1899.
NEW ZEALAND.

ONE MILLION LOAN, 1899.

(PROSPECTUS AND ACCOMPANYING MEMORANDUM BY THE AGENT-GENERAL.)

Laid upon the Table of the House of Representatives, by Leave.

NEW ZEALAND GOVERNMENT £3-PER-CENT. INSCRIBED STOCK. — Second Issue of £1,000,000. Authorised to be raised under the Acts passed by the New Zealand Parliament intituled "The Government Advances to Settlers Act, 1894," and "The Aid to Public Works and Land Settlement Act, 1896," and the Amending Acts thereto. Repayable at Par, 1st April, 1945. Minimum Price of Issue, £96 per Cent. The First Dividend, being Six Months' Interest on the Full Amount of Stock allotted, payable 1st April, 1899.

THE Governor and Company of the Bank of England give notice that, on behalf of the Agents appointed for raising and managing loans under the above Acts (the Hon. William Pember Reeves and Walter Kennaway, Esquire, C.M.G.), they are authorised to receive tenders for £1,000,000 New Zealand Government £3-per-cent. inscribed stock, repayable at par on the 1st April, 1945. The stock will be in addition to and will rank *pari passu* with that already existing.

The books of the stock will be kept at the Bank of England, where all assignments and transfers will be made. Holders of the stock will be able, on payment of the usual fees, to take out stock certificates to bearer, with coupons attached, which certificates may be reinscribed into stock at the will of the holder.

All transfers and stock certificates will be free of stamp duty.

The dividends on the stock will be payable at the Bank of England half-yearly, on the 1st April and the 1st October, and the first six months' interest, calculated upon the full nominal amount of stock allotted, will be payable on the 1st April, 1899.

Dividend warrants will be transmitted by post if desired.

The loan is secured on the Consolidated Fund of the Colony of New Zealand, which includes the revenue derived from the Customs and railways, and from the sales and leases of public lands.

By the Act 40 & 41 Vict., ch. 59, the revenues of the Colony of New Zealand alone will be liable in respect of this stock and the dividends thereon, and the Consolidated Fund of the United Kingdom and the Commissioners of Her Majesty's Treasury will not be directly or indirectly liable or responsible for payment of the stock or of the dividends thereon, or for any matter relating thereto.

Tenders, which should be sealed (see below), may be for the whole or any part of the stock, and must state what amount of money will be given for every £100 of stock. Tenders must be for even hundreds of stock, and at prices which are multiples of sixpence. Tenders must be delivered at the Chief Cashier's Office, Bank of England, before 2 o'clock on Thursday, the 9th February, 1899. Tenders at different prices must be on separate forms. The amount of stock applied for must be written on the outside of the tender.

The minimum price, below which no tender will be accepted, has been fixed at £96 for every £100 of stock.

A deposit of £5 per cent. on the amount of stock tendered for must be paid at the same office at the time of the delivery of the tender, and the deposit must not be enclosed in the tender. When tenders are sent by post, the cheque should be sent separately, or the sealed tender and the cheque should be inclosed in a covering envelope. Where no allotment is made the deposit will be returned, and in case of partial allotment the balance of the deposit will be applied towards the first instalment.

In the event of the receipt of tenders for a larger amount of stock than that proposed to be issued, at or above the minimum price, the tenders at the lowest price accepted will be subject to a *pro ratâ* diminution.

The dates at which the further payments on account of the said loan will be required are as follows: On Monday, the 20th February, 1899, so much of the amount tendered for each hundred pounds of stock as, when added to the deposit, will leave £50 sterling to be paid; on Tuesday, the 25th April, 1899, £25 per cent.; on Friday, 23rd June, 1899, £25 per cent.

The instalments may be paid in full on or after the 20th February, 1899, under discount at the rate of £2 per cent. per annum. In case of default in the payment of any instalment at its proper date, the deposit and instalments previously paid will be liable to forfeiture.

Scrip certificates to bearer, with coupon attached for six months' dividend, payable 1st April, 1899, will be issued in exchange for the provisional receipts.

The stock will be inscribed in the bank books on and after the 23rd June, 1899, but scrip paid up in full in anticipation may be forthwith inscribed.

Applications must be upon the printed forms, which may be obtained at the Chief Cashier's Office, Bank of England; of Messrs. Mullens, Marshall, and Co., 4, Lombard Street, London, E.C.; of Messrs. J. and A. Scrimgeour, 18, Old Broad Street, London, E.C.; and at the office of the Agent-General for New Zealand, 13, Victoria Street, London, S.W.

Bank of England, 3rd February, 1899.

NOTE.—A memorandum giving information as to the position of the colony has been prepared by the Agent-General, and should accompany this prospectus.

New Zealand Government Loan of £1,000,000.

THE proceeds of this loan will be applied towards providing funds for the following purposes: First, as regards £500,000, for the construction of railways, roads, and bridges, and for other public works required for the development of land settlement and goldfields, and for providing additional rolling stock to meet the requirements of the largely increasing traffic; and, second, as regards £500,000, for advances to *boná fide* settlers in New Zealand on the security of landed property.

The system of advances to settlers has been in operation for nearly four years, and in the latest report it is stated that no losses have been incurred, the punctuality in which repayments thereunder are made being most satisfactory.

The amount to be applied in aid of public works supplements that which has been provided for years past out of the surplus ordinary revenue, which has supplied within the last seven years no less than £1,650,000 for that purpose.

