

(No. 152.)



1886.

PARLIAMENT OF TASMANIA.

TASMANIAN 4 PER CENT. LOAN, 1886:

CORRESPONDENCE

Presented to both Houses of Parliament by His Excellency's Command.

T A S M A N I A.



1885.

ANNO QUADRAGESIMO-NONO

VICTORIÆ REGINÆ,

No. 54.

AN ACT to authorise the raising of the Sum A.D. 1885.
of £1,000,000 by Debentures.

[5 December, 1885.]

WHEREAS it is expedient to raise the sum of £1,000,000 by PREAMBLE.
Debentures secured on "The Consolidated Revenue Fund :"

Be it therefore enacted by His Excellency the Governor of *Tasmania*,
by and with the advice and consent of the Legislative Council and
House of Assembly, in Parliament assembled, as follows :—

1 The Governor may, from time to time, issue Debentures charged Debentures may
and secured on "The Consolidated Revenue Fund" to an amount not be issued under
exceeding £1,000,000 for the purposes mentioned in the Schedule. this Act.

2 The Debentures issued under the provisions of this Act shall be Redemption of
redeemable in the year 1911. Debentures.

3 All Debentures issued under this Act shall be issued for such sums Debentures to be
not being less than One hundred Pounds, and on such terms as may for sums not less
be determined upon by the Governor in Council; and such Debentures than £100, and
shall bear interest at the rate of Four Pounds per centum per annum. bearing interest at
£4 per cent.

4 The interest on all Debentures issued under the authority of this Payment of
Act shall be payable half-yearly, on the First day of *January* and the interest on such
First day of *July* in every year; and all such interest shall be charged Debentures.
upon and be issued out of "The Consolidated Revenue Fund," and the
principal moneys secured by such Debentures shall be a charge upon
such Fund until repaid.

Debentures, £1,000,000.

A.D. 1885.

Preparation of
Debentures.

5 The Debentures to be issued under the authority of this Act shall be made out at the Treasury in such manner and form, and bearing such date, as shall be directed by the Governor, but so that the same shall in all cases be signed by the Treasurer, and be countersigned by the Governor; and such Debentures, and the interest accruing thereon respectively, shall be transferable by the delivery of such Debentures.

Governor in
Council may
make Regula-
tions.

6 It shall be lawful for the Governor in Council from time to time, subject to the provisions herein contained, to make such Regulations as may be necessary—

For regulating the manner in which Debentures shall be issued, and how or by what officer such Debentures shall be signed or otherwise authenticated, but so that the same shall in all cases be signed by the Treasurer, and countersigned by the Governor;

To provide for the manner of payment of the interest accruing thereon, and for the issue, if the Governor in Council thinks fit, of receipts or certificates for such interest annexed to such Debentures or otherwise;

To provide for the issue of new Debentures in lieu of any such Debentures worn or defaced which may be delivered up to be cancelled, and for the issue of new Debentures in lieu of such Debentures as may be lost, at such times, upon such securities, and under such conditions and precautions as the Governor in Council thinks fit;

Generally to make such Regulations for the safety and convenience of the holders of such Debentures, and the payment of interest upon the production or delivery of such receipts or certificates, or otherwise as may seem fit.

Registration of
Debentures.

7 It shall be lawful for the Governor in Council, by such Regulations as aforesaid, to provide for the Registration of any such Debentures as may be delivered up by the holders thereof for that purpose, and for the delivery of certificates of such Registration in lieu thereof, which shall be transferable by entries in a Register which may be provided for that purpose, in such manner and subject to such conditions and restrictions as the Governor in Council may see fit.

Regulations to
have force of law,
and to be laid
before Parliament.

8 All Regulations made under the authority of this Act shall, when published in the *Gazette*, have the force of law, and they shall be laid before both Houses of Parliament forthwith if Parliament is then sitting, and if not, then within Twenty-one days after the commencement of the next Session: Provided, that the said Regulations shall come into full force and effect at such times as the Governor in Council appoints, either before or after the time within which the said Regulations are hereby directed to be laid before both Houses of Parliament.

Where Deben-
tures have been
burnt or destroyed
others may be
issued upon proof
that the originals
have been so burnt
or destroyed.

9 In case proof is made on oath by one or more witness or witnesses before any Judge or Commissioner of the Supreme Court, or before a Justice of the Peace in any part of the British Dominions, that any Debenture issued under this Act and not paid off has, by casualty or mischance, been burnt or otherwise destroyed, and if by such oath the amount of such Debenture is ascertained, then and in every such case the Governor in Council is hereby authorised, in case

Debentures, £1,000,000.

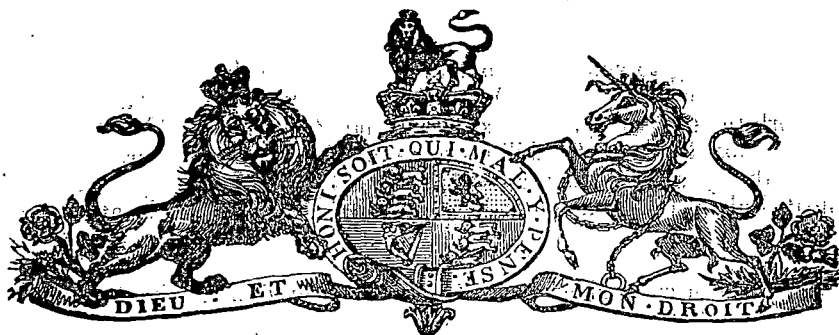
he is satisfied with such proof, to cause another Debenture or other Debentures of equal amount to be issued in lieu of such Debenture or Debentures so burnt or destroyed : Provided, that the person so receiving such new Debenture or Debentures shall give security to the Treasurer to the satisfaction of the Governor in Council, to deliver up to the Treasurer to be cancelled the Debenture so certified to be burnt or destroyed if the same is thereafter found or produced, and to pay to the Treasurer for the purposes of this Act all such moneys as have been paid out of the Treasury as principal and interest on the new Debenture which may have been issued under this provision.

