

1877.

NEW ZEALAND.

ADVANCES TO THE GOVERNMENT BY THE BANK OF
NEW SOUTH WALES AND THE BANK OF NEW ZEALAND

(PAPERS RELATING TO).

Presented to both Houses of the General Assembly by Command of His Excellency.

No. 1.

INSTRUCTIONS to the Hon. G. McLEAN.

THE Cabinet request Mr. McLean to proceed to Sydney—

(1.) To represent New Zealand at the proposed Conference respecting Telegraph Cables.

(2.) To negotiate with a Bank or Banks there for a sum of not more than £500,000, under "The New Zealand Loan Act, 1876."

Mr. McLean will not pledge the Government to approve of any scheme for a duplication of the cable between Australia and India; but the Government will be glad to consider, and if possible to recommend to Parliament, any well-devised scheme for such duplication, especially if it should include a reasonable arrangement for reducing the charges for messages to and from England.

As to the loan, Mr. McLean will receive an Order in Council and a Warrant from His Excellency appointing him one of the Agents under the Act of 1876; and he will be at liberty to raise £500,000 by loan, or to arrange for an advance of that amount upon the security of short-dated debentures, within the limit of powers given by the Act.

The Government will be ready to advise upon any point of the negotiations which Mr. McLean may submit by telegram; and, should it be desired, approval or confirmation of an agreement will be signified to the Bank, by a telegram from one of the other Agents under the Act.

10th January, 1877.

E. Fox, Secretary.

No. 2.

The Hon. G. McLEAN to the Hon. the PREMIER.

SIR,—

Government Office, Wellington, 5th March, 1877.

I have the honor to report, for the information of the Government, the results of my visit to Sydney.

2. Copies of the official report of the Conference *re* the Duplication of Telegraph Cables are herewith. The report explains fully the decisions arrived at by the Conference, and my action as representing this colony. See F.—3., p. 11.

3. Having satisfied myself that it would be the better course to arrange for an advance of £500,000, and that the Bank of New South Wales would be willing to make it, I communicated with the authorities of that Bank; and I informed the Government, from time to time, of points connected with the negotiation as to which discussion had become necessary.

4. On the 28th January, I was enabled to telegraph the heads of a proposed agreement with the Bank; and, a confirmatory telegram from Mr. Bowen having been received by the Bank, the agreement was formally executed on behalf of the Bank and by myself, and was completed by the subsequent signature of Mr. Bowen in Wellington.

5. I believe that the agreement was the best, in the interests of the colony, which could be secured; and I trust the Government will agree with me in regarding it as a satisfactory one.

I have, &c.,

The Hon. H. A. Atkinson, Premier.

GEORGE McLEAN.