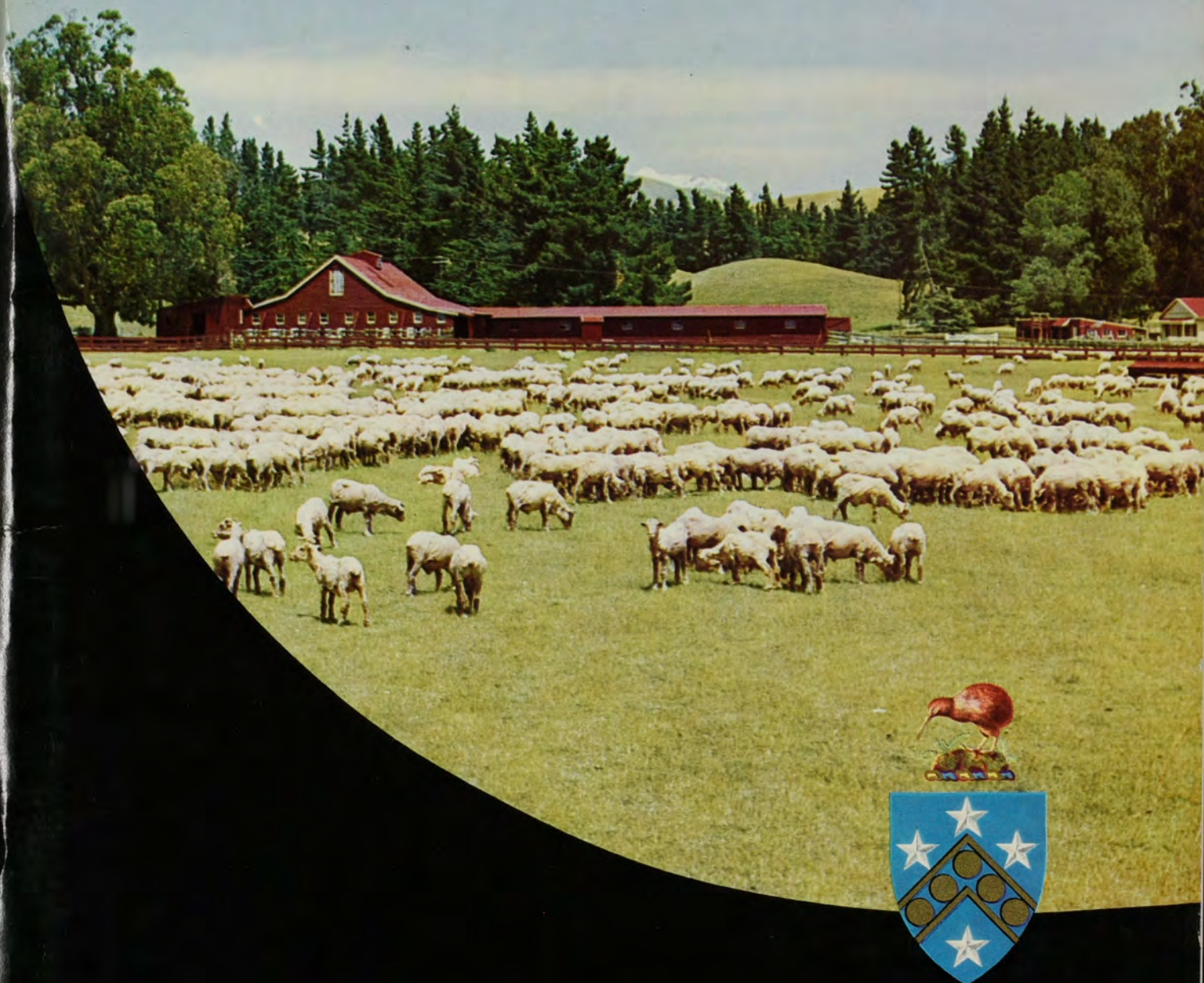
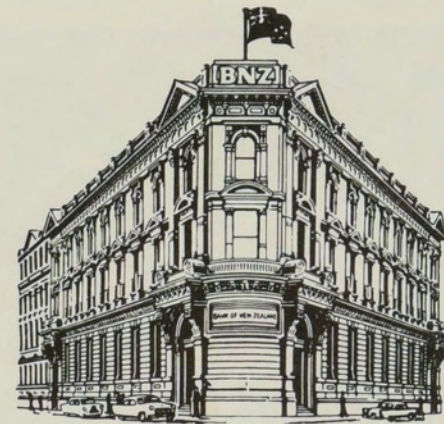


BANK OF NEW ZEALAND

BANK OF NEW ZEALAND SAVINGS BANK LIMITED



104th ANNUAL REPORT 1965



HEAD OFFICE

104th

Annual Report

FOR YEAR ENDING

31st MARCH, 1965

BANK OF NEW ZEALAND

INCORPORATED BY ACT OF THE GENERAL ASSEMBLY, 29th JULY, 1861

BANK OF NEW ZEALAND SAVINGS BANK LIMITED

(WHOLLY OWNED SUBSIDIARY OF BANK OF NEW ZEALAND)

W E L L I N G T O N , N E W Z E A L A N D

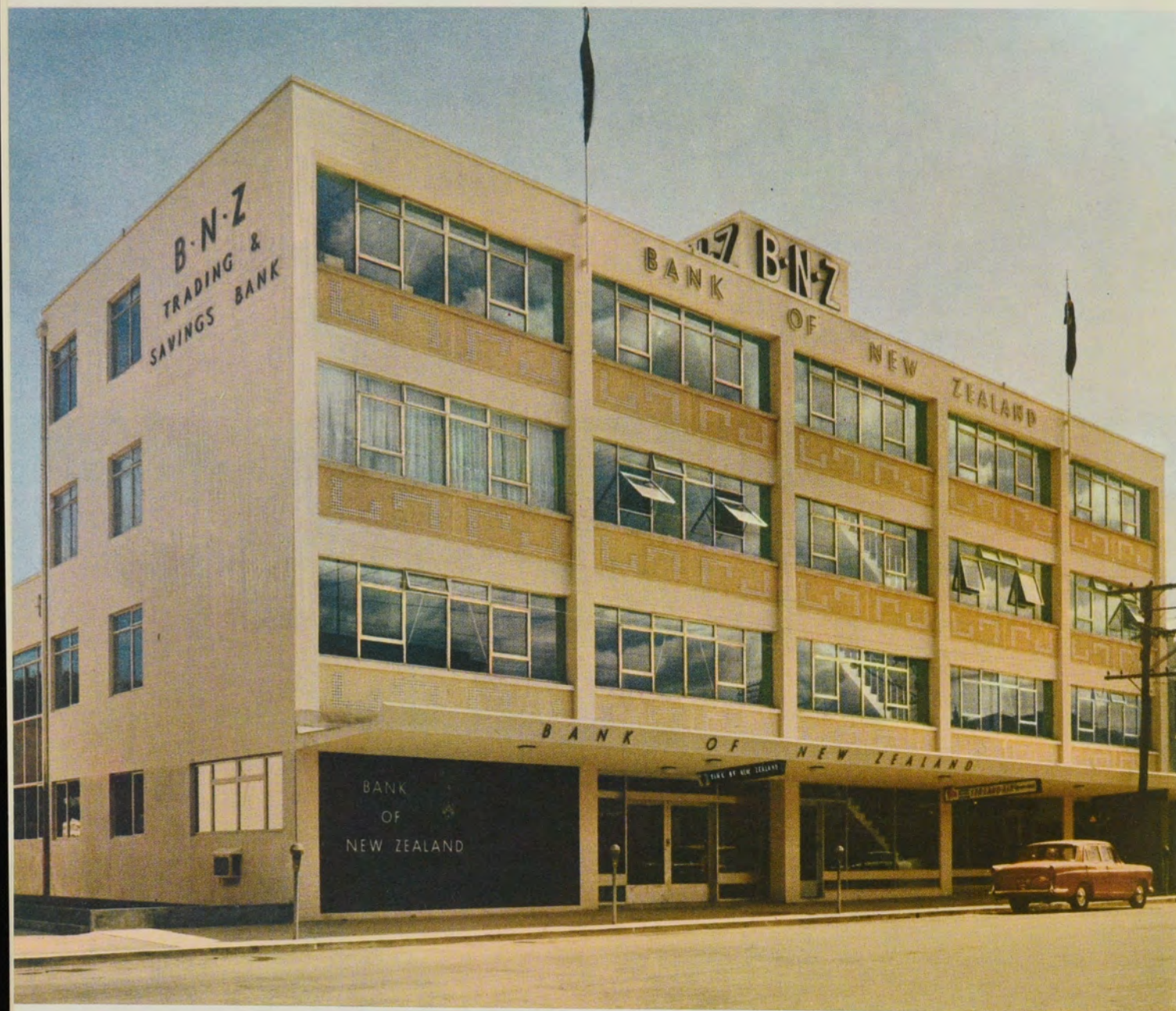
SHEARING TIME

The photograph on the cover page depicts a typical scene on a New Zealand sheep farm.

Freshly shorn sheep, looking strangely bare without their heavyweight fleeces, in the home paddocks of a Marlborough (South Island) station. In the background is a classical New Zealand shearing shed.

Romneys constitute about 70% of New Zealand's 50 million sheep population whilst an additional 20% are Romney cross-bred and half-bred.

Corriedale, Merino and Southdown flocks also find favour in certain areas.



The Bank of New Zealand's new branch at Lower Hutt. The 4 storey reinforced concrete building offers motor bank and customer-parking facilities at the rear. The Bank of New Zealand is the only bank in New Zealand offering drive-in banking facilities.

Head Office

WELLINGTON, NEW ZEALAND

Directors:

J. D. G. DUNCAN (*Chairman*)

G. D. STEWART (*Deputy Chairman*)

JACK HALLIGAN C. F. JACOBS

DAVID MARKHAM F. S. TAYLOR

General Manager:

J. G. SOUNESS

Chief Auditor:

C. H. VINCENT (*Appointed by New Zealand Government*)

London Office

1 QUEEN VICTORIA STREET, E.C.4.

London Board:

R. N. KERSHAW, C.M.G., M.C. (*Chairman*)

F. E. HARMER, C.M.G.

A. R. FRETHEY

London Auditor:

SIR THOMAS ROBSON, M.B.E.

(*Appointed by New Zealand Government*)

Bankers:

BANK OF ENGLAND

MIDLAND BANK LTD.

Australia

Local Directors in Australia:

347 COLLINS STREET, MELBOURNE

SIR ROBERT KNOX

339 GEORGE STREET, SYDNEY

S. E. WILSON

BANK OF BALANCE SHEET

BALANCE

AS AT 31st

1964	LIABILITIES	1965
£7,031,250	CAPITAL—	
	Authorised Capital	£7,031,250
	Capital Subscribed and Paid Up—	
3,750,000	Ordinary fully paid £1 Shares	3,750,000
500,000	Preference A fully paid £1 Shares	500,000
1,375,000	Preference B fully paid £1 Shares	1,375,000
234,375	C Long Term Mortgage fully paid £1 Shares	234,375
468,750	D Long Term Mortgage fully paid £1 Shares	468,750
£6,328,125	Total Paid Up Capital	£6,328,125
4,750,000	Reserve Fund	5,100,000
467,647	Profit and Loss Account	426,578
£11,545,772	Total Shareholders Funds	£11,854,703
750,000	Long Term Mortgage Debenture Stock	750,000
174,739,380	Deposits	164,697,589
632,198	Balances Due to Other Banks	1,180,382
11,115,956	Bills Payable and Other Liabilities (including Provision for Con- tingencies)	11,751,286
1,201,152	Provision for Taxation	1,370,780
310,264	Provision for Dividend	368,359
285,714	London Office Acceptances under Credits	667,775
£200,580,436		£192,640,874

All assets and liabilities are expressed in New Zealand currency.

