

1885.

NEW ZEALAND.

PAPER CURRENCY AND STATE BANK OF ISSUE

(CORRESPONDENCE WITH THE CHAMBER OF COMMERCE, DUNEDIN, RESPECTING).

Presented to both Houses of the General Assembly by Command of His Excellency.

No. 1.

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

Chamber of Commerce, Dunedin, 20th March, 1885.

SIR,—

I have the honour, at the instance of this Chamber, to submit for your consideration the accompanying memorial, finally adopted at a general meeting of the Chamber held yesterday, the 19th instant, and to ask your careful consideration of the subjects upon which it treats.

I have, &c.,

The Hon. the Premier, Wellington.

E. B. CARGILL, Chairman.

Memorial of the Dunedin Chamber of Commerce.

THE Memorial of the Chamber of Commerce, Dunedin, unto the Honourable the Premier and Members of the Government for the Colony of New Zealand, sheweth :

That at the annual meeting of the Chamber, held 20th August, 1884, a special Committee was appointed to consider and report as to the expediency of establishing a State Bank of Issue for the colony, and for the better regulation of banking within the colony.

The said committee reported to a meeting of the Chamber held on the 20th February, 1885, when the following motion was agreed to:—

“That the Chamber memorialize the Government, in order that a Parliamentary Committee may be appointed to investigate the whole subject of the currency, and the practice of banking within the colony.”

This resolution is therefore now brought specially under the notice of the Government, and they are respectfully requested to obtain the appointment of a Committee during the ensuing session of Parliament, for the consideration and investigation of the important subjects therein referred to.

On behalf of the Chamber.

Dunedin, 19th March, 1885.

E. B. CARGILL, Chairman.

No. 2.

THE HON. the PREMIER to Mr. E. B. CARGILL.

Premier's Office, Wellington, 23rd March, 1885.

SIR,—

I have the honour to acknowledge the receipt of your letter of the 20th instant, with accompanying memorial adopted at a meeting of the Dunedin Chamber of Commerce on the 19th, relative to the appointment of a Parliamentary Committee to investigate the subject of the currency and the practice of banking within the colony, and in reply to inform you that the representations of the Chamber will receive due consideration by the Government.

I have, &c.,

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

ROBERT STOUT.

No. 3.

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

Premier's Office, Wellington, 31st March, 1885.

SIR,—

As I had the honour to inform you on the 23rd instant it would, the Government has considered the memorial of your Chamber relative to the appointment of a Parliamentary Committee to investigate the subject of the currency and the practice of banking within the colony.

Before, however, asking Parliament to appoint a Committee, Government ought to be able to point out in what respect they think an inquiry is required. In your resolution there is no hint given of what is desired. Is it the question of bimetallism that is to be discussed, or the substitution of a

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.