

account on a given date. On receiving your reply, we should advertise the drawing, and as soon as it was over make application to you for the exact amount wanted to redeem the drawn outstanding bonds. On hearing that this arrangement meets with your concurrence, we will adopt it in future.

The Agent-General for New Zealand, 13, Victoria Street.

I have, &c.,

M. F. OMMANNEY.

Enclosure 3 in No. 4.

GENTLEMEN,—

13, Victoria Street, S.W., 29th July, 1893.

I have to acknowledge the receipt of your letter of the 19th instant respecting the proposals which are under the consideration of my Government with reference to the sinking fund provided for the paying-off of the 5-per-cent. consol. bonds; and I am much obliged for the consideration you have given to them, and for the suggestions you make as regards an arrangement which appears to you would meet the object my Government have in view.

With regard to the first paragraph of your letter, I think it was written under some misapprehension, arising probably from my not having explained the proposals sufficiently clearly.

The amount which I stated would be notified to you at the proper time in each year was not that which would be required to pay off the drawn outstanding bonds, but that of the whole amount available for the drawing, and this latter amount could be arrived at either by the mode you have suggested or by the sinking fund being allowed to accumulate in the colony, or elsewhere, as may be determined by my Government. Then, on your being informed of the amount thus available, the drawing would be proceeded with, and, on your notifying the results to me, you would be furnished with the amount required to pay off the drawn outstanding bonds.

I am sending a copy of our correspondence to my Government, who will now no doubt be able to determine the course which they think fit to pursue in the matter.

The Crown Agents for the Colonies, Downing Street.

I am, &c.,

W. B. PERCEVAL.

No. 5.*

The AGENT-GENERAL to the PREMIER.

Westminster Chambers, 13, Victoria Street, London, S.W.,

1st August, 1893.

(No. 925.)
SIR,—

I beg to transmit herewith copy of correspondence relating to the payment of stamp duty composition on the 3½-per-cent. consolidated stock into which the £500,000 Imperial-guaranteed debentures were converted.

It appeared to me that the circumstances under which the conversion was effected justified me in asking that the colony should be relieved of the payment of the stamp duty in question. It will be seen, however, that, although my representations received the support of the Colonial Office, the Lords Commissioners of Her Majesty's Treasury declined to take the favourable view of the matter which I consider the colony had a right to expect, and refuse to recommend that the concession for which I ask be granted.

I have, &c.,

W. B. PERCEVAL.

Enclosure 1 in No. 5.

SIR,—

13, Victoria Street, London, S.W., 23rd March, 1893.

Referring to my letter of the 15th instant informing you that the £500,000 New Zealand Government debentures guaranteed by the Imperial Government have been cancelled, I beg leave to ask that you will request the Marquis of Ripon to move Her Majesty's Government to release my Government from the payment of the stamp duty, which will become payable in completing the necessary arrangements surrounding this operation, by which the Imperial Government have been relieved of the liability attached to the guarantee covering the debentures in question, and which otherwise would have held good for another twenty-two years. The release and consequent cancellation of the debentures has necessitated the issue of an equivalent amount in value of New Zealand 3½-per-cent. stock, and this stock is subject, under ordinary circumstances, to the payment of stamp duty at the rate of 12s. 6d. per cent., and it is from this payment I beg leave to represent to Her Majesty's Government that, in consideration of the advantage which has accrued to them, it would be right and proper that my Government should be relieved.

I feel confident that Her Majesty's Government will give this request their most favourable consideration, and in connection therewith I venture to point out that their granting it will not involve any actual payment from the Imperial funds, as the stamp duty thus collected forms part of the Imperial revenue. Her Majesty's Government will, I feel sure, refrain from taking advantage of not only the release of further liability in connection with the debentures, but also of the amount of the stamp duty which would accrue to the Imperial revenue at the expense of my Government when carrying into effect the arrangements which it has been necessary to make for that purpose, and which have, without any expense to Her Majesty's Government, resulted to their considerable advantage.

I must of course leave it to the Imperial authorities to determine how this relief can be effected, whether by their authorising the non-payment of the stamp duty, or by reimbursing my Government the amount as soon as it is paid to the inland revenue.

The Under-Secretary of State for the Colonies.

I am, &c.,

W. B. PERCEVAL.

Enclosure 2 in No. 5.

SIR,—

Colonial Office, Downing Street, 26th May, 1893.

With reference to your letter of the 23rd March last, asking that the New Zealand Government might be relieved of the payment of stamp duty composition on the colonial stock issued in the place of the New Zealand Government (guaranteed) debentures, I am directed by the Marquis of Ripon to transmit to you, for your information, a copy of a letter (19th May, 1893) from the Department of the Lords Commissioners of the Treasury on the subject.

The Agent-General for New Zealand.

I am, &c.,

EDWIN FAIRFIELD.

Enclosure 3 in No. 5.

SIR,—

Treasury Chambers, 19th May, 1893.

The Lords Commissioners of Her Majesty's Treasury have had under their consideration the letters which you forwarded to this Board on the 28th March last, and in which the Agent-General for New Zealand prefers a claim on behalf of his Government to be relieved of the payment of stamp duty composition on the colonial stock issued in the place of the New Zealand Government (guaranteed) debentures.

In reply I am directed to request that Lord Ripon will point out to the Agent-General that the payment in question is a charge which the Imperial Parliament has seen fit to impose upon Colonial Governments who, for their own reasons, seek to free their stocks from future liability to transfer duty, and that Her Majesty's Government have no power to dispense with the statutory requirement.

This being the case, my Lords are, to their regret, unable to comply with the request of the New Zealand Government.

The Under-Secretary of State, Colonial Office.

I am, &c.,

R. E. WELBY.

* For previous correspondence on this matter; see B.—22, 1893.