

On that part of the evidence which refers to the origin of inscribed stocks, though not affecting myself in any way, I may, perhaps, as one having had peculiar opportunities of knowing what took place, and without offering any opinion as to who originated the idea, be permitted to add, in common justice to Sir Julius Vogel, my belief that to him the colonies are indebted for the practical solution of the difficulties that surrounded the question. No one occupying a less influential position than he then did could have matured the measure, and have carried it into successful operation; and but for his indomitable and intelligent perseverance I much doubt if the admirable system of inscribing colonial stocks now generally adopted, and which has enabled New Zealand so largely, and with such great pecuniary advantage, to convert her old loans into new, would at this moment have had any existence.

I must apologize for this digression from what more especially concerns myself, but it appears to me but just to Sir Julius Vogel that I should do so, as he certainly did a great service, not only to New Zealand, but to many other colonies who have enjoyed the benefits of the stock-inscription system, to which he first gave a practical shape.

The Hon. the Premier, New Zealand.

I have, &c.,

PENROSE G. JULYAN.

#### MEMORANDUM to the PREMIER.

I UNDERSTAND the point raised by Sir Penrose Julian in his letter to you is that I stated that Sir Penrose Julian insisted on his remuneration being fixed before the issue of the loan. Sir Penrose says I am mistaken, and he gives an account of the proceedings. My recollection as to those proceedings does not differ much from that of Sir Penrose, only that I am thoroughly under the impression that I did ask if the matter should not be left to the Government. The two Crown Agents—Sir W. Sargeaunt and Captain Ommanney—had already considered what was the remuneration which ought to be given; and Sir Penrose says, rightly enough, that it is usual to fix the rate of commission before the operation. The impression left on my mind was that Sir Penrose insisted on its being fixed, but I will not maintain that I am correct in the face of the recollection of Sir Penrose Julian and that of the other gentlemen whom he mentions. The question is, to my mind, not of much importance, for every one must concur that, whether or not Sir Penrose insisted, it would have been highly impolitic for me to have pressed the matter in an opposite direction. The Crown Agents, including Sir Penrose, had rendered services in the way of sustaining the credit of the colony at a most critical period for which no recognition could be too extravagant. The negotiation of the loan being still in the balance, it would have been most inexpedient to say or do anything calculated to produce the slightest irritation. The usage, as Sir Penrose says, was to settle the commission. The Crown Agents, because of the Bank of England's services, generously foregoed half their commission. They considered the commission proposed to be given to Sir Penrose was the right one. Sir W. Sargeaunt and Captain Ommanney had evidently discussed it between them and for me to have obtruded opposition would have been both unhandsome and impolitic.

15th April, 1886.

JULIUS VOGEL.

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