

1878.
NEW ZEALAND.

“THE NEW ZEALAND CONSOLIDATED STOCK ACT, 1877”

(PAPERS RELATIVE TO).

Presented to both Houses of the General Assembly by Command of His Excellency.

No. 1.

PROCLAMATION bringing “The New Zealand Consolidated Stock Act, 1877,” into operation.

NORMANBY, Governor.

A PROCLAMATION.

WHEREAS by “The New Zealand Consolidated Stock Act, 1877,” it is, among other things, enacted that the said Act shall not come into operation nor be of any force or effect whatever until it shall be declared to be so in operation by a Proclamation issued by the Governor in Council and published in the New Zealand Government *Gazette* :

Now, therefore, I, George Augustus Constantine, Marquis of Normanby, the Governor of the Colony of New Zealand, in pursuance and exercise of the power and authority vested in me by the hereinbefore in part recited Act, and by and with the advice and consent of the Executive Council of the said colony, do hereby proclaim and declare that “The New Zealand Consolidated Stock Act, 1877,” shall be and come into operation on and after the ninth day of February, one thousand eight hundred and seventy-eight.

Given under the hand of His Excellency the Most Honorable George Augustus Constantine, Marquis of Normanby, Earl of Mulgrave, Viscount Normanby, and Baron Mulgrave of Mulgrave, all in the County of York, in the Peerage of the United Kingdom; and Baron Mulgrave of New Ross, in the County of Wexford, in the Peerage of Ireland; a Member of Her Majesty’s Most Honorable Privy Council; Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George; Governor and Commander-in-Chief in and over Her Majesty’s Colony of New Zealand and its Dependencies, and Vice-Admiral of the same; and issued under the Seal of the said colony, this ninth day of February, in the year of our Lord one thousand eight hundred and seventy-eight.

J. BALLANCE.

Approved in Council.

FORSTER GORING, Clerk of the Executive Council.

GOD SAVE THE QUEEN!

No. 2.

ORDER IN COUNCIL appointing Agents.

NORMANBY, Governor.

ORDER IN COUNCIL.

At the Government House, at Auckland, this twenty-seventh day of February, 1878.

Present: HIS EXCELLENCY THE GOVERNOR IN COUNCIL.

WHEREAS by “The New Zealand Consolidated Stock Act, 1877,” it is, among other things, enacted that the said Act shall not come into operation or be of any force or effect whatever until it shall be declared to be so in operation by a Proclamation issued by the Governor in Council and published in the New Zealand Government *Gazette*: And whereas by a Proclamation issued by the Governor in Council under the hereinbefore in part recited Act, and published in the *New Zealand Gazette* of the ninth day of February instant, it was declared that the said Act should be and come into operation on and after the ninth day of February instant: And

whereas by the said Act it is also enacted among other things that the Governor shall have power, for the purposes of the said Act, from time to time to appoint three or more persons in England to be Agents for the purposes of the said Act, and may empower such Agents, or any three or more of them, to exercise all or any of the powers by the said Act exercisable by the Governor in Council: And whereas it is expedient that Agents should be appointed in England for the purposes of the said Act with the powers and in the manner hereinafter set forth:

Now, therefore, His Excellency George Augustus Constantine, Marquis of Normanby, the Governor of the Colony of New Zealand, in pursuance and exercise of the power and authority vested in him by the said Act, and by and with the advice and consent of the Executive Council of the said colony, doth hereby appoint Sir Penrose Goodchild Julyan, C.B., William Charles Sargeant, Esquire, C.M.G., Montagu Frederic Ommanney, Esquire (the three persons hereinbefore named, being the Crown Agents for the Colonies), and the Honorable William James Mudie Larnach, a member of the Executive Council of New Zealand, to be Agents in England for the purposes of the said Act, with full power and authority to such Agents, or any three of them, to exercise all the powers by the said Act exercisable by the Governor in Council. And it is hereby expressly declared that the said Agents may from time to time delegate the power and authority vested in them as such Agents as aforesaid to any other person or persons in England as Agent or Agents, and that every such delegation shall be made in the manner by the said Act prescribed.

IRWIN C. MALING,
Acting Clerk of the Executive Council.

No. 3.

APPOINTMENT of Agents to make the Declaration required by "The Colonial Stock Act, 1877."

NORMANBY, Governor.

A PROCLAMATION.

