

1885.

NEW ZEALAND.

LOANS AND CONVERSION OF DEBENTURES INTO INSCRIBED STOCK

(FURTHER PAPERS IN CONNECTION WITH THE NEGOTIATION OF THE).

[In Continuation of B.-11, presented on 19th June, 1885.]

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

No. 1.

The AGENT-GENERAL to the COLONIAL TREASURER.

SIR,—

7, Westminster Chambers, London, S.W., 30th June, 1885.

With reference to the Stock Agents' letter of this date, informing you that the final total of the consols bonds converted is £3,651,700, I requested the Actuaries to revise the figures of their computation of the 18th May last, which I transmitted to you in my letter of the 21st May, No. 602, so as to bring the same in accord with that total.

I now transmit these revised figures, and beg you will be pleased to substitute the same for those just mentioned.

The Hon. the Colonial Treasurer, Wellington.

I have, &c.,

F. D. BELL.

Enclosure 1 in No. 1.

NEW ZEALAND CONSOLS CONVERSION.

The AGENT-GENERAL to the ACTUARIES.

DEAR SIRS,—

7, Westminster Chambers, 14th May, 1885.

Adverting to our recent correspondence on the subject of the New Zealand consols conversion, I have to inform you that the amount of bonds sent in for conversion is £3,651,700; and I shall be obliged if you would now apply your computations to that sum, so as to bring out the net financial result of the operation to the colony.

You will remember that the stamp duty was taken at the rate of 12s. 6d. per cent.; but the Inland Revenue will only charge 6d. per cent. now, and further duty will not be payable until the new bonds are converted into inscribed stock. The brokerage payable by the Bank of England is £9,129. The "incidental expenses" may still be taken at £5,000.

A. H. Bailey, Esq.

Ralph P. Hardy, Esq.

I am, &c.,

F. D. BELL.

Enclosure 2 in No. 1.

The ACTUARIES to the AGENT-GENERAL.

DEAR SIR FRANCIS,—

London, 18th May, 1885.

As requested in your letter of the 14th instant, we have made the calculations that you desire upon the basis of the amount of New Zealand consols sent in for conversion being £3,651,700.

The financial results to the colony are, for the sake of convenience, set out in a form similar to that given in our letter of the 5th March last; but, for clearness, the component items have been given in more detail.

We have assumed that the finances of the colony will be relieved from a proportion of the fixed annual charge of £436,986, corresponding to the amount of consols converted, so that our calculations have reference only to the stock converted, viz., £3,651,700.

We have allowed for the modification in the stamp duty as referred to in your letter; but, in respect of the new stock to be created to meet the expenses, we have provided for the full immediate duty of 12s. 6d. per cent.

We are, &c.,

A. H. BAILEY.

RALPH P. HARDY.

The Agent-General for New Zealand.