A.D. 1885.

SCHEDULE.

PURPOSES FOR WHICH DEBENTURES TO BE ISSUED.

	£
For the redemption of Tasmanian Government Debentures falling due in the years 1885, 1886, 1887, and 1888	135,500
For the purposes of Bills passed in this present Session of Parliament for—	
The construction of certain Lines of Railways	280,000
The execution of certain Public Works	85,850
The construction of certain Branch Roads and Bridges	58,000
The construction and execution of certain Public Works	50,780
The execution of certain Works for the Defence of the Colony of <i>Tasmania</i>	40,000
The erection and construction of certain Public Buildings....	£44,950
Deduct amount included under 44 Vict. No. 6, for new Schools	5000
	39,950
The construction of certain Main Roads and Bridges.....	18,950
Certain Surveys and Estimates for Railways.....	7500
Effecting Improvements in the River Tamar at Launceston	7000
Immigration to Tasmania on the Nominated System	5000
For the purposes of—	
“The Public Schools Erection Act, 1880,” (44 Vict. No. 6)—	
Voted in 1884	£25,000
Voted in 1885	5000
	30,000
“The Mersey and Deloraine Railway Act, 1882,” (46 Vict. No. 22)—	
Voted in 1884	£40,000
Voted in 1885.....	25,000
	65,000
“An Act to authorise the purchase of Land as Sites for Quarantine Stations,” (48 Vict. No. 42)	5000
“The Railways Surveys Act, 1884,” (48 Vict. No. 43)	3750
“The Main Roads and Bridges Construction Act, 1884,” (48 Vict. No. 44)	9850
“The Branch Roads Construction Act, 1884,” (48 Vict. No. 45)	62,800
“The Public Works Construction Act, 1884,” (48 Vict. No. 46)	£35,940
Deduct amount to be appropriated out of the Consolidated Revenue Fund in 1885	3750
	32,190
“The Public Buildings Erection Act, 1884,” (48 Vict. No. 47)	£15,500
Deduct amount to be appropriated out of the Consolidated Revenue Fund in 1885 ...	1800
	13,700
For the payment of discount and all expenses incurred in connection with the floating of Loan.....	10,000



TASMANIAN 4 PER CENT. LOAN, 1886.

CONSOLIDATED BANK, LONDON.

Tasmania.

Treasury, Hobart, 28th November, 1885.

SIR,

Tasmanian 4 per cent. Loan, £1,000,000.

I HAVE the honor to advise you that the Parliament of this Colony, during the Session just about to close, has authorised the issue of a further 4 per cent. Loan for One million Pounds, for the purpose of redeeming certain Debentures and defraying the cost of Railways and other Public Works necessary to develop the resources of the Colony. I do not now propose to write you fully on the subject, but I wish to give you timely notice that it is the intention of this Government to appeal to the London Money Market for the funds as soon as the Loan can be prepared for issue. I am not able to say when the Debentures will be in your hands, but as the work of their preparation proceeds I shall be better able to advise you on this point.

I propose to entrust the issue of this Loan to the joint agency of the Bank of New South Wales and your Bank, in full confidence that it will be placed with every desire to secure the best result for this Colony.

At a later date I hope to place before you the fullest information as to the position and prospects of the Colony, with such other details as I may consider necessary in connection with this issue.

I shall be glad to hear from you by return post, and will hope to receive your letter before the Debentures leave the Colony, so that your valued suggestions may receive the attention they deserve.

Will you confer with the Manager of the Bank of New South Wales, and lay this letter before him?

I have the honor to be,
Sir,

Your obedient Servant,

W. H. BURGESS, *Treasurer Tasmania.*

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

Tasmania.

Treasury, Hobart, 6th February, 1886.

SIR,

Tasmanian 4 per cent. Loan, £1,000,000.

ON the 28th November last I had the honor to write to you on the above subject, stating that at an early date an appeal would be made through your Bank and the Bank of New South Wales to the London market for the sum of £1,000,000 for Railways, redemption of Debentures at a higher rate of interest, and other public purposes. Since my letter of the date referred to, the Royal Assent has been given to the Act authorising the Loan (copy of Act herewith), and this Department is now actively engaged in the preparation of the Debenture Bonds for transmission to you, in the hope that you will be able to issue the Loan during the month of July or early in August, as you may advise.

By wire yesterday we learned of the unprecedented success of the Victorian Loan of £1,500,000. The fact that the position of Tasmania as a Colony is so satisfactory in every respect leads me to hope that our new Loan will be placed by you on satisfactory and advantageous terms to the Colony.

My object in now writing to you is not to deal specially with the Loan, but to explain that on the first of July next payments will have to be made through your Bank on account of this Government which will absorb the greater part of Sixty thousand Pounds (£60,000), the details of which will be found in the enclosed return of liabilities to be met on the date referred to, and I have now the honor to ask whether your Bank is prepared to make the necessary payments in anticipation of the Loan being floated about the time named, such payments to be made at the ruling rates of interest.

This course will be most convenient to this Government in view of the fact that a large sum will be in your hands from the proceeds of the Loan which will have to be brought out to the Colony.

If this arrangement meets your convenience you will oblige me by telegraphing the word "Satisfactory," if not, the word "Remit." This should be done immediately after the receipt of this letter to afford me the earliest opportunity of remitting if necessary.