WHEREAS by an Act passed by the General Assembly of the Colony of New Zealand, the short title of which is "The New Zealand Consolidated Stock Act, 1877" (hereinafter termed "the said Act," and a copy whereof is hereto attached), provision is made amongst other things under or by virtue of which the Governor in Council is empowered to create capital stock, to be called "New Zealand Consolidated Stock," to be issued as and in manner by the said Act provided; and the said Act also makes provision that the Governor in Council may from time to time declare all or any of the New Zealand loans convertible into stock, and may provide for the creation, exchange, issue, and conversion of stock as therein particularly set forth; and also that the Governor in Council may from time to time enter into any such agreement with the Bank of England as to the Governor in Council seems fit for inscribing in the books of the bank any stock, for managing the creation, inscription, and issue of stock, and for effecting the conversion of loans into stock and managing transfers thereof, and for other the objects and purposes in the now reciting Act particularly mentioned; and it is further provided that the Governor in Council may from time to time appoint any three or more persons in England to be Agents for the purposes of the said Act, and may empower such Agents or any three or more of them to exercise all or any of the powers by the said Act exercisable by the Governor in Council; and, lastly, it is enacted by the said Act that it shall not come into operation nor be of any force or effect whatever until it shall be declared to be so in operation by a Proclamation issued by the Governor in Council, and published in the *New Zealand Government Gazette*: And whereas by a Proclamation made and issued under the lastly hereinbefore recited enactment on the ninth day of February instant, and published in the *New Zealand Gazette* on the same day, the said Act was declared to be in operation on and after the said ninth day of February: And whereas, by an Order in Council made and issued under the said Act on the twenty-seventh day of February instant, the Governor in Council, in pursuance and exercise of the powers and authorities vested in him by the said Act, did appoint Sir Penrose Goodchild Julyan, C.B., William Charles Sargeant, Esquire, C.M.G., Montagu Frederic Ommanney, Esquire, and the Honorable William James Mudie Larnach to be Agents for the purposes of the said Act, and did empower such Agents or any three of them to exercise all the powers by the said Act exercisable by the Governor in Council: And whereas by an Act passed by the Parliament of the United Kingdom of Great Britain and Ireland in the fortieth and forty-first years of the reign of Her Majesty Queen Victoria, and which it is therein declared may be cited as "The Colonial Stock Act, 1877," it is among other things enacted that, "where provision has been made by the Legislature of a colony and otherwise for the inscription and transfer in a register kept in the United Kingdom by some bank, colonial officer, or person (which bank, officer, or person is in this Act referred to as 'the Registrar') of any stock forming the whole or part of the public debt of such colony, and the Government of such colony cause a declaration under the seal of such colony, or by some person in that behalf authorized under that seal, stating such provision, and identifying the stock with respect to which it has been made, to be left with the Commissioners of Inland Revenue, those Commissioners upon payment of the proper fee shall record the same, and such record and declaration shall be open to inspection at all reasonable times, in manner directed by the said Commissioners, upon payment of the proper fee": And whereas the said

General Assembly of the Colony of New Zealand is the Legislature of the said colony within the meaning of the "The Colonial Stock Act, 1877," and it is expedient that Agents should be appointed for the purpose of making the declaration required by the hereinbefore in part recited provision of that Act, and otherwise as hereinafter mentioned :

Now, therefore, His Excellency George Augustus Constantine, Marquis of Normanby, the Governor of the Colony of New Zealand, in pursuance and exercise of every power and authority enabling him in that behalf, and by and with the advice and consent of the Executive Council of the said colony, doth, by this instrument issued under the seal of the said colony, authorize and empower the said Sir Penrose Goodchild Julyan, C.B., William Charles Sargeaunt, Esquire, C.M.G., Montagu Frederic Ommanney, Esquire, and the Honorable William James Mudie Larnach as and to be the Agents to make the declaration required by the provisions of "The Colonial Stock Act, 1876," and in and about such declaration, and the leaving and record thereof with the Commissioners of Inland Revenue, to do all such necessary acts as might or could have been done by or on behalf of the Government of the colony to give effect to the provisions of the last-mentioned Act.

Given under the hand of His Excellency the Most Honorable George Augustus Constantine, Marquis of Normanby, Earl of Mulgrave, Viscount Normanby, and Baron Mulgrave of Mulgrave, all in the County of York, in the Peerage of the United Kingdom ; and Baron Mulgrave of New Ross, in the County of Wexford, in the Peerage of Ireland ; a Member of Her Majesty's Most Honorable Privy Council ; Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George ; Governor and Commander-in-Chief in and over Her Majesty's Colony of New Zealand and its Dependencies, and Vice-Admiral of the same ; and issued under the seal of the said Colony, at the Government House, at Auckland, this twenty-seventh day of February, in the year of our Lord one thousand eight hundred and seventy-eight.