LONG TERM

1964	LONG TERM MORTGAGE FUND—	1965
£703,125	Capital	£703,125
750,000	Long Term Mortgage Debenture Stock	750,000
£1,453,125		£1,453,125

NEW ZEALAND AND STATEMENTS

SHEET

MARCH, 1965

1964	ASSETS	1965
£23,051,167	Cash on hand and Deposits with Bankers	£15,012,881
527,937	Balances Due by Other Banks	550,019
19,861,342	Money at Call and Short Notice, Government Securities and other Securities in London	8,926,942
3,057,673	Bills Receivable in London	1,926,924
5,573,792	Money at Call and Short Notice and Government Securities in Australia	2,722,101
536,034	Securities of, or Guaranteed by Fiji Government	595,681
11,445,012	Securities of, or Guaranteed by New Zealand Government	11,445,012
883,050	New Zealand Local Body Securities	815,035
25,107,262	Remittances in Transit Between Branches	30,086,866
3,981,029	Bills Discounted	4,367,809
98,827,394	Loans and Advances to Customers and Other Debts Due to the Bank (Less Provision for Bad and Doubtful Debts)	106,882,298
1,305,892	Long Term Mortgage Loans	1,242,245
—	Shares in Bank of New Zealand Savings Bank Limited—Wholly- owned Subsidiary	250,000
77,000	Shares in Other Companies (at cost)	77,000
6,060,138	Bank Properties and Equipment (at cost less amounts written off)	7,072,286
285,714	Liabilities of Customers for Acceptances per Contra	667,775
£200,580,436		£192,640,874

MORTGAGE DEPARTMENT

£1,305,892	Loans	£1,242,245
147,233	Transfers to Bank	210,880
£1,453,125		£1,453,125

PROFIT

FOR YEAR ENDED

1964		1965
£3,522,961	Salaries and Allowances at Head Office and 402 Branches and Agencies	£3,800,622
9,422	Directors' remuneration, including London Board and Local Directors in Australia	8,255
1,467,354	General Expenses, including rent, rates, stationery, telegrams, postages, travelling, repairs to premises, depreciation, etc.	1,679,669
5,594	Audit Expenses Account	5,083
1,194,117	Provision for income, land and other taxes in New Zealand and elsewhere	1,359,223
748,375	Net Profit for the year carried down	883,149
<u>£6,947,823</u>		<u>£7,736,001</u>
£200,263	Interim Dividend paid December, 1964	205,859
310,264	Provision for Final Dividend	368,359
250,000	Transfer to Reserve Fund	350,000
467,647	Undistributed profits carried forward to Balance Sheet	426,578
<u>£1,228,174</u>		<u>£1,350,796</u>

RESERVE

1964		1965
£4,750,000	Balance	£5,100,000
<u>£4,750,000</u>		<u>£5,100,000</u>

I, CECIL HOWARD VINCENT, the Chief Auditor of the Bank of New Zealand, do hereby certify:—

1. That, having carefully examined the foregoing balance sheet and statements, I am satisfied that they have been correctly compiled from the books and accounts of the Bank.

2. That I am also satisfied that the said balance sheet is a full and fair balance sheet, properly drawn up, and exhibits a true and correct view of the state of the Bank's affairs at the date thereof.

3. That I have verified so much of the cash, investments, securities and assets of the Bank as at the date of the said balance sheet were held at the Head Office, in Wellington, and have had access to certified returns of so much thereof as were then held at the various Branches and Agencies of the Bank, or were then in transit.

DATED this 18th day of May, 1965.

C. H. VINCENT, *Chief Auditor.*

AND LOSS

31st MARCH, 1965

1964		1965
£6,947,823	PROFITS for year ended 31st March, 1965 including recoveries and after payment of and provision for all interest due and accrued on deposits, provision for Bad and Doubtful Debts, and other contingencies and transfer to the Provident Fund	£7,736,001
<u>£6,947,823</u>		<u>£7,736,001</u>
£479,799	Balance as at 31st March, 1964	£467,647
748,375	Net Profit for the year	883,149
<u>£1,228,174</u>		<u>£1,350,796</u>

FUND

1964		1965
£4,500,000	Balance per last Statement	£4,750,000
250,000	Transfer from Profit and Loss	350,000
<u>£4,750,000</u>		<u>£5,100,000</u>

We hereby certify that, having carefully examined the foregoing balance sheet and statements, we are satisfied that they have been correctly compiled from the books and accounts of the Bank, and that the Balance Sheet is a full and fair Balance Sheet, properly drawn up, and exhibits a true and correct view of the state of the Bank's affairs at the date thereof.

DATED this 17th day of May, 1965.

J. G. SOUNESS, *General Manager.*

V. L. ANSELL, *Chief Accountant.*

BANK OF NEW ZEALAND

Deposits Guaranteed

BALANCE

AS AT 31st

LIABILITIES	1965
SHAREHOLDERS' FUNDS:	
Authorised and Issued Capital— 1,000,000 Ordinary Shares of £1 each	£1,000,000
Paid Up Capital—5/- per Share	250,000
Profit and Loss Appropriation Account	3,272
	<u>£253,272</u>
CURRENT LIABILITIES:	
Depositors' balances including interest credited:	
Ordinary Accounts	5,684,084
Thrift Accounts	25,156
Home Lay-by Accounts	71,651
Investment Accounts	2,727,208
	<u>8,508,099</u>
Other Liabilities including Interest Accrued	47,213
	<u>£8,808,584</u>
Contingent Liability:	
Subsidy—Home Lay-by Accounts, £598.	

PROFIT AND FOR SIX MONTHS ENDED

Interest to Depositors	£88,229
Management and Operating Expenses (including Preliminary Expenses £1,225. Directors' Fees—Nil)	43,187
	<u>£131,416</u>
Total Expenses	3,272
Net Profit for period transferred to Profit and Loss Appropriation Account	<u>£134,688</u>

AUDITORS' REPORT to Members of Bank of New Zealand Savings Bank Limited.

We have obtained all the information and explanations that we have required. In our opinion proper books of account have been kept by the Company so far as appears from our examination of those books. In our opinion, according to the best of our information and the explanations given to us and as shown by the said books, the balance sheet and the profit and loss account are properly drawn up so as to give respectively a true and fair view of the state of the Company's affairs as at 31st March, 1965 and of the results of its business for the period ended on that date.

According to such information and explanations, the accounts, the balance sheet and the profit and loss account give the information required by the Companies Act, 1955 in the manner so required.

WELLINGTON.
18th May, 1965.

ERNEST HUNT, TURNER & CO.
Public Accountants.
Auditors.

SAVINGS BANK LIMITED

by Bank of New Zealand

SHEET

MARCH, 1965

ASSETS	1965
DEPOSITS AT BANK OF NEW ZEALAND	£551,672
INVESTMENTS:	
New Zealand Government Stock:	
3½% Special	£3,880,000
Other	4,130,087
Local Authority Securities	105,000
	<u>8,115,087</u>
Mortgages and Other Loans	64,000
Income accrued on Investments	77,825
	<u>8,256,912</u>
	<u>£8,808,584</u>

The redemption value of the New Zealand Government Stock and Local Authority Securities appearing in the balance sheet is £8,217,065 and the market value £8,078,661.

The book values of securities purchased at a discount or at a premium are adjusted annually so as to attain their redemption values by maturity date.

LOSS ACCOUNT

31st MARCH, 1965

Income from Investments—	
New Zealand Government Stock and Local Authority Securities	£124,850
Other Investments	2,413
	<u>£127,263</u>
Other Income	7,425
	<u>£134,688</u>

ON BEHALF OF THE BOARD

G. D. STEWART, *Director.*
J. HALLIGAN, *Director.*
B. B. WATSON, *Secretary.*

BANK OF
and its
BANK OF NEW ZEALAND

CONSOLIDATED

AS AT 31st

CAPITAL—	LIABILITIES	1965
Authorised Capital		£7,031,250
Capital Subscribed and Paid Up—		
Ordinary fully paid £1 Shares		3,750,000
Preference A fully paid £1 Shares		500,000
Preference B fully paid £1 Shares		1,375,000
C Long Term Mortgage fully paid £1 Shares		234,375
D Long Term Mortgage fully paid £1 Shares		468,750
Total Paid Up Capital		£6,328,125
Reserve Fund		5,100,000
Profit and Loss Account		429,850
Total Shareholders Funds		£11,857,975
Long Term Mortgage Debenture Stock		750,000
Deposits		172,673,168
Balances Due to Other Banks		1,180,382
Bills Payable and Other Liabilities (including Provision for Contingencies)		11,751,286
Provision for Taxation		1,370,780
Provision for Dividend		368,359
London Office Acceptances under Credits		667,775
		<u>£200,619,725</u>

All assets and liabilities are expressed in New Zealand currency.

NEW ZEALAND
subsidiary
SAVINGS BANK LIMITED

BALANCE SHEET

MARCH, 1965

ASSETS	1965
Cash on hand and Deposits with Bankers	£15,012,881
Balances Due by Other Banks	550,019
Money at Call and Short Notice, Government Securities and other Securities in London	8,926,942
Bills Receivable in London	1,926,924
Money at Call and Short Notice and Government Securities in Australia	2,722,101
Securities of, or Guaranteed by Fiji Government	595,681
Securities of, or Guaranteed by New Zealand Government	19,455,099
New Zealand Local Body Securities	920,035
Remittances in Transit Between Branches	30,086,866
Bills Discounted	4,367,809
Loans and Advances to Customers and Other Debts Due to the Bank (Less Provision for Bad and Doubtful Debts)	106,996,062
Long Term Mortgage Loans	1,242,245
Shares in Other Companies (at cost)	77,000
Bank Properties and Equipment (at cost less amounts written off)	7,072,286
Liabilities of Customers for Acceptances per Contra	667,775
	<u>£200,619,725</u>

BANK OF
and its
BANK OF NEW ZEALAND

CONSOLIDATED PROFIT

FOR YEAR ENDED

	1965
Salaries and Allowances	£3,800,622
Directors' remuneration, including London Board and Local Directors in Australia	8,255
General Expenses, including rent, rates, stationery, telegrams, postages, travelling, repairs to premises, depreciation, etc.	1,679,669
Audit Expenses	5,533
Provision for income, land and other taxes in New Zealand and elsewhere	1,359,223
Net Profit for the year carried down	886,421
	<u>£7,739,723</u>
Interim Dividend paid December, 1964	£205,859
Provision for Final Dividend	368,359
Transfer to Reserve Fund	350,000
Undistributed profits carried forward to Balance Sheet	429,850
	<u>£1,354,068</u>

I have examined the foregoing Consolidated Balance Sheet and Consolidated Profit and Loss Account of the Bank of New Zealand and its subsidiary, Bank of New Zealand Savings Bank Limited. The accounts of the subsidiary have been audited by its independent auditor.

In my opinion, the Consolidated Accounts give a true and fair view of the state of the affairs at 31st March, 1965 and of the profit indicated in the accounts for the period ended on that date of the Bank of New Zealand and its subsidiary.

C. H. VINCENT,
Chief Auditor to the Bank of New Zealand.

NEW ZEALAND
subsidiary
SAVINGS BANK LIMITED

AND LOSS ACCOUNT

31st MARCH, 1965

	1965
PROFITS for year ended 31st March, 1965 including recoveries and after payment of and provision for all interest due and accrued on deposits, provision for Bad and Doubtful Debts, and other contingencies, and transfer to the Provident Fund	£7,739,723
	<u>£7,739,723</u>
Balance as at 31st March, 1964	£467,647
Net Profit for the year	886,421
	<u>£1,354,068</u>

J. G. SOUNESS, *General Manager.*

V. L. ANSELL, *Chief Accountant.*

ANNUAL REPORT

Annual Report of the Board of Directors

of the Bank of New Zealand

for the Year Ended 31st March, 1965

TO THE HONOURABLE THE MINISTER OF FINANCE.

The Board of Directors presents hereunder the report of the operations of the Bank of New Zealand during the financial year ended 31 March, 1965, in accordance with Section 15 of the "Bank of New Zealand Act, 1945":

PROFIT AND LOSS ACCOUNT AND DIVIDEND

The profits, after providing for expenses of management, taxation, and for all bad and doubtful debts and other contingencies and after making provision for the annual donation to the Provident Fund are	£883,149 10 3
To which has to be added:—	
Balance brought forward from last year	467,646 18 3
	£1,350,796 8 6
From which has been paid:—	
Interim Dividend on Ordinary Shares	£112,500 0 0
Dividend on Preference A Shares	50,000 0 0
Interim Dividend on Preference B Shares	18,750 0 0
Interim Dividend on C Long-Term Mortgage Shares	7,031 5 0
Interim Dividend on D Long-Term Mortgage Shares	17,578 2 6
	205,859 7 6
Leaving available for distribution	£1,144,937 1 0

This the Directors propose should be disposed of as follows:—

Dividend at rate of 7% on Ordinary Shares (making £375,000 for the year, equal to 10%)	262,500 0 0
Dividend on Preference B Shares (making £100,000 for the year)	81,250 0 0
Dividend on C Long-Term Mortgage Shares at 6% per annum	7,031 5 0
Dividend on D Long-Term Mortgage Shares at 7½% per annum	17,578 2 6
Transfer to Reserve Fund	350,000 0 0
Leaving Balance to be carried forward	426,577 13 6
	£1,144,937 1 0

MAJOR BALANCE SHEET FLUCTUATIONS

Reserve Fund £5,100,000

The Board has decided to transfer a further £350,000 to the Reserve Fund as a measure of consolidation.