I have, &c.

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

W. H. BURGESS, *Treasurer.*

Viâ Brindisi.

*The Consolidated Bank, Limited, 52, Threadneedle-street,
London, 15th January, 1886.*

SIR,

I HAVE to acknowledge the receipt of your letter of the 28th November, in which you inform me that your Parliament had authorised a 4 per cent. Loan of One million (£1,000,000), and that you proposed issuing that amount during the current year, through the agency of this Bank and the Bank of New South Wales.

I need hardly assure you that every effort will be used to secure the successful issue of the Loan when the time arrives.

With regard to the price of issue it is not possible to say anything now. The present 4 per cent. Bonds are quoted at 100½ to 101½, ex coupon; but that price applies to small quantities of stock, and the addition of so large an amount as One million must have the effect of considerably reducing the quotation.

In fixing the minimum it will be necessary to bear these matters in mind, and to have regard to the then existing state of the Money Market; but upon all points you may rely upon ourselves and the Bank of New South Wales acting upon your instructions, and using our best judgment and discretion in issuing the Loan at such a price as will obtain the best result for your Government.

When you are considering the price of issue I would suggest that you should give full weight to the impression, which undoubtedly prevails in London, that the Australian Colonies are coming upon our market too frequently for money.

Although I have no doubt you are aware of the fact, I think it is well to mention that under an Act of our Parliament passed last year the Stamp Duty on all Bonds is raised to 10s. per cent.

On the occasion of the last issue of your Bonds I had to call your attention to the defective way in which some of the coupons were numbered (see my letter of 2nd May, 1884), and it is extremely desirable that the defects then pointed out should not occur in those now about to be issued.

In the same letter I suggested that in any future issue the proportion of £100 Bonds should not exceed one-fourth of the whole amount. This, doubtless, has had your attention.

Enclosing copies of my two letters to you of the 8th instant, with copies of their enclosures,

I have, &c.

The Hon. the Treasurer of Tasmania, Hobart.

JAS. TULLOCH, *Manager.*

Treasury, Hobart, 20th February, 1886.

SIR,

YOUR valued letter of the 15th ultimo, on the subject of the Loan to be floated for this Colony during the current year, duly reached me this morning, and I hasten to reply thereto.

I thank you for the assurance that every effort will be made by you in co-operation with the Bank of New South Wales to secure the successful issue of the Loan.

With regard to the minimum price of issue, I am aware that it cannot be determined until the Loan is placed on the market, for a variety of reasons. At the same time I feel confident that the highest price will be fixed by you, with a desire to obtain the best terms for the Colony. I have perused with considerable interest your remarks as to the frequency of the appeals to the London market by the several Australian Colonies. It is true that collectively a large sum has been borrowed, but it must not be forgotten that the money is required to improve the public estate and develop new countries by the construction of permanent public works, which form an important asset when considering the indebtedness of the whole of the Colonies; but I do not now desire to do more than shortly refer to the subject, because it will be more convenient that I should enter fully into the matter when placing the Tasmanian Loan in your hands, therefore I defer further observation until I address you at length.

I may here state that, so far as Tasmania is concerned, a great part of the present Loan is required to redeem Debentures issued at a higher rate of interest; the balance being required for railways and other important public works.

I hope to place the Bonds in your hands in the month of June. They have been prepared dated 1st July, which will allow of your dealing with them as soon after as you may think expedient.

I have drawn the attention of the printers to your remarks with regard to the defective manner in which the coupons were printed for the last Loan, and I have their assurance that the greatest care shall be taken to have the work in connection with the present issue done satisfactorily.

Your observations with regard to the denominations have been duly attended to.

I have, &c.

W. H. BURGESS, *Treasurer.*

The Manager Consolidated Bank, Limited, London.

Treasury, Hobart, 3rd April, 1886.

SIR,

On the 24th ultimo I received the following telegram from you:—

“Satisfactory,”

which is in accordance with the terms of my letter of 6th February, 1886. I refer to the part dealing with payments falling due in London on the 1st July next.

I trust you will take an early opportunity to convey to your Directors my appreciation of their ready response to my request.

The work in connection with the preparation of the Loan is proceeding, and no time will be lost to place it in your hands at the earliest date.

I have, &c.

W. H. BURGESS, *Treasurer.*

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

Treasury, Hobart, 17th April, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

By this day's mail I have the honor to forward to your address, under separate cover, one parcel of Debenture Bonds, forming a portion of the above issue. You will find the parcel contains Bonds Nos. 1 to 200 inclusive for £1000 each, representing the sum of £200,000 of the Loan of £1,000,000.

As to the balance of the issue £800,000, I have to state that the whole of the printing has been finished, and that the Bonds are now in this office in course of preparation for transmission to you at the earliest possible date. When these are sent forward, I shall then do myself the honor to address you fully on the subject.

I trust that the Debentures now sent will reach you in due course.

I have written to the Manager of the Bank of New South Wales and requested him to favour me with his views on the subject of the chances of success attending this Loan, and pointed out to him that after the receipt of his letter I would communicate with him by telegraph in the event of it being necessary to do so.

I shall esteem it a favour if you will also oblige me by writing on the same subject.

I have, &c.

W. H. BURGESS, *Treasurer.*

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

Treasury, Hobart, 1st May, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

ON the 17th of last month I had the honor to address you and forward, under separate cover, Debenture Bonds numbered to 200 of £1000 each, forming part of the new Loan of £1,000,000. I trust you will duly receive both the letter and parcel.

By to-day's mail I send to your bank, in the same way, Bonds numbered 201 to 1200, of £500 each, being a further portion of the above Loan.