IRWIN C. MALING,
Acting Clerk of the Executive Council.

J. BALLANCE.

GOD SAVE THE QUEEN !

NO. 4.

NOTIFICATION to the Bank of England of the Appointment of Agents.

NORMANBY, Governor.

ORDER IN COUNCIL.

At the Government House at Auckland, this twenty-seventh day of February, 1878.

Present: HIS EXCELLENCY THE GOVERNOR IN COUNCIL.

WHEREAS by "The New Zealand Consolidated Stock Act, 1877," it is, among other things, enacted that the said Act shall not come into operation, nor be of any force or effect whatever, until it shall be declared to be so in operation by a Proclamation issued by the Governor in Council and published in the New Zealand Government *Gazette* : And whereas by a Proclamation issued by the Governor in Council under the hereinbefore in part recited Act, and published in the *New Zealand Gazette* of the ninth day of February instant, it was declared that the said Act should be and come into operation on and after the ninth day of February instant : And whereas by the said Act it is also enacted among other things that the Governor shall have power, for the purposes of the said Act, from time to time to appoint three or more persons in England to be Agents for the purposes of the said Act, and may empower such Agents, or any three or more of them, to exercise all or any of the powers by the said Act exercisable by the Governor in Council : And whereas by an Order in Council made under the authority of the said Act, bearing even date herewith (and a copy of which said Order in Council is hereto annexed), His Excellency the Governor of the Colony of New Zealand, by and with the advice and consent of the Executive Council of the said colony, did appoint Sir Penrose Goodchild Julyan, C.B., William Charles Sargeaunt, Esquire, C.M.G., Montagu Frederic Ommanney, Esquire, the three persons hereinbefore named, being the Crown Agents for the Colonies, and the Honorable William James Mudie Larnach, a member of the Executive Council of New Zealand, to be Agents in England for the purposes of the said Act, with full power and authority to such Agents, or any three of them, to exercise all the powers by the said Act exercisable by the Governor in Council ; and the now reciting Order in Council also contains a declaration that the said Agents may from time to time delegate the power and authority vested in them as such Agents as aforesaid to any other person or persons in England as Agent or Agents, and that every such delegation shall be made in the manner by the said Act prescribed : And whereas by the said Act it is also enacted that the Governor in Council shall notify the appointment of Agents appointed for the purposes of the said Act to the Bank of England, and the power and authority of the Agents shall continue in full force until the Governor notifies the contrary and that notification is received by the Bank of England :

Now, therefore, His Excellency George Augustus Constantine, Marquis of Normanby,

Governor of the Colony of New Zealand, in pursuance of the requirements of the said Act, and by and with the advice and consent of the Executive Council of the said colony, doth hereby notify to the Bank of England that the said Sir Penrose Goodchild Julyan, William Charles Sargeant, Montagu Frederic Ommanney, and William James Mudie Larnach have been appointed to be Agents for the purposes and in the manner in the hereinbefore in part recited Order in Council particularly mentioned.

IRWIN C. MALING,

Acting Clerk of the Executive Council.

No. 5.

The Hon. the COLONIAL TREASURER to Mr. OMMANNEY.

SIR,—

Treasury, Wellington, 12th February, 1878.

I have the honor to inform you that, in conjunction with Sir Penrose Goodchild Julyan, C.B., W. C. Sargeant, Esq., C.M.G., and the Hon. William James Mudie Larnach, His Excellency the Governor of New Zealand, in Council, has appointed you to be an Agent under "The New Zealand Consolidated Stock Act, 1877," and to request that you will be good enough to afford the New Zealand Government the advantage of your services by the acceptance of this appointment.

I have, &c.,

J. BALLANCE,

M. F. Ommanney, Esq., Downing Street, London.

(for the Colonial Treasurer.)

[This letter and No. 6 of same date to the Loan Agents were despatched by the mail leaving 2nd March, 1878. Similar letters written to Sir P. G. Julyan and to W. C. Sargeant, Esq.]

No. 6.

The Hon. the COLONIAL TREASURER to the LOAN AGENTS.

GENTLEMEN,—

Treasury, Wellington, 12th February, 1878.

