February, 1890, show that the total area of land under cereals and other crops, including sown grasses and land broken up but not under crop, had increased to 7,865,000 acres, the amount in sown grasses being 6,525,000 acres. In 1885 the number of occupied and cultivated holdings over 1 acre in extent was under 30,000; in 1890 the number had increased to more than 38,000. The value of the exported agricultural produce increased from £508,000 in 1887 to £1,424,000 in 1889. The imports in 1887 were £6,245,000; in 1890, £6,260,000. The exports had increased from £6,866,000 in 1887 to £9,811,700 in 1890. The exports for the two years 1889 and 1890 were £18,850,000, against imports of £12,500,000. Since 1885 the exported manufactures of the colony have increased nearly five-fold. The frozen-meat trade has been rapidly augmenting. In 1886 the number of sheep exported was 655,000; in 1889, 1,068,000; in 1890, 1,562,000. Although the number of frozen sheep exported in 1890 was 1,562,000, the total number of sheep in the colony had increased from 15,400,000 in 1889 to 16,100,000 in 1890.

I take this opportunity of correcting an error in my statement of the 31st May, 1888, accompanying the prospectus of the Two-million Loan then issued. Referring to the Maori lands, I said that they had been made subject to rates and taxes, as well as land owned by the colonists. I ought only to have said that this had been proposed; but the proposal was not carried into effect.

Westminster Chambers, 12th February, 1891. F. D. Bell, Agent-General.

Enclosure 3 in No. 10.

(Telegram.) London, 13th February, 1891.

Conversion. Bank prospectus of the loan issued; following loans included: Loan of 1863, Loan of 1860, Provincial Loans, and £64,000 Consolidated Loan of 1867. Bank has agreed to advance whatever necessary extinguish bonds falling due March not converted, pending sales 3½ per cent. inscribed stock; meanwhile Sinking Fund Trustees hold cash in round numbers £72,000.

The Hon. the Premier, Wellington.

No. 11.

The Stock Agents to the Premier.

Westmininster Chambers, 13, Victoria Street, London, S.W.,
17th February, 1891.

Sir,—

We have the honour to report that, in accordance with instructions received from the Government through the Agent-General, we have taken the necessary steps to invite holders of the outstanding debentures of the following New Zealand loans to bring in their debentures for conversion into 3½-per-cent. inscribed stock, namely: (1) Sixes of 1891 (loans of 1860 and 1863), redeemable between March and December, 1891; (2) fives of the Consolidated Loan of 1867 (colonial issue), redeemable 1893; (3) old Provincial loans, redeemable at various dates from 1893—namely, the Lyttelton and Christchurch Railway, Westland, Auckland, Nelson, Otago, and Canterbury Loans.

We enclose copies of the prospectus of the conversion* issued by the Bank of England, showing the terms offered to holders in each series. The principles on which we fixed the amount of stock to be offered in each loan are as follows: (1.) In the case of the sixes of 1891, we estimated that if the process had been adopted of raising a cash loan in 3½-per-cent. stock to pay off the debentures, as was done in the case of the 10-40's in 1889, we might have placed the loan at 96. Accordingly, we have offered holders £104 of stock in exchange for a £100 debenture. We decided to place all holders of the four series of sixes on the same footing, notwithstanding difference of dates at which their bonds are redeemable. The stock will bear interest from 1st July, 1891, holders being allowed to inscribe their stock on and after the 2nd June, and the necessary adjustments of interest being made by scrip with coupons attached. (2.) In the case of the loan of 1867 (colonial issue), we fixed £106 of stock as the fair equivalent for a £100 debenture. The stock will also bear interest from the 1st July, 1891, and may be inscribed on the 2nd June. (3.) In the case of the Provincial loans, we took the equivalents as computed by the Actuaries, adding about 1 per cent. (omitting fractions) as inducement to holders to come in and convert.

We enclose herewith the tables of equivalents prepared by the Actuaries.†

Debentures of the first series of sixes, falling due 15th March next, are to be deposited at the Bank of England on or before the 14th March, and all other debentures on or before the 15th June. The right is reserved, in the case of any debentures not now brought in, to convert them into 3½-per-cent. stock later on (with the assent of the holder), on terms to be notified from time to time with the Bank.

The necessary steps are now being taken by the Government solicitors for the preparation of the deed creating the stock, and the declaration to be enrolled at the Inland Revenue Office.

After the 15th March we shall report the number of debentures of the first series converted, and after the 15th June we shall be able to say how many debentures in all have been brought in.

We have, &c.,
F. D. Bell, } Stock Agents.
P. G. Julyan, }

The Hon. the Premier, Wellington.

Enclosure 1 in No. 11.

Dear Sirs,— Westminster Chambers, 13, Victoria Street, London, S.W., 19th December, 1890.

In contemplation of a large operation in conversion at the beginning of the New Year, I shall want several computations to be made for the guidance of the Stock Agents.

1. You will remember that on the 1st November, 1884, you sent me two tables of computations, one of which gave the equivalents of 4-per-cent. and 3½-per-cent. stocks, and the relation of a 3½-per-cent. stock to our Consols. I enclose you a printed copy of those tables, and wish you to revise the figures so as to give the equivalents at the present time. In 1884 we had no 3½-per-cent. stock in existence, whereas we have now (as you know) a 3½-per-cent. stock redeemable the 1st January, 1940; so that this stock has now to be compared with the 4-per-cent. stock redeemable in 1929. The tables, however, gave a number of figures which are not necessary for the present purpose, and I have marked the only ones that need be revised.

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* Printed with No. 10. † Printed with No. 8.