

No. 74.

Order in Council authorizing the Colonial Treasurer to create Debentures for £251,000 in respect of Sinking Funds, under "The Consolidated Stock Act, 1884."

WM. F. DRUMMOND JERVOIS, Governor.

ORDER IN COUNCIL.

At the Government House, at Wellington, this sixth day of May, 1886.

Present: HIS EXCELLENCY THE GOVERNOR IN COUNCIL.

WHEREAS by an Act of the General Assembly of the Colony of New Zealand, the Short Title whereof is "The Consolidated Stock Act, 1884" (hereinafter referred to as "the said Act"), it is, among other things, enacted that so much of all the loans set forth in the Schedule thereto as were outstanding on the thirty-first day of March, one thousand eight hundred and eighty-four, together with the amount of twenty thousand nine hundred pounds of the General Purposes Loan, which fell due on the fifteenth day of October, one thousand eight hundred and eighty-four, should be and are thereby declared to be convertible into stock; and also that, pending the operations for converting loans and creating the stock authorized to be created under the provisions of the said Act and "The New Zealand Consolidated Stock Act, 1877," the Colonial Treasurer may, when so authorized by an Order in Council in that behalf, create debentures to an amount not exceeding in the whole the amount of such stock; and may borrow and raise moneys from time to time by the sale, hypothecation, or mortgage of such debentures, or may exchange the same for securities convertible under the said Act, as the Colonial Treasurer thinks fit; and that every such debenture shall bear interest at such rate not exceeding five pounds per centum per annum, and shall be in such form, and shall have a currency, not exceeding seven years, as the Colonial Treasurer directs: And whereas by an Order in Council made and issued under the sixth section of the said Act, on the date hereof, the creation of stock was authorized to the amount of two hundred and fifty-one thousand and twenty pounds three shillings, such amount being the total annual increases of sinking fund upon the loans therein mentioned for the year ending the thirty-first day of March, one thousand eight hundred and eighty-seven, computed under the said Act as aforesaid: And whereas it is expedient that the power to authorize the creation of the debentures under the said Act should be exercised in the manner hereinafter set forth, and that such debentures should be issued to an amount not exceeding the amount of stock authorized to be created as hereinbefore mentioned, and of certain other stock to be created under the hereinbefore recited provisions of the said Act: And whereas the amount for which it is proposed to create such debentures does not exceed in the whole the amount of stock authorized to be created under the said Act and "The New Zealand Consolidated Stock Act, 1877:"

Now, therefore, His Excellency the Governor of the Colony of New Zealand, in pursuance and exercise of the power and authority vested in him by the hereinbefore in part recited Act, and by and with the advice and consent of the Executive Council of the said colony, doth hereby authorize the Colonial Treasurer to create debentures to the amount of two hundred and fifty-one thousand pounds, for the purposes, in the manner, with the powers, and upon and subject to the terms and conditions in the hereinbefore in part recited Act particularly mentioned.

FORSTER GORING,
Clerk of the Executive Council.

No. 75.

The AGENT-GENERAL to the COLONIAL TREASURER.

SIR,—

7, Westminster Chambers, London, S.W., 20th March, 1886.

In continuation of my letter of the 12th instant, No. 307, I transmit to you herewith an extract from the City Article of the *Times* of the 17th instant, containing the further letter which I addressed to the editor in respect to "Mercator's" financial strictures.

You will see that my letter follows the terms of your telegram of the 12th, and I have reason to think that it had a favourable effect upon the market.

The Hon. the Colonial Treasurer, Wellington.

I have, &c.,

F. D. BELL.

Copy of Telegram despatched 18th March, 1886.

To Treasurer, New Zealand.

Times letter. Wrote accordance your telegram. I do not think much harm.

[Extract from the *Times*, Monday, 15th March, 1886.]

We have received a telegram from our correspondent "Mercator," dated Cannes, referring Sir Francis Bell to the public utterances of the Treasurer of New Zealand as the authority for asserting that the Government of the colony contemplate raising a new loan before long. We certainly think "Mercator's" inference from those utterances was reasonable.

[Extract from the *Times*, Wednesday, 17th March, 1886.]

THE subjoined letter refers to the finances of New Zealand. We are under no obligation to defend the exact terms of "Mercator's" original statement, which, as we ourselves pointed out, was loosely expressed; but the public are indebted to him for having been the means of obtaining some "specific allegations" as to the intentions of the Government of New Zealand from Sir Francis Bell which were much needed, considering the alarm which the "Ten Millions Loan" has excited in the colony itself:—"15th March.—Sir,—Your correspondent "Mercator's" specific allegation that there was 'an intention to raise a new loan of £8,000,000 to £10,000,000 for three new railways' now dwindles, as I expected, into a vague reference to a 'contemplated raising of a new loan before long.' Your correspondent has mistaken the meaning of the New Zealand Treasurer. What the Treasurer has advocated is a policy of settling once