

PAPERS RELATIVE TO CERTAIN PROVINCIAL DEBTS OF THE PROVINCE OF WELLINGTON.

No. 1.

Copy of a Letter from His Honor I. E. FEATHERSTON to the Hon. E. W. STAFFORD.

SIR,—

Superintendent's Office,
Wellington, 2nd October, 1868.

I do myself the honor to call the attention of the Colonial Government to the following Loans (enumerated in Schedule), raised under the authority of certain Acts of the Provincial Council of Wellington, and which are not included in "The Public Debts Act, 1867." These loans amount to the total of £74,000, and are, as will be seen by reference to the Schedule, immediately or shortly redeemable.

Under the present depressed state of the finance of the Province, from the falling of the Consolidated Fund, the almost entire cessation of land sales, and the general decrease of the other Provincial receipts, the Provincial Government finds the payment of so high a rate of interest as 10 per cent. on the sum of £74,000 a very heavy burthen on its resources, and is unable to look forward with certainty to repayment of the capital sum of Loans 2 and 3.

Having these facts in view, the Provincial Council, during its last Session, instructed the Provincial Government to apply to the General Assembly or the Government, with a view to obtain their consent to the conversion of these loans, omitted from the Schedule of "The Public Debts Act, 1867," into Colonial Government 5 per cents.

As an argument in favour of the consolidation, I would remind Ministers that under "The Public Debts Act, 1867," the Province of Wellington really is charged with £43,321 17s. 9d. more than the amount of her actual indebtedness on account of loans affected by the provisions of that Act, viz. :—

	£	s.	d.
Amount of Wellington Loan upon which interest has hitherto been paid by Hawke's Bay	31,260	0	0
Sinking Fund accrued on—			
Provincial Loan, £25,000, Session IV., Act 2	6,526	17	9
Provincial Loan, £50,000, Session XIV., Act 3	}		
Sinking Fund on Land Purchase Loan, 1856	5,535	0	0
	£43,321	17	9

The object of this present application is simply to include in the Schedule of Loans appended to "The Public Debts Act, 1867," all the loans which had been raised by the Province at the time of the passing of that Act, and thereby to effect an annual saving to the Province of £7,656 10s. I annex a statement showing the amount of the Wellington Loans at the time of the passing of the Public Debts Act, the present annual charge, and the amount of the loans and of the annual charge in the event of Mr. Fitzherbert's proposal for the conversion of Provincial Loans received by this mail being adopted. You will perceive that while the indebtedness of this Province under his proposals will be increased from £256,000 to £272,625, the annual charge on the Province will be diminished by £7,656 10s. There surely can be no reason why the Province should be prevented from effecting this saving; and therefore I trust that His Excellency's Ministers will enable the Provincial Government to do so, by bringing these loans under the operation of the Public Debts Act.

I have, &c.,

I. E. FEATHERSTON,
Superintendent.

The Hon. E. W. Stafford, Colonial Secretary, &c.

SCHEDULE A.

SCHEDULE OF UNCONSOLIDATED LOANS, PROVINCE OF WELLINGTON.

1. Wanganui Bridge Debentures, Session X., No. 6, redeemable on three months' notice	£	s.	d.
	16,000	0	0
2. Mortgage on Reclaimed Land Harbour Reserves Amendment, Session VIII., No. 3, to be redeemed 30th June, 1869	33,000	0	0
3. Mortgage on Unreclaimed Land, Session XVI., No. 5, redeemable on notice. To be redeemed by 31st March, 1869	25,000	0	0
	£74,000	0	0