

paper for a metal currency? I may point out also that a change of currency, should such be thought desirable, can only be done by consent of the Imperial Government, and it is not likely that the Imperial authorities would sanction a currency for New Zealand different from that which is used in other parts of the empire.

As to the banking institutions of the colony, it would also be useful for the Chamber to point out what objections there are to the present system, and in what direction it thinks a change desirable.

I have, &c.,

E. B. Cargill, Esq., Chairman, Chamber of Commerce, Dunedin.

ROBERT STOUT.

No. 4.

Mr. H. HOUGHTON to the Hon. the PREMIER.

SIR,—

Chamber of Commerce, Dunedin, 17th April, 1885.

I have the honour, on behalf of the Committee of the Chamber, to acknowledge the receipt of your letter of the 31st ultimo, in which you ask the Chamber to point out in what respect it thinks an inquiry necessary into the banking position of the colony.

In answer I beg to state that the scope of the desired inquiry does not embrace bimetalism or the substitution of a paper for a metal currency. The resolution of the Chamber was purposely made as wide as possible, to allow of the proposed Parliamentary Committee taking up such subjects as they might deem required discussion at their hands.

At a meeting of the Committee of the Chamber held yesterday for consideration of your letter, it was resolved to submit the following points as those which they think the most important, and which, whilst generally indicating the wishes of the Committee, their discussion by the Parliamentary Committee would, in their opinion, beneficially affect the colony:—

- (1) The effect of the paper currency in use in the colony being issued by private banks.
- (2) Whether it was desirable for the colony to establish a State Bank of Issue.

I have, &c.,

The Hon the Premier, Wellington.

HENRY HOUGHTON, Secretary.

No. 5.

The Hon. the PREMIER to Mr. E. B. CARGILL.

SIR,—

Premier's Office, Wellington, 18th May, 1885.

I have now the honour to acknowledge the receipt of your letter of the 17th April, which absence from Wellington and press of business has prevented my doing before.

It seems that the Chamber of Commerce has now withdrawn from the position indicated by your previous letter, at the same time you have not answered the latter part of mine of the 31st March. In order, however, to bring the matter under the consideration of the House, the Government proposes to present this correspondence to Parliament at its approaching session.

I have, &c.,

E. B. Cargill, Esq., Chairman, Chamber of Commerce, Dunedin.

ROBERT STOUT.