

No. 14.

The AGENT-GENERAL to the COLONIAL TREASURER.

SIR,—

7, Westminster Chambers, London, S.W., 18th June, 1885.

Referring to my letter, No. 692, of the 3rd instant, transmitting copies of correspondence with the Bank of England respecting their charge for management, I now enclose copies of further correspondence, including a letter from the Secretary to the bank, stating that the court of directors have agreed to the modifications, particulars of which were given in my above referred to letter.

I have, &c.,

The Hon. the Colonial Treasurer, Wellington.

F. D. BELL.

Enclosure 1 in No. 14.

SIR,—

7, Westminster Chambers, London, S.W., 9th June, 1885.

I have to acknowledge the receipt of your letter of the 2nd instant, communicating the decision of the governors upon the application I made to them on the 6th March for a reconsideration of the bank's terms for the management of the New Zealand Inscribed Stock.

Having regard to the large amount of that stock now inscribed, my Government had hoped that the governors of the bank would have felt themselves justified in recommending to the court of directors the reduction of the charge to £500 per million after the first ten millions.

With regard to the period for paying dividends, I am not aware of any intention on the part of my Government to propose any change in respect to any further issues of stock. But, in case of such change being hereafter proposed, it would of course be understood that the terms now notified would be subject to revision.

I have, &c.,

The Chief Cashier, Bank of England.

F. D. BELL.

Enclosure 2 in No. 14.

SIR,—

Bank of England, E.C., 12th June 1885.

Referring to your letter of the 9th instant, in reply to one from the Chief Cashier, dated the 2nd instant, respecting the charge made by the bank for the management of the New Zealand Government Inscribed Stock, I have now to acquaint you that the court of directors have agreed to modify the arrangement communicated to you in my letter of the 17th November, 1875; and, in place of the present terms for management and payment of dividends at the rate of £600 per million of stock per annum, up to the amount of ten millions of stock, and, thereafter, at the rate of £550 per million of stock per annum, to substitute the following charges—namely, £600 per million of stock per annum up to a total of ten millions of stock; thereafter, at the rate of £550 per million per annum on the next five millions of stock; and at the rate of £500 per million per annum on any amount of stock in excess of fifteen millions; it being understood that the dividends will continue to be paid half-yearly.

I have, &c.,

Sir F. D. Bell, K.C.M.G., 7, Westminster Chambers, S.W.

HAMMOND CHUBB,
Secretary.

Enclosure 3 in No. 14.

SIR,—

7, Westminster Chambers, London, S.W., 16th June, 1885.

I have to acknowledge the receipt of your letter of the 12th instant, informing me of the further modification of the terms for management and payment of dividends on New Zealand Stock agreed upon by the court of directors of the Bank of England.

I have, &c.,

The Secretary, Bank of England.

F. D. BELL.

No. 15.

The AGENT-GENERAL to the COLONIAL TREASURER.

SIR,—

7, Westminster Chambers, London, S.W., 19th June, 1885.

I transmit herewith copy of a letter I have received from the Royal Colonial Institute, enclosing a resolution of the Council deprecating the intention of the Imperial Government to impose a tax of one-half per cent. on colonial bonds.

The Agents-General have conferred together as to the steps that it would be right to take in the matter, and it was Mr. Forster's intention to have brought the matter before the House of Commons if the Ministry had not been defeated.

I have, &c.,

The Hon. the Colonial Treasurer, Wellington.

F. D. BELL.

Enclosures in No. 15.

SIR,—

15, Strand, W.C., 17th June, 1885.

I have the honour to enclose a copy of a resolution on the subject of a stamp duty of one-half per cent. on Colonial Government securities, which was adopted by the Council of the Royal Colonial Institute, at a meeting held on the 16th June, 1885, and request that you will be so good as to transmit it to your Government for their information.

I have, &c.,

Sir Francis Dillon Bell, K.C.M.G., Agent-General for New Zealand.

FREDERICK YOUNG,
Hon. Secretary.

Sub-Enclosure in No. 15.

At a meeting of the Council of the Royal Colonial Institute, held on Tuesday, 16th June, 1885, the following resolution was adopted :—

The Council deprecate the terms on which a charge of a stamp duty of one-half per cent. on Colonial Government securities is proposed in one of the taxing measures now before Parliament—not because such an impost is *per se* an objectionable or unreasonable method of raising revenue, but because the proposal involves the classification with