

1873.

NEW ZEALAND.

BANKING ARRANGEMENTS OF THE GOVERNMENT.

(Return to an Order of the House of Representatives, dated 24th July, 1873.)

“That there be laid upon the Table, Copies of all written Agreements at present in force between the Government and its Banking or Financial Agents; and further, the substance of any verbal arrangements which in any way affect the Banking, Financial, or Exchange operations of the Government of New Zealand.”—(*Mr. Webster.*)

No. 1.

MEMORANDUM.

THE agreement under which the general banking business of the Colony is conducted will be found in the correspondence printed in the Appendix to the Journals of the House of Representatives for the year 1871, Paper B. 13.

No. 2.

The Hon. J. VOGEL to Mr. D. L. MURDOCH.

General Government Offices, Auckland, 22nd March, 1873.

SIR,—

I have the honor to state that the terms which, after several discussions, it was agreed between us should be submitted to the Government as the terms on which the Bank of New Zealand would be willing to undertake to negotiate the sale of £500,000 of Colonial Debentures in Melbourne and Sydney, have been, by telegraph, submitted to the Government, and have been approved of. Those terms I understand to be—

1. The Bank to negotiate the debentures in Melbourne and Sydney, charging $\frac{1}{2}$ per cent. commission, which is to include brokerage.
2. The money to be placed in Wellington within twenty days after its lodgment in the Bank at Sydney, at a charge of $\frac{1}{4}$ per cent. exchange.
3. Or, at the option of the Government, an amount not exceeding £200,000 to be remitted to London, by sixty-days bills, at a charge of $\frac{3}{8}$ per cent.
4. The Government to be at liberty to obtain advances to the extent of 75 per cent. against the debentures; such advances to be made by the Bank at Wellington; interest on such advances to be charged at the rate of 5 per cent. per annum.
5. The Bank to be at liberty, upon giving two months' notice, to claim repayment of advances; such repayment to be made by the Government, at their option, by bills on Melbourne, Sydney, or London, or by cash in Wellington.
6. Upon the debentures not sold no charge to be made, except for absolute expenditure in advertising and in printing, if any.
7. In the whole matter of the negotiation, the Bank to act under the instructions of the Government.

I have, &c.,

JULIUS VOGEL.

D. L. Murdoch, Esq.,
Inspector, Bank of New Zealand.

No. 3.

Mr. D. L. MURDOCH to the Hon. J. VOGEL.

Inspector's Office, Bank of New Zealand,
Auckland, 25th March, 1873.

SIR,—

I have the honor to acknowledge receipt of your letter dated 22nd instant, detailing the terms on which it was agreed the Bank should undertake the negotiation of £500,000 of Colonial Debentures, and to which terms you inform me you have obtained the approval of the Government.

The terms as stated by you are those agreed upon, with the exception that in paragraph 6, in stipulating that no charge is to attach to any unsold debentures except for absolute expenditure in advertising and in printing, if any, you make it appear that such expenses as advertising and printing are

B.—3A.