

1886.

NEW ZEALAND.

PETITION OF SIR JULIUS VOGEL

(PAPERS RELATING TO).

Laid on the Table by the Hon. Mr. Stout, by Leave of the House.

Sir P. G. JULYAN to the Hon. the PREMIER.

SIR,—

Cromwell House, Brompton Crescent, London, February, 1886.

The Agent-General has been good enough to send me a copy of a report made by the Public Petitions Committee on the petition of Sir Julius Vogel respecting a claim, *inter alia*, for services rendered by him in connection with the issue of the Five-million Loan of 1879.

Certain misconceptions, apparent in some parts of the evidence, may naturally lead to erroneous impressions as to the part I took in the negotiation of that loan, and impose upon me the necessity of requesting that you will be good enough to place the following explanations before the Committee when they next meet to reconsider the question.

First, it may be as well that I should state that the fact of the issue of the loan taking place ten days after my retirement from official life was a mere coincident. The loan had been awaiting a favourable turn in the market for some months, and my retirement had been officially applied for some months before the Loan Agents were appointed. That it should have taken effect so shortly before that turn in the market took place, which rendered a successful operation possible, was purely accidental; and, circumstanced as I was, with the loans of many colonies to manage, my retirement could hardly fail to be coincident with an operation for some one of them. In the case of New Zealand, however, no inconvenience could well have arisen, as provision had been made to meet such a contingency by legally vesting the power of filling the vacancy in the hands of the remaining Agents; and, as the then senior Crown Agent—who had been in the previous Loan Commissions—was present (and had only been omitted in this instance because he was supposed to be in South Africa), he could have been appointed in my stead at an hour's notice, without a penny of extra expense. I therefore felt that no interruption or delay need result from my ceasing to be Crown Agent when I did.

The moment my retirement became known to myself I telegraphed the fact to New Zealand, and it was from that telegram the Government first became aware of it, and they might, if so minded, as easily and as quickly have directed the appointment of anybody else as myself. They thought proper however to ask me to act in my private capacity, to which I willingly assented; but it is a mistake to suppose that I ever “insisted” upon the amount of my remuneration being fixed before negotiations were commenced. As is customary on such occasions, rates of commission are always determined in advance, and in this instance there was no departure from the rule.

The Agents met to settle these preliminaries, and it never was suggested by any one that my case should be treated exceptionally, nor was the slightest objection raised as to the proposed rate, which was the lowest then known to the market.

It is a mistake to suppose that the Crown Agents made their full and usual charge. They voluntarily and properly reduced it by 50 per cent. (from $\frac{1}{2}$ to $\frac{1}{4}$ per cent.) because the Bank of England were to relieve them of half the work and much of the responsibility. The other proposed allowances to bankers, brokers, and myself were simply such as are usually paid for such services, and were acceded to by all the Agents without any objection or remonstrance of any kind, so that anything like “insistence” on my part would have been gratuitous indelicacy.

It is unnecessary here to speculate on what might have been said, or required, by me, had delay been proposed by my colleagues, but it certainly never would have occurred to me to decline to act because the question of remuneration to myself had been left to the Colonial Government to determine. Sir Julius Vogel, as Agent-General, really had nothing to do with the matter. The Loan Act and the warrants of appointment had placed the power of settling all such points in the hands of the Loan Agents.

The aggregate percentage of commission paid, including my own, were less than that charged on the previous loan issued through the same channel.

My recollection of what took place is confirmed by Sir W. Sargeaunt and Captain Ommañney, who were both present at the time, and, although Sir Julius Vogel took an active part in all the arrangements, I can well understand that impaired health, and the more important occupations which have since engrossed his attention, may easily have obliterated from his memory such minute details with regard to a transaction which occurred six years ago.