I have the honor to inform you that Sir P. G. Julyan, W. C. Sargeant, Esq., M. F. Ommanney, Esq., and the Hon. W. J. M. Larnach have been appointed Agents under "The New Zealand Consolidated Stock Act, 1877," for the creation of an inscribed stock to be issued in exchange for the bonds and other securities now representing the public debt of New Zealand, and to request that, in your capacity of Agents for the raising of the loans of 1876-77, you will be good enough to afford these gentlemen every assistance in your power, no less in regard to the conversion of the bonds which you are about to issue, or to the issue of an inscribed stock in lieu thereof, than to the general objects of the commission intrusted to them.

I have, &c.,

J. BALLANCE,

The Agents for New Zealand Loans,
London.

(for the Colonial Treasurer.)

No. 7.

THE under-mentioned documents were posted to the Hon. Mr. Larnach, care of Agent-General for New Zealand, London, on 5th March, 1878:—

Order in Council appointing the Agents under "The New Zealand Consolidated Stock Act, 1877."

Order in Council notifying to the Bank of England the appointment of the Agents as above.

Warrant appointing the Agents to make the declaration required by "The Colonial Stock Act, 1877."

No. 8.

MEMORANDUM to the Hon. the POSTMASTER-GENERAL by the Hon. Mr. BALLANCE.

Treasury, Wellington, 30th March, 1878.

IT being the desire of the Government that the provisions of the New Zealand Consolidated Stock Act should be brought into action in relation to the Government securities held by the public departments, it is requested that you will be good enough forthwith to take into consideration the question of exchanging the securities held by your department for New Zealand Consolidated Stock.

The terms on which the outstanding bonds of the several loans will be exchanged for consolidated stock, is a question which must receive the attention of the Agents appointed under the Act, immediately the authority enabling them to act shall arrive in London.

Those terms will no doubt be so regulated by the market price of the several securities, and by the desire to offer a fair inducement to the holders of such securities to accept New Zealand

Consolidated Stock in exchange. It is suggested that application should be made to the Agents appointed under the New Zealand Consolidated Stock Act for an exchange of securities on the terms so fixed, and, as it may be found necessary to hold a security transferable by delivery, the stock issued to you in exchange should be in the form of "stock certificates to bearer."

In all ordinary cases it is necessary that the debentures to be exchanged for stock should be given up to the Registrar, and it is supposed that all debentures so given up will be cancelled and returned to the colony; but, as the securities referred to in this memorandum are held in the colony, it would probably be sufficient if they were cancelled here.

The attention of the Agents should be called to this point, and they should be requested to arrange the conditions under which the course referred to should be adopted.

The Hon. the Postmaster-General.

J. BALLANCE.

[Similar memorandum to the Government Insurance Commissioner and to the Commissioners of the Public Debts Sinking Funds.]

No. 9.

The Hon. Mr. FISHER to the LOAN AGENTS.

GENTLEMEN,—

General Post Office, Wellington, 3rd April, 1878.

I have the honor to enclose herewith a schedule of New Zealand Government securities held by this department, and to inform you that it is desired to exchange these securities for an equivalent amount of stock to be issued under "The New Zealand Consolidated Stock Act, 1877."

2. You will already, I presume, have fixed a price at which securities of the several descriptions set forth in the schedule will be received in exchange for New Zealand Consolidated Stock, and, as your decision on that point has, no doubt, been regulated by the market value of the securities themselves, and by a desire to offer to the holders of original bonds a fair inducement to exchange for the new stock, I can have no hesitation in accepting the rates so fixed.

3. The nominal value of the bonds which it is desired by this department to exchange for consolidated stock is £597,400, and the stock to be issued in exchange is required to be in the form of "stock certificates to bearer."

4. I assume that it will be unnecessary to incur the risk and expense of forwarding the bonds now held by the department to London in order that they may be formally delivered up and cancelled there, and I shall be prepared to adopt any arrangement as to their cancellation in the colony which you may think proper to make in order to effectuate the desired exchange, without having recourse to that step.

5. As the new stock will probably be issued in sums of not less than £100, and the differing rates of exchange will probably result in an ultimate balance representing a fraction of that sum, I have to request that you will be good enough to pay over any such fractional balance to the Agent-General for the colony.

I have, &c.,

The Agents appointed under "The New Zealand Consolidated Stock Act, 1877," London.

J. T. FISHER.

Enclosure in No. 9.

STATEMENT of New Zealand Government Securities held by the Hon. the Postmaster-General.

