

same way as the Canadian stocks are now inscribed at Messrs. Glyn and Co.'s and Messrs. Baring and Co.'s, but would not give the necessary facilities for issuing certificates to bearer.

9. It is doubtful if a Government would desire to confide to any but the Bank of England the power of issuing certificates to bearer. It means, virtually, an unlimited power from day to day to issue obligations. In the case of the Bank of England, that institution only requires the Government to be liable for certificates properly issued, and the Bank would be liable for any improper issues. It is doubtful whether an ordinary bank, without any experience in this kind of business, would accept a like liability; and, although the public would be content to look to the Bank of England in case of errors, it might not be satisfied to find that an ordinary bank, and not the Government alone, were liable.

10. Sir Julius Vogel has, therefore, thought it desirable to press for such legislation as would at least enable the Bank of England to act, intending, so soon as he should learn what would be conceded by Her Majesty's Government, to confer with the representatives of the other Australian Colonies, and learn how far the proposed Bill might meet with the approval of their respective Governments; and in these negotiations Sir Julius has only urged the views of his own Government.

11. We deem it of great importance to the colonies to have their stocks inscribed at the Bank of England, and consider, therefore, that every effort should be made to get such legislation as will enable that Bank to undertake the management of colonial stocks, and the issue of certificates to bearer, for no stocks will command so much confidence with the public as those in respect of which transfers are made, and dividends are received, at the Bank of England.

12. Nothing has yet been done which, in our opinion, is calculated to prejudice the views of your Government, or to place any difficulty in the way of those views being pressed upon Her Majesty's Government; and we trust that such a Bill may be brought forward by the Lords of Her Majesty's Treasury as may carry out the hopes held out in their communication to Lord Carnarvon in August last, viz., a Bill that may be acceptable to all the Australian Colonies.

We have, &c.,

JOHN MACKRELL AND Co.

The Agent-General for New South Wales.

We return the paper you sent us.

Enclosure 3.

MINUTE of the AGENT-GENERAL.

As the matter was advanced to a certain stage before the arrival or appointment of Sir Julius Vogel, by the co-operation of the several Agents-General, including the then acting Agent-General for New Zealand, all of whom had in fact, after considerable discussion and deliberation, agreed upon a measure to which the Imperial Government was not unfavourable, and which was only impeded by the objections of the Bank of England to the provision for inspection of registers, I think it open to remark that Sir Julius Vogel should have given himself so much trouble in negotiating and preparing a measure apparently for the same object, independently of, and apparently without consultation with—indeed, without the knowledge of—myself and the other Agents-General. I cannot admit the correctness of Mr. Mackrell's view that "the measure was practically in abeyance" at any time. The negotiations were impeded and partially suspended by the obstacle above mentioned. But what had been done was a joint action of which Sir Julius was bound to take notice, in courtesy at least, if not in good faith. And when Sir Julius enumerates his own services in the matter, and very justly attributes to Mr. Herbert and other Imperial officers a willing concurrence, he seems quite to forget how much his services had been facilitated, and possibly the good-will of the Imperial authorities propitiated, by proceedings which had taken place before his arrival. As the question now stands, it is possible that the Imperial Government may be unable to retain the provisions for the inclusion of other banks, and that the colonies may be compelled to content themselves with so much by way of instalment of what was generally desired; but even in that case it is obvious that the negotiations and the measure had been so far perfected before the arrival of Sir Julius Vogel. I still retain my opinion that the large and more general application of the benefits of the measure to all banks would be the preferable course. I believe this opinion to be in accordance with the views of the Government of New South Wales, and with my instructions; and whatever the result may be, I submit for the consideration of this Government whether they will instruct me to proceed further. In the meantime, I shall be happy to co-operate with Sir Julius and the other Agents-General to urge upon the Imperial Government to bring the matter to a conclusion as speedily as possible.

12th April, 1877.

No. 3.

The AGENT-GENERAL to the Hon. the COLONIAL SECRETARY.

7, Westminster Chambers, Victoria Street, Westminster, S.W.,

3rd May, 1877.

SIR,—

Referring to my letter of the 1st of May, No. 365, I have the honor to enclose you copies of two letters received respectively from the office of the Agent-General of Victoria, and from that of the Agent-General of South Australia, thanking me for the printed copy of my letter to you of the 7th February, No. 147, on the subject of the Inscribed Stock Bill, with annexed papers. You will observe from these letters that the Agents-General of Victoria and South Australia do not join Mr. Forster in complaining of the course I took.

I have, &c.,

Hon. Colonial Secretary, Wellington.

JULIUS VOGEL, Agent-General.