FRIDAY, 18TH JUNE, 1897.

CLEMENT WINTER was examined on oath.

1. *The Chairman.*] What is your position?—I am inspector for New Zealand of the Bank of Australasia.

2. There is, I believe, in connection with this bank, some fund from which the officers receive pensions, or something of that sort?—Pensions, but no other benefits. It is not a benefit society in any sense of the word; there is no sick or accident fund, or anything of that sort.

3. Could you tell us what proportion of income is taken from the officers to acquire this benefit of pensions?—Well, the junior officers pay nothing.

4. What is the limit?—For the first three years after entering the bank they learn their business, and they get enough to keep them in clothes. Then we put them on what we call the permanent staff, if they are competent, and for the first two years the bank keeps up their contribution to the pension fund; but after that they pay it themselves. It is 3½ per cent. of the salary. Thus, for the first two years, if a youth is getting £80 per year, the bank gives him £84, which pays his contribution, and gives him 10s. for himself.

5. Then, it is also a guarantee fund?—It is primarily a guarantee fund.

6. *Hon. Major Steward.*] Is there any fixed amount of pension to which they are entitled?—Yes; there is a fixed scale determined by the average salary during the time of contributorship. The bank has been very liberal to this fund; it has given over £50,000 towards it, I think.

7. There is nothing in the nature of a surrender value if an officer leaves your service after contributing for a number of years?—You cannot give a surrender value for a guarantee fund. Suppose you take out a fidelity bond in a company, if you leave the employ of the bank the company would not give you back your premium. As a matter of fact, our bank is liberal in that way.

8. *The Chairman.*] In the event of you dying before reaching the age of sixty years, would you be entitled to anything from the fund?—My widow would get my full pension for five years, and if an officer had children but no widow the children would get it.

9. It is the absolute right of relatives?—It is their absolute right under the rules; they can claim it.

10. *Hon. Major Steward.*] Of course, the pension is fixed in regard to the salary and length of service?—Yes; after ten years a member is entitled to ten-fortieths of his average salary, and after that one-fortieth for every year.

11. Then, there is a retiring age?—Yes, at sixty.

12. *Mr. Fisher.*] I gather from what you say that the bank would insure payment of the pension no matter what might happen to the provident fund?—Yes, I think the bank would. I know of officers not entitled to come under the fund, but they retired on half-pay and got £800 a year.

13. *The Chairman.*] You do not know of any case after this fund was established whereby officers who had not formerly paid into the fund were allowed to draw from the fund?—It is impossible; the bank itself bears the brunt of anything of that sort. I may say, in reference to your request for a balance-sheet, that we have not got a balance-sheet; the funds are controlled in London. The fund is undoubtedly a capital thing for the officers.

14. There is no grumbling that you know of?—Not that I know of. There are some young fellows who do not know their right hand from their left, and would rather spend £3 10s. now than have a pension at sixty.

SAMUEL HALLAMORE was examined on oath.

15. *The Chairman.*] What is your position?—I am resident inspector of the Union Bank of Australia for the colony.

16. Are you aware if there is a provident fund in connection with your bank?—There is a provident fund in connection with the guarantee fund.

17. Is that provident fund an overplus from the guarantee fund? Is it worked in that manner, or is there any separate account?—Well, I suppose it would not be incorrect to describe it as an overplus. There is a guarantee fund which is kept at a fixed amount, and everything over that is the provident fund.

18. Does that work satisfactorily?—Very; the claims on the guarantee fund have been very small—surprisingly small.

19. Consequently, a large amount has been carried forward to the provident fund?—A very large amount.

20. About what percentage is taken from the officers of the bank for this fund?—It varies; it depends upon the age and the position of the officers entering.

21. Do the juniors at first get any help from the bank to meet their subscription?—No direct help.

22. Have they to pay an entrance-fee?—They pay a contribution to the fund which is at the rate of 5¼ per cent. for five years on the amount of their salary.

23. After that time?—It is reduced to 3½ per cent. I may say that the little amount paid compared with the premium which would be paid to a guarantee society would be less than the simple guarantee premium. It is 5 per cent. of the salary, and the smallest amount the average junior gets is £50, and the guarantee is £500. Upon that he pays at the rate of 5 per cent. on his salary; but it would not be on the amount of the guarantee. So that at entrance his payments would be £2 10s. for the first year. He would have to pay in the society we expect for our bonds at the rate of 15s. per cent. on the amount of the guarantee.

24. They do not get £50 at first?—No; but we frequently take in a junior at £50 or £60; he may have been in a merchant's office. I am only quoting a salary to illustrate the effect of the fund. From this you will see that he gets the benefit of a provident fund at a lower rate than he would pay merely for a guarantee.