

## FURTHER PAPERS RELATIVE TO

## Enclosure 1 to No. 33.

The MANAGER, Bank of New Zealand, to the CROWN AGENTS.

DEAR SIR,—

Bank of New Zealand, London, 16th March, 1865.

I gathered from our conversation yesterday that you coincided with me upon the following points, viz.:—That it is inexpedient to endeavor to place by public competition any portion of the 6 per cent. debentures. 2nd. That no other course is open to the Bank under existing circumstances than to sell the 8 per cent. Treasury bills. 3rd. That such Treasury bills should be redeemable on the 31st December, 1867, the longest time allowed by the Act.

If I have misunderstood you on any of these points please let me know by bearer.

I have, &amp;c.,

F. LARKWORTHY.

P.S.—The advertisement will appear to-morrow.

P. G. JULYAN, Esq

## Enclosure 2 to No. 33.

The CROWN AGENTS to the MANAGER, Bank of New Zealand, London.

DEAR SIR,—

Spring Gardens, 17th March, 1865.

I quite agree with propositions 1 and 2 contained in your note of this day; with respect to the third, I think it will be desirable, having regard to the redemption of these temporary debentures, that they should not mature all at once, but be made payable in about equal proportions, at say, three equi-distant periods, the last of which should be 31st December, 1867. As New Zealand obligations of this kind for short periods will, irrespective of the rate of interest, be more valuable than 6 per cent. debentures having fifty years to run, and as the New Zealand Government are relying upon the negotiation of a 6 per cent. loan at par for the means of returning these temporary securities as they fall due, it appears to me desirable, in order not to damage the credit of the Colony, and thus remove all chance of disposing of the 6 per cent. loan within the limits laid down, that the Bank of New Zealand should not in the first instance at all events dispose of these short bonds at a price which would cost the Government more than 6 per cent. for the money borrowed.

I am, &amp;c.,

F. Larkworthy, Esq.

P. G. JULYAN.

## No. 34.

MINUTE by Mr. FITZHERBERT on Statement of Interest and Commission charged by BANK OF NEW ZEALAND on General Government Accounts in London, to 31st December, 1864; and Auckland, to 31st March, 1865.

I have examined this statement of interest and commission charged by the Bank of New Zealand, and particularly the item marked "F." (additional interest).

In deciding upon its admission, I am bound to take into consideration the whole circumstances of the case, and the assistance rendered by the Bank to the Government during the last twelve or fifteen months.

I can easily understand the objections of the Bank directors to allow copies of the London Bank account current, and of the statement of the debtor balances, to be made for official purposes; the Bank business is probably so mixed up with the Government transactions that the objection cannot be regarded as unreasonable.

On the whole, bearing in mind the exigencies of the Government, and the extremely tight condition of the money market during the period alluded to, I do not consider the charges excessive and accordingly direct that the amount be put in warrant.

13th June, 1865.

WILLIAM FITZHERBERT.

## No. 35.

The CROWN AGENTS to the Hon. the COLONIAL SECRETARY.

Offices of the Crown Agents for the Colonies,

SIR,—

Spring Gardens, London, S.W., April 24th, 1865.

I have the honor to acknowledge the receipt of your letter of the 11th February last, transmitting a draft at sixty days' sight, on the Bank of New Zealand, for £5000, being the half-year's sinking fund on the one million raised of the Three Million Loan of 1863. The proceeds of this bill when received will be held, as requested, to the order of your Government.

I take this opportunity to mention that another half-year's interest on one million—viz., £25,000, becomes due to the debenture holders on 15th July next, for which liability you will doubtless, on behalf of the Government of New Zealand, make timely remittance to this office.

I have, &amp;c.,

The Hon. F. A. Weld, Colonial Secretary, &amp;c., New Zealand.

W. C. SARGEANT.

## No. 36.

Messrs. LARKWORTHY, PORTER and GRAHAME, to the Hon. the COLONIAL SECRETARY.

SIR,—

London, 26th April, 1865.

We addressed you on 26th ultimo, and on 19th instant forwarded duplicate of our letter *via* Southampton.

We have now to inform you that, in accordance with our advertisement of 18th March, we met on the 31st March to open tenders received for the 8 per cent. debentures. The particulars of the applications on that day are as follows:—