

# CORRESPONDENCE

BETWEEN THE

## COLONIAL SECRETARY AND THE SUPERINTENDENTS OF CANTERBURY AND TARANAKI

RELATIVE TO

### UNISSUED DEBENTURES.

*(Return to an Order of the House of Representatives of the 24th September, 1868.)*

That there be laid upon the Table of this House—"Copies of all Correspondence between the Colonial Secretary and the Superintendents of Canterbury and Taranaki on the subject of Debentures of those Provinces which were unissued at the time of the passing of 'The Public Debts Act, 1867.' Also, for copies of any Memoranda or other Papers showing the arrangements under which advances were made to any of the Provinces to cover their overdrafts at the Bank of New Zealand which existed at the time of the passing of 'The Public Debts Act, 1867.'"

*(Mr. Rolleston.)*

WELLINGTON.

—  
1868.



# CORRESPONDENCE RELATIVE TO UNISSUED DEBENTURES.

## No. 1.

Copy of a Letter from His Honor W. S. MOORHOUSE to the Hon. W. FITZHERBERT.

SIR,—  
 Wellington, 9th October, 1867.  
 In accordance with the 6th clause of the "Public Debts Act, 1867," I have the honor to request that you will proceed to raise the balance of the Provincial Loans of Canterbury, by authorizing the issue of the original bonds of the Province, or by substituting short-dated debentures for those bonds. The amount still unraised is upwards of £400,000, but I will in a few days furnish you with the precise amount of the unraised bonds of the Province.  
 The proceeds of the loans I wish to be handed over to the Bank of New Zealand in London, to the credit of the Province; and I will forward to you, immediately after my return to Canterbury, the Provincial Treasurer's request for the payment of the proceeds of the loans, in accordance with this authority.  
 I have, &c.,  
 W. S. MOORHOUSE,  
 Superintendent, Canterbury.

The Hon. the Colonial Treasurer.

## No. 2.

Copy of a Letter from the Hon. W. FITZHERBERT to His Honor W. S. MOORHOUSE.  
 (No. 738-2.)

SIR,—  
 Treasury, Wellington, 8th November, 1867.  
 I have the honor to recall your attention to your letter of the 9th ultimo, in which you promised that you would "in a few days furnish the precise amount of the unraised bonds of the Province," and also that you would forward the Provincial Treasurer's request for the payment of the proceeds of the loans. As neither of these have yet reached me, I particularly request that they may be sent by return of post, as otherwise I may be put to very considerable inconvenience.  
 I have, &c.,  
 WILLIAM FITZHERBERT.

His Honor the Superintendent, Canterbury.

## No. 3.

Copy of a Letter from His Honor W. S. MOORHOUSE to the Hon. W. FITZHERBERT.  
 (No. 334.)

SIR,—  
 Superintendent's Office,  
 Christchurch, Canterbury, 11th November, 1867.  
 I have the honor, in compliance with the request contained in your letter No. 738, of the 8th instant, to transmit herewith a statement showing the precise amount of the unraised debentures of this Province, according to my latest advices from England; it is possible, however, that a further sale of our debentures now in London may have taken place prior to receipt of my instructions, forwarded by the October Panama mail, that they were to be held. I enclose also the Provincial Treasurer's request for the payment of the proceeds of the loan.  
 I have, &c.,  
 W. S. MOORHOUSE,  
 Superintendent.

The Hon. the Colonial Treasurer.

## Enclosure 1 in No. 3.

UNRAISED DEBENTURES of the PROVINCE of CANTERBURY, 1st November, 1867.			
Railway Loan, in hands of Union Bank of Australia, London	...	£50,000	
Canterbury Loan, 1862, in hands of Bank of New Zealand, London	...	£289,000	
In hands of Provincial Treasurer, Christchurch	...	77,600	366,600
Grand Total	...		£416,600

## Enclosure 2 in No. 3.

Copy of a Letter from Mr. F. E. STEWART to the Hon. W. FITZHERBERT.

SIR,—  
 Provincial Treasury,  
 Canterbury, 11th November, 1867.  
 I have the honor to request that you will be good enough to pay over to the Bank of New Zealand in London, to the account of this Province, the proceeds of any debentures raised on behalf of the Province under the provisions of "The Public Debts Act, 1867."  
 I have, &c.,  
 F. E. STEWART,  
 Provincial Treasurer of Canterbury.

The Hon. the Colonial Treasurer.

