

FURTHER PAPERS RELATIVE TO THE LOAN OF £3,000,000 STERLING.

LETTERS FROM THE NEW ZEALAND GOVERNMENT TO THE CROWN AGENTS.

No. 1.

Copy of a Letter from the Hon. J. C. RICHMOND to the CROWN AGENTS for the Colonies.

(No. 215.)

Colonial Secretary's Office,

Wellington, 14th October, 1865.

GENTLEMEN,—

The present Ministry not having received the support they expected in passing certain financial measures through the Legislature, having for their object the raising the Revenue of the Colony by increased taxation, have placed their resignations in the hands of His Excellency the Governor.

As yet no new Ministry has been formed, and it therefore devolves on the existing Government to make the best possible arrangements under the circumstances for meeting the engagements of the Colony to the public creditors in England, which mature on the 31st December next.

I have accordingly to inform you that Bank Drafts have been remitted by this mail to meet the engagements referred to, amounting to £54,500.

This amount the Government has undertaken to refund to the Bank of New Zealand in London after receiving ninety day's notice.

In the event therefore of the Bank making a requisition on you for any sum not exceeding that amount, you will be good enough to raise the required amount by hypothecation of a sufficient amount of 6 per cent. Debentures, and pay over the same at the expiration of ninety days from the date of your receiving notice that the Bank requires the sum.

Under the circumstances stated, the Government place no restriction on you in effecting this arrangement, if required by the Bank of New Zealand to enter upon it.

It was my intention to have addressed you fully on the financial measures of the Government by this mail, but I am obviously precluded from doing so under present circumstances.

I have, &c.,

J. C. RICHMOND.

The Agents-General for Crown Colonies,
Spring Gardens, London.

No. 2.

Copy of a Letter from the Hon. E. W. STAFFORD to the CROWN AGENTS for the Colonies.

(No. 236.)

Colonial Secretary's Office,

Wellington, 13th November, 1865.

GENTLEMEN,—

With reference to the subject of your letter No. 34-911, of the 26th May last, I have the honor to transmit herewith a further warrant under the hand of His Excellency the Governor appointing you the Trustees to receive and invest the Sinking Fund provided by "The New Zealand Loan Act, 1863," and authorizing you to invest the same in such Indian or Colonial Securities as you may judge best, with a view to making the Sinking Fund speedily reproductive.

The warrant also authorizes you to invest the said Sinking Fund in the repurchase of a portion of the one million of Debentures, bearing interest at 5 per cent., already issued. But while this latter authority is conveyed to you, it is not desired that you should act on it, unless in your opinion the so doing would tend to increase the confidence of the market in the value of New Zealand Securities.

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Any such Debentures as may be repurchased are not to be cancelled, but will be held for the present, interest being payable on them in the meantime.

Should you not, after due inquiry and consideration, deem it advisable to invest any portion of the Sinking Fund in that manner, you will employ it in the purchase of some of the other securities specified in the warrant, so as if possible to produce an interest of not less than 6 per cent.; and as the interest is received you will reinvest it in like manner.

The Government has every confidence that you will make every necessary exertion and inquiry to enable you to determine what course it may be most for the advantage of the Colony that you should take in this matter.

The Agents-General for Crown Colonies,
Spring Gardens, London.

I have, &c.,

E. W. STAFFORD.

No. 3.

Copy of a Letter from the Hon. E. W. STAFFORD to the CROWN AGENTS for the Colonies.

(No. 237.)

Colonial Secretary's Office,

Wellington, 13th November, 1865.

GENTLEMEN,—

I herewith remit to you the two Bank drafts noted in the margin, for the sum of £35,000 and £12,500 respectively.