

Stock Agents will in due course authorise the banks to inscribe such further amount of stock as may be necessary. But as in all probability the repayments will proceed, as before, almost *pari passu* with the advances, the £30,000 now in security will most likely be sufficient.

I should be very glad if the Bank would assent to this proposal, as it would then enable the conversion of the loan of 1863 to be finally completed in the manner originally contemplated by me. In that case all necessary details would be carried out by Mr. Kennaway.

The Chief Cashier, Bank of England.

I am, &c.,

F. D. BELL.

Enclosure 2 in No. 26.

The CHIEF CASHIER, Bank of England, to the AGENT-GENERAL.

SIR,—

Bank of England, 15th September, 1891.

I beg to acknowledge the receipt of your letter of yesterday, with reference to the provision which you desire to make with regard to the redemption on the 15th December next of the then outstanding 6-per-cent. debentures of the December series of the New Zealand loan of 1863, and, in reply, to state that the proposal therein contained meets with the entire approval of the Bank.

I am, &c.,

Sir F. D. Bell, K.C.M.G., C.B., Agent-General for New Zealand.

F. MAY, Chief Cashier.

Enclosure 3 in No. 26.

The AGENT-GENERAL to the CHIEF CASHIER, Bank of England.

SIR,—

13, Victoria Street, 14th September, 1891.

In the conversion prospectus issued by the Bank on the 13th February last the right was reserved to convert any debentures not brought in on the 15th June into 3½-per-cent. inscribed stock on terms to be notified from time to time at the Bank.

In accordance with this reservation, I have to request that the Bank will accept any debentures of the provincial loans which may be sent in for conversion up to the 31st December next at the rates named in the list now enclosed. The stock to be inscribed in exchange for any such debentures would be inscribable on or after the 2nd December, 1891, and bear interest from the 1st January, 1892.

I have, &c.,

The Chief Cashier, Bank of England.

F. D. BELL.

Sub-enclosure.

#### CONVERSION OF NEW ZEALAND GOVERNMENT LOANS.

LIST of Provincial Loans, specifying the Terms on which the Debentures thereof may be converted into 3½-per-cent. Inscribed Stock during the Period ending the 31st December, 1891.

(a.) LYTTELTON AND CHRISTCHURCH RAILWAY LOAN—Redeemable 1893 to 1897.—For every £100 in debentures, with all undue coupons attached, the following amounts of 3½-per-cent. inscribed stock, inscribable on or after the 2nd December, 1891, and bearing interest from the 1st January, 1892, namely:—

Series redeemable 1893	..	..	..	..	..	..	..	£107	of stock.
" 1894	..	..	..	..	..	..	..	109	"
" 1896	..	..	..	..	..	..	..	111 15s.	"
" 1897	..	..	..	..	..	..	..	113 10s.	"

(b.) AUCKLAND LOAN—Redeemable 1896.—For every £100 in debentures, with all undue coupons attached, £112 10s. of 3½-per-cent. inscribed stock, inscribable on or after the 2nd December, 1891, and bearing interest from the 1st January, 1892.

(c.) NELSON LOAN—Redeemable 1896.—For every £100 in debentures, with all undue coupons attached, £117 of 3½-per-cent. inscribed stock, inscribable on or after the 2nd December, 1891, and bearing interest from the 1st January, 1892.

(d.) OTAGO LOAN—Redeemable 1898.—For every £100 in debentures, with all undue coupons attached, £116 of 3½-per-cent. inscribed stock, inscribable on or after the 2nd December, 1891, and bearing interest from the 1st January, 1892.

(e.) CANTERBURY LOAN—Redeemable 1915 and 1916.—For every £100 in debentures, with all undue coupons attached, £135 of 3½-per-cent. inscribed stock, inscribable on or after the 2nd December, 1891, and bearing interest from the 1st January, 1892.

F. D. BELL.

Enclosure 4 in No. 26.

The CHIEF CASHIER, Bank of England, to the AGENT-GENERAL.

SIR,—

Bank of England, 15th September, 1891.

I beg to acknowledge the receipt of your letter of yesterday's date, enclosing a list of the rates at which you request the Bank will accept any debentures of the provincial loans which may be sent in for conversion up to the 31st December next, which has attention.

I have, &c.,

Sir F. D. Bell, K.C.M.G., C.B., Agent-General for New Zealand.

F. MAY, Chief Cashier.

### No. 27.

The PREMIER to the AGENT-GENERAL.

(No. 57.)

Premier's Office, Wellington,  
3rd December, 1891.

SIR,—

I have the honour to acknowledge the receipt of your letter of the 18th September last, No. 1379, in continuation of previous letters on the subject of the conversion operations, and, in reply, to thank you for making satisfactory arrangements with the Bank of England in connection with the last series of the loan of 1863, maturing on the 15th instant.

I have, &c.,

The Agent-General for New Zealand, London.

J. BALLANCE.

### No. 28.

The AGENT-GENERAL to the PREMIER.

(No. 1413.)

Westminster Chambers, 13, Victoria Street, London, S.W.,  
22nd September, 1891.

SIR,—

I have to acknowledge the receipt of your letter of 12th August, No. 36, stating that the Conversion Account in the Treasury books stands overdrawn to the amount of £259,286, and that the Audit Office is anxious to know when so large an overdraft is likely to be extinguished.

In reply I beg to state that the accounts between the Stock Agents and the Public Account going to you by the next mail will show that, so far as the Stock Agents are concerned, they are not cognisant of the overdraft in question. Their part in relation to the 3½-per-cent. conversion stock accrued and accruing to the Government under the conversion is fulfilled when they hand