## CORRESPONDENCE RELATIVE TO

## No. 4.

• Copy of a Letter from the Hon. JOHN HALL to His Honor W. ROLLESTON.

(No. 340.)

Colonial Secretary's Office,  
Wellington, 6th July, 1868.

SIR,—

In "The Timaru and Gladstone Board of Works Act, 1867," it was enacted that "it shall be the duty of the Colonial Treasurer to pay over to the Board the full amount to be realized by the sale of debentures to the amount of £30,000, part of the debentures to be issued under 'Ordinance of the Province of Canterbury,' or under 'The Public Debts Act, 1867.'" Upon an application from the Timaru and Gladstone Board of Works for payment on account of this sum, and after consultation with the Attorney-General, the Government undertook to pay over to the Board such amount of the proceeds of all debentures sold as should bear the same proportion to the sum realized as the whole sum to be accounted for to the Board should bear to the sum to be realized on account of the Province.

The sum of £190,000 having been raised by Mr. Fitzherbert in London for the Province of Canterbury, and that gentleman being unaware of the undertaking above mentioned, has paid over the whole amount to the credit of the Province. Under these circumstances I have to request your Honor to be good enough to cause payment to be made to the Timaru and Gladstone Board of Works of the sum of £21,380 6s. 11d., being the proportion due to it of the above named sum of £190,000.

As I understand that the Provincial Council of Canterbury is now in session, and as probably its authority will be required for this payment, I have telegraphed to your Honor to the above effect.

I have, &c.,

JOHN HALL

His Honor the Superintendent, Canterbury.

(for the Colonial Secretary).

## No. 5.

Copy of a Letter from His Honor W. ROLLESTON to the Hon. E. W. STAFFORD.

(No. 441.)

Superintendent's Office,  
Christchurch, Canterbury, 10th July, 1868.

SIR,—

In reply to your letter of the 6th instant I have the honor to inform you that, in accordance with the telegraphic message forwarded by me to you on the same date, I have obtained from the Provincial Council the necessary authority for the payment of the sum of £21,380 6s. 11d.

Previous to the receipt of your message I had made arrangements with the bank for placing such portion of the sum of £190,000 as was available as a fixed deposit for periods of three and six months, and no payments can be made unless by arrangement with the bank.

There is no record in this office of the arrangement under which the sum of £190,000 was advanced to the Province, nor was there any previous intimation to the Provincial Government of the undertaking of the Colonial Government with the Board of Works to which you refer.

As both arrangements nearly concern the interests of the Province, I shall be obliged, if you see no objection to such a course, by your supplying me with copies of such documents bearing on the subject as you may think fit.

I have, &c.,

W. ROLLESTON,  
Superintendent.

The Hon. the Colonial Secretary.

## No. 6.

Copy of a Letter from the Hon. E. W. STAFFORD to His Honor W. ROLLESTON.

(No. 379.)

Colonial Secretary's Office,  
Wellington, 8th August, 1868.

SIR,—

I have the honor to transmit to you the accompanying set of bills of exchange at thirty days' sight on the Crown Agents for the Colonies in your Honor's favour for the sum of £33,311 6s. 2d., being the balance of the loan raised in London on account of the Province of Canterbury, less proportion due to the Timaru and Gladstone Board of Works, as shown in an account which has been prepared and will be transmitted to your Honor by an early opportunity.

I have, &c.,

E. W. STAFFORD.

His Honor the Superintendent, Canterbury.

## No. 7.

Copy of a Letter from His Honor W. ROLLESTON to the Hon. E. W. STAFFORD.

(No. 491.)

Superintendent's Office,  
Christchurch, Canterbury, 12th August, 1868.

SIR,—

I have the honor to acknowledge the receipt of your letter of the 8th instant, transmitting a set of bills of exchange at thirty days' sight, on the Crown Agents for the Colonies, in my favour, for the sum of £33,311 6s. 2d., which amount you state is the balance of the loan raised in London on account of the Province of Canterbury (less proportion due to the Timaru and Gladstone Board of Works) as shown in an account which has been prepared, and will be transmitted by an early opportunity.

I have acknowledged the receipt of these bills of exchange, pending the receipt of the account promised by you, and also of further information not hitherto received, which will enable the Provincial Government to judge of the advisableness of agreeing to the arrangement made by the Colonial Government under which the amount of the moneys payable has been determined. I may here call

your attention to the fact that I have received no information in compliance with the request contained in my letter No. 441, of the 10th July, as to the arrangements under which the sum of £190,000 was previously advanced to the Province.

