

with a London Company. I have an appointment to meet the promoter of this undertaking on the 17th instant. I am sanguine as to completing these arrangements, provided I receive the sanction of the Colonial Government. As regards the details of the route, I have abstained from offering suggestions of my own. Whatever plan is adopted will doubtless be modified by experience. The great object is to get an adequate staff of vessels engaged in the service, and the aid of a sufficient bonus from the Imperial Government.

I have taken no further steps as regards Lighthouses or Trigonometrical Survey. As to the former, I could not advance the object without express sanction from the Legislature of the Colony. Indeed I am embarrassed by the position taken up by the Wellington Provincial Government in the matter. It seems to me impossible to reconcile the double action of the General and Provincial Governments with respect to Lighthouses. If the Wellington Government persist in establishing and maintaining their own Lighthouses on the Coast, such as at Pencarrow Head, any Lighthouses elsewhere must be constructed with special regard to the kind of Lights used at the Provincial Lighthouses. I cannot but believe and hope that the Provincial Government of Wellington will be brought to concur in the manifest propriety of placing the Light at Pencarrow Head under the control of the General Government.

I have heard nothing farther on the subject of Military Defence. You may assume that there is no intention at present of withdrawing troops.

I have, &c.,
(Signed) HENRY SEWELL.

CORRESPONDENCE, LETTERS &c.,

FROM THE UNION BANK OF AUSTRALIA TO MR. SEWELL.

17th August, 1857.

At an interview between Mr. Sewell and Mr. Cummins, the Chairman of the Union Bank, Mr. Cummins stated that he was disposed to recommend to his Board to take the 2nd guaranteed loan at par. Bond being dated four months previous to the payment being made. The Union Bank to make remittances to the Colony at par without charge. The periods for payments to be arranged.

38, Old Broad-street,
18th August, 1857.

MY DEAR SIR,—

I think you will wish to know that there is no discordance between the views I expressed to you yesterday and those of the Directors generally on the subject of our conversation. I see nothing therefore to prevent our meeting your views fairly.

Truly yours,
J. CUMMINS.

H. Sewell, Esq.

38 Old Broad-street, London,
August 20th, 1857.

DEAR SIR,—

The suggestion made as to the basis upon which I believed that our Board would take the £500,000 New Zealand Loan (guaranteed 4 per cent, 30 years,) at par, and remit the portion to be paid in New Zealand without charge, did not directly embrace the point you have very properly raised. I justified the requirement that the Bonds should bear date and carry interest for four months before the date of issue and payment, by the necessity we should be under to change the position of our investments, so as to prepare funds, to make us independent of the money market here and to make such arrangements with our branches in Australia and New Zealand as may guard the bank against probably an adverse state of Exchanges in remitting so large a sum as would be required to be sent out. This being conceded I think the Bank ought to waive any benefit either in time or commission on the transmission of the Government funds which are to be provided out of the loan.

I assure you our Directors are disposed to enter into this matter with the utmost liberality, to meet your views, and I have pleasure in stating that Mr. George Glyn, senior, who is Banker and Trustee to this Bank and whom therefore I have consulted in perfect confidence, consider the terms named by me to be extremely moderate and such as ought to satisfy the Treasury.

I am, &c.,
JAMES CUMMINS.

H. Sewell, Esq.