

No. 32.

The LOAN AGENTS to the PREMIER.
(Received, 21/10/79.)

Premier, New Zealand.

We will try to get your wishes. Send us following telegram, signed by Premier, New Zealand: Government permit you to pledge them not to issue more than three millions under Loan Act, 1879, and not more than five millions under that or any other Act until after the end of 1882, but without prejudice to operations under Conversion Acts.

LOAN AGENTS.
London, 20.

No. 33.

The PREMIER to the LOAN AGENTS.
(From Wellington, 26/10/79.)

Julyan, Vogel, and Ommanney, London.

Government permit you to pledge them not to issue more than three millions under Loan Act, 1879, until end of 1880, and not more than five millions under that or any other Act, until after the end of 1882, but without prejudice to operations under Conversion Acts.

HALL, Premier, N.Z.

No. 34.

The PREMIER to the LOAN AGENTS.
(From Wellington, 26/10/79.)

Julyan, Vogel, and Ommanney, London.

Guarantee wired. Don't use it unless necessary. Government would, of course, prefer larger amount negotiated now, if possible, without involving sacrifice.

HALL.

No. 35.

The LOAN AGENTS to the PREMIER.
(Received, 29/10/79.)

Premier, New Zealand.

Not include Treasury Bills, if interest and principal not allowed to be paid in this country, directly or indirectly.

LOAN AGENTS.
London, 27.

No. 36.

The COLONIAL TREASURER to the AGENT-GENERAL.

SIR,—

Treasury, New Zealand, Wellington, 8th November, 1879.

In order that there may be a clear understanding between yourself and the Treasury as to the funds which the Loan Agents are relied on to obtain, on security of debentures of the £5,000,000 loan, until the loan itself can be floated, I have the honor to transmit to you the enclosed statement, showing that, provided you exercise all the orders for transfer to the Foreign Imprest Account now in your hands or in transitu, it will be necessary to anticipate the new loan to the extent of £1,144,893 12s. 9d., by the 31st January, 1880, in order to meet all the liabilities of the colony in England to that date. This amount is exclusive of the drafts on the Crown Agents for £100,000 forwarded by the outgoing mail, and which will not mature until after the date above named.

I gather, from the fact that up to the present date (as advised by cable) advances have been obtained in anticipation of the loan to the extent of £302,500 only, while the unexercised bank orders now in your hands must amount to about £310,000, that you are endeavouring to carry on the services of the Government so as to obviate as much as possible the necessity for obtaining further advances.

I fully recognize the force of the remarks in your letter No. 772, of the 5th September, with regard to anticipating the negotiation of the loan, and the Government needs no assurance that the best exertions of the Loan Agents will be used to place it early and satisfactorily; at the same time, it cannot be disguised that the pressure of liabilities already incurred on this side will in a short time become too heavy to be borne unless relief can be obtained by drawing further against the loan.

Although, in reply to the telegram (copy enclosed in my letter of even date herewith), the Crown Agents were good enough to consent to accept drafts for a sum of £75,000, in addition to the £100,000 arranged to be drawn for by the outgoing mail, I have not deemed it desirable to exceed the original amount, namely, £100,000; but I shall avail myself of the extended authority to draw for £75,000 by the December mail. This sum will, however, be altogether inadequate to meet the requirements of the Government, as no doubt you will have learned from the statements made in my recent speech in the House on the financial position of the colony, and it will be necessary for me to communicate with you on the subject by telegraph.

The Agent-General for New Zealand, London.

I have, &c.,
H. A. ATKINSON.