

SESS. II.—1891.
NEW ZEALAND.

3½-PER-CENT. CONVERSION LOAN, 1891

(FURTHER CORRESPONDENCE RELATING TO THE).

[In continuation of B.-14, 1891.]

Presented to both Houses of the General Assembly by Command of His Excellency.

No. 1.

The PREMIER to the AGENT-GENERAL.

SIR,—

Premier's Office, Wellington, 26th March, 1891.

I duly received your telegram of the 17th instant stating that of the parcel of £154,800 of debentures of the loan of 1863 due on the 15th instant £37,200 only had been brought in for conversion.

In view of the terms offered to debenture-holders the result is somewhat surprising, the amount converted being very small in comparison with what might have been expected, considering holders would receive the advantage of investment for a long period at a fixed rate of interest, thereby obviating any difficulty they might experience in finding suitable investments when their bonds fell due.

In the absence of definite information as to the equivalents offered and other arrangements you have made (including the assistance to be given by the Bank of England), I am quite unable to gather what the result of the proposed conversion is likely to be, and therefore withhold any remarks until I shall have received the prospectus and Stock Agents' advices, which should arrive by the San Francisco mail due here on the 28th instant.

I have, &c.,

The Agent-General for New Zealand, London.

J. BALLANCE.

No. 2.

The AGENT-GENERAL to the PREMIER.

Premier, Wellington.

(Received 15th April, 1891.)

CONVERSION.—Arrangement with Bank of England—advances from time to time as required, to be repaid out of sales of 3½-per-cent. inscribed stock—satisfactorily completed.

London, 14th.

No. 3.

The PREMIER to the AGENT-GENERAL.

Agent-General, London.

Wellington, 28th April, 1891.

WITH reference to telegram 14th instant and letters 21st March, does arrangement Bank of England provide for recouping amount applied 15th March in paying off unconverted bonds, thus giving Treasury advantage of the whole sinking fund accretions after redeeming debentures raised here under 1884 Act?

No. 4.

The AGENT-GENERAL to the PREMIER.

Premier, Wellington.

(Received 29th April, 1891.)

CONVERSION.—Yes; ultimately Treasury will get entire amount sinking fund accretions, except what required redeeming "Consolidated Stock Act, 1884," debentures; but ample time must be allowed for realisation both 4-per-cent. and 3½-per-cent. inscribed stock.

London, 28th.

1—B. 14A.