Loan.	Nominal Value.	Nature of Security held.	Date of Issue.	Due Date.	Rate of Interest per cent.
Consolidated Loan, 1867 ...	£13,000	Bonds Nos. 90 to 102, £1,000 each	15 April, 1873	15 April, 1913 ...	4
Immigration and Public Works Loan, 1870	173,200	Bonds Nos. 19 to 1750, £100 each	15 April, 1873	15 April, 1913 ...	4
Immigration and Public Works Loan, 1870	14,900	Scrip	6 March, 1875	No date	4½
Defence and Other Purposes Loan, 1870	75,000	Scrip	15 April, 1873	15 April, 1913 ...	4
Defence and Other Purposes Loan, 1870	5,000	Bond No. 1	24 June, 1874	25 June, 1881 ...	4½
General Purposes Loan, 1873	142,600	Scrip	28 Nov., 1874	No date	5
General Purposes Loan, 1873	5,200	Bonds Nos. 36, 37, 101-150, £100 each	15 April, 1874	15 October, 1913...	4
Wellington Debts Act, 1876...	53,000	Bonds Nos. 1, £11,500; 2, £25,000; 3, £16,500	1 Jan., 1877	£11,500, 30 June, 1878; £25,000, 30 June, 1879; £16,500, 30 June, 1882	5
Westland Loan, 1873... ..	50,000	Scrip	May, 1874 ...	15 April, 1894 ...	5
Treasury Bills, "Financial Arrangements Act, 1876"	65,500	Bills No. 2308, £15,500; No. 2311, £50,000	4 and 30 June, 1877	1 November, 1880	3¾d. per diem.
Total	597,400				

No. 10.

The LOAN AGENTS to the Hon. the POSTMASTER-GENERAL.

Downing Street, London, 6th June, 1878.

SIR,—

“*The New Zealand Consolidated Stock Act, 1877.*”

We have the honor to acknowledge the receipt of your communication of the 3rd April last, enclosing schedule of New Zealand Government securities held by your department, amounting to £597,400, and expressing a desire to exchange the said securities for an equivalent amount of stock to be issued under “*The New Zealand Constituted Stock Act, 1877.*” In reply, we have to inform you that, as explained to the Hon. the Colonial Treasurer this day, up to the present time we have been unable to do anything in the direction of putting into operation the Consolidated Stock Act; but we shortly hope to make such necessary arrangements regarding it as will enable us to carry out your wishes, and to refer again more fully to your letter now under acknowledgment.

We have, &c.,

P. G. JULYAN.

W. J. M. LARNACH.

The Hon. the Postmaster-General, New Zealand.

No. 11.

The Hon. Mr. FISHER to the LOAN AGENTS.

GENTLEMEN,—

General Post Office, Wellington, 12th August, 1878.

I have the honor to acknowledge the receipt of your communication of the 6th June last, in reply to my letter of the 3rd April, forwarding a schedule of the New Zealand Government securities held by this department, with the view of having the same exchanged for an equivalent amount of stock to be issued under “*The New Zealand Consolidated Stock Act, 1877.*”

2. I hope to learn at an early date that you have effected the desired exchange.

I have, &c.,

The Agents appointed under “*The New Zealand Consolidated Stock Act, 1877,*” London.

J. T. FISHER.

No. 12.

Major HEAPHY to the SECRETARY to the TREASURY.

SIR,—

Government Insurance Office, Wellington, 11th April, 1878.

Referring to the Hon. the Colonial Treasurer’s Memorandum, No. 94, of 30th March ultimo, requesting that I will take into consideration the question of exchanging the securities held by this department for New Zealand Consolidated Stock, I have the honor to enclose a letter and schedule for the Agents, asking them to take the necessary steps to effect such exchange in the desired manner, and for them to arrange, if possible, that the cancellation of the existing securities shall take place here.

I shall be glad if you will forward the letter and its enclosure at the proper time.

I have, &c.,

The Secretary to the Treasury, Wellington.

CHARLES HEAPHY,

Acting Commissioner.

No. 13.

The Hon. Mr. BALLANCE to the LOAN AGENTS.

GENTLEMEN,—

Treasury, Wellington, 26th April, 1878.

Referring to my letter No. 4, of the 5th instant, I have the honor to enclose to you a letter from the Acting Government Insurance Commissioner, requesting that you will be good enough to take steps for the conversion of the New Zealand Government securities held by that department into New Zealand Consolidated Stock.

I have, &c.,

The Agents appointed under “*The New Zealand Consolidated Stock Act, 1877,*” London.

J. BALLANCE.

Enclosure in No. 13.

Major HEAPHY to the LOAN AGENTS.

GENTLEMEN,—

Government Insurance Office, Wellington,

11th April, 1878.

I have the honor to forward to you herewith a schedule of securities held by me as Government Insurance Commissioner, and to state that it is desirable that these securities

should be exchanged for New Zealand Consolidated Stock, under "The New Zealand Consolidated Stock Act, 1877."

