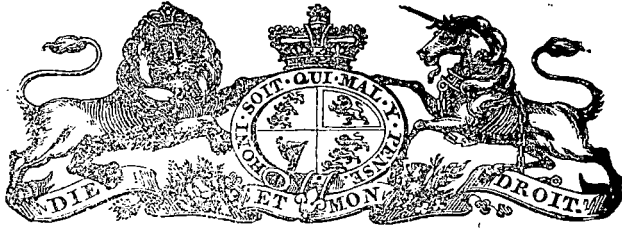


(No. 121.)



1891.

PARLIAMENT OF TASMANIA.

BANK OF VAN DIEMEN'S LAND AND NATIONAL
BANK OF TASMANIA :

TELEGRAMS AND CORRESPONDENCE.

Presented to both Houses of Parliament by His Excellency's Command.



BANK OF VAN DIEMEN'S LAND AND NATIONAL BANK OF
TASMANIA.

TELEGRAMS AND CORRESPONDENCE.

[TELEGRAM.]

Hobart, 22nd August, 1891.

WANTED to see you last night amalgamate V.D. Land National. Sympathy of both shareholders would do it. You could do good work for Tasmania; please try. Wire me to Launceston if you think there is any chance.

S. J. SUTTON, *M.H.A.*

The Hon. the Premier.

[TELEGRAM.]

Mayor Sutton wants Old Bank and National amalgamate. Government will favour such proposal. At least Two hundred thousand more capital wanted. Presuming you had considered this matter I hesitated to approach you. Let us federate northern and southern interests; there will be strong help here.

P. O. FYSH.

Hobart, 22nd August, 1891.

GEO. HORNE, *Esq., Launceston.*

[TELEGRAM.]

Launceston, 24th August, 1891.

Coming express to-day. Think I can suggest satisfactory solution.

GEO. HORNE.

Hon. P. O. FYSH, Hobart.

[TELEGRAM.]

Confidential. Let your report to your Directors be influenced by the impossibility of obtaining Five hundred thousand sovereigns. Government will not advance more than Two hundred thousand, and only that on condition of a similar amount of new capital being raised.

P. O. FYSH.

Hobart, 27th August, 1891.

GEO. HORNE, *Esq., National Bank, Launceston.*

MEMO. BY MR. FYSH.

A

MR. FITZGERALD having informed me that Bank Committee proposed to hold a public meeting, and that they wished me to preside, I asked for a night to consider the matter, and gave following reply, from which it is clear I was not committed to any proposal, and was counselling caution and trying to keep a brake upon what appeared to me as impetuously trying to commit me to any course, well considered or otherwise.

Premier's Office, Hobart, 29th August, 1891.

MY DEAR MR. FITZGERALD.

I HAVE very serious doubts about the propriety of my attending the Bank Meeting on Monday.

A large number of people have concluded that the Bank must be *reopened* at Government risk for public benefit, while I am of opinion that it must be first *restored* by the public subscription of adequate capital before the Government can consent to lend any aid.

Reopening is one thing, restoration quite another.

As a Member of the Government, it will become my duty to review with my Colleagues the proceedings of your Meeting, and on the final result thereof to make our recommendations to Parliament. For me to confer and agree with you first would be a mistake.

Neither do I believe that the body of interested shareholders and debtors and depositors would patiently listen to any arguments which may differ materially from the foregone conclusion, as to most of them, that the Government must assist regardless of consequence.

Neither could many be got to appreciate the difficulties which surround the many problems for solution before any irrevocable step can be taken by Ministers.

Yours truly,

P. O. FYSH.

MEMO. by Mr. FYSH.

THE meeting referred to in my note marked A. was not held, but I addressed the following to Mr. Fitzgerald after being pressed to consider modifications of first proposal.

P. O. F.

Premier's Office, Hobart, 3rd September, 1891.

MY DEAR SIR,

THE terms upon which I invited Mr. Horne to Hobart to consider the advisability of the National Bank of Tasmania taking over the liabilities of the Bank of Van Diemen's Land were the restoration of capital to amount of £200,000, and the procuring of £500,000 in coin, with which to reopen the doors. Both of these necessities received Mr. Horne's assent.

As it now appears that considerable modifications are likely to be proposed, I shall be glad if you will, as soon as possible, cause me to be supplied with the following information:—

- (1.) The list of persons and the amount of their subscriptions for new shares.
- (2.) The list of present proprietors of Van Diemen's Land shares, and marked thereon those which may be relied upon for reserve liability.
- (3.) The names, and amount of their deposits, of persons who have agreed to leave their deposits for a further period with the Bank.
- (4.) The nature of the agreement into which such depositors will enter.
- (5.) The periods at which the restored Bank will undertake to refund to the Government its deposits of £72,000 and £200,000.
- (6.) Upon what source Mr. Horne relies for melting the Promissory Notes of subscribers of new Capital and the Treasury Bills of £200,000.
- (7.) An account of Coin which it may be expected will be promptly withdrawn upon the Bank doors being opened.
- (8.) A list of Deposits, and their due dates, respecting which no agreement to refix is expected.
- (9.) A list of current accounts with their amounts (*i.e.*, deposits not bearing interest.)

I hope you will not think the information sought is not all necessary to my purpose—which is, if possible, to keep myself even with all that is going on, so as to be prepared for action directly the time comes when Mr. Horne can call upon me to redeem my promise.

Yours, &c.

P. O. FYSH.

The Hon. G. P. FITZGERALD, Collins-street.

Premier's Office, Hobart, 3rd September, 1891.

MY DEAR SIR,

I AM directed by the Premier to request that you will be so good as to reply to the following enquiry in addition to those addressed to you this morning in connection with the Van Diemen's Land Bank business:—

- (10.) List of present proprietors of National Bank of Tasmania Shares, with amount of holdings;
And to question marked (2), add "with amount of holdings."

I am, &c.

JAS. ANDREW, *Secretary to Premier.*

The Hon. G. P. FITZGERALD, Collins-street.