I have, &c.

J. E. PACKER, *pro Treasurer.*

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

Via Brindisi.

*The Consolidated Bank, Limited,
52, Threadneedle-street, London, 26th March, 1886.*

SIR,

Tasmanian 4 per cent. Loan, £1,000,000.

My last previous letter on this subject was under date of the 15th January last.

By the delivery of part of the Tasmanian mail on the afternoon of the 23rd inst., I was put in possession of your valued letter of the 6th February last, enclosing a printed copy of your Act of Parliament 49 Vict. No. 54, authorising the Loan, and to which the Royal Assent has been given since your previous letter thereon of 28th November last.

I note that you were actively engaged in the preparation of the Debenture Bonds for transmission to me.

Referring to the Return enclosed in your letter of half-yearly interest on Debentures payable on the 1st July next, amounting to £57,710, and in reply to your enquiry whether this Bank would make these payments in anticipation of the Loan being floated, so as to obviate your having to remit funds to us to meet them, my Directors at once consented to do so, and I accordingly telegraphed to you the word "Satisfactory," in conformity with the suggestion in your letter.

I observe you express the hope that we may be able to issue the Loan during the month of July or early in August. It may possibly not make any difference, but I am rather inclined to the opinion that, if all things are ready, the earlier the Loan is issued the better. This, however, is a point upon which a decision can be arrived at later on.

I have, &c.

JAS. TULLOCH, *Manager.*

The Honorable the Treasurer of Tasmania, Hobart.

Treasury, Hobart, 4th May, 1886.

SIR

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to acknowledge the receipt of your letter of the 26th March last, in which you state that mine of the 6th February duly reached you.

I have noted the contents of your letter now before me, and shall use every endeavour to place the balance of the Bonds in your hands at the earliest possible date.

I have, &c.

W. H. BURGESS, *Treasurer.*

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

Treasury, Hobart, 12th May, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to refer you to my letter of the 1st instant, with which I sent a parcel of Debenture Bonds of £500 each, numbered 201 to 1200, and to my letter of the 4th instant. I trust to hear in due course of post that you have received the same.

Now I have the honor to forward to your address, in the same way, a further parcel of Debenture Bonds forming part of the above Loan. You will observe that they are for £100 each, and are numbered 1701 to 3200 inclusive, and 3701 to 4200 inclusive. This will place in your hands all but one thousand Bonds, namely, numbers 1201 to 1700 inclusive, and 3201 to 3700 inclusive.

These Bonds, forming the balance of the above Loan, are now being prepared, and I hope to be able to despatch them from here by the Orient mail leaving on the 26th instant, which is timed to reach London on the 5th July following.

With this parcel full instructions will be forwarded for your guidance.

I have, &c.

W. H. BURGESS, *Treasurer.*

*The Manager Consolidated Bank, Limited,
52, Threadneedle-strcet, London.*

Treasury, Hobart, 26th May, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

By to-day's Orient mail I have the honor to forward to your address 1000 Debenture Bonds of £100 each, numbered 1201 to 1700 inclusive and 3201 to 3700 inclusive. This will place in your hands all the bonds required for the issue of this Loan. By the mail leaving here on Saturday next full instructions will be sent to you with regard to the issue of the Loan.

In the meantime, you will be able to make such preliminary arrangements as you may think fit.

I have, &c.

W. H. BURGESS, *Treasurer.*

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

TASMANIA.

Treasury, Hobart, 29th May, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.—£1,000,000.

On the 26th instant I forwarded to your address, with my letter of same date, one parcel of Debenture Bonds, being those referred to in my letter of the 12th instant as at that time in course of preparation. You will find the parcel contains one thousand Bonds of £100 each, numbered 1201 to 1700 inclusive and 3201 to 3700 inclusive, which, with those previously sent to your address, completes the whole of the stock required for the purposes of this Loan.

I notice, on reference to the mail time table, that this letter will reach London about the 12th July next, which I trust will be in ample time to secure a successful issue of the Loan, having regard to the fact that, as far as I am aware, there will be no other Colonial Loans to disturb the market.

I enclose six certified copies of the Act of our Parliament which authorises the issue of this Loan for £1,000,000, bearing interest at the rate of 4 per cent. per annum, and redeemable during the year 1911. The interest, you will observe, is payable half-yearly at the Consolidated Bank, London, on the 1st January and 1st July in each year, commencing from the 1st July next, which will make the first half-year's interest due and payable on the 1st January, 1887.

The Loan has been sanctioned to enable the Government to proceed with the execution and completion of important Public Works; viz.—Railways, roads, bridges, telegraphs, public buildings, &c., and also to provide the necessary funds to redeem Debentures due during the years 1885, 1886, 1887, and 1888 bearing a higher rate of interest than those representing the Loan now placed in your hands. If you refer to the schedule of the enclosed copy of the Act authorising the Loan you will find the details of the manner in which Parliament has directed the funds to be applied. The Debentures issued are of the following denominations:—

	£
200 of £1000 each	200,000
1000 of £500 each	500,000
3000 of £100 each	300,000
	<hr/>
	1,000,000

or Four thousand two hundred bonds, all of which, I trust, you will duly receive.

Two specimen copies of each denomination will be sent in order to enable you to comply with the rule of the London Stock Exchange requiring their production.

I have had a Statement prepared in the same form as that adopted when placing other Loans of this Colony on the London market, and you will observe on reference thereto that, notwithstanding the marked depression that has ruled in England and most of the Colonies for some time past seriously affecting many important interests, Tasmania may fairly claim to have held her own, inasmuch as the figures now before you show that her condition is satisfactory. It is true that the imports and exports show a decline, but that is due to the depression in trade all over the world, which makes business men cautious. Turning to the export of minerals, you will find that the figures show the industry to be a steady and important one.

