

FURTHER PAPERS RELATIVE TO

No. 16.

The INSPECTOR, Bank of New Zealand, to the Hon. the COLONIAL TREASURER.
 Bank of New Zealand, Auckland, 24th February, 1865.

SIR,— Referring to the advance of £40,000 obtained from the Bank of Victoria on account of the General Government, and which could only be procured on the guarantee of the Bank of New Zealand, I am instructed by my Board of Directors to inform you that in addition to the rate of interest charged by the Bank of Victoria, they think the Bank of New Zealand fairly entitled to the usual guarantee commission of $2\frac{1}{2}$ per cent., and that they propose to add such charge to the interest to be debited to the General Government.

The loan, as you are already advised, is repayable in six months from 10th instant, but may be continued for a longer period if it suits the Bank of Victoria. In such case, it will be repayable on three months' notice. The directors trust they may depend on your making timely provision for repayment of this loan.

I have, &c.,
 D. L. MURDOCH,
 Inspector.

The Hon. the Colonial Treasurer.

No. 17.

The CROWN AGENTS to the Hon. the COLONIAL SECRETARY.
 Offices of the Crown Agents for the Colonies,
 Spring Gardens, London, S.W., 24th December, 1864.

SIR,— I have very little to add to the communication addressed to you from this office on the 26th ultimo, as the slight improvement in the money market here gives no reasonable prospect of our being able at present to place on the market a further instalment of your 5 per cent. loan.

I have to acknowledge the receipt of the Hon. Mr. Reader Wood's letter of the 30th September last, No. 281, requesting the Crown agents to raise sufficient funds by hypothecating debentures to meet drafts on the Bank of New Zealand, and as it appears from a statement which the managing director has furnished us, that the liabilities of the New Zealand Government to the Bank amount to £231,365 we are endeavoring, without much hope of success however, to obtain an advance on a new issue of debentures.

I have, &c.,
 W. C. SARGEANT.

The Hon. the Colonial Secretary, &c., &c., New Zealand.

No. 18.

The Hon. the COLONIAL SECRETARY to the CROWN AGENTS.
 Colonial Secretary's Office, Wellington, 8th March, 1865.

GENTLEMEN,— I am directed by the Colonial Secretary to transmit to you the enclosed Warrants, under the hand of His Excellency the Governor, appointing you to be Trustees under "The New Zealand Loan Act, 1863."

I have, &c.,
 W. GIBBORNE,
 Under Secretary.

Messrs. Julyan and Sargeant,
 Agents for Crown Colonies, Spring Gardens, London.

No. 19.

The Hon. the COLONIAL SECRETARY to the CROWN AGENTS.
 Colonial Secretary's Office, Wellington, 11th March, 1865.

GENTLEMEN,— I transmit herewith a copy of a Resolution passed by the House of Representatives relative to the claims of the Imperial Government upon this Colony. I also transmit copy of an official Minute by Ministers relative to the same subject, which has been transmitted by His Excellency the Governor, to the Right Honorable the Secretary of State for the Colonies.

In accordance with the above Resolution and Minute, and referring to the letter to you of the number and date quoted in the margin, from this department, relative to the disposal of the unraised portion of the Three Million Loan, I have the honor to request that you will be so good as to issue, under "The New Zealand Loan Act, 1863," in favor of the Imperial Government, debentures to the amount of five hundred thousand pounds (£500,000) (part of the unraised portion of the Three Million Loan), such debentures to bear interest at the rate of 4 per cent. per annum, and to be taken by the Imperial Government towards liquidation of the debt due from this Colony to the Imperial Government.

You will be good enough to place yourselves in communication with the Imperial Government, and arrange for making the debentures in such form and for such several amounts, &c., as may best suit their views. The interest may be made payable in London, at the Crown Agents' Office. The interest and the sinking fund provided by "The Loan Act, 1863," will be remitted in due course.

In the Order in Council, dated the 29th December, 1864, (a copy of which was transmitted to you in the letter before referred to) the Governor, in pursuance of "The Rate of Interest Act, 1864," ordered that the rate of interest on moneys to be hereafter from time to time borrowed under "The New Zealand Loan Act, 1863," may be raised to 6 per cent., and you are therefore not precluded from issuing debentures at a less rate of interest.

I have, &c.,
 WILLIAM FITZHERBERT,
 (for the Colonial Secretary.)

Messrs. Julyan and Sargeant,
 Crown Agents for the Colonies, Spring Gardens, London.

Enclosure to No. 19.
 MEMORANDUM by MINISTERS.

Ministers transmit to His Excellency copy of letter of instructions sent by this mail to the Crown Agents, requesting them to deliver to the Lords of the Treasury £500,000 colonial debentures, being