Deposits £164,697,589

Deposits at overseas branches showed a substantial temporary increase around balance date last year and reversion to normal levels shortly thereafter has produced an overall reduction in deposits this year.

New Zealand deposits, which account for the major portion of total deposits, were actually up by some £4 million compared with 31st March, 1964.

Cash on Hand and Deposits with Bankers £15,012,881

The reduction of £8,038,286 in this item is mainly accounted for by the heavy drain on our balances at the Reserve Bank through payment of taxation by customers during March. Transfer of current account balances to our new Savings Bank subsidiary which invests the majority of its deposits in Government Stock is another factor contributing to lower balances with the Central Bank.

Noteholdings were also lower than the previous year when balance-date coincided with Easter.

Money at Call and Short Notice, Government Securities and Other Securities in London £8,926,942

The reduction of £10,934,400 in this item reflects a return to normal levels of deposits at London Office following a substantial temporary increase at balance date in 1964 when the surplus funds were invested on the short term market.

Money at Call and Short Notice and Government Securities in Australia £2,722,101

A temporary increase in deposits in Australia during March 1964, had the effect of increasing funds available for short term investment at balance date last year. The reduction of £2,851,691 under this heading reflects the reversion to more normal levels early in the financial year.

Provision for Final Dividend £368,359

The Board has decided to increase the dividend on Ordinary Shares by 1% to 10% for the year. An interim dividend of 3% was paid in December 1964.

Loans and Advances to Customers and Other Debts due to the Bank (Less Provision for Bad and Doubtful Debts) £106,882,298

The main component under this heading is overdrafts within New Zealand which were £7.3 million higher than at balance date last year.

Shares in Bank of New Zealand Savings Bank Limited—Wholly owned Subsidiary £250,000

The Bank's Savings Bank subsidiary commenced business on 1st October, 1964. Authorised and Issued Capital is £1,000,000 of which £250,000 is paid up.

Bank Properties and Equipment (at cost less amounts written off) £7,072,286

With its wide representation, the Bank has a constant programme of replacement of branch and agency buildings. The cost of up-to-date office equipment is also considerable.

Six new branch buildings have been opened during the year and a number of others are in the process of either replacement or extensive modernisation.

THE NEW ZEALAND ECONOMY

Balance of Payments and Overseas Trade

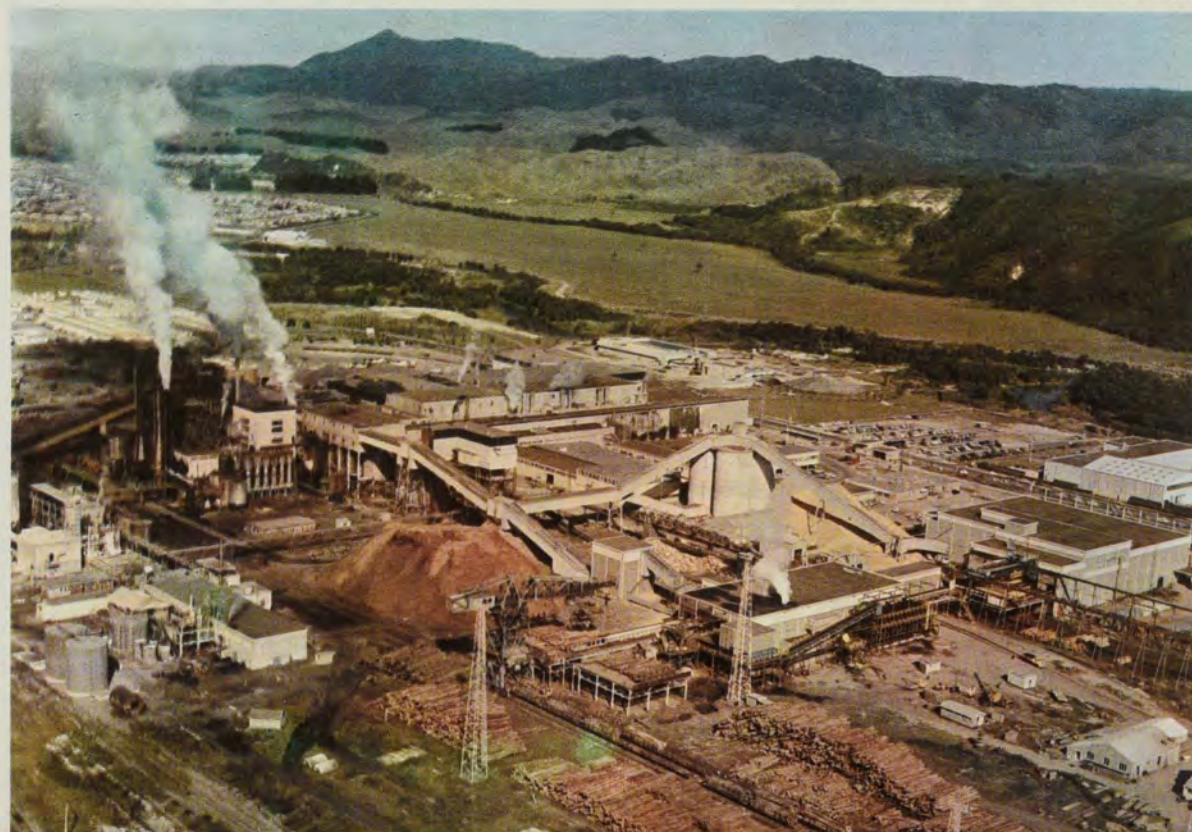
Among developed countries, New Zealand is one of the most heavily dependent on overseas trade. Thus, fluctuations in the volume of and particularly, in the prices received for its exports, are major determinants of the level of internal economic activity which is in turn reflected in the demand for imports. This chain of causation showed up strongly in the year ended 31st March 1965 when receipts for exports reached the record figure of £384 million, an increase of 5% on that for 1963/64 but 18% on that for 1962/63, while the increase in Gross National Product for 1964/65 is expected to be little lower than the 10% achieved in 1963/64. Payments for imports rose by £15 million or 5% to £329 million and while the rate of increase has latterly steadied it appears a new plateau has been reached in respect of New Zealand's import requirements. In addition payments overseas for freight charges, travel, interest and dividends and other invisible items rose sharply by £13 million or 14% to £107

million. The record export receipts have not therefore resulted in any significant accretion to the country's reserves of overseas exchange which at the end of March were equivalent to about two months' overseas payments. No overseas borrowing was required specifically to buttress the reserves but World Bank loans of £8 million to cover the cost incurred overseas of certain electricity and harbour development projects were uplifted.

Price trends for individual export commodities showed considerable variation during the year, a substantial drop in wool prices having been offset by improved returns from other main export commodities, particularly lamb and most types of dairy produce. Import prices again remained virtually stable. Although the official index for the terms of trade for the March 1965 quarter was some 2% lower than that for the first quarter of last year, for the year as a whole the terms of trade were slightly in New Zealand's favour, as follows:—

An aerial view of Tasman Pulp and Paper Company's Mill at Kawerau, built at a total cost of over £40 million. The Company manufactures newsprint, woodpulp and sawn timber. More than half the Company's revenue is derived from products sold overseas, mainly to Australia.

Courtesy Tasman Pulp and Paper Company Ltd



The world's first all weather mechanical meat loading equipment in use at Bluff Harbour (Southland). These New Zealand designed loading facilities enable lamb to be loaded at the rate of 2,100 carcasses per hour into a vessel. Average weight of a carcass is 34 lbs. The equipment can also load carcasses of mutton and cartons or bags, in suitable sizes, of beef, butter, cheese, frozen sundries and general cargo.

(Base Calendar year 1957 = 100)

Quarter ended:	1963-64	1964-65
June	98	108
September	107	112
December	115	113
March	112	110

Short-run prospects for New Zealand's exports, while perhaps a little less promising than in 1964, generally remain favourable. Wool prices, having shown a reduction of over 20% from the high rates ruling in the 1963/64 season, appear to have firmed recently at around the average for 1962/63. Market conditions for the main meat products indicate a continuance of reasonably firm prices for these commodities. Although increases in butter quotas recently announced by

the United Kingdom Government may well result in some further price fall, especially if production is good in other supplying countries, continuance of the quota system should prevent a repetition of the serious over supply of the British market such as occurred in 1958 and 1961. The very satisfactory prices received for cheese during 1964 may not be sustained in the face of increased stocks and heavier production in the United Kingdom, but the impact of any fall on the country's total export receipts should not be marked. Production prospects for the main commodities again appear reasonably satisfactory for the ensuing year.

Export Development

The Government has given a good deal of attention in recent years to the need for inducing a higher rate of growth of export production in order to sustain the desired rate of development in the economy overall. Following its approval of certain taxation concessions and other measures put forward by the 1963 Export Development Conference, it has recently adopted two of the principal recommendations of the 1964 Agricultural Development Conference, viz:—

(1) Establishment of a permanent Agricultural Production Council, comprising representatives of farmers' organisations, producer boards and senior Government officials, to follow up the work and proceedings of the Conference, and to provide continuing arrangements for Industry—Government consultation.

(2) Introduction of an income equalisation scheme, whereby farmers may set aside on special deposit with the Inland Revenue Department portion of their incomes received in any one year and withdraw it during the subsequent five years, such amounts to be taxable in the year of withdrawal.

The opportunity provided by the income equalisation scheme for primary producers to ease tax burdens should give an additional incentive to increase farm production. Furthermore, to the extent that the scheme is used and the funds are effectively immobilised, it will reduce the impact of temporary upswings in the level of export receipts on internal spending, costs and prices, and thus provide some relief from the historically repetitive and disturbing economic sequence mentioned at the beginning of this report.

Import Control and Bank Advances

Import control was introduced in New Zealand in December 1938. It has been maintained with varying degrees of intensity since that time and has long been a major factor in the country's business environment. Few of the present generation of businessmen have had much experience of any other system and their attitudes and practices have been conditioned accordingly.

However, at intervals in this long period there have been phases of marked relaxation in the import control policy and each such phase has tended to produce an upsurge in imports accompanied by a steep rise in bank advances. The over-importing associated with these past attempts at liberalisation was a natural derivative of the business urge to use a new found freedom and of a well grounded fear that the relaxed position could not be maintained.

It seems that one of the main reasons for the failure of these earlier efforts to liberalise importing policy on an enduring basis was an excessive reliance on control of bank advances as a means of regulating the flow of imports. In the opinion of the Board two prerequisites are necessary to the successful implementation and continuance of a policy of import freedom: Firstly, inflation should be squeezed out of the economy as far as possible, to bring the underlying demand for imports to a manageable level; Secondly, the Government should avow its determination to use every reasonable means, including recourse to overseas borrowing for productive purposes, to maintain the decontrol.

The import licensing schedule for 1965/66 has liberalised import controls to a considerable degree and approximately one third of total imports will now be exempt from licensing. The Government's ability to continue and extend this policy of dismantling import controls, as recommended by the Monetary and Economic Council in its report of February 1965 will be determined by the success achieved in creating the conditions mentioned above. Control of bank advances has an important but essentially supporting role to play in any policy directed towards the ultimate abolition of the system of import licensing.

Overseas Investment in New Zealand

Since the earliest stages of New Zealand's development, overseas capital has played an im-

portant part in promoting economic growth. It has been Government policy to encourage the entry of such capital by liberal arrangements for the remittance of profits and dividends and the repatriation of capital. The development of the "take over" procedure has, however, shown that instances could arise where the introduction of overseas capital was prejudicial to the public interest. An unsuccessful attempt early in 1964 by a United Kingdom organisation to gain control of a leading New Zealand newspaper focussed attention on this aspect. As a result the Government took power towards the end of that year to restrict the transfer and registration of securities to foreign owners. At the same time the Government emphasised that it did not intend to intervene, unless there were clear reasons why a proposed takeover was likely to be harmful to the public interest.

