1892.
NEW ZEALAND.

$3\frac{1}{2}$-PER-CENT. CONVERSION LOAN, 1889

(FURTHER CORRESPONDENCE RELATIVE TO THE).

[In continuation of B.-14, 1890.]

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

No. 1.

The SECRETARY to the TREASURY to the COLONIAL TREASURER.

(Memorandum.) The Treasury, Wellington, 27th January, 1891.

AN overlap of interest occurred in respect of the 10-40 loans paid off, and of the $3\frac{1}{2}$-per-cent. stock created for the purpose of procuring funds. This interest charge becomes a part of the cost of raising the $3\frac{1}{2}$-per-cent. stock. The parcel (£2,700,000) placed upon the market has not realised sufficient to pay off the debentures together with the expenses of raising. I estimate that between £75,000 and £76,000 will be required to be raised for this purpose.

The Stock Agents, not deeming the market favourable, have withheld a further issue, which has resulted in an overdraft of £39,204 15s. 11d. in the Conversion Account, and the Audit Office do not care to see this amount increased.

I think the Agent-General should be advised by telegram to create temporary debentures for an amount sufficient to cover all charges to date, and upon advice of their being ready we could invest our Public Works Fund moneys in these debentures, and so put the accounts straight by the 31st March next. When the market is favourable the Stock Agents could issue the $3\frac{1}{2}$-per-cent. stock and redeem the debentures.

J. B. HEYWOOD,
Secretary to the Treasury.

Hon. the Colonial Treasurer.

No. 2.

The COLONIAL TREASURER to the AGENT-GENERAL..

Agent-General, London. Wellington, 3rd February, 1891.

THREE-AND-A-HALF-PER-CENT. loan. Controller and Auditor-General pressing clearing Conversion Account. If market unfavourable sale stock, suggest create £75,000 short-dated debentures. Will make investment here. Conversion Account wanted before 31st March.

No. 3.

The AGENT-GENERAL to the COLONIAL TREASURER.

Treasurer, Wellington. (Received 4th February, 1891.)

THREE-AND-A-HALF-PER-CENT. LOAN.—Although favourable market, am anxious to avoid press sales inscribed stock until have ascertained aggregate amount loan of 1863 converted, lest prices drop after fixing equivalent. Would there be any objection postpone creating short-dated debentures until about the middle of March? London, 3rd.

No. 4.

The COLONIAL TREASURER to the AGENT-GENERAL.

Agent-General, London. Wellington, 4th February, 1891.

MESSAGE of third received. There is no objection.

No. 5.

The AGENT-GENERAL to the PREMIER.

Premier, Wellington. (Received 16th February, 1891.)

THREE-AND-A-HALF-PER-CENT. LOAN.—With reference to telegram 3rd instant, if it has been arranged make investment, why not, instead creating short-dated debentures, inscribe $3\frac{1}{2}$-per-cent. stock now, equal to the amount expenses in round numbers, in names Agent-General, Audit Officer, London, thereby closing account? London, 14th.