I think it probable that in ordinary cases the debentures so to be exchanged are to be given up to be cancelled in England, and returned; but I would submit that these securities, being held in the colony, might possibly be cancelled here, under direction from England, a course that would be much more convenient and secure than committing them to the post. If this can be done I shall esteem it a favour if you will arrange the manner in which the cancellations may be carried out.

It is also desirable that the stock issued in exchange should be in the form of "stock certificates to bearer."

I have, &c.,

CHARLES HEAPHY,
Government Insurance Commissioner.

The Agents appointed under "The New Zealand Consolidated
Stock Act, 1877," London.

Sub-Enclosure to Enclosure in No. 13.

STATEMENT of New Zealand Government Securities held by the Government Insurance Department.

Loan.	Nominal Value.	Nature of Security held.	Date of Issue.	Due Date.	Rate of Interest per cent.
Treasury Bills:—	£				
"Extended Currency Act, 1873"	180,000	Bill No. 2696	1 Nov., 1877 ...	1 Nov., 1880 ...	3½d. per diem.
"Financial Arrangements Act, 1876"	59,400	Bills No. 2310, £49,900; and No. 2300, £9,500	No. 2310, 20 March, 1877; No. 2308, 30 June, 1877	1 Nov., 1880 ...	3½d. per diem.
	239,400				

No. 14.

Mr. J. E. FITZGERALD to the HON. the COLONIAL TREASURER.

SIR,—

Government Buildings, Wellington, 12th April, 1878.

I have the honor to inform you that the Commissioners of the Public Debts Sinking Funds, having considered the question referred to them in your Memorandum No. 95, of the 30th ultimo, have resolved to exchange for New Zealand Consolidated Stock the whole of the Government securities in their custody as described in the schedule attached to the memorandum referred to, and that, with that object in view, they propose, as suggested, to communicate with the Agents in England by the mail of the 27th instant.

I have, &c.,

JAMES EDWARD FITZGERALD,
Chairman, Public Debts Sinking Funds Commissioners.

The Hon. the Colonial Treasurer.

No. 15.

Mr. J. E. FITZGERALD to the LOAN AGENTS.

GENTLEMEN,—

Audit Office, Wellington, 26th April, 1878.

I have the honor to enclose herewith a list of bonds held by the Commissioners for the New Zealand Public Debts Sinking Funds, which the Commissioners have resolved to convert into inscribed stock under the provisions of "The New Zealand Consolidated Stock Act, 1877."

The Commissioners will be obliged if you can inform them what course it will be necessary for them to adopt in order to carry the above resolution into effect, and whether it will be necessary for them to send the bonds to England, a risk to be avoided if possible, or whether the Bank of England will be satisfied with a certificate from any person on this side that the bonds in question have been or will be cancelled on inscription.

I have, &c.,

JAMES EDWARD FITZGERALD,
Chairman, Public Debts Sinking Funds Commissioners.

The Agents appointed under "The New Zealand Consolidated
Stock Act, 1877," London.

Enclosure in No. 15.

STATEMENT of New Zealand Government Securities held by the Commissioners of the Public Debts Sinking Funds.

Loan.	Nominal Value.	Nature of Security.	Date of Issue.	Due Date.	Rate of Interest per cent.
Defence and Other Purposes Loan, 1870	£50,000	Bonds Nos. 1 to 150, £500 each	1 Jan., 1872, to 24 July, 1873	31 Dec., 1878 ...	5½
Defence and Other Purposes Loan, 1870	20,000	Scrip	29 Oct., 1873, to 6 Nov., 1874	1 July, 1880 ...	4½
Immigration and Public Works Loan, 1870	1,000	Bonds Nos. 3426 to 3435, £100 each	15 April, 1873	15 April, 1913 ...	4
Immigration and Public Works Loan, 1870	1,000	Bonds Nos. 2080 to 2089, £100 each	13 Sept., 1876...	15 April, 1882 ...	4½
Treasury Bills, "Financial Arrangements Act, 1876"	25,000	Bills Nos. 2307, £23,900; 2309, £1200	9 Feb., 1878, and 12 March, 1877	£23,900, 1 Nov., 1881; £1,200, 1 Nov., 1880	3½d. per diem.
	97,100				

No. 16.

The Hon. Mr. BALLANCE to the LOAN AGENTS.

GENTLEMEN,—

Treasury, Wellington, 5th April, 1878.

