At present there exists in the market a great variety of New Zealand bonds of different denominations, owing to which they have suffered depreciation. The object contemplated by the Act is to remedy this state of things so far as may be found practicable, and to consolidate all the existing debts of New Zealand into one uniform security. And for the future the system under which the Provinces of New Zealand have heretofore been enabled to borrow money upon security of their provincial revenues without the direct sanction of the General Assembly has been put an end to.

The whole existing external debts of New Zealand, direct and indirect, are as follows, viz:—

General Government Loans.

Imperial Guaranteed Loan of 1857		£500,000
Loan of 1861, 6 per cent., redeemable July, 1891		150,000

War Loan, of 1863.

1st Instalment, 5 per cent., redeemable 15th July, 1914	£1,000,000	
2nd Instalment, 4 per cent., guaranteed by Imperial Government, redeemable 1st November, 1915	500,000	
3rd Instalment, 6 per cent., redeemable 15th March, 1891	500,000	3,000,000
4th Instalment, 6 per cent., redeemable 15th June, 1891	100,000	
5th Instalment, 6 per cent., redeemable 15th June, 1891	250,000	
6th Instalment, 6 per cent., redeemable 15th June, 1891	144,600	
7th Instalment, 6 per cent., redeemable 15th Decr., 1891	505,400	
		£3,650,000

Provincial Government Loans.

By what Government.	Total Amount Authorised.	Rates of Interest.	
Auckland	£500,000 ...	6 per cent.	
Taranaki	25,000 ...	8 "	
Do.	50,000 ...	7 "	
Wellington	50,000 ...	8 "	
Do.	25,000 ...	8 "	
Do.	50,000 ...	8 "	
Do.	30,000 ...	10 "	
Hawke's Bay	60,000 ...	6 "	
Nelson	29,000 ...	8 and 10 per cent.	
Do.	5,000 ...		
Do.	20,000 ...	8 per cent.	
Canterbury	30,000 ...	8 "	
Do.	300,000 ...	6 "	
Do.	500,000 ...	6 "	
Otago	35,000 ...	10 "	
Do.	50,000 ...	8 "	
Do.	500,000 ...	6 "	
Do.	50,000 ...	8 "	
Do.	50,000 ...	8 "	
	£2,359,000		
	Less 400,000	Not issued ...	1,959,000
		Total ...	£5,609,000

In addition to the foregoing amount, it is proposed to raise—

For payments under "The Southland Provincial Debt Act, 1865," and "The Southland Provincial Debt Act, 1866"	£380,000
For liabilities of the Provinces of Otago and Southland, under "The Surplus Revenue Adjustment Act, 1867"	32,000
For further liability of the Province of Southland	42,000
For Telegraph Extension, Lighthouses, Colonial Defence, Redemption of Taranaki Debentures, and Marine Survey	260,000
For taking up the total unraised and unissued Debentures, authorised by various Acts	400,000
	£1,114,000

Power has been taken to convert the whole of the Loans of the Colony and different Provinces of New Zealand, as above specified:—

but the portion of the Colonial Debt which has been guaranteed by the Imperial Government, amounting to £1,000,000

and the 7, 8, and 10 per cent. Provincial Loans, amounting to 499,000

are not included in any present proposal; they must be dealt with, if at all, separately.

It is proposed to issue a five per cent. Loan with one per cent. Sinking Fund, to be invested in annual drawings, and the conduct of the entire operation has been placed in the hands of Messrs. Julyan and Sargeaunt, the Crown Agents for the Colonies.