

Mr. Beauchamp, the President of the Bank of N.Z. gave some very valuable evidence to the Dominions ~~Finance~~ Commission, in which he recommended a joint Imperial and Dominion guarantee for public works benefitting the whole Empire. He has kindly consented to draw up a scheme which he thinks the N. Z. Government could wisely accept, and to press it upon Mr. Massey.

Dr. Barrett of Melbourne has also most kindly consented to do the same by Mr. Watt.

It is desirable that the Australian Premiers and the N. Z. Govt. should formulate their own proposals, and I am particularly anxious that the credit of any scheme that might be pressed upon the acceptance of H. M. Govt. should originate not from me, but from Australia and New Zealand.

The Dominion House offers an admirable opportunity for applying to the purposes of Empire in the way suggested by Mr. Beauchamp the principle of a joint Imperial and Dominion guarantee.

As the chance of any of the Dominions defaulting on their guarantee would appear to be so remote as to be hardly worth considering, H. M. Govt. ought, in view of the advantages that will result to the Motherland and to the Empire, to be only too glad to lend a hand.

If Mr. Watt of Victoria and Mr. Massey of N. Z., will pass through their respective legislatures Acts which will empower them, should they think fit, to give guarantees of the character I have described, the path will be rolled for our approach to the Treasury at Whitehall. When the public understand that H.M.Govt.