

An announcement of this kind by one of the most powerful banks connected with Australasia will probably be followed by similar proposals from the other banks, and may lead to the provision of far greater sums than have yet been available for employment in the colonies. If, indeed, the scheme should grow to large dimensions, it might even interfere with subscriptions to Government loans.

The Hon. the Colonial Treasurer, Wellington.

I have, &c.,

F. D. BELL.

Enclosure in No. 35.

[The *Times*, Monday, 2nd November, 1885.]

INSCRIBED STOCK DEPOSITS.—UNION BANK OF AUSTRALIA (LIMITED). Established 1837. Incorporated 1880. Paid-up capital, £1,500,000; reserve funds, £970,000; reserve liability of proprietors, £3,000,000.

THE directors of the Union Bank of Australia (Limited) are prepared to receive in London inscribed-stock deposits, bearing interest payable half-yearly at the rate of 4 per cent. per annum, to be inscribed at this office, and transferable by ordinary transfer deed. Stock certificates will be issued. These inscribed-stock deposits will be repayable at the option of the bank only, and on its giving twelve months' previous notice to the holders. In the event of repayment being made on or after the 1st January, 1905, it will be at par; but if prior to the 1st January, 1905, it will be at a premium of 1 per cent. Holders of London office deposit receipts of the bank can exchange for inscribed-stock deposit certificates free of charge on application. A Stock Exchange quotation will be applied for, which will give the advantage of negotiability to the stock.

W. R. MEWBURN,

Manager.

No. 1, Bank Buildings, Lothbury, E.C., London, 2nd November, 1885.

THE directors of the Union Bank of Australia (Limited) have resolved on offering the public a new kind of security, which is not unlikely, we think, to suit some classes of investors. They are prepared to receive in London inscribed-stock deposits in amounts of £50 and upwards, bearing interest from date of deposit at the rate of 4 per cent. per annum, the interest being payable half-yearly, on the 1st January and the 1st July, to the registered holders. These stock deposits will be inscribed at the London office of the bank, and will be transferable in sums of £10 and upwards (but no transfer to contain shillings or pence) by ordinary transfer deed without charge by the bank, and stock certificates will be issued. The deposits will be repayable at the option of the bank only, and on its giving twelve months' previous notice to the holders at their registered address. In the event of repayment being made on or after the 1st of January, 1905, it will be at par (being at the rate of £100 for every £100 of stock deposits), but if prior to the 1st of January, 1905, it will be at a premium of 1 per cent. (being at the rate of £101 for every £100 of stock deposits). Holders of London office deposit receipts of the bank can exchange them for inscribed-stock deposit certificates of an equal amount free of charge on application. The inscribed-stock deposits will be secured upon the general assets of the bank, and will rank *pari passu* with its other deposits. It is intended to apply in due course to the London Stock Exchange for an official quotation, which will give the advantage of negotiability to the stock. The convenience of this security to the fairly numerous class who have been in the habit of lending the Australian banks money for five years, with liability to be paid off at the end of that period unless they accept a lower rate of interest, is obvious. The trouble of periodically reinvesting will be saved them; and if, as there is every reason to suppose will be the case, the new stock is quoted on the Stock Exchange, a holder will have little or no difficulty in realizing should he wish to do so. Moreover, the fact that small sums can be invested will probably help to make it popular.

No. 36.

The COLONIAL TREASURER to the AGENT-GENERAL.

SIR,—

Treasury, Wellington, 16th December, 1885.

I have the honour to acknowledge the receipt of your letter of the 21st October last, No. 1,287, reporting the steps you had taken to obtain the consent of the Lords Commissioners of Her Majesty's Treasury to the release of this colony from the obligation to provide the interest on the guaranteed loan of 1856, in consequence of the investment of the sinking fund yielding nearly sufficient to meet the annual charge, and beg to thank you for your action in the matter. Yesterday your cablegram, announcing that the Lords of the Treasury had agreed to your proposals, was received, and I immediately replied expressing my satisfaction at the intelligence, and which I have much pleasure in now repeating.

I have, &c.,

The Agent-General for New Zealand, London.

JULIUS VOGEL.

Copies of telegrams referred to in No. 36.

Treasurer, New Zealand.

LOAN of 1856: Lords Treasury agree my proposal October twenty.

(Received 15th December, 1885.)
London, 14th.

Agent-General, London.

LOAN of 1856: Very satisfactory.

Wellington, 15th December, 1885.

No. 37.

The LOAN and STOCK AGENTS to the COLONIAL TREASURER.

SIR,—

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

The Stock Agents received a few days ago your two letters of the 20th August and the 26th September on various questions relating to conversion, and would most likely have replied to them now, but that Sir Penrose Julyan is in the country. We are, however, in communication thereon, and letters from us in reply will not be long delayed.

I have, &c.,

The Hon. the Colonial Treasurer, Wellington.

F. D. BLEL.

No. 38.

The LOAN and STOCK AGENTS to the COLONIAL TREASURER.

SIR,—

7, Westminster Chambers, London, S.W., 26th November, 1885.

We have the honour to express our thanks to you for your letters of the 26th September, No. 25, and the 10th October, No. 26, defining your views respecting further conversions. These letters were crossed by ours of the 7th October, No. 1,235, explaining our telegram of the 30th September, and referring to the loan of 1863, which we had not included in that message.