

From these documents it will be seen that the loan has been negotiated at a rate which, after deducting allowances and commission, will secure to the Government of New Zealand a net sum of about £91 in money for every £100 of debt incurred.

At this rate the borrowers will pay, exclusive of the loss on redemption, about £4 18s. 11d. per cent. per annum for the money obtained, and the lenders will receive, exclusive of gain on repayment, about £4 17s. per cent.; the difference being due to the expense attending the issue. We have been informed by Messrs. Rothschild that they have allotted the whole four millions, and the enclosed return shows the amount paid by them to the credit of the New Zealand Public Account at the Bank of New Zealand up to the present date.

See Enclosure
2 in No. 1.

As the value of money on short loans in the open market is less than that allowed on instalments paid in anticipation of the dates prescribed by the contract, it is probable that a still further amount will be paid in advance. Out of the money so received we have already repaid to the Bank of England £280,000 of temporary advances obtained on the security of guaranteed debentures, and purpose paying the remainder (amounting to £380,000) at intervals between this and the 15th May next.

Having freed these securities from all liability, they will be placed on deposit, as before, in the Bank of England, subject to the joint order of any two of the Loan Agents, to be dealt with as the Government of New Zealand may hereafter direct.

Comparing this negotiation with those for identical securities which have preceded it, and excluding from the calculations the incidental expenses—such as printing, advertising, stamping, &c., which are in much the same proportion in all cases—the results are as follow, viz. :—

	£	s.	d.
Price realized on £500,000 4½ per cents, sold in January, 1874, after deducting commission and brokerage	97	4	2
Ditto on £1,500,000 4½ per cents, sold in May, 1874, ditto ditto	95	4	2
Ditto on £4,000,000 4½ per cents, sold in March, 1875, ditto ditto	91	0	0
On the first of these loans a charge of 55s. 10d. per cent. on the whole amount will fall on the Government at maturity, equal to	13,958	0	0
On the second, £4 15s. 10d. per cent.	71,875	0	0
On the third, £9 per cent.	360,000	0	0

In conclusion, we beg to call the attention of the Government to certain observations which have been made by some of our number in a separate letter by this day's mail.

We have, &c.,

The Hon. the Acting Colonial Treasurer, New Zealand.

No. 3.

The LOAN AGENTS to the HON. the COLONIAL SECRETARY.

SIR,—

London, 6th April, 1875.

With reference to our letter of the 19th ultimo, a duplicate of which is herewith enclosed, we now transmit a statement, showing the amount received on account of the £4,000,000 Loan to the 5th instant inclusive.

We have, &c.,

P. G. JULYAN.

The Hon. the Colonial Secretary, Wellington, New Zealand.

W. C. SARGEANT.

NEW ZEALAND 4½ PER CENT. 5/30 DEBENTURE LOAN OF £4,000,000.

STATEMENT showing AMOUNT RECEIVED on Account of the above LOAN from 19th March, 1875, to 5th April, 1875, inclusive.

1875.	DR.	£	s.	d.
March 19.	Balance of former Statement	1,985,388	5	0
	Sundry subscribers, being payments in full on account of £51,000 scrip (less 5 per cent. discount, as per contra)	40,800	0	0
" 20.	Ditto £4,300 ditto ditto	3,440	0	0
" 22.	Ditto 13,900 ditto ditto	11,120	0	0
" 23.	Ditto 7,700 ditto ditto	6,160	0	0
" 24.	Ditto 5,200 ditto ditto	4,160	0	0
" 25.	Ditto 4,900 ditto ditto	3,920	0	0
" 27.	Ditto 5,900 ditto ditto	4,720	0	0
" 30.	Ditto 56,500 ditto ditto	45,200	0	0
" 31.	Ditto 6,000 ditto ditto	4,800	0	0
April 1.	Ditto 24,200 ditto ditto	19,360	0	0
	Ditto, first instalment, due 7th April, paid on account of £4,500 scrip	900	0	0
" 2.	Ditto, second instalment, due 4th May, on £500 scrip	100	0	0
	Ditto, payments in full on £10,100 scrip (less 5 per cent. discount, as per contra)	8,080	0	0
" 3.	Ditto £4,600 ditto ditto	3,680	0	0
	Ditto, first instalment, due 7th April, paid on account of £1,700 scrip	340	0	0
" 5.	Ditto ditto on £7,000 scrip	1,400	0	0
	Ditto, payments in full on £1,200 scrip (less 5 per cent. discount, as per contra)	960	0	0
		£2,144,528	5	0