

59. Has the bank ever subsidised your fund in any way?—At the start of the fund they made a handsome donation, and they have from time to time since, I believe, augmented the funds by donations.

60. *Hon. Major Steward.*] So that the fund is not entirely formed by the contributions of officers themselves?—Not by any means.

61. Can you give anything like the proportion?—I cannot. The fund is not controlled here, and we have no statements.

62. Is there any dissatisfaction amongst the officers arising from the fact that they have no control over the money they have subscribed?—They have control in a measure; if anything important is proposed each man has a vote according to his rating—one, two, or three, as the case may be, or more.

63. Is there anything like a balance-sheet ever prepared and shown to the officers?—There is a statement sent round once a year.

JOHN BAIRD HOBART was examined on oath.

64. *The Chairman.*] What is your position?—I am accountant in the Wellington branch of the Bank of New Zealand.

65. You are acquainted with the working of the provident society connected with the bank?—Yes.

66. Is it in your knowledge that the majority of the officers of the Bank of New Zealand consider this to be an admirable institution?—No; they look upon it as the very reverse—a grievous infliction. The best way I could describe it is this: We have to pay this contribution twice a year—June and December—and if any one could get to the bank when these contributions are being taken from the officers they would hear the provident fund referred to as the “swindle fund,” and the “improvident fund,” and the “fund to rob the widows and orphans.” That is what the officers term it when they have to pay up; they are in anything but an amiable frame of mind at that particular period.

67. There is no benefit at all except pensions to the officers who arrive at mature age in the service of the bank?—That is so.

68. There is no surrender value?—No.

69. There is no sick benefit?—No.

70. Any benefit to the widow of an officer who dies?—None whatever. I can tell you a case that happened lately—that of Mr. B. O. Waddy, a very old servant of the bank, who had been in the bank from the time the bank started, and had consequently contributed to the fund since it started. He was not very well off when he died, and the provident fund could not give his representatives anything. All the contributions he had paid were lost to his family. We had then ourselves to make a private subscription to aid his widow; so that, instead of the provident fund being looked at as a thing of some use to our wives, it is really a sort of double tax, and when a man is asked to contribute to the widow of a friend he feels it is so.

71. There is a rule in the deed of settlement that donations may be given to the widows of officers, but, if so, it is purely a matter of charity on the part of the trustees, and to your knowledge it has not been done?—I think there is only one case, when Mr. Taylor died here. He had a very large family, and I think some pressure was brought to bear on the trustees, but, then, every officer cannot bring that pressure to bear.

72. It was made a matter of charity instead of right?—That is so.

73. At what age does pension accrue?—Well, the bank can put a man on the pension fund at fifty-five years of age, but a man has no right to ask to be put on the fund until sixty years of age.

74. Supposing a man had been in the service, we will say, fifteen years, and he became incapacitated, and therefore had to cease employment, would he be entitled to any pension?—I think one of the rules could be taken to mean that he might. It could be allowed to him.

75. Could he claim it?—I do not think so; there is no right to claim.

76. Let me call your attention to Rule 23—namely, “The trustees, subject to the assent and approval of the board of directors, may from time to time, as they may think fit, alter, cancel, or add to the clauses contained in these presents, or the rules and regulations contained in the said First Schedule hereto.” Do you consider that is a proper section to have in a deed of this sort? It seems to me to put the whole power entirely in the hands of the trustees to do what they please with the funds. I will just ask you whether you consider it is a proper clause?—I do not think so. I think that that aggravates the affair, because we know, as a matter of fact, the thing has been done where the trustees were not in sympathy with ourselves, and we would not protest; in fact, if we did protest the directors might take very serious notice of it, and dispense with our services. There is nothing to prevent the directors getting angry with us for giving this evidence to-day.

77. Is it not one of the great grounds of disapproval on the part of officers that they have no control and no voice in the investment of the funds arising from their subscriptions?—That is so, and also that there is no surrender value of our contributions.

78. *Mr. Fisher.*] Do you know of any case in which the trustees, in exercise of their power under Rule 23, have altered the rules to favour particular contributors?—Yes; there is the case of the Government Auditor. He had a permanent position in the Bank of New Zealand, and then the Government acquired his services as Government Auditor. The trustees were able, under the power of this rule, to say that if he leaves the bank and takes service in the Government he can come back on the fund again. None of us can do that. Suppose I were offered employment in another bank, or the Government service, I could not go to the trustees and say, “Give me the same sort of treatment as you have given to Mr. Butt.”

79. You have, then, a provident fund into which you pay 1 per cent. of your salary from the moment you enter the bank's service, but you are not entitled to any benefit from that except under