The Board believes that if the longer view is taken of the public interest the cases calling for official intervention will be rare. The new control, therefore, should not lessen New Zealand's attractiveness as a repository for overseas capital.

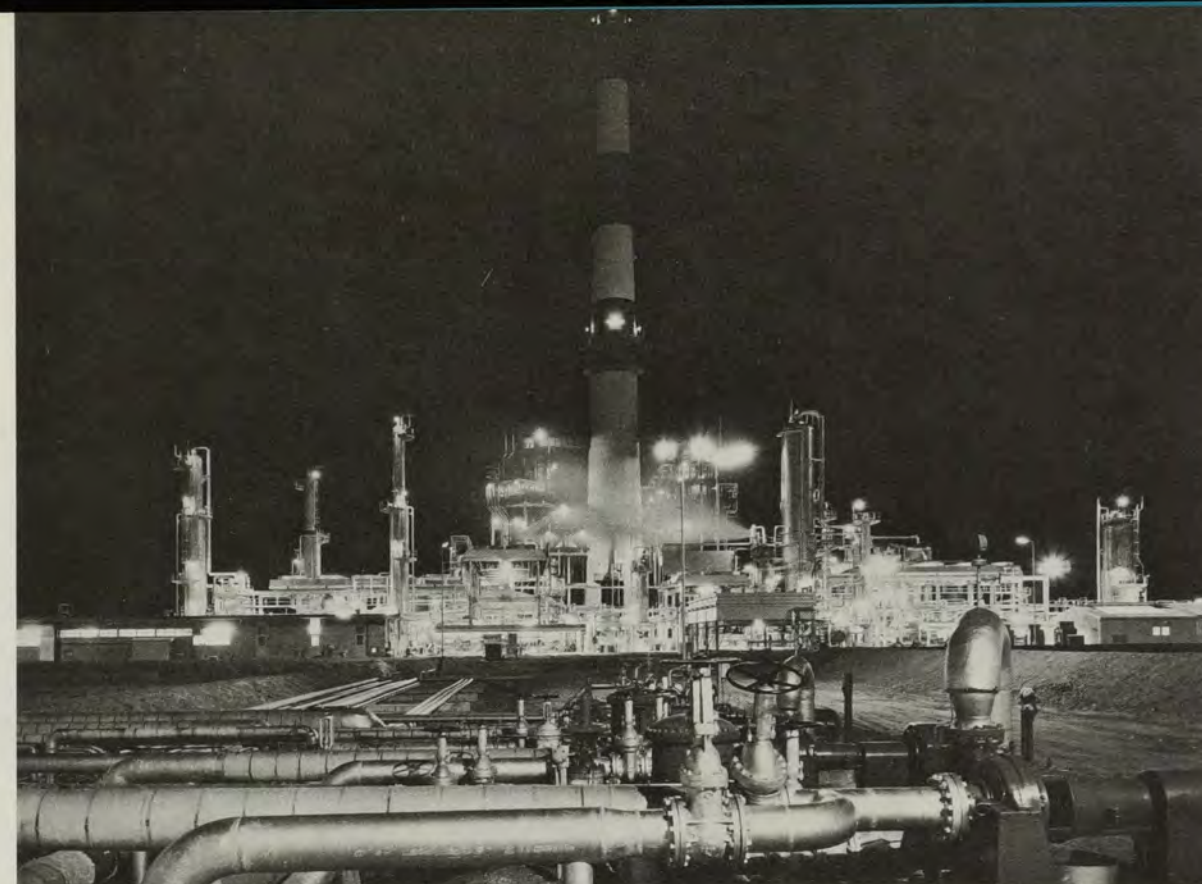
Trade and Employment

New Zealand has enjoyed another year of marked prosperity and enhanced living standards while at the same time experiencing some of the problems often associated with such conditions.

The high level of total spending induced by the continuance of good export receipts received a further impetus from an increase in Government expenditure of 9%. About the middle of the financial year the Court of Arbitration issued a general wage order raising minimum rates of wages by 6%—an increase which in the prevailing conditions, appears to have been extended by employers generally to most workers whether on minimum wages or not—with an attendant rise in the spending power of a large section of the public.

During the latter half of 1964 the economy began to show symptoms of a cost/price spiral of potentially serious proportions. Price increases occurred over a wide field and labour shortages became more acute, particularly in the building and construction industry, which was over committed in many areas.

Inflationary dangers appear, however, to have since receded a little. Lower wool prices have



Courtesy New Zealand Refining Co. Ltd.

A night time photograph of the New Zealand Refining Co. Ltd.'s Marsden Point (Whangarei) refinery.

This installation, which commenced the treatment of imported enriched crude oil in June, 1964, is designed to produce 90% of New Zealand's petroleum product requirements.

It is expected that locally produced condensate from the recently discovered Kapuni gas field will also pass through the refinery when a Government decision has been made regarding the use of the natural gas itself.

had a dampening effect on the expenditure of sheep farmers and others in some districts. At the same time a large overall cash surplus in the Public Account has reduced the liquidity of the private sector and thus to some extent its capacity to maintain expenditure at former levels. The deferment by the Government of certain capital projects has also contributed to some easing of pressure on resources.

Although further anti-inflationary action is in prospect, the outlook for trade generally remains good.

Savings and the Capital Market

Savings bank deposits, i.e. those with the Post Office Savings Bank, trustee savings banks and

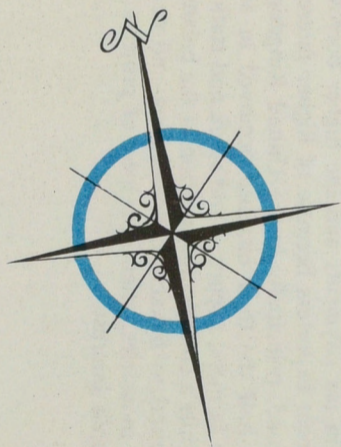
the trading banks' savings banks, increased by £62 million, or by £19 million more than in 1963/64. By reason of the investment requirements of these institutions, the overall result made a substantial contribution to the record amount of loan moneys received by the Government during the fiscal year just closed. Contractual savings in the form of life insurance premiums and contributions to building societies are also likely to have risen considerably, while new issues of equity and fixed interest bearing capital by public companies were generally well supported. The propensity to save was, therefore, fairly strong during 1964/65, but nevertheless scarcely adequate in relation to the heavy volume of investment undertaken in that period.

At the terminal dates, yields on long and

Map of Branches in New Zealand

BANK OF NEW ZEALAND

Banking facilities are brought to the people of the Dominion by 393 Branches and Agencies



AUCKLAND CITY AND SUBURBS

BRANCHES

- | | |
|----------------|------------------|
| Avondale | Newton |
| Auckland | Onehunga |
| Birkenhead | Otahuhu |
| Customs Street | Panmure |
| Dominion Road | Penrose |
| High Street | Ponsonby |
| Howick | Remuera |
| Manurewa | Symonds Street |
| Mount Roskill | Town Hall |
| New Lynn | 246 Queen Street |
| Newmarket | |

29 AGENCIES • TRAVEL DEPT. AND LADIES' BANKING DEPT.

WELLINGTON CITY HEAD OFFICE

BRANCHES

- | | |
|-----------------|------------------|
| Courtenay Place | Te Aro |
| Kilbirnie | Vivian Street |
| North End | Wellington |
| | Wellington South |

12 AGENCIES • TRAVEL DEPT.

CHRISTCHURCH CITY

BRANCHES

- | | |
|-------------------|-----------|
| Christchurch | Riccarton |
| Lower High Street | Sydenham |

21 AGENCIES • TRAVEL DEPT.

DUNEDIN CITY

BRANCHES

- | | |
|---------------|---------------|
| Dunedin | South Dunedin |
| Dunedin North | Stuart Street |

3 AGENCIES • TRAVEL DEPT.

medium term Government securities showed little variation as between March 1964 and March 1965 and no changes were made during the year in interest rates on new issues in these ranges which remained at 5% and 4½% respectively. The short term rate was, however, increased from

4% to 4½%. Mortgage interest rates were fairly steady over the year, the official statistical average for new registrations having remained around 5½%, indicating a nice balance between resources and investment opportunities in this sector of the capital market.

T H E B A N K I N G S I T U A T I O N

Reserve Ratios

During the March year ratio policy was operated to keep the banking system in a neutral position—i.e. without significant free cash—except during a short period between May and July 1964 when borrowing up to about £10 million was enforced. In pursuance of the policy reserve ratios were changed on 30 occasions and ranged between the extremes of 31% and 5% in respect of demand deposits with the ratio of time deposits held constant at 3%.

The payment in March each year of company taxation and terminal and provisional tax due by self employed persons (including farmers) has for a good number of years imposed a heavy strain on the banks at this time. The drain to the Government on this occasion was exceptionally heavy and the trading banks' holdings of bankers' cash was temporarily reduced to very low levels. This situation continued during most of April but there has since been some recovery as the banks benefited from the receipt of export income and the flow of Government disbursements.

This heavy annual run down of the trading banks' liquid resources arising from taxation payments of seemingly unpredictable magnitude poses a considerable and recurrent problem in funds management.

The Reserve Bank of New Zealand Act 1964, which came into effect as from 1st January 1965, resulted from the consolidation of pre-existing legislation with some amendments thereto. The new Act involved no substantial changes in principle. The abolition of the statutory requirement that the trading banks hold in balances at the Reserve Bank not less than 7% and 3% of demand and time liabilities respectively—a provision originally designed for the protection of

depositors—amounted to a recognition of the impregnable strength of New Zealand's trading banks, while at the same time allowing the Reserve Bank greater freedom of action in administering the ratio system.

Trading Bank Advances

High levels of business activity and confidence ensured a strong and sustained demand for overdrafts from creditworthy customers throughout the financial year. Until the end of the period, however, the demand manifested itself much more in the level of total credit limits than in actual usage of accommodation. Figures for these two components of bank lending on a quarterly basis were as follows:

	Total credit Limits	Advances (Monthly Average)	Advances as % of total credit limits
1964 March	£381.2M	£226.9M	59.5%
June	£377.9M	£222.8M	58.9%
September	£384.2M	£210.5M	54.8%
December	£396.5M	£209.6M	52.9%
1965 March	£413.9M	£248.5M	60.0%

The marked upswing in advances in March, when the average for the month was over £20 million higher than for the corresponding month of the previous year, was attributable to the heavy increase in tax payments and the higher borrowings of meat exporters because of higher interest rates abroad, principally in the United Kingdom. Towards half the total increase occurred in advances to farmers, exporters and stock and station agents, while a considerable portion of the balance was required to finance manufacturing and construction industries, often in respect of projects in the national interest.

The comparative stability of advances during the major part of the year in conditions of economic animation suggests strongly that considerable business expansion was financed in the first instance from funds ultimately required to meet taxation. It is a phenomenon which occurs on a general scale at intervals in New Zealand and is usually the precursor of a permanently higher level of bank advances.

The prospects of credit austerity in the ensuing year pose the very practical banking problem of operating such a policy, while at the same time ensuring that the primary industries and associated exporting interests are faced with no financial impediment in their drive for more export production.

There is also the further and more intractable problem of applying a credit squeeze in such a way as to have the minimum deterrent effect on economic growth. A policy of credit stringency tends by its very nature to bear relatively kindly on the established and perhaps somewhat lethargic firm, and relatively harshly on the vigorous, efficient and expanding concern. Though there are other and doubtless more important factors in the situation, it is no mere coincidence that years of low rates of economic growth have tended to coincide with periods of extreme pressure to reduce bank advances.

The Board therefore expresses the hope that if firmer restraints on total spending are required in the coming year, a combination of measures will be adopted in preference to markedly intensified controls over bank advances.

Trading Banks' Savings Banks

The most noteworthy development in the New Zealand banking system for many years was the establishment on 1st October 1964 of savings

bank subsidiaries of the five trading banks in New Zealand.

