

Although not mentioned in the advertisement, we gave currency to the assurance we were authorized to make—that the Government would not offer any further loan in this market earlier at least than September, 1879.

We have, &c.,

P. G. JULYAN.

W. J. M. LARNACH.

JULIUS VOGEL.

The Hon. the Colonial Treasurer, Wellington.

Enclosure in No. 27.

NEW ZEALAND GOVERNMENT 5 PER CENT. 10/40 DEBENTURE LOAN, £3,500,000. PRICE OF ISSUE, £100 PER CENT.

Authorized by the New Zealand Loan Acts, 1876 and 1877, for carrying on Public Works and Immigration, for redeeming £1,000,000 short-dated Debentures now in circulation, and for meeting certain Provincial Liabilities, defined in "The Financial Arrangements Act, 1876."

THE Governor and Company of the Bank of England are authorized, on behalf of the Loan Agents appointed by the Government of New Zealand, to receive, on Monday, 3rd June next, subscriptions for £3,500,000 New Zealand Government debentures of £1,000, £500, £200, and £100, respectively, being interest from the 16th of June, 1878, inclusive, at the rate of 5 per cent. per annum.

These debentures are secured on the consolidated revenues of New Zealand, now largely augmented by the addition—under a legislative enactment of last year—of the land revenues of the whole of the colony, which were for the most part previously devoted to provincial purposes. The sums derived from this source during the years 1876 and 1877 were £850,675 and £1,365,050 respectively.

The principal will be repaid at par, not earlier than ten years, nor later than forty years, from the date of issue, the Government reserving to itself the right of redemption on the 1st of March or the 1st of September of any year, after the year 1887, upon giving six months' notice in the *Times* and *London Gazette* newspapers of its intention to do so.

Both interest and principal will be made payable at the offices of the Crown Agents for the Colonies in London.

The issue price will be at the rate of £100 in money for every £100 expressed in debentures, payable as follows:—

5 per cent. on application.

20 per cent. on Monday, 17th June, 1878.

25 per cent. on Friday, 12th July, 1878.

25 per cent. on Monday, 12th August, 1878.

25 per cent. on Monday, 2nd September, 1878.

Payments may be made in full at any of the foregoing dates, at a discount of 2 per cent. per annum.

The first payment to accompany the application, and all subsequent payments to be made at the Bank of England not later than the several dates above named.

Should the applications received exceed in the aggregate the amount required, a *pro ratâ* distribution will be made. In case of partial allotment, the balance of the deposit will be applied towards the first instalment. In case of default in the payment of any instalment at its proper date, the deposits and instalments previously paid will be liable to forfeiture.

The subscription list will be opened in the Chief Cashier's Office, Bank of England, on Monday, the 3rd June, and closed on or before Tuesday, the 4th June, 1878.

Scrip certificates with coupons attached for the payment of interest for the broken period from 16th June to 31st August inclusive will be issued on payment of the first instalment, and debenture bonds, with interest coupons attached, payable 1st March and 1st September of each year, will be exchanged for fully paid-up scrip at the Bank of England.

Copies of the Acts authorizing the loan may be seen, and forms of application can be obtained, at the offices of the Chief Cashier, Bank of England; of the Agent-General for New Zealand, 7, Westminster Chambers; of the Crown Agents for the Colonies, Downing Street, or their brokers, Messrs. Mullens, Marshall, and Co., 4, Lombard Street; and Messrs. J. and A. Scrimgeour, 18, Old Broad Street.

Bank of England, London, 30th May, 1878.

No. 28.

The AGENT-GENERAL to the Hon. the COLONIAL TREASURER.

SIR,—

London, 14th June, 1878.

I have the honor to acknowledge the receipt of your letter of 27th April, No. 147, in reference to the loan negotiations.

I am sorry you should think me unmindful of your desire to be fully informed of the progress of the negotiation of the loan. I can assure you I have been exceedingly anxious to furnish you the fullest and earliest information. I felt that it would be undesirable to disturb the harmony of action of the Loan Agents by telegraphing without their knowledge. But since you personally ask me for an explanation I am sure my colleagues will not object to my saying that, without, I think, any exception, I brought before them and obtained their approval to the telegrams sent to you. So anxious indeed was I to furnish the information that on the day the earliest loan subscription opened I relinquished an important engagement in the afternoon in order to be able to personally