

FURTHER PAPERS RELATIVE TO

510 to 511 of £100	„	„	London, to Mark Davis	...	200
346 to 347 of £500	„	„	„ W. R. Davidson	...	1,000
547 to 548 of £250	„	„	„ S. H. Terry	...	500
In all					<u>£14,450</u>

With proceeds of which your account at this office has this day been credited.

The debenture numbered "502" marked with an asterisk, must be wrongly quoted as to number, no £500 debenture of that number having been left in Sydney by me. I will by first opportunity write the brokers, and give you the correct number at an early date. I have, &c.,

The Hon. the Colonial Treasurer,
Wellington.

D. L. MURDOCH,
Inspector.

Enclosure to No. 32.

The AGENTS for the New Zealand Government to the Hon. the COLONIAL TREASURER.

SIR,—

Bank of New Zealand, London, 25th March, 1865.

We have the honor to acknowledge your letter of 2nd January, 1865, informing us that we have been appointed agents for the disposal of £500,000, part of one million authorised to be raised by "The New Zealand Debentures Act, 1864," instructing us as to the disposal of the debentures, and handing us at the same time, various documents, all of which have arrived in safety.

We are also informed of the financial policy of the Government and the nature of the arrangement entered into by the Government with the Bank of New Zealand, and are requested to place ourselves in communication with the Agents for Crown colonies, with a view to carry out satisfactorily the objects of the Government so far as they relate to the Bank of New Zealand.

On receipt of your letter we placed ourselves in communication with the Crown agents, and were unanimous in opinion, that in the continued depression of the market for public securities, and more especially New Zealand securities, it was not advisable to offer for public competition any portion of the 6 per cent. debentures, and that no other course was open to us but to dispose of the Treasury bills with as little delay as possible.

We have accordingly called for tenders, in the enclosed form, the dates at which the bills fall due being fixed in accordance with the suggestion of the Crown agents.

We were informed by last mail of the unsuccessful result, up to 25th January, of the attempt to negotiate £200,000 of the securities in the Australian colonies, and we regret to say that the information has been made public here.

We apprehend also, that in the event of any portion of these securities having been subsequently taken up for remittance to this country, they may be expected to arrive by next mail, and any delay in the sale of that portion committed to our care, would result in a clashing of interests, which we have endeavored to avoid by fixing a date for opening tenders, prior to that upon which telegraphic information may be received from the colony.

We hope to be in a position next mail to advise you of a satisfactory sale.

We have, &c.,
F. LARKWORTHY,
ROBERT PORTER,
W. S. GRAHAME.

The Hon. the Colonial Treasurer, Wellington.

No. 33.

The CROWN AGENTS to the Hon. the COLONIAL SECRETARY.

Office of the Crown Agents for the Colonies,

SIR,—

Spring Gardens, London, S.W., 27th March, 1865.

We have the honor to acknowledge the receipt of your letter of the 2nd January last, with its enclosures informing us of the steps which the New Zealand Government have decided upon taking with a view of raising money in this market, and instructing us generally in the matter.

2. The question of Mr. Reader Wood's authority to delegate to another his power of negotiating any part of the loan of 1863 is not material, so far as the Crown Agents' acts are concerned, inasmuch as they have been confined entirely to the disposal of the first million, the bonds for which were signed by Mr. Wood himself; and we are given to understand, that the power to which you refer as having been granted by Mr. Wood to Messrs. Kennedy and Murdoch, of the New Zealand Bank, to raise £500,000 under The Three-Million Loan Act, has not been acted upon either.

3. A short time ago, under the influence of great pressure from the New Zealand Bank, we were in treaty with capitalists here for a temporary loan of £150,000, which would have necessitated the hypothecation of a part of the £250,000 which we considered ourselves justified in dealing with under Mr. Wood's instructions; but the terms demanded (8 per cent.) were higher than we felt justified in giving, and the matter fell through, as reported to your predecessor in our letter of the 27th ultimo.

4. We shall take care that no further transactions take place in the 5 per cents., and will follow your instructions with reference to the remaining two millions to be borrowed on 6 per cent. debentures.

5. With respect to the million to be raised by way of temporary loan, by the issue of 8 per cent. debentures through the Bank of New Zealand, we have already informed the managing director that any advice or assistance in our power, tending to secure the objects which the New Zealand Government have in view, we shall at all times be happy to afford the Bank. Copies of the only written communications that have yet taken place between us on the subject, and copy of the Bank's advertise-