Referring to "The New Zealand Consolidated Stock Act, 1877," and to the powers conferred on you as Agents thereunder, I have the honor to request that you will be good enough to report fully by each mail the steps you have taken and may propose to take for giving practical effect to that enactment.

The points, amongst others, on which the Government desire to be particularly informed are,—

1. As to the conversion of the outstanding debentures :

At what price the several descriptions of bonds are to be exchanged for consolidated stock.

What arrangements you have adopted, or propose to adopt, in regard to the payment of interest to date of conversion.

2. As to the issue of consolidated stock :

The terms and conditions made with the Bank of England for the conversion of original debentures into consolidated stock; whether in the form of inscribed stock, or of stock certificates to bearer.

What arrangements you have made, or propose to make, as to the commutation of the stamp duty payable on transfers.

3. As to the provision to be made for payment of interest on consolidated stock :

By what means the Government is to be advised of the amount to be remitted to the Bank to meet interest from time to time payable, seeing that the amount to be provided will necessarily increase as further conversions take place.

Must remittances of interest on consolidated stock be made to the Bank so as to reach London a month prior to the due date of dividends, as set forth in the original negotiation with the Bank of England?

Will interest on all consolidated stock be payable at fixed uniform dates, and will such dates be at quarterly or half-yearly intervals?

I have further to request that, as soon as the form of procedure for the conversion of the existing securities into consolidated stock shall have been arranged, you will be good enough to report at length upon the subject, setting forth in detail the precise formula by which the proposed conversion and inscription of New Zealand stock will be effectuated; the nature and amount of the fees payable on each operation, specifying which of such fees are payable to the Imperial Exchequer, and which to the Registrars.

As there appears to be some doubt whether the commutation of the stamp duty will exempt from duty all transfers of stock certificates to bearer by delivery, I shall be glad to be informed on that point. You will of course arrange for supplying periodical statements of all New Zealand stock from time to time issued or inscribed.

You will receive by this mail letters from the Hon. the Postmaster-General and the Government Insurance Commissioner, requesting you to arrange for the conversion of the securities held by those departments into New Zealand Consolidated Stock. I shall be glad to learn that you have been able to make arrangements for the conversion of those securities and other New Zealand securities held in the colony into consolidated stock, without incurring the risk and expense of forwarding such securities to London for cancellation.

With regard to the securities held by the Trustees of the Sinking Funds of the several New Zealand loans in London, I have to request that you will be good enough to confer with those

gentlemen, and to inform me what arrangement can be made for the conversion into consolidated stock of the securities so held.

I have, &c.,
J. BALLANCE,
Acting Colonial Treasurer.

The Agents appointed under "The New Zealand Consolidated Stock Act, 1877," London.

No. 17.

The AGENT-GENERAL to the Hon. the COLONIAL TREASURER.

SIR,— London, 7, Westminster Chambers, 12th April, 1878.

In continuation of my letter of the 27th March, No. 11, I have the honor to enclose copies of telegrams since received from and despatched to you.

I have, &c.,
JULIUS VOGEL,
Agent-General.

The Hon. the Colonial Treasurer, Wellington.

Enclosures in No. 17.

TELEGRAM received 5th April, 1878, from Wellington, dated 5th April, to VOGEL.

SIBERIA. Inform Agents Inscribed Stock, Government opinion four per cent. should be maximum interest.

BALLANCE.

TELEGRAM despatched 5th April, 1878, VOGEL to BALLANCE, New Zealand.

CANNOT clearly understand telegram. We have no power issue inscribed stock.

VOGEL.

TELEGRAM received 8th April, 1878, from Wellington, dated 8th April, to VOGEL.

POWERS gone Home by Larnach.

BALLANCE.

No. 18.

The LOAN AGENTS to the Hon. the COLONIAL TREASURER.

SIR,— London, 24th April, 1878.

We have the honor to acknowledge the receipt of your despatch of the 12th February, No. 4, informing us that Sir P. G. Julyan, W. C. Sargeant, Esq., M. J. Ommanney, Esq., and the Hon. W. J. M. Larnach have been appointed Agents under "The New Zealand Consolidated Stock Act, 1877," for the creation of an inscribed stock to be issued in exchange for the bonds and other securities now representing the public debt of New Zealand.

We have, &c.,
P. G. JULYAN.
JULIUS VOGEL.

The Hon. the Colonial Treasurer, Wellington.

No. 19.

The LOAN AGENTS to the Hon. the COLONIAL TREASURER.

SIR,— London, 6th June, 1878.

We have the honor to acknowledge the receipt of your Despatch No. 4, of 5th April last, referring to "The New Zealand Consolidated Stock Act, 1877," and to the powers conferred upon us as Agents thereunder.