The Consolidated Revenue Fund is quite up to expectations, and from information now before me I am led to hope that during the current year the estimate will be more than realised.

You will observe that I have added a new table to the Statement to show the assessed annual value of property in the Colony from the year 1875 to 1885, and it is gratifying to notice that the value of rateable property has steadily advanced during the decade. One fact must be borne in mind, however, and that is, that railway and mining property does not appear in the valuation of assessed property, which is an important consideration in estimating the capital value of the latter in Tasmania.

In a letter I had the honor to receive from you allusion was made to the opinion prevailing in London that the Australasian Colonies are borrowing extravagantly. In answer to this I cannot do better than quote from the report of the Government Statistician of this Colony for the year 1884, wherein he states—“Although the Public Debt of Australasia has increased from £57,917 in 1850 to £120,850,558 in 1884, it must be borne in mind that, unlike the debt of old European States, it is an index of profitable investment, not the waste of war, and it is noteworthy to observe that the great portion of the debt has been contracted in respect of 1855 miles of railway now being constructed, and that £70,636,119 of the debt is actually represented by the railways (7496 miles) now being worked, which in 1884 yielded a profit of 3.56 per cent. on the original cost of

construction." The rapid advance made by the Colonies of Australasia will be gathered from a perusal of the following table taken from the Statistics for the year 1884 :—

	1884.	1883.	1874.	1850.*†
Number of independent British Colonies§	7	7	7	5
Population	3,233,041	3,091,887	2,207,937	483,365
Exports	£ 54,572,756	55,719,558	42,802,334	4,661,043
Imports	£ 64,001,120	61,570,930	44,937,313	4,447,375
General Revenue	£ 22,297,830	21,319,818	13,133,507	1,188,770
Public Debt	£ 120,850,558	109,132,395	47,712,660	57,917
Railways, miles open and being constructed	9351	8413	1594	Nil.
Ditto, cost of construction	£ 70,636,119	67,762,115	†	Nil.
Telegraphs	59,956	57,175	†	Nil.
Land in cultivation	13,216,493	12,452,095	4,901,038	496,945
{ Wheat {	3,658,995	3,697,954	†	†
{ Oats... {	37,357,845	45,541,592	21,255,300	†
{ Barley {	599,791	499,097	†	†
{	18,125,620	15,065,426	8,903,974	†
{	136,656	107,288	†	†
{	2,925,076	2,503,481	1,586,695	†
Live Stock—				
Sheep	No. 74,345,954	79,872,350	61,603,588	22,128,626
Cattle	No. 8,178,745	8,403,780	6,263,009	2,290,566
Horses	No. 1,272,020	1,235,717	877,277	186,535
Wool exports	£ 23,772,466	21,337,610	17,968,701	2,843,031
Gold and Tin exports* including specie from New South Wales and Victoria	£ 6,362,476	9,144,195	11,125,264	Nil.

It must be remembered that in these Colonies practically all the railways and telegraphs are the property of the General Government, which is a very important point when considering our indebtedness.

I will not trouble you with further remarks on this subject, but trust that the brief outline of the position of the Colonies as given above will satisfy enquirers that the resources of the group are sufficient to command the confidence of capitalists in Great Britain.

But apart from considerations which would apply to the Colonies as a whole, the following table shows that Tasmania at least cannot be supposed to come under the objections raised because the Colony's indebtedness, including the present Loan of £1,000,000, is only £30 5s. 2d. per head as compared with the rate per head of the following Colonies on the 1st May instant :—

	£	s.	d.
Victoria	30	7	1
New South Wales	36	5	4
Queensland	63	1	10
South Australia	57	7	10
New Zealand	53	15	1

In addition to this the capacity of Tasmania to incur further debt is well shown in the following table, where the Colony ranks third in producing power :—

	AREA— Square miles.	POPULATION.		EXPORT OF DOMESTIC PRODUCTS.	
		Persons.	Per sq. mile.	Amount.	Per sq. mile.
	No.	No.	No.	£	£
Victoria	1884 87,884	961,276	10·938	13,155,484	149·69
New Zealand	1884 104,403	564,304	5·405	6,942,486	66·49
Tasmania	1884 26,215	130,541	4·980	1,448,714	55·26
New South Wales	1884 310,700	921,268	2·965	14,595,736	46·98
Queensland	1884 668,497	309,913	·464	4,553,477	6·81
South Australia	1884 903,600	312,781	·346	5,292,222	5·41
West Australia	1884 1,060,000	32,958	·031	404,000	0·38

* Partly estimated. The gold of Victoria and New South Wales is largely minted prior to export.

† The following are the names of independent British Colonies declared prior to 1850 :—(1) New South Wales, originally embracing the districts now known as Queensland and Victoria; (2) South Australia; (3) Western Australia; (4) Tasmania; (5) New Zealand.

‡ Not ascertained.

§ Not including Fiji.

The separate Statement I have had prepared for your information affords useful particulars with regard to the position of Tasmania, and, I hope, will enable you to satisfy investors that the appeal to the London market for the funds now asked for is justified by the sound condition of the Colony. Population is steadily increasing, and colonists demand that the country shall be opened up by the construction of Public Works which are absolutely necessary to enable the people to develop the resources of the Colony.

