

of Otago for raising £25,000 upon debentures, subject to certain conditions which you would communicate if necessary. I have the honor to request that you will have the goodness to inform me what the above referred to conditions are.

I have, &c.,

W. CARGILL,
Superintendent.

The Honourable the Colonial Secretary,
Auckland.

No. 33

No. 48.

MR. STAFFORD TO THE SUPERINTENDENT, OTAGO.

Colonial Secretary's Office,
Auckland, 24th January, 1860.

SIR,—

In reply to Your Honor's letter of the 29th November last, requesting that you might be informed upon what conditions His Excellency the Governor has been authorised to assent to an Ordinance of the Provincial Legislature of Otago for raising twenty-five thousand pounds upon Debentures, I have to enclose for Your Honor's information a copy of the conditions in question. £25,000.

In order to obviate possible future delay, I would suggest that the draft of any Bill, embodying these conditions, be, before it is introduced to the Provincial Council, submitted for the consideration of the General Government, so that any objection may be pointed out before the Bill be passed.

I have, &c.,

E. W. STAFFORD.

His Honor

The Superintendent of Otago.

Conditions on which the Governor's assent will be given to an Ordinance to be passed by the Provincial Council of Otago for raising a loan of £25,000 for the service of that Province.

1. That the interest on the new loan shall not exceed eight per cent., and that it be repayable within a period not exceeding ten years.

2. That an adequate sinking fund be provided for the extinction of the debt within the same period.

3. That the purposes for which the loan is to be raised be specified in the Ordinance under which it is raised.

4. That provision be made by the same Ordinance for the liquidation of the aggregate amount of the Provincial debt (£60,000) by annual instalments.

5. That the charge of the new loan be expressly declared by the Ordinance for raising the same to be subject, and without prejudice, to the payment of the sum of £500,000, raised or to be raised under the New Zealand Loan Act, 1856, and of the interest thereon, and to the charge of the sinking fund for the liquidation thereof.

Of the foregoing conditions the 1st and 2nd were suggested to the Imperial Government by His Excellency's Responsible Advisers, the 3rd and 4th by His Excellency, and the 5th was superadded by the Secretary of State.

Of these conditions 1, 2, and 4 will be considered complied with by the provision in the proposed loan of an annual sinking fund of three per cent. on the aggregate amount of the debt of £60,000. Provision also to be made for the due investment of the sinking fund by the Trustees, one of whom to be, *ex officio*, the Auditor of the Public Accounts for the Colony, the other to be appointed by the Superintendent.

No. 34.

THE SUPERINTENDENT, OTAGO, TO THE COLONIAL SECRETARY.

Superintendent's Office,
Dunedin, 12th July, 1860.

SIR,—

I have the honor to transmit herewith an Ordinance passed by the late Session of the Provincial Council of Otago for the purpose of raising a loan to be expended on Immigration, which Ordinance I have reserved for the signification of His Excellency's assent, an assent which I trust there will be no hesitation in conceding.

You will perceive that the amount to be raised is not to exceed £50,000, a sum which, if judiciously distributed, will suffice to bring in a supply of immigrants, so continuously, and only to such an extent, as the Province can easily absorb.

I may state that we grant no free passages, and that the object of the proposed loan is simply to assist well selected immigrants, the whole being repaid by them.

Our past experience proves that by keeping £50,000 moving in a circle, we can secure a regular stream of immigrants, say 250 adults a month, during the whole period of the loan; of course there will be a considerable amount of immigration paying its own way incidental to this. I feel, however, that the object sought to be attained by this loan is one so legitimate and so vitally affecting the interests of this Province, that it is unnecessary to commend it to the assent of His Excellency's Government. The present year will exhaust all our available funds for immigration, by adding upwards of 2000 souls to the present population.

I may state that the existing Debentures Ordinance has not been operated upon to the full extent, there being still £13,000 to dispose of. If, however, the present Ordinance should be assented