

No. 5.

(No. 156.)

The PREMIER to Sir JOHN LUBBOCK.

SIR,—

Premier's Office, Wellington, 21st April, 1892.

I have the honour to acknowledge the receipt of your letter dated the 8th of February last, wherein you ask, on behalf of the Council of Foreign Bondholders, for a reconsideration of the claims of the holders of debentures issued by the New Plymouth Harbour Board.

You also mention that at a meeting of the principal bondholders a resolution was passed expressing their opinion that "the treatment received by the subscribers to the New Plymouth Harbour Board Loan justifies an opposition to the quotation of any New Zealand loan," and "that this resolution be communicated to the Council of Foreign Bondholders, and that they be requested to give the bondholders their valuable support." In connection with these resolutions, I am glad to be informed that your "Council would be very loth to take such an extreme measure."

I am surprised to read that you consider that the arguments contained in your letter of the 2nd of April, 1891, were not in any way dealt with in my letter of the 3rd of December last. You will remember that in my letter of the 25th of June, 1891, I stated that, Parliament being in session, I deemed it advisable to refer the correspondence to the Public Accounts Committee of the House of Representatives for their consideration, and that upon their report being received I would send you a reply. Your letter, as promised, was duly referred to the Committee, besides which a special Committee was appointed to deal with the same subject. The Chairman of this special Committee represented constituents who were ratepayers of the New Plymouth Harbour Board. Both Committees reported to the House of Representatives, and considerable discussion by prominent members of both sides of the House took place upon these reports. The Colonial Treasurer expressed the opinions of the Government and of the country, and in these opinions the leader of the Opposition coincided. Members coming from the Harbour Board district also expressed their views very fully; and you will observe that the result of the discussion in the House was substantially the same as the recommendation of the Public Accounts Committee—namely, "The Committee cannot recommend Parliament to take any action in the matter." I was careful to send you with my last letter the *Hansard* reports of the debate, together with the reports of the two Committees, and other papers, to which I directed your attention; and this was done with the object of your being placed in possession, as fully as possible, of the mind of Parliament and of the Government upon the subject of the claims of the New Plymouth Harbour Board bondholders. All this information was intended as a reply to your communications, and leaves no room, I submit, for the remark that your arguments had not been dealt with. So far as I can see, no more complete reply could have been furnished at the time, and nothing has since transpired which leads me to hold out any hopes of a different result being arrived at should the matter be again placed before Parliament for its consideration.

I have, &c.,

W. P. REEVES,

The Right Hon. Sir John Lubbock, Bart., M.P., For the Premier.
Chairman, Council of Foreign Bondholders, 17, Moorgate Street, London, E.C.

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