

conversion expenses, and in this connection I am glad to find that the 5-per-cent. debentures convertible on 15th January and 15th April last appear to have come in very freely, leaving on the 31st May only £1,000 of the first and £335,900 of the latter outstanding at that date.

It is also satisfactory to learn that no claim has been made as regards the interest for the intervening periods when the 5 per cent. ceased and the 4 per cent. commences.

It is to be regretted that higher prices have not been obtained all round in respect of the sales of the 3½-per-cent. Stock, but I take this opportunity of thanking you for the attention you have bestowed in this matter, and for the careful manner in which you have unloaded the parcels so as not to depress market prices.

I have, &c.,
J. BALLANCE.

No. 8.

The PREMIER to the AGENT-GENERAL.

(No. 37.)

SIR,—

Premier's Office, Wellington, 6th September, 1892.

In your letters of 27th May last, No. 734, and 9th June, No. 773, enclosing sale-notes of £20,000 and £65,000 3½-per-cent. stock respectively, the proceeds are stated to be £19,324 8s. and £62,724 19s. 6d., amounting together to £82,049 7s. 6d.; but the amount paid in to the New Zealand Public Account is, I find, only £80,599 1s. 3d. I shall be glad if you will explain the discrepancy, as there is nothing in your advices to account for it.

There is also a further discrepancy to which I have not previously called your attention, but which it is desirable should be explained. The sale-notes show that—

			£	s.	d.
On 27th November, 1891, you sold	£20,000 at 92½,	yielding net	...	18,449	8 0
" 1st December, "	" " £10,000 "	" "	...	9,224	19 6
" 2nd " "	" " £5,000 at 91 ex div. "	" "	...	4,537	9 6
" 10th " "	" " £5,000 at 91½ "	" "	...	4,543	14 6
Total	£36,755	11 6

which in your letter of the 11th December, No. 1,812, you report as paid in to the Public Account. The bank returns, however, show only £36,754 12s. 6d. to have been paid in, leaving 19s. unaccounted for.

I have, &c.,

R. J. SEDDON,
Acting-Premier.

The Agent-General for New Zealand, London.

No. 9.

The PREMIER to the AGENT-GENERAL.

(No. 43.)

SIR,—

Premier's Office, Wellington, 8th September, 1892.

I have the honour to transmit the enclosed copy of a memorandum and accompanying statements prepared by the Audit Office, relating to the Stock Agents' Conversion Account, which may be found useful in preparing the final statement on closing the account.

I agree in the opinion of the Audit Office that it is desirable to postpone a final adjustment of the "discrepancies" between the Stock Agents' and the Treasury accounts until the former close their accounts, and this should be done at the earliest possible opportunity after the present conversion is completed.

I have, &c.,

R. J. SEDDON,
Acting-Premier.

The Agent-General for New Zealand, London.

Enclosure 1 in No. 9.

17th August, 1892.

THE accompanying statements relating to the position of the "Conversion Account" may be of some use to the Treasury:—

I think that the loss ascertained to have been made on sales of Inscribed Stock to date—viz., £5,529 4s. 9d.—might fairly be charged upon the released Sinking Fund paid into Part I. of the Public Works Fund. It will be seen that the amount of stock remaining to be disposed of by the Agent-General and Audit Officer is £70,332. It will be also observed that the price required to be obtained (exclusive of brokerage, &c.) is £95 1s. 4½d., and that since 12th May last the prices realised have exceeded that sum. A sum of from £5,000 to £6,000 might be sufficient to be placed on the estimates, if the Treasury approved, for this purpose.

With regard to the amount required to be made good to the "Conversion Account" in respect of the "discrepancies" between the Stock Agents' accounts and the Treasury accounts, it might be desirable to postpone any adjustment until the Stock Agents either close their accounts, or bring them nearer to a close than they are at present. Because, unless expenses to a considerable amount in connection with the conversion operations have yet to be incurred, it would appear that more than sufficient provision (including unsold stock in the hands of the Stock Agents) has been made to clear the account, irrespective of the "discrepancies" referred to, and the losses on sales of the stock handed over to the Agent-General and Audit Officer.

The Controller and Auditor-General.

JAMES C. GAVIN,
Assistant Controller and Auditor.