

Enclosure 2 in No. 1.

Mr. MEADE to Mr. LAW.

SIR,—

Treasury, 14th March.

I am directed by the Earl of Carnarvon to acknowledge the receipt of your letter of the 31st of January last, in which the Lords Commissioners of the Treasury request that the Governor of each colony using the Imperial coinage may be instructed to issue a Proclamation decriing the old British copper coin, which has ceased to be a legal tender in this country.

2. Their Lordships further state that on the coin in question being returned to this country not later than the 31st day of March, 1875, the Mint will be instructed to receive it at its full nominal value.

3. Before proceeding to take whatever steps may be necessary to give effect to their Lordships' request, Lord Carnarvon is of opinion that there are two or three points connected with the subject which should receive their Lordships' attention, and for which purpose I am directed to make the following observations.

4. It is probable that some at least of those colonies with which Lord Carnarvon is requested to communicate have put a small amount of old British copper in circulation, and that, as a matter of convenience or for other local reasons with which Lord Carnarvon is unacquainted, they may not consider it worth while to incur the trouble and incidental cost which must attend its withdrawal.

5. As his Lordship has no precise information on these points, he is disposed to think that before any decided step is taken in the direction suggested by the Lords Commissioners of the Treasury, it will be preferable to ascertain the precise facts in each case, and with their concurrence he would propose to address a circular despatch to all colonies using the Imperial coinage, inquiring the amount of old copper so held, and whether it is preferred to allow it to remain in circulation, or whether it is desired to take advantage of the proposal of their Lordships to receive it within a strictly limited period at its nominal value.

6. It would also be carefully explained that Her Majesty's Government do not desire to prescribe the withdrawal of this coinage, but that, as it has ceased to be a legal tender in this country since the year 1869, it has become absolutely necessary to fix some date after which full nominal value will not be paid on its presentation to the Mint from those colonies where it may still remain in circulation.

7. As their Lordships are aware, there is at present a very difficult question in course of discussion respecting the silver token coinage of Australia and New Zealand; and Lord Carnarvon does not doubt that their Lordships will agree with him in the opinion that it is desirable, if possible, to avoid raising any new question affecting a token coinage in those colonies until that which is now being treated is finally settled.

8. In the meantime the interval will be usefully employed by obtaining from other colonies the information which we already possess in the case of Australia and New Zealand.

9. It will, of course, be understood that, in the event of their Lordships seeing fit to adopt these proposals, the time to be eventually fixed as the limit beyond which the copper in question will not be received at its full nominal value will remain to be decided hereafter.

10. I am, however, to take this opportunity of conveying to you an expression of Lord Carnarvon's opinion that the period originally suggested, viz. one year, would not suffice to enable the more distant colonies to provide themselves with a sufficient stock of token coinage to replace that which it may be deemed desirable to withdraw.

W. Law, Esq., Treasury Chambers.

I have, &c.,

R. H. MEADE.

Enclosure 3 in No. 1.

Mr. LAW to the UNDER SECRETARY OF STATE.

SIR,—

Treasury Chambers, 16th April, 1874.

I have laid before the Lords Commissioners of Her Majesty's Treasury your letter of the 14th ultimo, respecting the withdrawal of the old British copper coin from circulation in the colonies using the Imperial coinage, and stating that the Secretary of State proposes to address a circular despatch to all such colonies, inquiring the amount of old copper so held, and whether it be preferred to allow it to remain in circulation, or whether it be desired to take advantage of the proposal of this Board to receive it within a strictly limited period at its nominal value.

I am commanded by my Lords to acquaint you, for information of the Earl of Carnarvon, that my Lords accept this proposal upon the understanding that the Secretary of State will obtain without delay the information of which he speaks. They trust that it will be in his Lordship's power to communicate with them again upon the subject before the close of the year, and they will then fix the date at which old copper coin of the United Kingdom will no longer be receivable at its nominal value.

I have, &c.,

WILLIAM LAW.

The Under Secretary of State, Colonial Office.

No. 2.

Governor Sir JAMES FERGUSSON to the Right Hon. the Earl of CARNARVON.

(No. 85.)

MY LORD,—

Government House,

Wellington, New Zealand, 17th November, 1874.

In reply to your circular despatch of the 27th April, respecting the proposed withdrawal of the old British copper coin from circulation in the colonies, I have the honor to transmit to your Lordship a memorandum from the Secretary to the Colonial Treasury, reporting approximately the amount