I have, &c.,

W. ROLLESTON,  
Superintendent.

The Hon. the Colonial Secretary.

### No. 8.

Copy of a Letter from the Hon. E. W. STAFFORD to His Honor W. ROLLESTON.

(No. 382.)

Colonial Secretary's Office,

Wellington, 12th August, 1868.

SIR,—

I have the honor to enclose an account showing the amount that the Province of Canterbury is entitled to receive as the balance of amount raised under "The Public Debts Act, 1867," and I forward at the same time a Treasury Memorandum furnishing some additional information on this subject.

I have, &c.,

E. W. STAFFORD.

His Honor the Superintendent, Canterbury.

### Enclosure in No. 8.

MEMORANDUM for the Hon. the COLONIAL SECRETARY, No. 21.

THE Hon. the Colonial Secretary is requested to transmit the account sent herewith to His Honor the Superintendent of the Province of Canterbury, and at the same time to inform him that the Colonial Treasurer is prepared to give him a draft at thirty days' sight on the Crown Agents, London, for the balance due to the Province, viz., £33,311 6s. 2d.

It is also requested that the attention of the Superintendent may be called to the mode in which this account has been made up. It will be seen that the Province is credited with a sum equal to the net proceeds of its unissued debentures (less the amount retained for the Timaru and Gladstone Board of Works, in terms of Act), reckoning those debentures as sold at 97 per cent., at which rate the new 5 per cent. bonds were issued, which take the place of the 6 per cent. Provincial debentures.

The Province is then debited, first, with the sum paid to its credit with the Bank of New Zealand on the 20th of March; next with interest on such payment, until liquidated by proceeds of new bonds at due date of the several instalments by which the purchase money was paid; and lastly, with interest on those instalments from their respective dates to the 31st instant, after which the interest and sinking fund will be deducted from the proportion of consolidated revenue due to the Province, in terms of the 44th clause of "The Public Revenues Act, 1867."

The interest on the advance is charged at  $4\frac{1}{2}$  per cent., at which rate (inclusive of charges) the money was temporarily obtained; but for the period since the money has been received for the new bonds the interest is charged at 5 per cent., with 1 per cent. added for sinking fund.

Treasury, 30th July, 1868.

JOHN HALL.

### Sub-Enclosure to Enclosure in No. 8.

THE PROVINCE of CANTERBURY in Account with the GENERAL GOVERNMENT of NEW ZEALAND for Loan raised under the Public Debts Act in place of the unissued Debentures of the Province of Canterbury.

CR.					£	s.	d.	£	s.	d.	£	s.	d.
Net Proceeds of the Loan of £266,600, at 97 per cent.	...	...	...	...	258,602	0	0						
Less proportion due to Timaru and Gladstone Board of Works, £30,000, at 97 per cent.	...	...	...	...	29,100	0	0						
Less estimated Cost of raising Loan, 1 per cent. on £236,600*	...							229,502	0	0			
								2,366	0	0	227,136	0	0
DR.													
Advance, 20th March, 1868	...	...	...	...				190,000	0	0			
Interest on Advance to the time at which the money was raised in London—													
To 4th May, 45 days, at $4\frac{1}{2}$ per cent., on £26,600	...	...	...	...	147	11	6						
To 1st June, 73 " " £66,650	...	...	...	...	599	17	0						
To 15th June, 87 " " £66,650	...	...	...	...	714	17	9						
To 1st July, 103 " " £30,100	...	...	...	...	382	4	6						
								1,844	10	9			
Interest and Sinking Fund on Money raised—													
4th May to 31st July, 88 days, at 6 per cent., on £26,600	...	...	...	...	384	15	9						
1st June " 60 " " £66,650	...	...	...	...	657	7	4						
15th June " 46 " " £66,650	...	...	...	...	503	19	8						
1st July " 30 " " £66,650	...	...	...	...	328	13	8						
15th July " 16 " " £40,050	...	...	...	...	105	6	8						
								1,980	3	1			
											193,824	13	10
BALANCE DUE TO THE PROVINCE											£33,311	6	2

[Interest and Sinking Fund at the rate of 6 per cent. on £266,600 chargeable from 31st July.]

J. WOODWARD,

Assistant Treasurer.

Treasury, Wellington, 30th July, 1868.