While the trading banks had not prior to that time been permitted to provide savings facilities of the kind now available, they had in earlier years a close connection with the saving public through their fixed deposit system. For instance, in 1930 the trading banks held about £30 million on fixed deposit compared with £49 million in the Post Office Savings Bank and £9 million in the trustee savings banks. The proportion of fixed deposits by small savers in earlier years is not definitely known, but it would be large and entitled the trading banks to claim that they were for a long time among the largest savings depositories in the country. However, since about the time of the second world war the fixed deposit system gradually lost its attractiveness to savers due to the inability of the trading banks to pay competitive rates of interest as a result of the stringent controls over many of their operations.

The Post Office Savings Bank and the trustee savings banks thus became almost the sole banking depositories for small savings. These organisations accomplished a great deal and are deservedly popular institutions. Nevertheless the trading banks feel that their own re-entry into a field in which they were most active in earlier years cannot be other than beneficial to the promotion of savings. The response to the provision of the new service has been highly satisfactory and proof of public appreciation.

The extension of the trustee savings bank system to cover the whole country on a regional basis is likewise a most important development and one which should also contribute materially to the growth of savings in the future.

Reference is made later in this report to the establishment of the Bank of New Zealand Savings Bank Limited.

The Business of the Bank

Accounts, Deposits and Advances

The Bank's business in New Zealand showed an all round expansion during the year under review. A good rate of increase in the number of current accounts was maintained while deposits rose by £4 million; almost entirely in the free, as distinct from the fixed, category. Advances were higher by £7 million at 31st March and reached the record figure of £95 million due to heavy drawings by customers for tax payments and substantial additional support accorded various primary producing and exporting interests. The Bank's liquidity has been lowered as a consequence and this together with official monetary policy will make for another year of highly selective lending biased strongly towards the export industries.

The Bank of New Zealand Savings Bank Limited

This Bank is a wholly owned subsidiary of the Bank of New Zealand and was incorporated under the Companies Act 1955 following the passing of the Private Savings Bank Act 1964. Its obligations are guaranteed by the parent Bank.

The new Bank was accorded strong support from the day of its opening on 1st October 1964. In common with the other private savings banks it is subject as to areas of operation to certain restrictions made for the protection of a number of recently established trustee savings banks. Savings facilities are thus available for the present at only about 60% of the Bank of New Zealand's branches and a nation wide coverage will not be achieved until 1967.

After providing for its statutory investment obligations in cash and Government securities, 28½% of the Bank's ordinary deposits may be used for normal lending, but in compliance with a request from the Government to the private savings banks, lending of this sort did not commence until the beginning of 1965. It is the Bank's policy to apply these free funds mainly to assist productive enterprise, both primary and secondary, but some housing loans are being made and support is also being accorded local body loans. The demand for mortgage and other finance has been steady and commitments substantially exceed the amount drawn at balance



The Chairman of Directors, Mr. J. D. G. Duncan, opening the first Bank of New Zealand Savings Bank Limited Savings Account at Wellington Branch on 1st October, 1964.



Courtesy National Publicity Studios.

Guide Rangi, New Zealand's best known Maori Guide, greets visitors in front of Pohutu, a geyser in the Whakarewarewa Thermal wonderland, Rotorua.

towards the further development of the country's overseas trade.

Agency arrangements with Correspondent Banks are under constant review to ensure the Bank is completely equipped to service its customers' overseas transactions.

Overseas Branches

Our Overseas Branches in London, Australia and Fiji continue to further the Bank's interests and provide a complete banking service. Their facilities are particularly appreciated by New Zealanders travelling abroad.

The Bank's overseas branches are also able to offer the advantages of our Trade Enquiry service to those seeking trade contacts in New Zealand.

Bank of Western Samoa

This Bank is owned by the Government of Western Samoa and the Bank of New Zealand. It provides both trading and savings bank facilities and its business is growing steadily. It had a staff of 31 at 31st March 1965, of whom 7 were seconded from the Bank of New Zealand, the remainder being recruited in Western Samoa.

Travel and Tourist

Increasing emphasis is being placed on the importance of the tourist industry to New Zealand as a source of overseas exchange.

The Bank plays a very full part in providing a travel service, mainly on a gratuitous basis, in its larger New Zealand branches and all overseas offices.

The Bank's facilities embrace every aspect of a traveller's requirements, and agencies are maintained at international airports and passenger terminals at principal arrival ports.

Full banking facilities are also made available for the convenience of overseas visitors to various important conferences in this country where this is justified.

date. The small profit earned for the initial half year is regarded as satisfactory in the circumstances.

International Banking

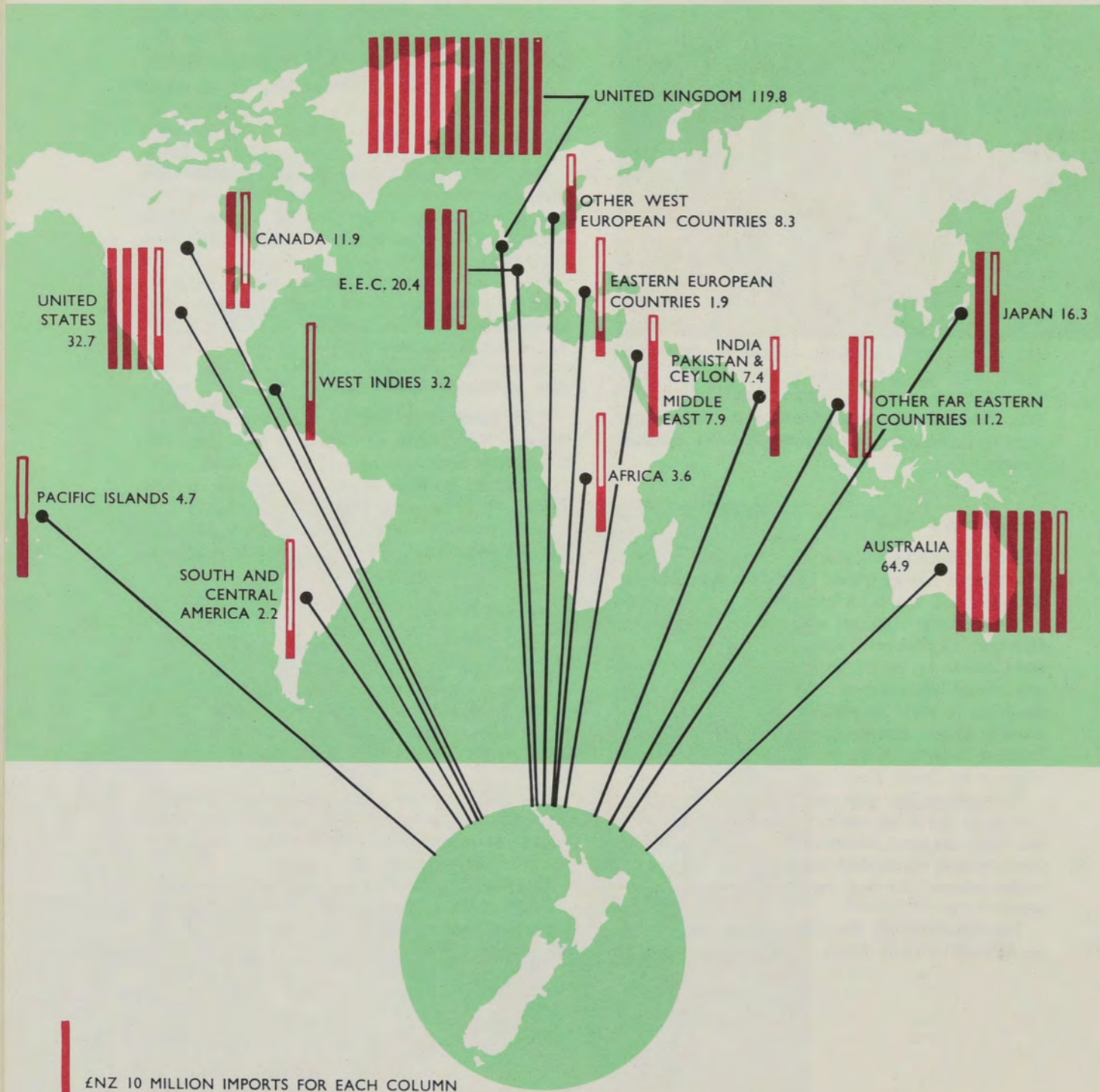
New Zealand's volume of overseas exchange transactions has increased again this year and the Bank's share has been satisfactorily maintained.

The General Manager with the Manager of the Overseas Department visited the United States and Canada during the year in order to strengthen and extend relationships with our banking correspondents in these important regions. One of the Bank's senior managers represented the New Zealand Bankers' Association on an official Trade Mission to South East Asia.

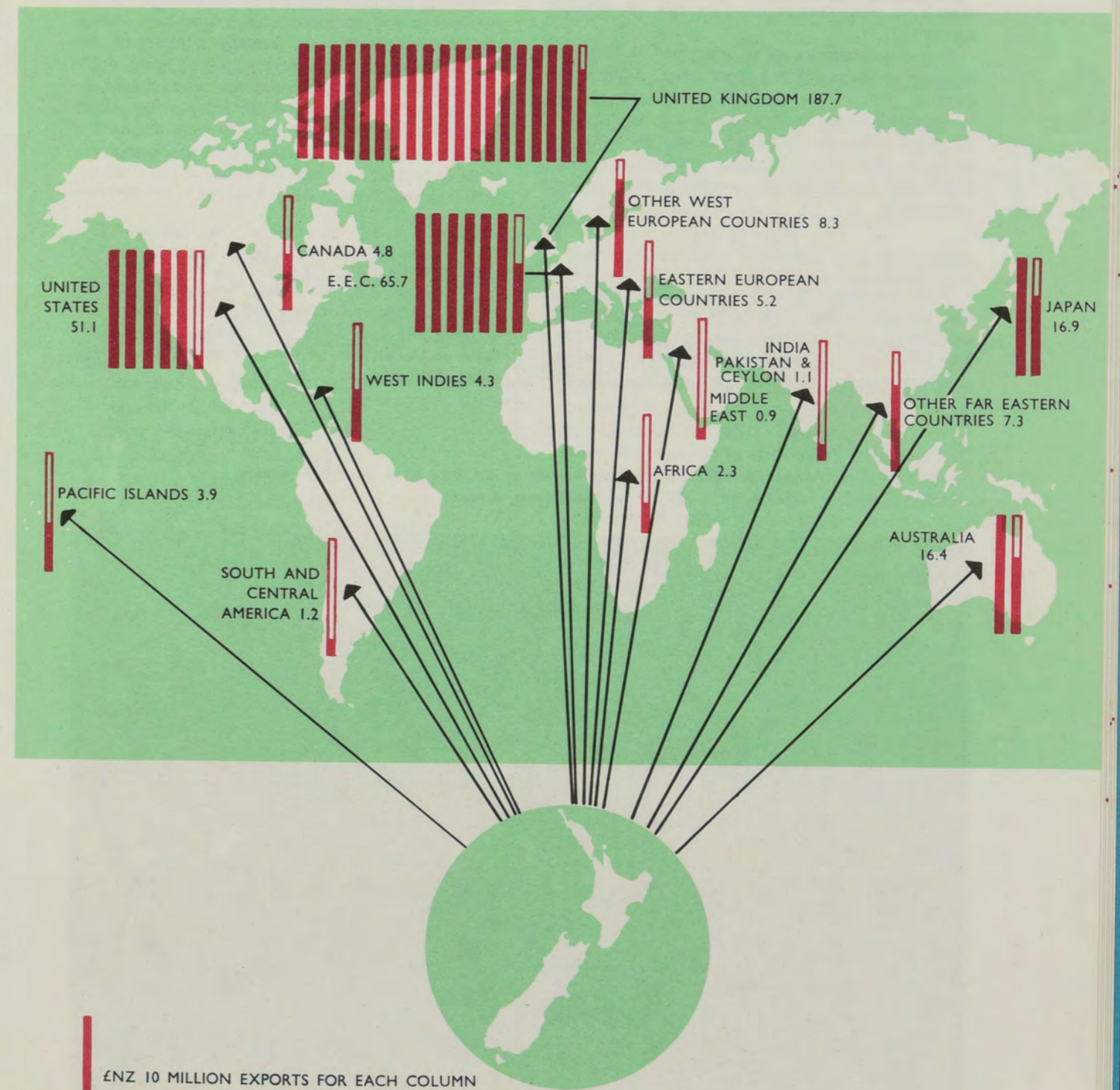
Throughout the year we had pleasure in welcoming to the Bank a very large number of overseas bankers and businessmen. These personal contacts help strengthen our cordial relationships with overseas banking institutions and business houses.