We have to state that we shall have pleasure in conforming to your request to report fully by each mail, as occasion may require, the steps taken by us in connection with the initiation and future carrying out of the said Act. Up to the present time, we, in our capacity as Loan Agents for your colony, have been much engaged in making arrangements for the placing of your loans of 1876 and 1877, aggregating together £3,500,000, upon this market; and, although our negotiations lately brought us closely into contact with the Bank of England—through which channel we were fortunate enough to arrange the conduct of our loan business—we deemed it prudent not to mix up, in any way, the consolidation and subscription of old stock with the issue of the new loan, as we felt assured that the one scheme would, in a manner, complicate the other; and our judgment in this matter has, in our opinion, been confirmed, looking at the very successful result of the arrangements made by the Loan Agents with the Bank of England.

We have therefore done nothing as yet regarding the putting into operation the New Zealand Consolidated Stock Act; but we propose to discuss the question shortly with the Bank of England, and then, after very careful consideration, we will determine what course to pursue in regard to it, and lay our views regularly before you on the subject, keeping you

advised on all points for your information. The arrangement made by the Loan Agents with the Bank of England for the negotiation of your loans last Monday was a most fortunate one, for, as a rule, very great distaste exists here for investing in New Zealand securities, the total debt of the colony already being considered far too large, and it was only the alliance of the Bank of England that made the negotiation of your loans such a success—the total amount subscribed for being nearly eight and three quarter millions; and, for the credit of New Zealand, we have most strongly to suggest that no further attempt at borrowing in this or any market should be made until after next year, 1879, and then, when your necessities require you to borrow more money, that no new loan proposed should, if possible, exceed one million.

By following this course New Zealand securities may continue to hold the same standard in public estimation so recently gained through their connection with the Bank of England.

We have received the letter referred to by you from the Hon. the Postmaster-General, but no letter has come to hand from the Government Insurance Commissioner.

We have, &c.,

P. G. JULYAN.

W. J. M. LARNACH.

The Hon. the Colonial Treasurer, Wellington.

No. 20.

The AGENT-GENERAL to the HON. the COLONIAL SECRETARY.

SIR,— 7, Westminster Chambers, London, 18th June, 1878.

I have the honor to transmit, for the information of the Government, copy of a letter I have received from the Colonial Office, covering copies of an amended form of declaration under "The Colonial Stock Act, 1877," some of which I enclose. I have, &c.,

The Hon. the Colonial Secretary, Wellington.

JULIUS VOGEL.

Enclosure in No. 20.

Mr. MEADE to the AGENT-GENERAL.

SIR,— Downing Street, 17th June, 1878.

With reference to previous correspondence, I am directed by the Secretary of State for the Colonies to transmit to you copies of a form of declaration under "The Colonial Stock Act, 1877" (40 and 41 Vict., cap. 59), which has been amended in accordance with the letter from this department of the 28th March last. I am, &c.,

The Agent-General for New Zealand.

R. H. MEADE.

Sub-Enclosure to Enclosure in No. 20.

DECLARATION under "The Colonial Stock Act, 1877."

It is hereby declared that by [*Insert title and date of the Act of the Legislature*] of the Legislature of the Colony of [*Insert name of colony*], provision is made in the terms [*or to the effect*] following, that is to say [*Insert the terms, or a statement as nearly as may be in the terms, of so much of the Act of the Legislature as provides for the inscription and transfer of the stock in the United Kingdom*].

And it is hereby further declared that the stock to be inscribed and transferred in conformity with such provision is [*Insert the date or dates of the Act or Acts of the Legislature under which the stock was issued, the amount of each issue of stock, and all other particulars necessary for the identification of the stock described in the declaration with that to which the provision of the Colonial Legislature relates*].

And it is hereby further declared that the revenues of the Colony of [*Insert name of colony*] alone are liable in respect of the stock hereinbefore described, and the dividends thereon, and that the Consolidated Fund of the United Kingdom and the Commissioners of Her Majesty's Treasury are not directly or indirectly liable or responsible for the payment of the stock or of the dividends thereon or for any matter relating thereto.

NOTE.—This declaration is to be made under the seal of the colony, or by some person in that behalf authorized under that seal.

No. 21.

TELEGRAM despatched from Wellington, 26th August, 1878, to LARNACH and VOGEL, London. OTHER things being equal, think rate should be four.

BALLANCE.

By Authority: GEORGE DIDSBURY, Government Printer, Wellington.—1878.