\* This charge is subject to adjustment when accounts are received from England.

## CORRESPONDENCE RELATIVE TO

## No. 9.

Copy of a Letter from His Honor W. ROLLESTON to the Hon. E. W. STAFFORD.

SIR,—

Wellington, 17th August, 1868.

In reference to your two letters of the 8th and 12th instant respectively, in the former of which you transmitted a set of bills of exchange for the sum of £33,311 6s. 2d., being the balance of the loan raised in London on account of the Province of Canterbury, and in the latter the account showing the amount which the Government considers the Province of Canterbury entitled to receive under the provisions of "The Public Debts Act, 1867," together with a Treasury Memorandum on the subject, I have the honor to call your attention to what appears to me to be an error in the amount which may be fairly claimed by the Province under the Act referred to.

In the meantime, pending your reply, I have retained the bills of exchange forwarded by you, premising that I do so without prejudice to any further claim which may be established on the part of the Province.

It appears from the account furnished by you that Colonial bonds bearing 5 per cent. interest are proposed to be substituted for the Canterbury 6 per cent. debentures, and that the payment already made to the Province out of the short-dated issue contemplated by the sixth section of the Public Debts Act is merely of the nature of an advance.

The net proceeds of the Colonial bonds, 5 per cent., which have realized 97, are, it would seem, to be the sum receivable by the Province in final settlement of the issue in substitution of its bonds unissued at the time of the passing of the Public Debts Act, less the proportion payable to the Timaru and Gladstone Board of Works, and certain charges specified in the account for interest, and the Province will be permanently chargeable with the interest and sinking fund upon these Colonial bonds. I submit that there is no provision in the Public Debts Act which justifies an arrangement of the character referred to, which places the Province at a great disadvantage as compared with the holders of bonds already issued at the time of the passing of the Act, who, in terms of the conversion proposed by Mr. Fitzherbert, obtain £109 in 5 per cent. bonds for every £100 in 6 per cent. Provincial bonds, and accordingly, assuming that these 5 per cent. bonds were realizing 97, would receive a considerable premium upon each 6 per cent. bond.

I assume that it was upon the request, direct or implied, of my predecessor that the Government took action for realizing the unissued debentures of the Province, and I find that the Act (section 5) provides that the Colonial Treasurer may, upon the request of the Superintendent, direct that the balance of any Provincial debentures which may be unissued should be sold, and that the proceeds should be handed over to the Provincial Treasurer.

It would seem that under this provision the Provincial Government would be entitled to the full market value of its 6 per cent. debentures, and I am unable to find anything in the Act which requires or implies that the Province should receive anything less than their actual value, either in cash or in Colonial debentures.

I should esteem it a favour if the Government would give the subject their early consideration, as the interests of the Province will be largely affected by the decision which it arrived at, and it is desirable that the question should be determined before the departure of the next mail.

I have, &amp;c.,

W. ROLLESTON,

Superintendent of Canterbury.

The Hon. the Colonial Secretary.

## No. 10.

Copy of a Letter from the Hon. E. W. STAFFORD to His Honor W. ROLLESTON.

(No. 431.)

Colonial Secretary's Office,

SIR,—

Wellington, 18th September, 1868.

No. 441,  
July 10, 1868.No. 491,  
Aug. 12, 1868.

Aug. 17, 1868.

I have to acknowledge the receipt of your Honor's letters, numbered and dated respectively in the margin, relative to the account of the balance of the Provincial Loan of Canterbury, in the last of which letters you request a modification of the arrangement made for the issue of the proceeds of Colonial bonds at 5 per cent., in final settlement of the unissued portion of that loan.

The Government have carefully considered the subject to which your Honor has called attention, and they do not feel justified in authorizing any deviation from the arrangement which has been made with respect to the unissued portion of the Canterbury Loan. The intention of the Colonial Legislature in passing the Public Debts and Consolidated Loan Acts of last Session, was clearly to authorize either the issue, with the Colonial guarantee, of the unissued Provincial debentures, or to substitute in their place Colonial debentures to the same nominal amount, at such rate of interest, within the maximum limit, as the Colonial Government might think expedient. This has now been done, and the Province of Canterbury has in consequence of the course adopted in fulfilment of the intention of the General Legislature, received a larger amount of money on Colonial 5 per cent. bonds than it would have received on Provincial 6 per cent. bonds, if it had not had the benefit of the Public Debts Act, and has profited more than any other Province by the Colonial guarantee, in consequence of the large amount of its debentures which were unissued when that guarantee was given. Notwithstanding this advantage, your Honor apparently objects that the amount which has been credited to the Province of Canterbury is not sufficient, and would appear to desire that more money should be raised for that Province, or in other words that the aggregate indebtedness of the Colony should be materially increased, as whatever course is adopted with respect to the Province of Canterbury must necessarily be observed with respect to other Provinces. Your Honor will, however, recognise that to increase the public debt would not be compatible with the expressed intention of the Legislature not to sanction further loans in the present circumstances of New Zealand.

