so pay on account of interest and sinking fund upon any such Provincial Loan shall be a charge on the revenues of the Province so making default Provided always that if at any time it shall appear to the General Government that any Province is likely to make default as aforesaid then and in such case the General Government may without waiting until such default shall actually happen pay such interest and sinking fund as hereinbefore provided."

3. That the agents to be employed shall not be limited as to using discretion in the price to be given for Provincial Debentures, provided that par be not exceeded.

4. That the entire amount of debentures likely to be required from first to last, shall be placed at the outset in the hands of the agents, in view of the expediency of their being enabled to take advantage of favourable opportunities for negotiating the debentures which the state of the market may present from time to time.

The Committee then adjourned until eleven o'clock of Tuesday, the 24th day of September (to-morrow), when it was ordered that Mr. Russell be again requested, by letter, to give further evidence before the Committee.

TUESDAY, 24TH SEPTEMBER, 1867.

PRESENT:

Mr. Campbell,	Mr. Moorhouse,
Mr. Curtis,	Hon. Mr. Stafford,
Dr. Featherston,	Mr. Stevens,
Mr. Jollie,	Mr. Vogel,
Mr. Macandrew,	Mr. Williamson.

Hon. Mr. Fitzherbert in the Chair.

The minutes of last meeting were read and confirmed.

Moved by Mr. Campbell, That this Committee is of opinion that, as it is expedient for the Colony to secure the payment of the interest and sinking funds of Provincial Loans, a Bill should be introduced this session declaratory of this resolution, and restricting the borrowing powers of Provinces from being any longer exercised otherwise than in the name of the Colony; and that this should be regarded as a step preparatory to the operation of converting the Provincial Loans, and consolidating New Zealand Loans generally.

Moved by Dr. Featherston by way of amendment, That the following words be inserted, namely, "in the same Bill full power should be taken to convert Provincial Debentures into Colonial Stock," in lieu of the words "This should be regarded as a step preparatory to the operation," &c.

Resolution as amended carried.

Mr. Campbell then moved as follows:—And this Committee is of opinion that power should at the same time be taken to convert and consolidate all such Colonial Bonds as can be advantageously dealt with into a loan of one common denomination.

Carried unanimously.

On motion of Mr. Stevens, *Ordered*, That all unissued Provincial Debentures shall, so far as possible, be withheld, and received by the Colonial Treasurer for cancellation, and the proceeds of an equal nominal amount of Colonial Bonds to be negotiated by the Colonial Government under the system of money-raising to be adopted under the foregoing resolutions be paid to the respective Provincial Governments entitled to receive them, provided that nothing in excess of par be paid to those Provinces.

On motion of the Hon. Mr. Stafford, *Ordered*, That to give effect to the foregoing resolutions, the Chairman do cause a Bill to be drafted, which, when agreed to by the Committee, shall be reported to the House as an interim report.

Adjourned till Thursday, the 26th September.

THURSDAY, 26TH SEPTEMBER, 1867.

PRESENT:

Mr. Campbell,	Hon. Mr. Stafford,
Dr. Featherston,	Mr. Stevens,
Mr. Jollie,	Mr. Vogel,
Mr. Macandrew,	Mr. Williamson.

Hon. Mr. Fitzherbert in the Chair.

The minutes of last meeting were read and confirmed.

The printed drafts of two Bills were laid by the Chairman on the Table for the consideration of the Committee in accordance with the instructions of the Committee, the Short Titles of which were—

(1.) "The Public Debts Bill, 1867."

(2.) "The Consolidated Loans Bill, 1867."

On motion of Mr. Vogel, *Ordered*, That the Bills be taken into consideration clause by clause.

The Committee then proceeded to deliberate upon the Public Debts Bill; and the consideration of the preamble and clause 1 having been postponed.

Clause 2 read.

Discussion ensued.

On motion of Mr. Campbell, *Ordered*, That in lieu of the words "the passing of this Act" in the fifth line of clause 2, there shall be inserted the words "such day or days as shall be fixed by the Governor by proclamation in respect of the debentures of any particular Province."

On motion of Mr. Vogel, *Ordered*, That all the words after the words "may be payable" in the eighth line of clause 2 be struck out.