I learn from a private source that it is anticipated that the principals connected with the Tasmanian Main Line Railway Company will attempt to prejudice this Loan, because my Government of Tasmania interprets the provisions of the Company's contract with the Colony—in regard to the expenditure of the profits of Traffic receipts in a different manner to the Directors—the contention of the Colony, in short, being that under the Contract any profits over and above the cost of working the Line and maintaining the same in proper running order should revert to the Consolidated Revenue Fund, and not be available to defray the cost of new works which should be provided for out of capital. I cannot think the Company seriously contemplate such a course, because it could not improve their position, and might be the means of retarding the negotiations for the settlement of differences. If you find any such step really contemplated, you will oblige me by applying to our Agent-General for full information on the subject, he having been specially charged to attend to this in the event of it being necessary to defend the Colony.

I do not desire to interfere with the minimum to be fixed for this issue, as I prefer to leave it to yourself and the Manager of the Bank of New South Wales.

I am glad to see that in Westgarth's Circular of the 2nd April, 1886, Tasmanian 4 per cent. Bonds are quoted at £102½ to £103½, since which date the market has rather improved, which leads me to hope that this Loan will be floated at a satisfactory figure.

With regard to date of issue of the Loan, I must also leave that in your hands, as so much will depend upon the state of the market at the time when you are in a position to invite tenders. You will please telegraph the result as soon as possible?

Full instructions as to the disposal of the proceeds of the sale of these Bonds will be sent you by an early Mail.

I have, &c.

W. H. BURGESS, *Treasurer Tasmania.*

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

COLONY OF TASMANIA.

Tasmanian 4 per cent. Railway Loan, 1886.—£1,000,000.

THE Loan of 1886—£1,000,000 in Debentures bearing 4 per cent. interest, authorised by the Act of the Parliament of Tasmania, 49 Vict. No. 54—is for the following purposes :—

1. A Line of Railway from North Bridgewater, or from the Brighton Station of the Main Line Railway, to Apsley, to be called the Green Ponds Railway.
 2. A Line from Bellerive to Sorell, to be called the Sorell Railway.
 3. A Line of Railway on the Chudleigh Road Station of the North Western Railway to Mole Creek, to be called the Chudleigh Railway.
 4. A Line of Railway from Formby to Ulverstone, being an extension of the Mersey and Deloraine Railway, which last-mentioned Railway, together with the Launceston and Western Railway, shall be called the North Western Railway.
 5. To redeem Debentures due and payable during the years 1885, 1886, 1887, and 1888, bearing a higher rate of interest than 4 per cent.
 6. The balance to defray the cost of construction and completion of Roads, Bridges, Telegraphs, Public Buildings, and works of public importance, in various parts of the Colony.
-

Tasmania contains an area of 26,215 square miles, or 16,778,000 acres of land. The population is steadily increasing, and was estimated, on the 31st December, 1885, at 133,791.

The Debt of the Colony, including the Loan now authorised, has been chiefly incurred for the construction of works of importance, such as Railways, Roads, Bridges, Telegraphs, and Public Buildings.

The whole of this debt is secured upon the Consolidated Revenue Fund of Tasmania.

The ratio in which the Revenue of Tasmania has advanced of late years has been much greater than the growth of its expenditure and indebtedness, and in that respect bears favourable comparison with that of the other Colonies of Australasia :—

<i>Year.</i>	<i>Consolidated Revenue.</i>	<i>Public Debt to 31st December.</i>
	£	£
1874.....	329,686	1,505,700
1875.....	340,067	1,489,400
1876.....	322,915	1,520,500
1877.....	361,830	1,589,705
1878.....	381,784	1,738,500
1879.....	373,290	1,786,800
1880.....	440,223	1,943,700
1881.....	501,281	2,003,000
1882.....	548,659	2,050,600
1883*	560,427	2,385,600
1884.....	547,899	3,202,300
1885.....	574,397	3,357,000†

* In this year a remission of Taxation was made. † Exclusive of the present loan of £1,000,000. Loans to the extent of £50,950 have been authorised by the Legislature, but not yet floated.

The Import and Export Trade of the Colony since the year 1874 is satisfactory, as appears by the following table :—

<i>Year.</i>	<i>Imports.</i>	<i>Exports.</i>	<i>Total Imports and Exports.</i>
	£	£	£
1874.....	1,257,785	925,325	2,183,110
1875.....	1,185,942	1,085,976	2,271,918
1876.....	1,133,003	1,130,983	2,263,986
1877.....	1,308,671	1,416,975	2,725,646
1878.....	1,324,812	1,315,695	2,640,507
1879.....	1,267,475	1,301,097	2,568,572
1880.....	1,369,224	1,511,931	2,881,155
1881.....	1,431,144	1,555,576	2,986,720
1882.....	1,670,872	1,587,389	3,258,261
1883.....	1,832,637	1,731,597	3,564,234
1884.....	1,656,117	1,475,857	3,131,974
1885.....	1,757,486	1,313,693	3,071,179

The export of Minerals continues to be an important element in the Trade of the Colony, and the following table of the value of Gold and Tin raised in and exported from Tasmania will show :—

<i>Year.</i>	<i>Gold.</i>	<i>Tin.</i>
	£	£
1874.....	18,491	6998
1875.....	11,982	31,129
1876.....	44,923	93,054
1877.....	23,289	283,118
1878.....	99,950	309,580
1879.....	145,723	299,121
1880.....	199,613	361,678
1881.....	211,253	375,775
1882.....	160,419	339,700
1883.....	173,561	376,445
1884.....	132,010	299,837
1885.....	141,319	357,587

The Public Debts sinking Fund, created in 1881 for the redemption of Debentures issued and made chargeable against the Fund, now amounts to £112,808. The funds are invested in the names of Commissioners appointed by the Legislature.

The increased value of Property during the last decade is shown by the following table :—

Property Valuation.—Decennial Return.

