

Enclosure 1.

The STOCK AGENTS to the COLONIAL OFFICE.

MY LORD,

7, Westminster Chambers, London, S.W., 17th July, 1880.

We have the honor to represent to your Lordship that the increase which has been carried by resolution in Committee of Ways and Means of the commutation of stamp charges for transfers of stock under "The Colonial Stock Act, 1877," will prove very prejudicial to the Government of New Zealand, who have appointed us Agents under the Act, and under a local Act passed in conformity with it.

The charge for commutation appointed in the Act of 1877 was based on the same charge being appointed in the case of a previous Act applying solely to Canada, which Act it is also proposed to alter. When the Colonial Stock Bill was under consideration, it was thought that the charge of 7s. 6d. per cent was a very heavy one, especially as no return was made of 2s. 6d. per cent. already received for the debentures converted. It was understood, however, that the amount was fixed after negotiation with Canada, and that it was a fixed charge which would be liable to no alteration.

Acting on this assumption, our Government, through us, have given the option to holders of converting, at a fixed rate over twelve months, some five millions of debentures. This option is still current, and the increase of $\frac{1}{4}$ per cent. now proposed will probably, on this one loan, mean a loss of £7,500 either to our Government or to the converters.

Apart from this particular loss, we take leave to point out that the object of the Colonial Stock Act is liable to be frustrated if it be understood that the charges thereunder are liable to such changes. The principal use to which the Act is likely to be put is to convert outstanding loans into inscribed stock. To do this an option extending over more or less time, on fixed terms, must be given; but how will it be safe to adopt such a course if the terms are liable to disturbance through additions to the stamp commutation charges? The very nature, indeed, of a commutation charge is the expression of a fixed and definite bargain.

We trust we may be allowed the opportunity of personally representing to your Lordship or to the Treasury authorities the hardship of the proposed change, as also to urge, if it is to be persisted in, that options such as those we have described already existent shall be exempted from its operation, and that the 2s. 6d. duty on debentures converted be returned.

We have, &c.,

P. G. JULYAN,
JULIUS VOGEL,
W. C. SARGEAUNT.

Enclosure 2.

The COLONIAL OFFICE to the STOCK AGENTS.

GENTLEMEN,—

Downing Street, 22nd July, 1880.

I am directed by the Earl of Kimberley to acknowledge the receipt of your letter of the 17th instant, respecting the proposed increase of the commutation of stamp charges for transfers of stock under "The Colonial Stock Act, 1877," and I am to inform you that his Lordship is in communication with the Lords Commissioners of the Treasury on the subject, and that a further letter will be addressed to you shortly.

I have, &c.,

JOHN BRAMSTON.

Enclosure 3.

The COLONIAL OFFICE to the STOCK AGENTS.

GENTLEMEN,—

Downing Street, 26th July, 1880.

In reply to your letter of the 17th instant, respecting the proposed increase of the commutation of stamp charges for transfers of stock made under "The Colonial Stock Act, 1877," I am directed by the Earl of Kimberley to transmit to you a copy of a letter from the Treasury on the subject.

I have, &c.,

JOHN BRAMSTON.

Sub-Enclosure to Enclosure 3.

The TREASURY to the COLONIAL OFFICE.

SIR,—

Treasury Chambers, July, 1880.

I am directed by the Lords Commissioners of Her Majesty's Treasury to acquaint you, for the information of the Secretary of State, that they have considered the letter of the New Zealand Agents enclosed in your letter of the 20th instant, on the subject of the proposed change in the rate of composition for stamp duty on transfers of certain stocks.

Sir P. Julyan, Sir J. Vogel, and Mr. Sargeaunt state that an offer has been actually given to the holders of certain New Zealand debentures, enabling them, within a certain period terminating on 16th March next, to convert their debentures into Consolidated Stock, and they