I have, &amp;c.,

His Honor the Superintendent, Canterbury.

E. W. STAFFORD.

## No. 11.

Copy of a Letter from His Honor W. ROLLESTON to the Hon. E. W. STAFFORD.

SIR,—

Wellington, 21st September, 1868.

I have the honor to acknowledge the receipt of your letter of the 18th instant, in which you state that Government do not feel justified in authorizing any deviation from the arrangement which has been made with respect to the unissued portion of the Canterbury Loans.

In reference to your statement that the intention of the Legislature in passing the Public Debts and Consolidated Loan Acts of last Session, was clearly to authorize either the issue with the Colonial guarantee of the unissued Provincial debentures, or to substitute in their place Colonial debentures to the same nominal amount, at such rate of interest within the maximum limit as the Colonial Government might think expedient, I venture to suggest that it could scarcely have been the intention of Parliament to place it in the hands of the Colonial Government to choose between the alternatives of an arrangement manifestly to the advantage of the Province, viz., that of disposing of its debentures with the Colonial guarantee, and of a course which, by lowering without limit the rate of interest, might place the Province in a most disadvantageous position.

The view which I had taken of the object of the Act was, that it purported to place the Province in the same position in relation to its unissued debentures as if the debentures were those of the Colonial Government; and that therefore, if for the convenience of the Colonial Government, and for purposes of conversion, the Colonial Treasurer substituted short-dated debentures, he would be bound to give the real value of the unissued debentures in exchange; that is, in the present instance, in terms of the conversion proposed by Mr. Fitzherbert, one hundred and nine pounds (£109) in Colonial 5 per cents. for one hundred pounds (£100) Provincial debentures bearing interest at 6 per cent. I submit that on any other supposition the Act would appear to have been passed for the benefit of the bondholders rather than for that of the parts of the Colony which had still borrowing powers unexercised at the time of the passing of the Act.

I further respectfully take leave to demur to what your letter would appear to imply, that because Canterbury may have received more on the Colonial 5 per cent. bonds than it would have received "on the Provincial 6 per cents. if it had not had the benefit of the Public Debts Act," and has "profited more than any other Province by the Colonial guarantee, in consequence of the large amount of its debentures which were unissued when that guarantee was given," that it should therefore be content to forego the full advantage to which it is entitled by the legislation of last Session, and of which I cannot but think the action of the Colonial Treasurer has without sufficient reason deprived it.

With regard to what you observe as to the increase of the aggregate indebtedness of the Colony, I would remark that the extent to which this would be increased for all the Provinces holding unissued debentures would be within the limit prescribed by the Act of £400,000, for the taking up of unraised debentures; and I submit that the argument used by you, as against the claim preferred by me on behalf of the Province of Canterbury, would have equal weight against the action taken by the Colonial Treasurer for the conversion of issued debentures.

All that I ask for is the value of the debentures of the Province, as affected by the passing of the Public Debts Act; and I am unable to see that any argument has been adduced which could detract from the value of this claim.

I trust, therefore, that the Government will see reason to reconsider the decision at which they have apparently arrived.

I have, &amp;c.,

W. ROLLESTON,

Superintendent of Canterbury.

The Hon. the Colonial Secretary, Wellington.

## No. 12.

Copy of a Letter from the Hon. E. W. STAFFORD to His Honor W. ROLLESTON.

SIR,—

Colonial Secretary's Office,

Wellington, 24th September, 1868.

The Government have carefully considered your Honor's letter of the 21st instant, in further relation to the arrangement made respecting the unissued portion of the Canterbury Loans; but they cannot perceive that they would be justified in changing their opinion on the subject, as already communicated to your Honor.

The object of the Public Debts and Consolidated Loan Acts was not to enable the Provinces to increase their indebtedness, but to lessen the interest payable by them,—and this result is attained by means of the arrangement in question.