Year.	Municipalities, Hobart and Launceston.	Rural Municipalities.	Police Districts.	TOTALS.
	£	£	£	£
1875	162,629	343,840	97,878	604,347
1876	170,105	356,058	121,159	647,322
1877	174,679	340,688	121,024	636,391
1878	180,336	366,613	129,314	665,689
1879	184,300	368,565	130,212	683,077
1880	195,484	373,312	136,236	705,032
1881	199,738	373,576	140,798	714,112
1882	211,389	375,199	158,832	745,420
1883	224,338	385,100	168,330	777,768
1884	259,735	389,314	188,867	837,916
1885	267,165	388,344	195,471	850,980

The amount to the credit of Depositors in the ordinary banks increased from £670,770 in 1870, to £3,640,428 at the close of the year 1885; and in Saving Banks the deposits increased from £223,262 in 1870 to £436,414 at the close of 1885.

(Confidential.)

Treasury, Hobart, 29th May, 1886.

SIR,

I HAVE the honor to enclose for your information copies of Correspondence with the Manager of the Bank of New South Wales in reference to the Bonds for the £1,000,000 Loan being post-dated; I shall be glad if you will peruse the same, and treat the subject as confidential.

I have, &c.

W. H. BURGESS, *Treasurer.*

The Manager of the Consolidated Bank, London.

Treasury, Hobart, 29th May, 1886.

SIR,

I HAVE the honor to enclose herewith copy of a letter addressed by me this day to the Manager of the Consolidated Bank, London, instructing him with regard to the issue of the Loan of £1,000,000 under the authority of Act of Parliament, 49 Victoria No. 54, and I have to request that you will cause the enclosure to be forwarded by to-day's mail to the Agent-General for this Colony for his information, intimating at the same time that the floating of the Loan has been left entirely in the hands of the Associated Banks, who will also fix the minimum price of issue.

I have, &c.

W. H. BURGESS, *Treasurer.*

The Hon. the Premier.

TELEGRAM.

MARKET now favourable. When will remainder of Bonds arrive? *London, 1st June, 1886.* Wire reply.

Treasurer, Hobart, Tasmania.

CONSOLIDATED.

TELEGRAM.

PORTIONS 14th and 21st June; balance, July 5. Wire when you place, and minimum.

Consolidated, London.

TREASURER.
Tasmania, 2nd June, 1886.

TELEGRAM.

RECOMMEND placing as soon as Bonds arrive.

London, 3rd June, 1886.

Treasurer, Tasmania.

CONSOLIDATED.

Treasury, Hobart, 23rd June, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

On the 29th ultimo I had the honor to address you fully in reference to the issue of the above Loan, and in closing my letter I stated that instructions would be sent to you by an early mail as to the disposal of the funds in your hands. I have now to request that you will do me the favour to make the following payments as soon as you are in a position to do so:—

	£	s.	d.
1. To the Bank of New South Wales, London, to the credit of the Commercial Bank of Tasmania, Limited, in account with the Treasurer of Tasmania	500,000	0	0
2. To current account of this Government at your Bank to meet payments made by you and to be made up to 31st March, 1887, as per statement herewith	136,470	0	0
3. To your Bank to repay advance authorised by Telegram on account of Crown Agents 3rd June, 1886	25,000	0	0
4. To the Public Account of the Colony of Tasmania operated upon by the Agent-General	90,000	0	0
5. To the English, Scottish, and Australian Chartered Bank, Cornhill, London, to the credit of the National Bank of Tasmania, Limited, in account with the Treasurer of Tasmania	50,000	0	0
6. To the London and Westminster Bank, Limited, to the credit of the Bank of Van Diemen's Land, Limited, in account with the Treasurer of Tasmania	50,000	0	0
7. To be specially held by you pending instruction by Telegram as to the Bank in which the same is to be placed	150,000	0	0
To balance on current account as per your letter of the 7th May, 1886	9845	12	2
Total	£1,011,315	12	2

Which will leave a balance available to cover the expenses in connection with floating the Loan.

I shall feel obliged, if after making these payments you will place any moneys left in your hands at current rates of interest, so that the funds may be placed to advantage.

With reference to the sum of £150,000, alluded to in paragraph 7 in this letter, I have to state that it is very probable the whole sum will be paid over to the Commercial Banking Company of Sydney, 18, Birchin Lane, London, E.C., to the credit of the Bank of Van Diemen's Land, Limited, in account with the Treasurer of Tasmania. If I find that this payment has to be made I will telegraph "Sydney," from which you will understand that the sum is to be placed in the manner indicated.

I have, &c.

W. H. BURGESS, *Treasurer.*

The Manager Consolidated Bank, Limited,
52, Threadneedle-street, London.

RETURN showing amounts required to meet Payments in London on account of Interest on Debentures falling due from 1st July, 1886, to 31st March, 1887.

	£	s.	d.	£	s.	d.
1886, July 1st (ad: by Con. B.)	57,710	0	0			
September	525	0	0			
				58,235	0	0
1887, January	77,710	0	0			
March	525	0	0			
				78,235	0	0
				<u>£136,470</u>	<u>0</u>	<u>0</u>

J. E. PACKER, *Under Treasurer.*

Treasury, Account Branch, 23rd June, 1886.

TELEGRAM.

London, 5th July, 1886.

URGENTLY recommend issue to-morrow, minimum 99 deposit, 5 balance, 1st September.
Reply.

CONSOLIDATED.

Treasurer, Tasmania.

TELEGRAM.

Tasmania, 6th July, 1886.

APPROVED. Would like balance earlier, but leave entirely to you.

TREASURER.

