

## No. 25.

COPY of DESPATCH from the Right Hon. the Earl of KIMBERLEY to  
Governor the Right Hon. Sir J. FERGUSON, Bart.

(No. 87.)

SIR,—

Downing Street, 12th December, 1873.

I have the honor to acknowledge the receipt of your Despatch No. 63, of the 1st of August, enclosing the Financial Statement delivered on the 29th July by Mr. Vogel, the Colonial Treasurer and Chief Minister.

2. At pages 12 and 13 of his statement, Mr. Vogel makes certain observations which Her Majesty's Government are unable to pass by without notice.

3. Treating of colonial loans, Mr. Vogel speaks of the Imperial Government as giving an "undisclosed guarantee;" and in reference to the payment of loan interest before other charges, he observes that "the Governor, being an Imperial servant, the Imperial Government would be responsible if their nominee did not respect the priority which the law established."

4. The responsibility attributed to the Imperial Government by Mr. Vogel in these passages, cannot be accepted by Her Majesty's Government.

5. In the case of colonial loans, Her Majesty's Government gives no guarantee whatever, either "undisclosed," indirect, or in any other way, except for the particular amounts specified in Imperial Guarantee Acts, and as Her Majesty's Government exercises no interference or control as to the financial policy of a Colony under responsible government, it shares none of the responsibility for the due payment of the principal and interest of loans which it has not specifically guaranteed.

6. Warrants for payment signed by the Governor, are of the same character as Royal Orders in this country, which are issued under the Royal Sign Manual as the highest executive authority in the country; but Her Majesty's signature in no way relieves Her Majesty's Government from responsibility in regard to the due administration of moneys voted by Parliament, and Her Majesty's Government cannot, therefore, admit that because the Governor is an Imperial servant, the Imperial Government would incur any responsibility with regard to moneys issued under his order, beyond that which may be imposed on them by the Legislature of this Colony.

7. I request that you will communicate a copy of this Despatch to your Responsible Advisers.

I have, &c.,

KIMBERLEY.

Governor the Right Hon. Sir J. Fergusson, Bart.

## No. 26.

COPY of DESPATCH from the Right Hon. the Earl of KIMBERLEY to  
Governor the Right Hon. Sir J. FERGUSON, Bart.

(Circular.)

SIR,—

Downing Street, 15th December, 1873.

I transmit to you a copy of a letter from the Lords Commissioners of the Treasury, on the subject of a memorial from the banking institutions of Melbourne, which was received through the Governor of Victoria, praying that the Branch Mint at Melbourne might be empowered to coin silver. Dec. 8, 1873.

I request that you will lay their Lordships' letter before your Advisers for their consideration.

I have, &c.,

R. H. MEADE,

(in the absence of the Earl of Kimberley).

The Officer Administering the Government  
of New Zealand.