The adoption of the course suggested by your Honor would, as I have already observed, virtually have the effect of increasing the Provincial liability of Canterbury in the same manner as in the case of Otago would result from the additional guarantee desired for the Dunedin Waterworks.

I have, &amp;c.,

E. W. STAFFORD.

His Honor the Superintendent, Canterbury.

## PROVINCE OF TARANAKI.

## No. 13.

Copy of a Letter from His Honor H. R. RICHMOND to the Hon. E. W. STAFFORD.

SIR,—

Superintendent's Office,

New Plymouth, 22nd May, 1868.

I have the honor to request that you will be so good as to inform me whether any steps have been taken, or are about to be taken in the matter of the Taranaki Debentures of 1863, which the Hon.

the Colonial Treasurer, in his financial statement last Session, agreed to take up. My object in writing is to express my hope that if no action has yet been taken, the matter will not be left over the present financial year in a position which will render further discussion of it necessary, as the equitable liability of the Colony in the matter has been so frequently discussed and admitted.

The Hon. the Colonial Secretary. I have, &c.,  
H. R. RICHMOND, Superintendent.

No. 14.

Copy of a Letter from the Hon. E. W. STAFFORD to His Honor H. R. RICHMOND.

SIR,— Colonial Secretary's Office,  
Wellington, 8th June, 1868.

I have to acknowledge the receipt of your Honor's letter of the 22nd ultimo, on the subject of the payment of Taranaki Provincial Debentures of 1863, amounting to £36,750. As the payment of these debentures is contingent upon the raising of the necessary funds under "The Public Debts Act, 1867," the Government are unable to act in the matter until the result of Mr. Fitzherbert's action in London is known. The subject had been considered by him before he left New Zealand, and his attention will be again directed to it.

His Honor the Superintendent, Taranaki. I have, &c.,  
E. W. STAFFORD.

No. 15.

Copy of a Letter from the Hon. E. W. STAFFORD to His Honor H. R. RICHMOND.

SIR,— Colonial Secretary's Office,  
Wellington, 12th August, 1868.

I have the honor to enclose an account showing the amount that the Province of Taranaki is entitled to receive as the balance of amount raised under "The Public Debts Act, 1867," and I forward at the same time a Treasury Memorandum furnishing some additional information on this subject.

His Honor the Superintendent, Taranaki. I have, &c.,  
E. W. STAFFORD.

No. 16.

Copy of a Letter from His Honor H. R. RICHMOND to the Hon. E. W. STAFFORD.

SIR,— Superintendent's Office,  
New Plymouth, 28th August, 1868.

I have the honor to acknowledge the receipt of your letter No. 221, of the 12th August, enclosing an account and Treasury Memorandum; and also No. 229, of the 19th instant, enclosing bills of exchange for the sum of £3,613 12s. 8d.

As I understand that the question as to whether the Provinces affected have been fairly treated by the issue of Colonial debentures bearing only 5 per cent. interest (and consequently sold at a heavy discount), instead of the unissued Provincial bonds, will be brought under the consideration of the Colonial Government by the Provincial Government of Canterbury, and as I have not been informed as to the reasons for the course actually pursued, I shall merely ask that whatever principle may be finally adopted in settling the claims of Canterbury and other important Provinces may be applied also to this Province.

In the case of Taranaki, the Provincial debentures, if issued, would have borne 8 per cent. interest, and not 6 as stated in the Treasury Memorandum on the subject.

The Hon. the Colonial Secretary. I have, &c.,  
H. R. RICHMOND, Superintendent.

No. 17.

(No. 59.)

MEMORANDUM of an Arrangement made on the 9th October, 1867, between the COLONIAL TREASURER of NEW ZEALAND and the BANK of NEW ZEALAND, as follows:—

THE Bank of New Zealand agrees to continue advances to the Provinces of Canterbury, Hawke's Bay, and Taranaki, over a period of six months, including advances already made to those Provinces, to the following extent:

To Canterbury	...	...	...	...	£190,000
Hawke's Bay	...	...	...	...	30,000
Taranaki	...	...	...	...	20,000
					<hr/> 240,000
And to advance to the General Government in account ...					60,000
					<hr/> £300,000

—The General Government undertaking and agreeing to pay over to the Bank of New Zealand in London, on or before the 20th March, 1868, the full sum of £300,000 above specified.

W. FITZHERBERT.  
T. RUSSELL  
(for the Bank of New Zealand).