1877.

NEW ZEALAND.

INSCRIPTION OF STOCK BY THE BANK OF ENGLAND

(FURTHER PAPERS RELATING TO THE PROPOSED).

Presented to both Houses of the General Assembly by Command of His Excellency.

No. 1.

The Agent-General to the Hon. the Premier.

7, Westminster Chambers, Victoria Street, Westminster, S.W.,
26th July, 1877.

Sir,—

I have the honor to forward you copy of so much of a telegram I forwarded to you on 18th July, as relates to the Inscription of Stock Bill (full copy has been separately sent to you), and also of the copy of a telegram I received from you which crossed mine on the way. Your telegram was delayed by the suspension of communication between Singapore and Penang.

I have not replied to your telegram, as my telegram to you said as much as I could say, up to the present time, of the probability of the Bill passing.

In continuation of my letter of 6th July, I may state that there was the utmost difficulty in obtaining a concurrence between the Treasury and the Bank of England. A consultation was at length arranged between Mr. Jenkyns, the Treasury Counsel, Mr. Mackrell and Mr. Reilly on our behalf, and Mr. Freshfield and the Bank of England Counsel. The principle of various alterations was then agreed to, subject to approval by the Treasury and the Bank. After a little further delay, these alterations were put by the Treasury into a shape which received the approval of the Bank. They will be submitted in Committee. It was after the consultation, but before the final approval, that I telegraphed you the Bank "virtually approved."

The Bill has not yet been read a second time. The delay arises from the pressure of business occasioned by certain Irish members, who have set themselves to the task of obstructing all business. Without, as I believe, any cause of opposition to the Bill, one of them has given notice of moving that it be read a second time this day three months, with the object of bringing it within the category of opposed Bills. The Colonial Office and Treasury are both anxious it should pass. Lord Carnarvon told me he had exerted himself to the utmost in the matter, and that he has expressed his strong desire that the Bill should not be dropped.

I am happy to say the measure has been very well received. The *Times*, in a brief sentence, expressed approval of it. The *Economist* welcomes it as a desirable measure, in an article, copy of which I enclose. Several members of Parliament have told me they would warmly support it. An influential member of the Stock Exchange told me that, in his opinion, it would have an immense effect in raising the value of and demand for colonial securities. Notwithstanding all this approval, I cannot disguise from myself the danger of the Government being obliged to drop it this session, through pressure of other business. On the whole, however, I think the probabilities are in its favour. I intend to telegraph you immediately it passes its second reading, when I shall no doubt be able to form a definite opinion of its prospects this session. Should it fail to pass, it is certain to pass early next session. Not only may you reckon on this, and shape your course accordingly, but, in my opinion, if you come on the market early next year, before the Bill passes, the promise you will be able to give to convert under the Bill, would have a great effect, as, the Bill having been published, its provisions will be known.

I have, &c.,

The Hon. the Premier, Wellington.

Julius Vogel, Agent-General.

Enclosure 1.

Premier, New Zealand.

Inscription Stock Bill virtually approved by Bank. Read first time. Treasury anxious pass this session, but not certain

Vogel.

Enclosure 2.

Vogel, London.

Stock Bill—Telegraph whether passed, or what prospect passing.

Atkinson.