

With regard to the proposal that bonds when cancelled by the Bank upon the inscription of stock should be sent direct to the Treasury in New Zealand, and certified lists of such bonds be sent to the Crown Agents, I am to say that if it is desired that in future such a course should be adopted, the Bank will be prepared to carry out that arrangement without making any further charge.

In reply, therefore, to the general question which you raise, I am to state that the Bank do not foresee any duties arising out of future conversions which would not be covered by the agreement of November, 1875, already referred to.

I have, &c.

HAMMOND CHUBB,
Secretary.

Sir Francis Dillon Bell, 7, Westminster Chambers, S.W.

No. 16.

The PREMIER to the AGENT-GENERAL.

SIR,—

Government Offices, Wellington, August 13, 1881.

I have the honor to acknowledge the receipt of your letter of May 25th, in which you describe the process of converting New Zealand debentures into Inscribed Stock, &c., under the Consolidated Stock Act of 1877; and you make proposals as to the future mode of dealing with cancelled bonds.

2. While thanking you for this letter generally, I desire especially to thank you for the clear definition given in it of the relative duties of the Agents under the Act and of the Bank of England. That definition shows that the view expressed in the letter to the late Agents dated April 21st, 1880, is correct, and that apart from declaring the terms and conditions of a proposed conversion, and authorizing the creation and issue of the necessary Inscribed Stock, the duties of the Agents must be of a formal and nominal character—the detailed business, and the actual issue, &c., of the stock devolving upon the Bank, and coming within the duties undertaken by it for a payment of £600 per £1,000,000 of stock converted.

3. Your letter, as a whole, must be very useful in connection with future operations under the Act; and I have to express the obligation of the Government to you for having prepared it.

I have, &c.,

The Agent-General for New Zealand, London.

JOHN HALL.

No. 17.

The AGENT-GENERAL to the PREMIER.

SIR,—

7, Westminster Chambers, London, S.W., 29th June, 1881.

I received on the 19th instant your cablegram informing me that the appointments of the late Agents under the Stock Act had been revoked; also that I had been appointed one of the Commissioners under the Public Revenues Act, in the room of my predecessor in office.

In accordance with the instructions contained in your telegram, I have informed the gentlemen in question of these arrangements, by letters, of which I enclose copies; and I now await the orders which you tell me were to be sent by the mail on the subject.

I am very glad of the decision to which the Government have come, as it relieves me of embarrassment from which I could not be free while the former Orders in Council existed. In particular it enables me to review the recommendation I made with regard to remuneration if new Stock Agents are now appointed, but I cannot do this till I see the new Orders in Council.

I withhold for the present the remarks which I should otherwise have submitted to the Government on the letter of the late Stock Agents to you, dated 15th July, 1880, a copy of which they sent me on the 23rd instant.

I have, &c.,

The Honorable the Premier, Wellington.

F. D. BELL.

Enclosure 1.

GENTLEMEN,—

7, Westminster Chambers, London, S.W., 22nd June, 1881.

Adverting to the last letter I had the honor to write to you, under date 3rd instant, I beg to state that I was on the point of addressing you again, when I received a cablegram informing me that His Excellency the Governor in Council had been pleased to revoke the Orders in Council appointing Stock Agents, and that I should presently receive official instructions on the subject.

For the present, therefore, further communications between us in the matter of the stock inscription are necessarily suspended; but perhaps you will allow me to bring to your recollection my request that you would let me have a copy of your letter to the Government dated 15th July, 1880.

I have, &c.,

Sir Penrose Julyan, K.C.M.G., C.B.

F. D. BELL.

Sir Julius Vogel, K.C.M.G.

W. C. Sargeant, Esq., C.M.G.