The Bank's Trade Enquiry service, which is being availed of more freely each year, has assisted

WHERE NEW ZEALAND'S **IMPORTS** CAME FROM IN 1964



WHERE NEW ZEALAND'S **EXPORTS** WENT IN 1964



Produce

The services available through the old established Produce Department for the shipment of produce overseas on behalf of our farmer customers for sale on the United Kingdom markets continued to be freely used. While wool is still the main product handled, other commodities are also being shipped, particularly shipments of frozen meat on a consignment basis for sale on owner's account.

Every assistance possible continued to be given to many growers offering their wool on the local market.

Regular market reports are circulated through the press while the Produce Circular covering reports on an extensive range of produce, is widely distributed throughout the various sections of the community.

Staff

With the steady growth of the Bank's business and expansion into new fields of operations the number of staff employed continues to increase. The following comparative figures show the extent to which this has occurred over the past decade:

Total staff at 31st March 1955	3,280
1960	3,457
1965	4,167

To provide for continued growth and for the increasing number of retirements due over the next five years, staff recruiting has been intensified. It will be necessary to continue the drive for male recruits of good calibre.

During the year the General Manager completed his self imposed task of visiting every branch of the Bank and meeting as many of the staff as possible.

The Board again wishes to record its thanks to the staff for their loyal and efficient service in the interests of the Bank and its customers during the past year—a year which has seen the launching of an important new banking entity in the Bank of New Zealand Savings Bank Limited.

Premises

During the year new buildings were completed for Branches at Lower Hutt, New Lynn, Taumarunui, Tauranga, Tokoroa and Waitara and a new building for the Agency at Waikouaiti. Alterations and additions were also completed at many other Branches.

The beautiful Lake Hayes, known as the lake of a thousand pictures, Queenstown (Otago).



Despite this, there still remains a considerable amount of project work in hand. The proposed introduction of automation in the North Island before decimalisation will involve the re-development of sites in Victoria Street West (Auckland) and Vivian Street (Wellington) to house computer centres, and planning for these two projects is well advanced.

The response to calls for tenders has generally been satisfactory. It is too early yet to assess the full effect of the General Wage Order increase of 6% during the latter part of 1964, but building costs have risen though not uniformly over the country.

Branches and Agencies

During the year agencies at Manurewa and Porirua were converted to full Branch status, and a new Branch was established at 246 Queen Street, Auckland.

Agencies were established at the following points, the parent Branches being shown in parenthesis:

- Beckenham (Sydenham)
- Finegand (Balclutha)
- Queen Charlotte (Picton)
- Rainbow Valley (Tokoroa)
- Regent (Whangarei)
- Te Rapa (Hamilton North)
- University of Auckland (High Street, Auckland)
- Wellington Polytechnic (Vivian Street, Wellington)
- Wellington Teachers Training College (Wellington)

The following Agencies have been closed:

- Belmont (Devonport)
- Broadwood (Kaitaia)
- Orawia (Otautau)
- Pongaroa (Pahiatua)
- Queens Road (Lower Hutt)
- Swanson (Henderson)

In New Zealand there are 183 Branches and 208 Agencies while Overseas Branches are located in London, Sydney (N.S.W.), Melbourne (Victoria), Suva, Labasa, Lautoka and Nadi (Fiji).

Electronics

The increasing growth in cheque usage is severely taxing the Bank's ability to handle the resultant volume of bookkeeping by conventional machine methods. After intensive research a decision was made in December 1964 to purchase two IBM 360-30 computers.

One system will be centered on Auckland to process the accounts of Branches in the northern half of the North Island. The other will be in Wellington to cover the remainder of the North Island and will also be used to process numerous Head Office functions in the future.

New cheque forms bearing specially encoded magnetic ink characters will be issued to customers during 1965. This will ensure that all Bank of New Zealand cheques are in the correct form for automated cheque handling by the installation dates towards the end of 1966.

The introduction of electronic data processing next year over a substantial part of the Bank will involve the greatest effort in accounting re-organisation ever undertaken in New Zealand and is being systematically planned by a department especially established for this purpose.

The use of electronic methods will facilitate the changeover to decimal currency in July 1967 and materially lessen the cost to the Bank.

Extensive research in the United Kingdom and the United States has been undertaken by executive officers of the Bank's Development Research Department to ensure that our installations will commence with the benefit of the latest world developments.

Sponsorships and Awards

The Bank continued to recognise the valuable work done by the New Zealand Federation of Young Farmers' Clubs (Inc.) by again sponsoring tours to Australia by two Young Farmers to study overseas farming practices and conditions.

The Bank's sponsorship of short-course scholarships for Young Farmers to Massey University was increased from five to six and a bursary was granted to enable a youth interested in a farming career to undertake a course of study at the newly formed Telford Farm Training Institute in Otago.

To keep pace with the technical demands of the country's industry the New Zealand Crafts-

man Training Foundation has recently been established and the Bank has sponsored an annual award to enable an outstanding young craftsman to receive advanced training and experience in Australia.

Seven awards totalling £10,915 were made to medical research workers from the £100,000 Medical Research Grants Fund established by the Bank of New Zealand in 1961 to mark the Bank's Centenary.

Board of Directors

The news of the sudden death in London of Mr John Grierson, C.B.E., Chairman of Directors, on 27th August 1964, was received with profound shock and personal grief by the Board, senior executives and indeed the staff generally, to whom he was widely known. Mr Grierson, who was first appointed to the Board in 1951, was renowned for his outstanding ability and boundless energy in a wide field of endeavour and his passing was a great loss to the Bank. He always maintained a close interest in the affairs of the

Bank and had the welfare of its staff very close to his heart.

Mr J. D. G. Duncan, formerly Deputy Chairman was appointed Chairman of Directors on 27th October 1964 and Mr G. D. Stewart, who was reappointed to the Board for a term of three years from 16th September 1964, was appointed Deputy Chairman.

Mr F. E. Harmer's appointment to the London Board was extended for a further term of three years from 1st April 1964 and Mr S. E. Wilson was also reappointed as Local Director, Sydney, for a similar term as from that date.

The accompanying Balance Sheet and Accounts show the Bank to be in a strong position. Assets have been conservatively valued and full provision for possible bad and doubtful debts has been made.

The Bank was founded almost 104 years ago, and for a very long time has had the largest banking business in the country. It is the only trading bank wholly, or even substantially, owned in New Zealand, and also the one Bank controlled by a New Zealand Board of Directors.

HEAD OFFICE,
BANK OF NEW ZEALAND,
28th May 1965.

For and on behalf of the Board of Directors,

J. D. G. DUNCAN, CHAIRMAN.

HEAD OFFICE



WELLINGTON

BANK OF NEW ZEALAND

General Manager:

J. G. SOUNESS

Assistant General Managers:

J. F. EARNSHAW B. H. SMITH

Chief Inspector:

J. S. SHAW

Senior Inspector:

S. C. HAYBITTLE

Inspectors:

A. V. MILLER	P. W. BARLOW
A. G. FARMER	A. A. F. BUDGE
G. M. S. WEBSTER	KEITH CLARK
G. G. USHER	A. A. THOMPSON
W. J. WOODHOUSE	A. D. MURRAY

Manager Business Promotion:

R. H. LORD

Chief Accountant:

V. L. ANSELL

Assistant Chief Accountant:

R. E. MOSSMAN

Manager Development Research:

G. H. J. HOGG

Manager Premises Department:

V. G. COOPER

Overseas Department:

Manager: R. C. BARLOW

Assistant Manager: B. CUMBERWORTH

Bank of New Zealand Savings Bank Ltd.

Manager:

B. B. WATSON

BRANCHES AND AGENCIES

IN NEW ZEALAND

Branches	Managers	Agencies
A		
AKAROA	J. F. Bevin	
ALEXANDRA	A. J. Bradley	Clyde
ASHBURTON	E. A. McPhail	
AUCKLAND		Oneroa
	Manager—Maurice Shaw	Parnell
	Deputy Manager—S. N. S. Crump	St. Heliers
	Assistant Managers—A. J. Harron	Victoria Street
	E. F. Evans	
	J. H. Mills	
	Overseas Passenger Terminal, Princes Wharf	
	Whenuapai International Airport	
AVONDALE	E. L. Banks	(to be opened)
B		
BALCLUTHA	P. R. T. Reid	Clinton
		Finegand
		Kaitangata
		Owaka
BIRKENHEAD	D. Calderwood	Northcote
BLLENHEIM	J. Y. Hannay	Woodbourne R.N.Z.A.F. Station
BROWN'S BAY	P. E. Whitelaw	Albany
BULLS	H. N. Gillespie	Ohakea R.N.Z.A.F. Station
		Sanson
C		
CAMBRIDGE	E. F. Wright	
CARTERTON	J. H. Denby	
CHRISTCHURCH		Central Agency
	Manager—W. L. J. Travers	Cheviot
		Chch. Airport
	Assistant Managers—S. J. H. Jenkinson	Colombo Street South
	C. B. Taylor	Culverden
		Darfield
		Edgeware Road
		122 Armagh Street
		Hanmer Springs
		Linwood

Branches	Managers	Agencies
C		
CHRISTCHURCH—continued		125 Manchester Street
		New Brighton
		North Colombo Street
		Papanui
		Victoria Street
		Waiau
		Waikari
COROMANDEL	E. R. Gooch	
COURTENAY PLACE (Wellington)	W. J. G. Roach	22 Courtenay Place
CROMWELL	R. A. S. Clarke	Wanaka
CUSTOMS STREET (Auckland)	H. K. Joblin	
D		
DANNEVIRKE	B. J. Roache	Norsewood
		Ormondville
DARGAVILLE	R. C. W. Hill	
DEVONPORT	J. D. Chapman	Devonport Naval Base
		Belmont
DOMINION ROAD (Auckland)	John Redmond	Balmoral
DUNEDIN	D. H. Garrett	Green Island
		Port Chalmers
DUNEDIN NORTH	L. D. Wethey	Gardens, North East Valley
E		
EKETAHUNA	B. H. Gavin	
ELTHAM	D. MacLean	
F		
FEATHERSTON	J. A. Chicken	
FEILDING	E. W. G. H. Forsyth	
FITZHERBERT AVENUE (Palmerston North)	D. J. McWilliam	Massey University
FOXTON	M. E. Wilson	
FRANKTON	A. W. Walker	
G		
GERALDINE	J. V. North	Midway
GISBORNE	H. J. Dykes	Balfour
GORE	E. I. Ottrey	Riversdale
GREYMOUTH	W. R. Townsend	Kumara
GREYTOWN	C. D. Ovens	

BRANCHES AND AGENCIES—continued

<i>Branches</i>	<i>Managers</i>	<i>Agencies</i>
HAMILTON	F. L. Murray	Hamilton Central Hamilton East Hamilton Teachers' College, Melville
HAMILTON NORTH	A. McDonald	Heaphy Terrace, Fairfield Temple View Te Rapa
HASTINGS	T. R. Keys	Havelock North Karamu Road Stortford Lodge
HAWERA	F. K. Clayton	Okaiawa
HELENSVILLE	S. A. Stevens	Kaukapakapa Waitoki
HENDERSON	S. C. Martin	Kumeu Riverhead Te Atatu Waimauku
HIGH STREET (Auckland)	N. D. Murray	University of Auckland
HOKITIKA	C. H. Richardson	Harihari Ross Whataroa
HOWICK	F. M. Fisher	
HUNTERVILLE	R. G. Todd	Rata
HUNTLY	T. V. Elliott	
<hr/>		
INGLEWOOD	Duncan Cleland	
INVERCARGILL	H. M. Johnston	Bluff Dee Street
<hr/>		
KAIAPOI	W. A. Martin	
KAIKOHE	W. C. Sutherland	Mangamuka Bridge Ohaeawai Okaihau
KAIKOURA	D. J. Adams	
KAITAIA	Wm. Foggin	Awanui
KAPONGA	D. H. Deverell	
KATIKATI	R. H. MacLean	
KAWAKAWA	I. G. McLean	Moerewa Paihia
KAWERAU	I. C. Rowe	
KERIKERI	A. C. Aplin	
KILBIRNIE (Wellington)	Wm. Ross	
KIMBOLTON	H. P. Dransfield	

