

Mackrell deserves that honour. According to Mr. Mackrell's memorandum, Sir Julius Vogel had, at the least, a great share in getting the scheme made law, and why should the Loan Agents proceed to make any record on the subject without asking him for a statement of his views? Feeling this very strongly, I submitted your letter and Mr. Mackrell's memorandum to my colleague Sir Julius Vogel, asking him at the same time to make a memorandum of his views. He has complied with my request, and I enclose a copy of the paper for your and the Loan Agents' perusal.

5. You will observe that in Sir Julius Vogel's memorandum there is no attempt to underrate in the slightest degree the good work that Mr. Mackrell did.

6. I may state that I have read the correspondence to which reference is made by Sir Julius Vogel, and I cannot help coming to the conclusion that, while Mr. Mackrell's efforts, as well as those of Mr. Westgarth and others, deserve a hearty recognition at the hands of every one who details the history of how colonial loans became inscribed, yet that, but for Sir Julius Vogel's persistence, untiring energy, and ability, colonial stock would still have been uninscribed. In my belief he is entitled to be called the author of the scheme. In using this phrase, I do not consider it equivalent to "inventor." Ministerial action is always more or less due to outside representation either of a want or of a means of satisfying a want. Indeed, the statesmanship of a Minister is shown by his sagacity in accepting or rejecting the suggestions or representations made to him. If, however, your view were the correct one—namely, that to one who may have mentioned the advisability of inscribing colonial stock was due the entire scheme, I am afraid our history would have to be rewritten. It is to the men who have successfully carried out a scheme that hitherto honour has been paid; not to one who may have made a suggestion which he had neither the opportunity nor, perhaps, the resources to make an accomplished fact. As a Minister of New Zealand, Sir Julius Vogel took up the measure, which, in my opinion, would not have been heard of yet but for his exertions. It is only natural to suppose that, before he pledged himself to such a policy, he took the advice of all those whose opinions he thought worthy of attention.

7. As it is no doubt usual for official correspondence to be, though in the name of the Premier, still that of the Cabinet, I have to state that, in writing this letter, I have thought it best not to consult Sir Julius Vogel on the subject.

Sir Dillon Bell, K.C.M.G.,

I have, &c.,

ROBERT STOUT.

Agent-General for New Zealand, London.

Enclosure in No. 2.

MEMORANDUM by the Hon. the COLONIAL TREASURER.

The Hon. the Premier.

I HAVE read the letter of the Agent-General regarding Mr. Mackrell's share in the measure for inscribing stock, together with that gentleman's memorandum on the subject.

The Agent-General says that when he first came to England he discovered from Mr. Mackrell that he claimed to be the inventor of the method, but that Mr. Mackrell did not then wish his name to be brought forward. Subsequently Mr. Mackrell, he says, in effect, gave him the memorandum in order that he, Sir F. D. Bell, might be of use to him by mentioning it in a high quarter. It does not appear that Mr. Mackrell asked it might be sent out here. Be that as it may, Sir F. D. Bell says it is now the duty of the Stock Agents to record Mr. Mackrell's claim. It seems to me that in courtesy the Agent-General should have referred the claim to me, as I had been so much mixed up with the matters to which it referred.

With regard to the memorandum itself, it is stated to be "in a private letter, 11th March, 1884." As the copy is not signed or dated, it seems to have been part of that private letter, and there is no evidence it was meant to be made public. Grave exception might be taken to its use at all, since, in all the transactions referred to, Mr. Mackrell was acting professionally.

It is necessary, however, to consider how far the memorandum is correct. The subject of dispensing with debentures by registering them was one about which Mr. Westgarth had for a long period written most ably and warmly in his largely-circulated monthly reports. He also wrote to me and saw me on the subject when I was in England, at the time to which Mr. Mackrell refers. It was probably then, owing to Mr. Westgarth's communications, that I was talking over the subject with Mr. Mackrell at the interview on which Mr. Mackrell bases his claim. I remember that interview and the suggestion made by Mr. Mackrell to employ the Bank of England.

In my official communication with the Hon. Dr. Pollen (see B.-6, Appendix to the Journals of House, 1876) I gave the credit of the idea on which I acted to Mr. Westgarth, as I still think, quite properly. I stated, however, that "it was brought to my notice that a very large sum would have been invested in New Zealand securities if trustees had been able to divest themselves of the personal responsibility of holding the debentures." Again, in another passage in the same document, I wrote: "Indeed, I have been assured, by persons competent to give an authoritative opinion, that colonial securities, managed by the Bank of England as proposed, would become most popular with investors, that their value would be increased, and that there would be much less difficulty than hitherto in obtaining their approval by the Lord Chancellor as securities in which trust funds might be invested." These passages were no doubt meant to include interviews with, and opinions of, many persons with whom I conversed on the subject, including Mr. Mackrell. I suppose no Minister or person in authority embarks on a great operation or negotiation without consulting the most able men he can find; certainly I consulted many. There is, however, no doubt Mr. Mackrell was the first to suggest that Mr. Westgarth's object might be effected by an arrangement with the Bank of England. Messrs. N. M. Rothschild were, however, my principal authorities and aiders in the matter. They thought well of the plan, and introduced me to the Governor of the Bank of England. I had constant interviews with the latter, and he took a great interest in the subject. Undoubtedly from time to time I asked Mr. Mackrell's advice.