

(No. 60.)



1879.

TASMANIA.

LEGISLATIVE COUNCIL.

FURTHER 4 PER CENT. LOAN:

CORRESPONDENCE AS TO FLOATING.

Return to an Order of the Council dated October 2, 1879. (Mr. Chapman.)

Laid upon the Table by Mr. Crowther, and ordered by the Council to be printed,
October 9, 1879.



TASMANIA.

Colonial Treasury, Hobart Town, 12th May, 1879.

SIR,

I TAKE advantage of the present opportunity to intimate to you that the Government have it in contemplation, at no distant date, to appeal to the London Money Market to raise a further Loan for the execution of Public Works, redemption of Debentures falling due, and for other public purposes.

The Government propose to recommend to Parliament, now in session, that the various sums authorised by the Legislature to be expended shall be included in one Loans Bill, to be negotiated in the London Market at Four per cent., in the same manner as the last Loan issued by this Government.

The amount required will probably be about £300,000; and I desire to give you timely notice that the Government propose to avail themselves of the good offices of yourself and the Bank of New South Wales to bring out the Loan.

The Government would not be justified in attempting to negotiate any part of the proposed Loan in the Colonies, in the present state of the money market here, viz.—9 per cent. for private overdrafts, 7 per cent. for Government, 7 and 8 per cent. for mortgages, and the whole of the banking establishments allowing 6 per cent. per annum upon fixed deposits. Government Debentures are usually issued for a lengthened term, and as the Colonial Market must right itself before very long, it would not be wise in the Government to attempt to raise money here at a high rate of interest in the face of the prospect of the present tightness of the money market passing away before very long.

If you see objection to the course proposed to be taken, I trust you will not lose any time in making me acquainted with the same.

I have, &c.

D. LEWIS, *Colonial Treasurer.*

*The Manager Consolidated Bank, Threadneedle-street,
London.*

Viâ Brindisi and Melbourne.

*The Consolidated Bank, Limited, 52, Threadneedle-street,
London, 10th April, 1879.*

SIR,

TASMANIAN LOANS.

I HAVE the honor to acknowledge the receipt on the 7th instant of your valued letter of the 19th February last, and note your remarks as to the withdrawal of opposition to the quotation of the Four per cent. stock.

With reference to this subject, I would suggest for your consideration that in any future Loans it might be advisable, in addition to £100 bonds, to issue others of higher denominations, with a view to convenience in handling and transfer by large holders.

I have, &c.

JAS. TULLOCH, *Manager.*

The Hon. the Colonial Treasurer, Hobart Town, Tasmania.

TASMANIA.

Colonial Treasury, Hobart Town, 9th June, 1879.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 10th April last, which duly reached me on the 24th ultimo, suggesting for my consideration the advisability of issuing Bonds for larger sums than £100 in any future Loans this Government may place upon the London Money Market.

I thank you for the suggestion, which shall have my best attention. The adoption of such a course would greatly curtail the work of this department in preparing Loans for issue; bonds for the sum of £100 have always been forwarded by this Government, because it was at one time represented that they would be more negotiable than stock for larger amounts.

My letter of the 12th ultimo, relative to the issue of a further Loan of say £300,000 for the purpose of proceeding with Public Works for improving the means of communication, redemption of Debentures, &c., will have reached you before this; and I regret to state that I am not now in a position to report that the proposals of the Government have met with the unanimous approval of the Legislature, a majority in one branch of Parliament having obstructed, so far, the passage of useful legislation.

Until the Government shall have succeeded in obtaining the assent of Parliament to certain matters, the proposed further Loan cannot be proceeded with, it being the intention of the Government to embody in one Act the several amounts to be authorised.

At an early date I hope to be able to communicate with you again on the subject.

I have, &c.

D. LEWIS, *Colonial Treasurer.*

*The Manager Consolidated Bank, Threadneedle-street,
London.*

TASMANIA.

Colonial Treasury, 5th July, 1879.

SIR,

ON the 9th ultimo I had the honor to address you in reference to the proposed issue of a further Loan of £300,000 for purposes stated in my previous letters on this subject.

Since writing you the Legislature has terminated its sitting without dealing with the measures submitted by this Government for consideration, and therefore the matter must stand over until I am in a position to address you again definitely on the subject.

Parliament is to meet in August, or the first week in September next, when business will be proceeded with with as little delay as possible.

I have, &c.

The Manager Consolidated Bank, London.

D. LEWIS, *Colonial Treasurer.*

Via Brindisi and Melbourne.

*The Consolidated Bank, Limited, 52, Threadneedle-street,
London, 4th July, 1879.*

SIR,

TASMANIAN GOVERNMENT LOAN.

I HAVE the honor to acknowledge the receipt, on the 28th ultimo, of your separate letter upon this subject, enclosed with your general letter of the 12th of May last.

I take due note of the particulars given as to the contemplated new 4 per cent. Loan; and that, in bringing it out, the Government propose to avail themselves of the services of this Bank and of the Bank of New South Wales.

In reply, I have the honor to say, with the concurrence of my Directors, that we shall be happy to contribute our best attention and efforts to that end, and we entertain no doubt that when the time arrives for the issue of the Loan it will be floated successfully.

I take this opportunity of again recommending to your consideration the suggestion in my letter of the 10th of April last, (copy herewith,) that it would be probably a convenience to holders if, in addition to Bonds of £100 each, others were issued for higher amounts.

I have, &c.

JAS. TULLOCH, *Manager.*

The Hon. the Colonial Treasurer, Hobart Town, Tasmania.

TASMANIA.

Colonial Treasury, Hobart Town, 1st September, 1879.

SIR,

TASMANIAN GOVERNMENT LOAN.

I HAVE the honor to acknowledge the receipt of your letter of the 4th July last in reference to the proposed new Loan, which I informed you in May last would probably be about £300,000.

My later letters upon this subject will have reached you by this time, making you aware of the fact that action taken by the Legislature of this Colony has compelled the Government to postpone bringing out the proposed new Loan for a time.

I am glad to learn from your letter, now under acknowledgment, that your Bank will be prepared to contribute its best attention and efforts to secure the satisfactory floating of the contemplated new Loan, which, I am gratified to find, you have every reason to think can be negotiated successfully.

I shall do myself the honor to supply you with the earliest information with regard to the Loan; and as our Parliament meets upon the 9th of this month, the Government will endeavour to obtain the assent of the Legislature to the measures necessitating appeal to the London Money Market for the requisite funds to proceed with the works, &c. in contemplation.

Your suggestion respecting the denomination of the amount of each Debenture has been noted, and will be attended to in issuing fresh Loans.

I have, &c.

D. LEWIS, *Colonial Treasurer.*

The Manager Consolidated Bank, Threadneedle-street, London.