Branches

Managers

Agencies

LAWRENCE	E. I. Megget	Waitahuna
LEESTON	D. G. Sutherland	Southbridge
LEVIN	G. E. J. S. Fry	Manakau
LOWER HIGH STREET (Christchurch)	N. C. Clapp	
LOWER HUTT	W. D. McLeod	Naenae Wainuiomata, Main Road Wainuiomata, Queen Street
LUMSDEN	J. M. Dickson	Mossburn Te Anau
LYTTELTON	J. D. I. Sherwin	
<hr/>		
MANAIA	Geo. Tangney	
MANGAKINO	H. N. Carey	
MANGAWEKA	L. D. Carthew	
MANUREWA	O. R. Norgrove	
MARTINBOROUGH	R. J. McWilliam	
MARTON	J. S. Harper	
MASTERTON	Maxwell Coker	
MATAMATA	M. T. Hishon	Waharoa
MATAURA	F. C. Renai	
MAUNGATUROTO	C. G. Goldsmith	Kaiwaka Paparoa
METHVEN	J. W. Logan	
MILTON	W. G. Newton	
MORRINSVILLE	T. H. Cornwell	Tahuna
MOSGIEL	C. D. McElroy	Middlemarch Outram
MOTUEKA	H. A. McBryde	
MOUNT MAUNGANUI	T. E. Gresham	
MOUNT ROSKILL (Auckland)	E. V. Harrison	Stoddard Road
MURCHISON	J. C. Harrison	
<hr/>		
NAPIER	L. F. Evans	Ahuriri Taradale
NELSON	L. C. Friend	Richmond Stoke Wakefield
NEW LYNN (Auckland)	K. J. Baker	Glen Eden Lynmall
NEWMARKET (Auckland)	N. R. D. Lash	Great South Road (Harp of Erin) Manukau Road, Epsom Morrow Street (Broadway)

BRANCHES AND AGENCIES—continued

	<i>Branches</i>	<i>Managers</i>	<i>Agencies</i>
N	NEW PLYMOUTH	L. W. Penrose	Devon & Gover Streets Fitzroy Moturoa Okato
	NEWTON (Auckland)	A. W. Moller	Grey Lynn Point Chevalier
	NGARUAWAHIA	G. R. Darling	
	NGATEA	G. L. Winter	
	NORTH END (Wellington)	E. W. Garner	153 Lambton Quay The Terrace (Kelvin Chambers)
O	OAMARU	J. M. Connolly	Oamaru Central Oamaru North
	OHAKUNE	G. A. Robertson	
	OHURA	C. H. I. Pease	
	OMAKAU	E. G. Rusbatch	Lauder
	ONEHUNGA	A. W. Worth	Royal Oak
	OPOTIKI	G. A. Smith	
	OPUNAKE	Walter Hately	
	OTAHUHU	W. A. Potter	Mangere East
	OTAKI	J. C. Bannatyne	Otaki Railway Waikanae
	OTAUTAU	J. B. Cowan	Nightcaps Ohai
OTOROHANGA	C. S. Lyons		
P	PAEROA	D. M. Alexander	Kerepehi
	PAHIATUA	J. R. Dickens	
	PALMERSTON NORTH	W. N. R. Marcroft	Ashhurst Central Agency Rangitikei Street
	PALMERSTON (Otago)	Thos. Grant	Hampden Waikouaiti
	PANMURE	J. D. Abbott	Glen Innes
	PAPAKURA	R. R. Wood	Clevedon Papakura South
	PAPATOETOE	H. T. Webb	Great South Road (Papatoetoe)
	PARAPARAUMU	J. L. Griffiths	Paraparaumu Beach Raumati Beach Raumati South Waikanae Beach

	<i>Branches</i>	<i>Managers</i>	<i>Agencies</i>
P	PATEA	D. H. Eaton	
	PENROSE	A. L. Williams	Ellerslie Great South Road (Harp of Erin)
	PETONE	J. F. Reid	Eastbourne
	PICTON	R. L. H. Jones	Queen Charlotte
	PONSONBY	N. H. Hume	Herne Bay
	PORIRUA	D. A. Haslop	Plimmerton Titahi Bay
PUKEKOHE	L. A. Johnston	Kopuku Pokeno	
PUTARURU	D. J. Purdie		
Q	QUEENSTOWN	P. T. Barraclough	Arrowtown
R	RAETIHI	W. S. Nicholson	
	RAKAIA	J. F. Robilliard	
	RANFURLY	G. G. Henry	
	RANGIORA	Sidney Mann	Oxford
	REEFTON	J. R. Turnbull	
	REMUERA	Leslie Fairgray	Upland Road
	RICCARTON	A. A. Pickering	Hornby Upper Riccarton Wigram R.N.Z.A.F. Station
	RIVERTON	B. Hayton	Orepuki
	RONGOTEA	W. R. Allen	
	ROTORUA	I. K. G. Foote	Murupara Ngongotaha
ROTORUA NORTH	J. M. M. Ollivier		
ROXBURGH	C. G. M. Taylor	Miller's Flat	
RUAWAI	A. M. Bush		
S	SHANNON	E. H. Bartley	
	SOUTH DUNEDIN	D. A. McNab	
	STRATFORD	N. H. Pavitt	
	STUART STREET (Dunedin)	B. I. Williamson	
	SYDENHAM (Christchurch)	J. T. Williamson	Beckenham
	SYMONDS STREET (Auckland)	Harold Taylor	Kingsland Mount Albert Mount Eden Sandringham

BRANCHES AND AGENCIES—continued

<i>Branches</i>	<i>Managers</i>	<i>Agencies</i>
TAIHAPE	J. D. Palairt	Waiouru
TAKAKA	J. L. Rees	Collingwood
TAKAPUNA	G. S. Blanshard	Milford
		Orewa
		Silverdale
		Whangaparaoa
TAPANUI	M. C. Robertson	Heriot
TAUMARUNUI	Thos. Raine	Tokaanu
		Turangi
TAUPO	W. J. Shaw	Motuoapa
		Turangi
TAURANGA	Clifford Colson	Greerton
		Tauranga South
TAWA	D. S. Beauchamp	
TE ARO (Wellington)	R. W. Twentyman	
TE AROHA	C. B. Randerson	Waitoa
TE AWAMUTU	J. T. Longbottom	Kawhia
TE KAUPHATA	P. D. Twohill	
TE KUITI	M. R. Mansell	Aria
		Benneydale
		Piopio
TEMIKA	Basil Hawkins	
TE PUKE	K. H. Gower	
THAMES	F. J. Sexton	Turua
		Waitakaruru
		Fairlie
TIMARU	A. S. Campbell	
TIRAU	S. N. Inglis	
TOKOMARU BAY	J. A. Graham	Ruatoria
TOKOROA	J. M. Urquhart	Atiamuri
TOWN HALL (Auckland)	I. H. Jolly	
TUAKAU	A. W. White	
246 QUEEN STREET (Auckland)	W. G. Sainsbury	
(Kerridge Building)		

T

U

V

UPPER HUTT C. E. B. Irving Silverstream

VIVIAN STREET (Wellington) H. E. G. Moore Wgtn. Polytechnic

<i>Branches</i>	<i>Managers</i>	<i>Agencies</i>
WAIHI	E. H. K. Turner	Waihi Beach
WAIMATE	T. E. Lovelock	Whangamata
WAIPAWA	J. W. White	Onga Onga
		Otane
WAIPUKURAU	A. W. Nicoll	Takapau
WAIROA	Thos. Ross	North Clyde
		Nuhaka
WAITARA	J. Herdman	Urenui
WAIUKU	B. C. Friend	
WANGANUI	M. C. Esson	Guyton Street
		Wanganui East
WARKWORTH	J. F. M. Coote	
WELLINGTON		Johnsonville
<i>Manager</i> —A. M. Esson		Karori
<i>Assistant Manager</i> —G. E. K. Sare		Khandallah
<i>Travel Manager</i> —A. W. Wilkin		Paekakariki
		Overseas Passenger Terminal, Clyde Quay Wharf
		Victoria University
		Wellington Airport
		Wgtn. Teachers' Training College
WELLINGTON SOUTH	R. J. Murray	
WELLSFORD	R. G. Hill	
WESTPORT	R. E. Simpson	Granity
		Karamea
WHAKATANE	J. N. D. MacDonald	Edgecumbe
		Kopeopeo
		Ohope
		Te Mahoe
		Te Teko
		The Strand
WHANGAREI	S. H. Hinton	Hikurangi
		Kamo
		Regent
WHITIANGA	W. S. Dashwood	
WINTON	A. R. Wethey	
WOODVILLE	K. S. Huddleston	
WYNDHAM	I. G. Martin	

W

No. 1 QUEEN VICTORIA STREET, MANSION HOUSE, E.C.4

Manager: T. C. HIDDLESTON

Manager-elect: H. M. BUCHANAN

Assistant Manager: F. J. BENNETT

Sub-Manager: R. H. HILLS

PICCADILLY CIRCUS OFFICE (54 REGENT STREET)

HAYMARKET OFFICE

(30 ROYAL OPERA ARCADE—NEW ZEALAND HOUSE BUILDING)

MELBOURNE, 347 COLLINS ST. *Manager,* A. M. Murdoch

SYDNEY, 339 GEORGE STREET

Manager, N. E. Jolly

Asst. Mgr., G. C. Miller

Travel Manager for Australia, L. W. Webb

SUVA *Manager,* G. J. M. Bacon

Asst. Mgr., Gerald Scott

MARKS STREET, AGENCY OF SUVA.

NAUSORI, AGENCY OF SUVA.

LABASA *Manager,* W. J. S. Robertson

LAUTOKA „ H. Monteith

BA, SUB-BRANCH OF LAUTOKA

NADI *Manager,* T. H. Lusk

NADI AIRPORT, AGENCY OF NADI.

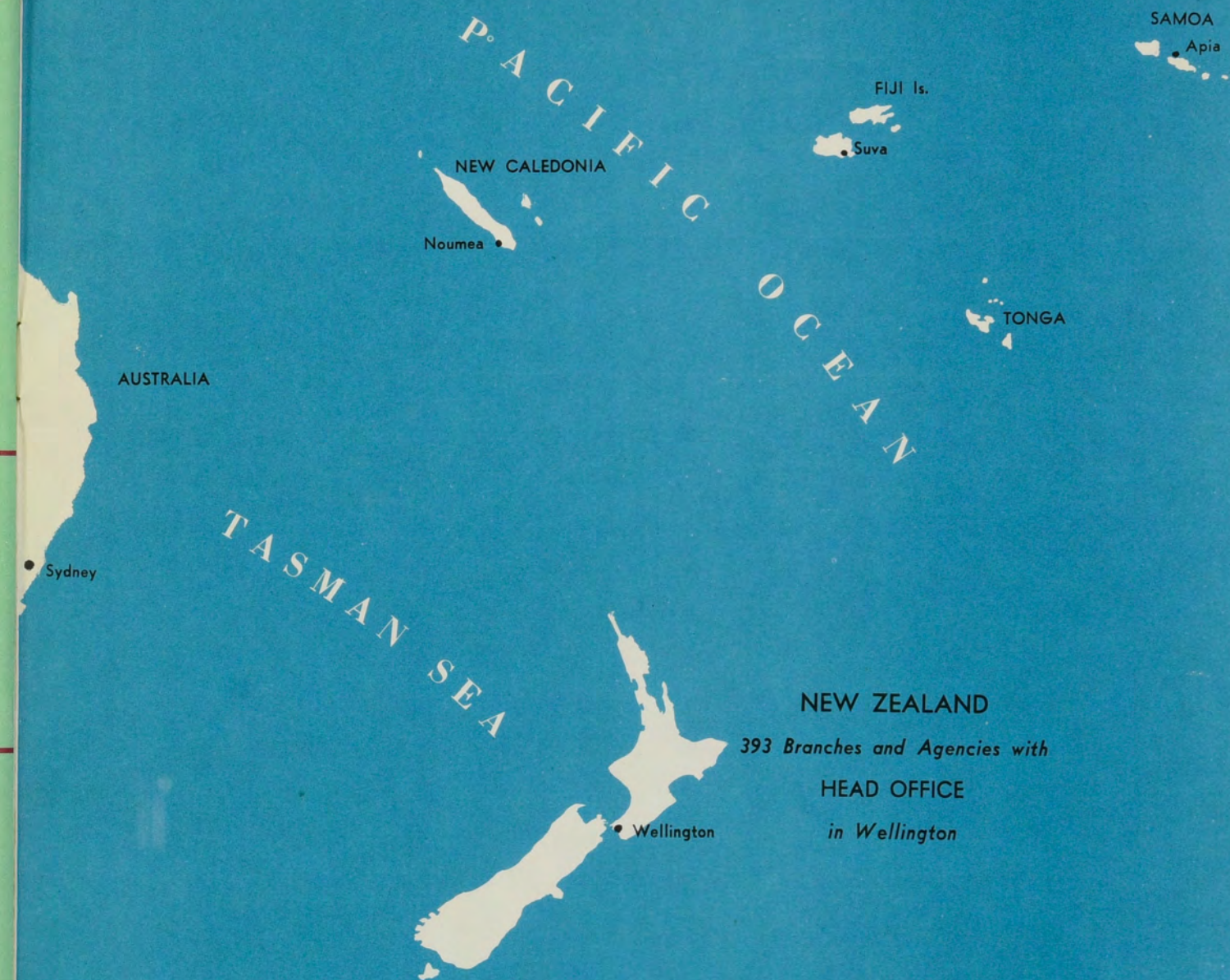
APIA (Samoa) *Manager,* R. J. Silvester

**IN
LONDON**

**BRANCHES AND
AGENCIES
IN
AUSTRALIA**

**IN
FIJI**

**BANK OF
WESTERN
SAMOA**



AIR DISTANCES FROM NEW ZEALAND

London	..... 13,222 miles	Singapore	..... 5,300 miles
Sydney	..... 1,385 "	San Francisco	..... 7,195 "
Hong Kong	..... 5,977 "	Samoa	..... 2,396 "
Fiji	..... 1,626 "	Tokyo	..... 7,764 "

