

## PAPERS RELATING TO A LOAN OF ONE MILLION STERLING.

Offices of the Crown Agents for the Colonies,  
Spring Gardens, London, S.W.,

September 26th, 1864.

SIR,—

Referring to Mr. Julian's letter of the 26th of last month, informing you of the terms on which the Crown agents had disposed of 5 per cent. Debentures, representing £1,000,000, I transmit for your information a statement of the assets and liabilities of the New Zealand Government with respect to these Debentures.

From this statement you will perceive that the Credit Mobilier (or, as the Company is now termed, "The Credit Foncier and Mobilier of England") has paid the two first instalments under their contract, amounting together to £403,887; and that the Crown agents have paid to the Bank of New Zealand £423,000. The Bank delivered up the instrument which empowered the Directors to create and dispose of (under certain contingencies) Debentures sufficient to raise £500,000 sterling, on the understanding that it shall be returned to them to make use of to the extent of £77,000, in the event of any failure in the payment on the 20th November next.

Should the Crown agents receive no further instructions from you as regards the unappropriated balance which they estimate will be in hand on the 20th February next, it will be paid to the credit of the Government at the Bank of New Zealand.

Since concluding the negotiation for the sale of these Debentures the Bank of England has increased its rate of discount 1 per cent. (being now 9 per cent.); and the condition of the Money Market has become so very unfavourable for sale of all Stocks, but more especially so as regards Colonial Securities, that I cannot but congratulate your Government on the terms secured—which are far more favourable than could possibly be obtained under present circumstances.

I have, &c.,

The Hon. the Colonial Secretary, New Zealand.

W. C. SERGEAUNT.

Office of the New Zealand Government Agency,  
3, Adelaide Place, King William Street,

London, E.C., 26th September, 1864.

SIR,—

I have now the honor to transmit to you particulars of the Government of Queensland Loan, as advertised for tender on the 31st ultimo.

It will be seen that the amount offered was £270,000, and that the Union Bank of Australia had been authorized to reduce the previous limit for the sale of the 6 per cent. (six per cent.) Debentures.

Notwithstanding this reduction only Thirty-three Thousand were sold, at and above the official minimum of par.

Further, I have to claim attention to the accompanying notice to receive Tenders for New South Wales Government Treasury Bills for One Hundred Thousand Pounds, due 1st January, 1868, bearing six per cent. (6 per cent.) interest.

The result of this advertisement is, offers were received by the Bank of New South Wales for only Nine Thousand Two Hundred Pounds, at prices ranging from 95 to 99, which were all rejected, the minimum price being par.

In this instance, it is notified that these Bills will be receivable by the Government of New South Wales in payment of any tax, revenue, or purchase-money for land.

I have to report still greater stringency in our Money-Market, the minimum rate of discount at the Bank of England for five weeks up to the 8th instant had been 8 per cent. On that day the Bank Directors raised it to the unusually high point of 9 per cent. Although this high rate will have the effect of attracting an increased flow of gold to this country, yet looking to the large requirements for the East in payment for cotton, and the enlarged scope and increased inducements for permanent investment of capital in Companies of limited liability, it seems difficult to anticipate much amelioration for a considerable period.

The Honorable the Colonial Secretary,  
Auckland, New Zealand.

I have, &c.,

JOHN MORRISON.