

pounds, at intervals of twelve months; the Treasury to be satisfied that amounts representing previously guaranteed debentures have been expended, or are in course of expenditure, as provided by the Imperial Act.

It appears to us important that great public works, once begun, should not be interrupted from any temporary want of funds; and, by adopting the course we now propose, the terms of the Act, with regard to amount, date, and expenditure, would be complied with; whilst the Colony, by first using money raised on its own unguaranteed debentures—for the sale of which the market is now favourable—would be enabled to hold those guaranteed by the Home Government as a reserve fund, to provide against any possible contingency of the kind, or they might be disposed of hereafter, as circumstances shall be found to require.

On the other hand, if, by a rigorous interpretation of the Act, it is insisted that the money expended each year, before a further guarantee can be given, must be the actual proceeds of previously guaranteed debentures, the Colony will be subjected to unnecessary loss of interest.

We have, &c.,
JULIUS VOGEL.
P. G. JULYAN.

The Secretary to the Treasury.

Mr. WM. LAW to the Hon. J. VOGEL and Mr. P. G. JULYAN.

GENTLEMEN,—

Treasury Chambers, 30th May, 1871.

The Lords Commissioners of Her Majesty's Treasury direct me to acknowledge receipt of your letter of the 19th ultimo, enclosing your warrant of appointment by the Governor of New Zealand, as Agents for the purpose of raising and managing the loan authorized by the nineteenth section of the New Zealand Act, 33 and 34 Vict. cap. 80, and by the Imperial Act, 33 and 34 Vict. cap. 40, to be raised with the guarantee of this Board for immigration and public works in that Colony, and stating that, on behalf of the Government of the Colony, you accept the guarantee under the conditions prescribed in the Imperial Act.

Their Lordships direct me, in reply, to state that they are prepared to guarantee the first issue of bonds to the amount of £200,000 on account of the loan to be raised under the provisions of the Act 33 and 34 Vict. cap. 40, and to guarantee further sums of £200,000 each, at intervals of twelve months, until the whole loan of £1,000,000 has been raised, on satisfactory proof being afforded to this Board that sums to the extent guaranteed have been or are in the course of being duly expended, for the purposes specified in the second section of the said Act.

Messrs. Vogel and Julian, &c., &c.

I am, &c.,
WM. LAW.

The Hon. J. VOGEL and Mr. P. G. JULYAN to the PERMANENT SECRETARY to the TREASURY.

SIR,—

Charing Cross Hotel, London, 1st June, 1871.

We have the honor to acknowledge the receipt of your letter of the 30th ultimo, in reply to ours of the 19th April, with reference to the New Zealand guaranteed loan of £1,000,000 sterling.

We will cause debentures for £200,000 of that loan, bearing date 1st June, 1871, to be at once prepared.

We have, &c.,
JULIUS VOGEL.
P. G. JULYAN.

The Permanent Secretary to the Treasury, &c., &c.

The CROWN AGENTS to the Hon. J. VOGEL and Mr. JULYAN.

GENTLEMEN,—

Offices of the Crown Agents for the Colonies,
Spring Gardens, London, S.W., 10th June, 1871.

As customary before printing debenture bonds for a guaranteed loan, the Crown Agents for the Colonies submitted a form—of which a copy is enclosed—for the approval of the Lords Commissioners of Her Majesty's Treasury, and have now the honor to forward for your information copy of their Lordship's reply.

As pointed out in their letter, it now becomes necessary to furnish the Treasury with the names of two gentlemen to act on behalf of the New Zealand Government—in conjunction with two others to be appointed by the Imperial Government—as Trustees to the Sinking Fund; and the Crown Agents would suggest that you should comply with the request of the Lords Commissioners as early as possible.

The Hon. Julius Vogel and P. G. Julian, Esq.

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

The TREASURY to the CROWN AGENTS.

GENTLEMEN,—

Treasury Chambers, 9th June, 1871.

I am directed by the Lords Commissioners of Her Majesty's Treasury, to acquaint you that they see no reason to object to the form of debenture bond enclosed in Mr. Julian's letter of the 7th instant, and which it is proposed to use for the first issue of £200,000 on account of the New Zealand loan to be guaranteed under the Act 33 and 34 Vict. cap. 40; and, upon learning the names of the Trustees of the Sinking Fund of this loan, to be appointed by the Government of New Zealand, in accordance with the provisions of the 6th clause of the 2nd section of the above-mentioned Act, my Lords will direct the necessary warrant to be issued, authorizing an officer of this Department to act