Since the issue in 1895 of £1,500,000 3-per-cent. Consolidated Stock, £3,026,599 has been added to the amount which was then inscribed, being stock into which debentures bearing higher rates of interest have been converted. £208,872 of these debentures were part of the public debt already domiciled in London, and the balance were debentures issued from time to time under the authority of Acts of the Legislature of New Zealand, over two millions of which were moneys invested on behalf of the Post Office, and other Public Trust Funds of the colony.

No addition has been made since 1896 to the amount of the 3½-per-cent. and 4-per-cent. New Zealand stocks.

The revenue has exceeded the expenditure during the following years by the amounts named below: In 1891–92, the surplus was £151,608; 1892–93, £318,206; 1893–94, £256,459; 1894–95, £139,794; 1895–96, £185,534; 1896–97, £288,728; 1897–98, £466,858.

It should be noted that the above amounts represent the net surplus of each year, and do not include the surplus brought over from the preceding year.

Out of this surplus revenue, the sum of £1,650,000, as mentioned in preceding paragraph, has been transferred to the Public Works Fund, and used for the purpose of opening up and improving the public estate.

The conversion of the public debt into stock bearing a lower rate of interest than that charged on the original debt has been proceeded with, and the result has been most advantageous to the colony, considerably reducing, as it has, the amount of interest payable thereon.

The total gross amount on the 31st March last of the public debt, including that domiciled in London, and also that issued in the colony, was £44,963,424.

Included in that amount is £800,000 4-per-cent. debentures guaranteed by the Imperial Government and deposited in London, part being held on behalf of the Post Office of the colony, and part held for the purpose of meeting any possible unexpected financial contingency. New Zealand has always stood in an exceptionally strong financial position by the fact that these debentures are thus held.

It should also be remembered that over £16,000,000 of the New Zealand public debt is represented by the Government railways of the country, which earn over 3 per cent. per annum on their cost, a fact which is often lost sight of when comparing the colony's public debt with those of the United Kingdom and other countries. The capital represented by the railways of the United Kingdom now exceeds £1,000,000,000 of money: add that amount to the national debt of this country, and the comparison between it and the New Zealand debt can then be made on more equal grounds.

It is only necessary, in order to produce satisfactory evidence of the progress of the colony, to call attention to the statistics given on the following page.

W. P. REEVES,
Agent-General for New Zealand.

13, Victoria Street, London, S.W., 3rd February, 1899.

New Zealand: Statistical View of 1887 and 1897.

——		1887.	1897.	Increase per Cent.
Population, 31st December (exclusive of Maoris) ..	Persons	603,361	729,056	20·83
Total imports (excluding specie)	£	6,064,281	7,994,201	31·82
Total exports (excluding specie)	£	6,680,772	9,741,222	45·81
Total exports, the produce of the colony	£	6,551,081	9,596,267	46·48
Total export of wool	lb.	88,824,382	135,835,117	52·92
Value	£	3,321,074	4,443,144	33·79
Total export of frozen meats	cwt.	402,107	1,407,921	250·14
Value	£	455,870	1,566,286	243·58
Total export of tallow	cwt.	154,720	310,200	100·49
Value	£	147,233	259,964	76·57
Total export of butter	cwt.	17,018	99,022	481·75
Value	£	54,921	402,605	633·06
Total export of cheese	cwt.	23,913	77,683	224·86
Value	£	54,562	150,517	175·86
Mining—				
Output of coal	Tons	558,620	840,713	50·50
Value	£	279,310	420,356	50·50
Output of gold	oz.	187,938	251,645	33·90
Value	£	747,878	980,204	31·06
Occupied lands—				
Holdings	No.	36,485 Census 1886.	58,904 Year 1896.	61·45
Holdings, extent of (including Crown pastoral leases)	Acres	27,848,690 Census 1886.	33,312,212 Year 1896.	19·62
Land in cultivation (including sown grasses)	Acres	7,309,689 Year 1888.	11,483,127 Year 1898.	57·09
Live-stock—				
Sheep	No.	16,564,595 Census 1886.	19,687,954 April, 1897.	18·86
Cattle	No.	853,358 Census 1886.	1,209,165 November, 1897.	41·69
Horses	No.	187,382 Census 1886.	252,834 November, 1897.	34·93
Government Railways—				
Miles open	No.	1,753 March, 1888.	2,055 March, 1898.	17·23
Receipts	£	994,843 March, 1888.	1,376,008 March, 1898.	38·31
Government Electric Telegraph—				
Miles of line	No.	4,790 December, 1888.	6,484 March, 1898.	35·37
Private Wealth (all kinds)—		1888.	1897.	
Estimated amount	£	131,345,925	183,781,780	39·92
Estimated amount per head of population	£	216	252	..

No.

New Zealand Government 3-per-cent Inscribed Stock.—Second Issue of £1,000,000.—Minimum Price, £96 per Cent.

To the Governor and Company of the Bank of England, London.

Having paid to you the sum of £ , being a deposit of £5 per cent. on this application, hereby tender for £ , say pounds of the above stock, for every hundred pounds of which willing to give the sum of pounds shillings and pence (£); and hereby engage to pay the balance, as it shall become due, on any allotment that may be made in respect of this tender, in accordance with the terms of the Prospectus dated 3rd February, 1899.

Name in full:
Address:
Date:

The deposit (calculated on the nominal amount of stock) must accompany this application, but should not be enclosed therein. Cheques should be drawn in favour of "The Bank of England." Where several applications are made, one cheque only, for the total deposit, is necessary.

Tenders, which must be sealed, must be for even hundreds of stock, and the prices must be multiples of 6d. No tender will be received after two o'clock on Thursday, 9th February, 1899.

Approximate Cost of Paper.—Preparation, not given; printing (1,360 copies), £2 0s. 6d.

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Price 3d.]