**NEW ZEALAND'S
POSITION IN
THE SOUTH-WEST
PACIFIC**



BANK

of

New Zealand

With the Compliments of the

BANK OF NEW ZEALAND

TRADING BANKS IN NEW ZEALAND as at 31st March, 1965

Bank	No. of Branches in N.Z.	Estab. in N.Z.	Deposits in N.Z.*	Advances and Discounts in N.Z.*
BANK OF NEW ZEALAND Head Office: Wellington, New Zealand	183	1861	£141,529,000	£97,428,000
Australia and New Zealand Bank Limited Head Office: London	121	†	£82,886,000	£55,733,000
National Bank of New Zealand Ltd. Head Office: London	103	1873	£63,680,000	£50,334,000
Bank of New South Wales Head Office: Sydney, Australia	98	1861	£52,359,000	£39,784,000
Commercial Bank of Australia Limited Head Office: Melbourne, Australia	60	1912	£27,544,000	£18,249,000
* Figures published in New Zealand Gazette.		† Australia and New Zealand Bank Limited was formed in 1951 by merger of the Bank of Australasia (established in N.Z. 1864) and the Union Bank of Australia Ltd. (established in N.Z. in 1840).		

PRINCIPAL SERVICES

Enquiries are cordially invited

Trade Information and Introductions
Trade Transactions
Travel Information
Travellers' Cheques and Letters of Credit
Hotel Accommodation, Travel Bookings and Itineraries Arranged
Forward Exchange Transactions
Purchase and Sale of Overseas Currencies
Savings Accounts
Cheque Accounts

Interest Bearing Deposits accepted at Ruling Rates
Safe Custody of Valuables
Business Counsel
Finance of Trade by Documentary Letters of Credit
Marketing of Produce
Remittance of Funds Overseas
Collections and Payments
Indemnities and Guarantees

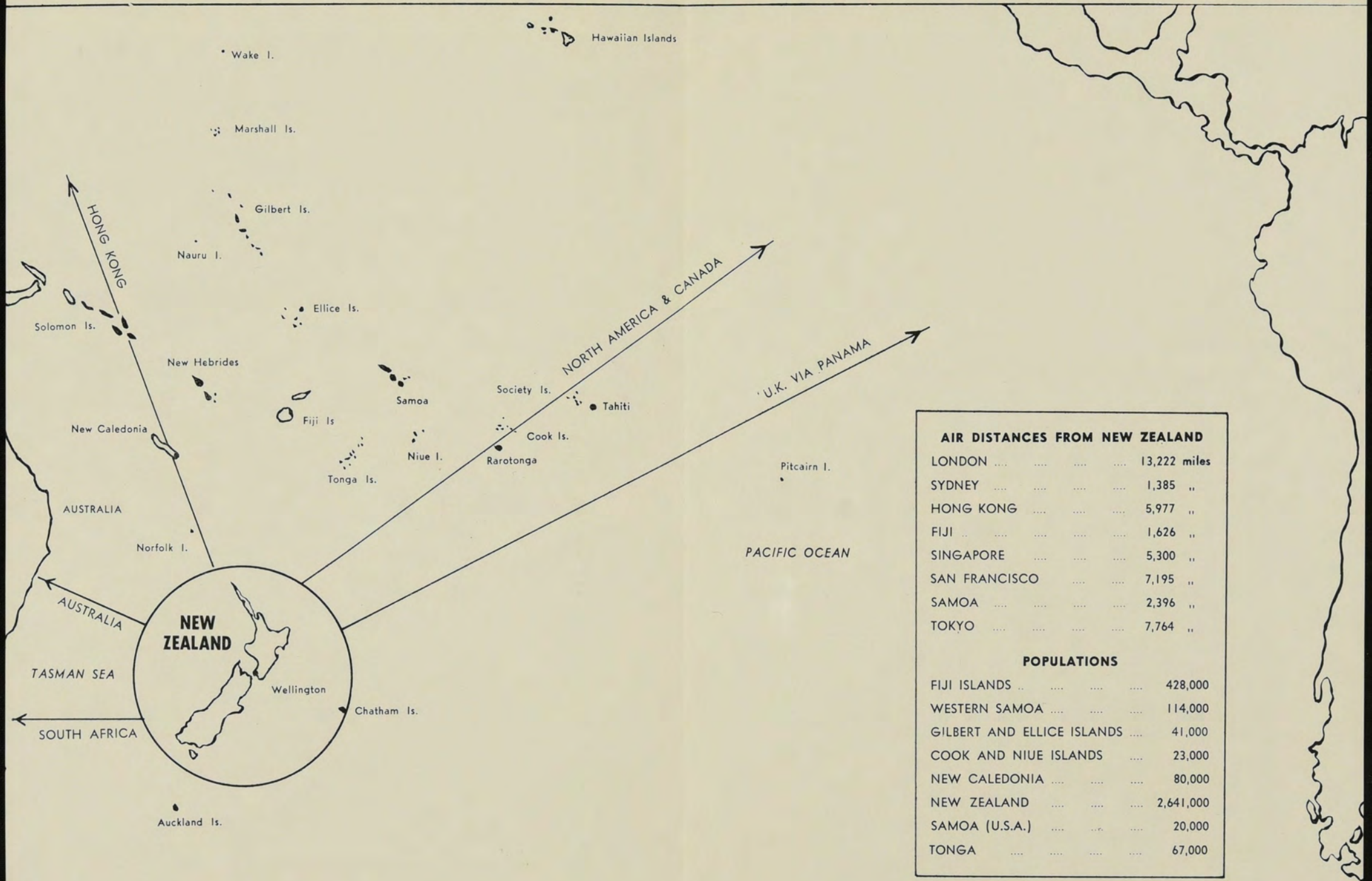
Head Office:

P.O. BOX 2392 - - WELLINGTON, C.I., N.Z.

BANK OF NEW ZEALAND SAVINGS BANK LIMITED

Wholly owned subsidiary of Bank of New Zealand

THE ONLY NEW ZEALAND OWNED TRADING BANK



BANK OF NEW ZEALAND
 BANK OF NEW ZEALAND SAVINGS BANK LTD.

*New Zealand's Position in the
 South-West Pacific*

BANK OF NEW ZEALAND

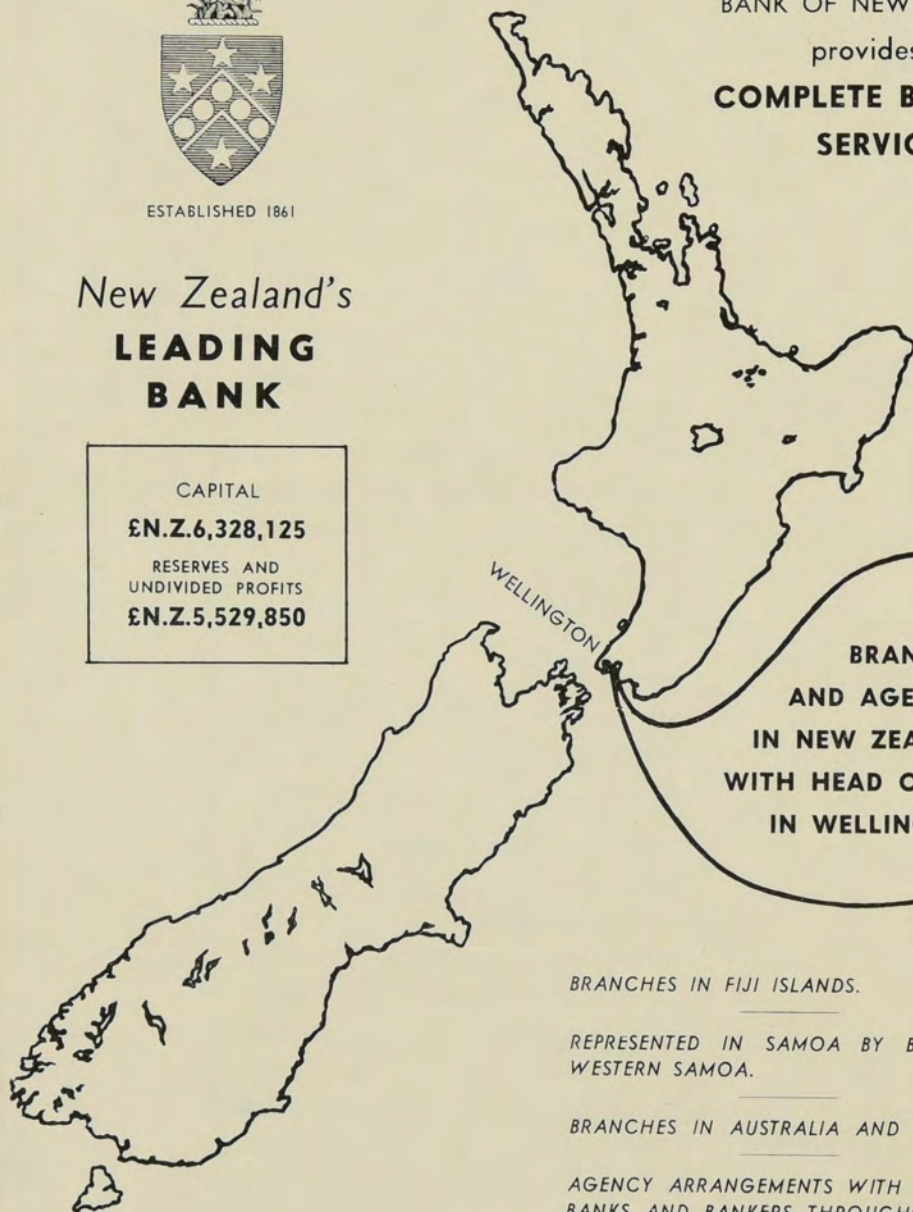


ESTABLISHED 1861

New Zealand's
**LEADING
BANK**

CAPITAL
£N.Z.6,328,125
RESERVES AND
UNDIVIDED PROFITS
£N.Z.5,529,850

THE
BANK OF NEW ZEALAND
provides a
**COMPLETE BANKING
SERVICE**



393
**BRANCHES
AND AGENCIES
IN NEW ZEALAND
WITH HEAD OFFICE
IN WELLINGTON**

BRANCHES IN FIJI ISLANDS.

*REPRESENTED IN SAMOA BY BANK OF
WESTERN SAMOA.*

BRANCHES IN AUSTRALIA AND LONDON.

*AGENCY ARRANGEMENTS WITH LEADING
BANKS AND BANKERS THROUGHOUT THE
WORLD.*

BANK OF NEW ZEALAND

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