

36. What I meant was this : A young man may join the bank before twenty, and at thirty-five, when in the vigour and prime of life, an opening in mercantile pursuits may present itself, which he might think better than remaining in the bank. It would seem, on the face of things, fair that he should receive some amount of surrender value on the contributions he has been paying into the fund. At any rate, as a matter of fact, there is no surrender value?—There is none at present.

The following letter was received from the above witness, and ordered by the Chairman to be added to the minutes of evidence :—

“ Bank of New South Wales, Wellington, New Zealand, 5th July, 1897.

“ SIR,—

“ As it is possible that part of my evidence as reported in the newspapers may be misunderstood, I would like to say that the rules of our guarantee and provident fund provide that, if a member of the age of fifty-five years and upwards who would have been eligible for a pension shall die without having been pensioned, such pension as he would have been entitled to may be paid to the extent of twenty quarterly instalments to his widow while she remains unmarried, or his children, being dependent, or, there being no widow or dependent children, to parent, sister, or brother, being dependent, to any or either of them, or to trustees on behalf of any or either of them, at the sole discretion of the trustees of the fund, provided, however, that the trustees, if they think fit, may commute the deferred payment for a fixed sum. If any member not having attained the age of fifty-five years, and who shall have subscribed to the fund for not less than fifteen years, shall die, the trustees may, at their discretion, pay out of the provident fund to his widow, or to his children, being dependent, or, there being no widow or dependent children, to parent, sister, or brother, being dependent, or to any person on their behalf, at such period or periods and in such manner as the trustees may think fit, any sum or sums not exceeding in the whole the amount which he shall have subscribed to the fund, with simple interest at the rate of 5 per cent. per annum calculated on the half-yearly balances.

“ I have, &c.,

“ B. M. MOLINEAUX, Manager.

“ The Chairman, Private Benefit Societies Commission, Wellington.”

GORMAN WILLIAM MCINTOSH was examined on oath.

37. *The Chairman.*] What is your position?—I am manager of the Wellington branch of the National Bank of New Zealand.

38. Have you a provident association connected with your bank?—No.

39. You have a guarantee fund?—Yes.

40. Is it purely and entirely a guarantee fund? Pensions are not drawn from it?—There are no pensions drawn from it; it is just a fidelity bond obtained from an English society. They guarantee officers in any bank in the colonies or abroad.

ARTHUR LONGDEN was examined on oath.

41. *The Chairman.*] What is your position?—I am manager of the Wellington branch of the Union Bank of Australia.

42. You have a provident fund connected with your bank?—Yes.

43. Have you the rules belonging to it?—I have not with me.

44. Is it also a guarantee fund?—Yes, both guarantee and provident fund.

45. Can you tell us what the percentage of income to the contribution is?—It is a varying one. Officers who come in as juniors have to pay a somewhat increased rate, to cover the entrance-fee.

46. What is about the rate—2 or 3 per cent.?—It is $3\frac{1}{2}$ per cent. in the case of all officers after the first five years.

47. That covers both the guarantee and the contribution to the provident fund?—Yes.

48. *Hon. Major Steward.*] What is the proportion of pension to salary: do you know?—Well, it is, roughly, one-fortieth of your average salary during the number of years you have been in the service.

49. When does that begin to accrue?—After ten years' service.

50. I suppose it is not payable in the event of an officer leaving the bank on his own motion to go in for other employment?—No.

51. There is no surrender value?—No.

52. What is the age at which the pension actually accrues? When can a man retire by his own right?—I believe at present the rules are under revision in that respect, but the age, so far as I know at present, is fifty-five.

53. In the event of an officer dying, say, when fifty, and after being in the service of the bank for thirty years, would there be any pension payable to his widow and children?—Yes; the pension accrues any time after ten years if the officer dies or becomes incapacitated.

54. *The Chairman.*] How long does it continue?—For five years.

55. Is there any dissatisfaction in the bank as to having to pay this contribution?—It is part and parcel of going into the bank, and we sign an agreement to that effect when we join the service. We go into it with our eyes open.

56. If the contribution were increased to provide for a surrender value, would it make the thing more satisfactory?—I do not think it would have that effect.

57. Is it your idea that, on the whole, this fund is a benefit to the officers of the bank?—Most decidedly.

58. I presume the object of not allowing pensions in the event of officers voluntarily leaving the service is intended to have the effect of inducing officers to remain in the service?—Of course, it offers an incentive to remain naturally, because they have a large interest.