

Enclosure 1 in No. 16.

The CROWN AGENTS to the COLONIAL OFFICE.

SIR,—

Downing Street, London, 31st January, 1878.

I have the honor to forward, for the Earl of Carnarvon's information, a letter addressed to me by the Treasurer of New Zealand, in which I am again solicited to act in conjunction with Sir Julius Vogel and Captain Ommanney as an Agent of the Government of that colony in this country for the special purpose of raising and managing loans of £1,000,000 and £2,500,000 authorized by "The New Zealand Loan Act, 1876," and "The New Zealand Loan Act, 1877," copies of which are enclosed.

I also enclose warrants of appointment made by the Governor in Council in anticipation of my accepting this extra official service for the colony.

The labours and responsibilities which a compliance with the request of the Government will entail are so considerable, that I might well ask to be excused from undertaking them, at a moment when my most experienced colleague, Mr. Sargeant, is absent in South Africa, and is not likely to return to my aid for some months yet to come; but, as it is evident that such a course would cause great delay, and perhaps be productive of serious financial embarrassments, I am quite prepared to make any personal sacrifice that may be called for, rather than expose the colony to such a risk; and if it is the Secretary of State's pleasure that Captain Ommanney and myself should assist the Colonial Government in this important matter, we do not despair of being able to do so effectively, however great the pressure on the Crown Agents' Department may become.

Their office staff can, if necessary, be strengthened to meet whatever emergency may arise, but it by no means follows that the loans are to be placed in the market through the instrumentality of the Crown Agents' Department, because Captain Ommanney and myself form part of a Commission to determine how, when, and where they are to be dealt with.

The enclosed documents being in original, it is requested that they may be returned.

I have, &c.,

Robert G. W. Herbert, Esq., &c., &c., Colonial Office.

P. G. JULYAN.

Enclosure 2 in No. 16.

The COLONIAL OFFICE to Sir P. G. JULYAN.

SIR,—

Downing Street, 8th February, 1878.

I am directed by the Secretary of State for the Colonies to acknowledge the receipt of your letter of the 31st of January, enclosing a letter which you have received from the Government of New Zealand, requesting you to act in conjunction with Sir Julius Vogel and Captain Ommanney as Agents for the colony in this country for raising and managing the loans of £1,000,000 and £2,500,000, authorized by the New Zealand Loan Acts of 1876 and 1877.

2. As Sir Michael Hicks Beach understands that great inconvenience would be caused to the colony if you and Captain Ommanney were prevented from acting on the present occasion, and as you have previously acted in a similar capacity, he will offer no objection to your accepting, with Captain Ommanney, the Agency for the Government of New Zealand now offered to you, on the terms stated in the letter addressed to the Crown Agents from this department on the 30th January, 1877. But the Secretary of State wishes you to understand that he proposes to give further consideration to the question whether the Crown Agents should in future be placed in a similar position, or can with advantage continue to conduct the business of colonies under responsible government.

3. If the business connected with the proposed loans is conducted throughout by the Crown Agents' Department, the office fund will, of course, be credited with the usual payment for such services. If, however, the loans are dealt with in such a manner as not to require the continued intervention of your department, it will be proper that some other consideration should be paid over to the same fund.

4. The enclosures to your letter are herewith returned.

I am, &c.,

Sir P. G. Julian, K.C.M.G., C.B.

R. G. W. HERBERT.

No. 17.

COPY of a DESPATCH from the SECRETARY of STATE for the COLONIES to Governor the Most Hon. the Marquis of NORMANBY.

(No. 8.)

MY LORD,—

Downing Street, 15th February, 1878.

I have received your Despatch No. 62, of the 10th of December. I approve the action taken by you in declining, under the circumstances which you