distinct from the bank.

124. You think under these rules it would not be possible for the bank to impound them?—I do not think so for a moment.

125. They come under Rule 23?—I doubt whether any Court would uphold any such proposition; I think that would be overridden.

126. *Mr. Fisher.*] But the power is there, and the consequent trouble?—The law would not permit any institution to swoop down on funds of this nature—it would not permit of such an act of highway robbery. In the event of the bank getting into difficulties, Clause 24 provides for that; it provides that the fund shall be distributed in the event of the association ceasing to exist from any cause whatever.