*Consolidated, London.**Treasury, Hobart, 10th July, 1886.*

SIR,

Tasmanian 4 per cent. Loan, 1886.

REFERRING to my letter of the 23rd ultimo, in which I informed you that I would advise you by Cable as to the disposal of the sum of £150,000, vide paragraph of the letter alluded to, I have the honor to state that, as I learn from your telegram of the 5th instant, that the balance of the proceeds of the Loan will not be available until the 1st of September next, I shall have ample time to communicate with you by letter. I therefore now request that you will be good enough to place the sum of £150,000 with the Commercial Banking Company of Sydney, 18, Birchin Lane, E.C., to the credit of the Bank of Van Diemen's Land, Limited, in account with the Treasurer of Tasmania.

I have, &c.

W. H. BURGESS, *Treasurer.*

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

TELEGRAM.

London, 12th July, 1886.

LOAN successfully issued, two millions applied for; average about ninety-nine eighteen; payment twenty-fifth August.

CONSOLIDATED.

*Treasurer, Hobart, Tasmania.**Vià Brindisi.*

*The Consolidated Bank, Limited, 52, Threadneedle-street,
London, 4th June, 1886.*

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to acknowledge the receipt, in the afternoon of the 31st ultimo, of your letter of the 17th of April last, and also the safe arrival of £200,000 (two hundred thousand pounds) of the bonds of the new Loan.

Considering it probable that the remainder of the bonds might follow by the next mail, and the state of our money market being very favourable, I had an interview with the Manager of the Bank of New South Wales, and we agreed upon the following telegram to you, which I despatched on the 1st instant:—"Market now favourable; when will remainder of bonds arrive? Wire reply." We duly had your answer answer to this, as follows:—"Portions 14th and 21st June. Balance 5th July. Wire when you place, and minimum."

I thereupon had another consultation at the Bank of New South Wales, and it was decided that we should take no further steps until the balance of the bonds arrived. I accordingly sent you yesterday the following telegram:—"Recommend placing as soon as bonds arrive,"—as it was considered that there was no immediate hurry, and that the money market would in all probability be in as favourable a condition in the middle of July as it is now. We also anticipated that we should in the meantime receive your letter of instructions with your views on the main points connected with the issue of the Loan, and should thus be in a position to follow your instructions as closely as possible.

I have, &c.

*The Honorable the Treasurer of Tasmania, Hobart.*JAS. TULLOCH, *Manager.*

Treasury, 17th July, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to acknowledge the receipt of your letter of the 4th ultimo, on the subject of the above Loan, and the contents have been duly noted by me. I need not now do more than thank you for the information supplied, as your telegram of the 12th instant—to the following effect:—"Loan successfully issued, two millions applied for; average about ninety-nine eighteen; payment twenty-fifth August"—has informed me of the satisfactory result of this appeal to your market.

It is indeed gratifying to find that the securities of this Colony continue to command the attention of English capitalists. I hope in due course of post to receive your full report, after which I shall do myself the honor to address you again on the subject. In the meantime will you convey to your Directors my high appreciation of the services rendered by your bank on this occasion to promote the interests of Tasmania?

I have, &c.

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

W. H. BURGESS, *Treasurer.*

Via Brindisi.

*The Consolidated Bank, Limited, 52, Threadneedle-street,
London, 18th June, 1886.*

SIR,

Tasmanian 4 per cent. Loan, 1886.

MY last letter upon this subject was under date of the 4th instant, and a copy of it was forwarded to you on the 11th instant.

I have now the honor to acknowledge the receipt on the 15th instant of your valued letter of the 1st ultimo, together with the Debenture Bonds therein advised; viz.—1000 bonds of £500 each, Nos. 201 to 1200, amounting to £500,000.

I take the opportunity to enclose a copy of my letter of the 11th instant (*re* Hobart Corporation Loan).

Your letter of the 28th April last, acknowledging mine of March 19th (*re* payment of £21 6s. 11d. by the Bank of New South Wales), was duly received.

I have, &c.

The Honorable the Treasurer, Tasmania, Hobart.

JAS. TULLOCH, *Manager.*

Via Brindisi.

*The Consolidated Bank, Limited,
52, Threadneedle-street, London, 25th June, 1886.*

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAD the honor to address you on the 18th instant, and a copy of my letter of that date is herewith enclosed.

By the delivery of the Tasmanian mail on the 23rd instant I was put in possession of your two valued letters of the 4th and 12th ultimo; the former acknowledging my letter of the 26th March last, on the subject of the Loan; the latter accompanying and advising a further parcel of Debenture Bonds of the Loan for £100 each, numbered 1701 to 3200, and 3701 to 4200 inclusive.

I duly note that the remaining one thousand Bonds, numbered 1201 to 1700 inclusive, and 3201 to 3700 inclusive, were to be despatched per Orient mail leaving on the 26th ultimo, and due in London on the 5th July next, and that with that parcel full instructions would be forwarded for my guidance.

I have, &c.

The Honorable the Treasurer of Tasmania, Hobart.

JAS. TULLOCH, *Manager.*

Treasury, Hobart, 4th August, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to acknowledge the receipt of your letter of the 25th June, stating that you duly received my letters of the 4th and 12th May, together with the Debenture Bonds therein referred.

I have, &c.

J. E. PACKER, *pro Treasurer.*

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

Via Brindisi.

*The Consolidated Bank, Limited,
52, Threadneedle-street, London, 9th July, 1886.*

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAD the honor to address you on the 25th ultimo, and a copy of my letter of that date is enclosed herewith.

By the delivery of the Tasmanian mail on Monday, the 5th instant, I was put in possession of your valued letter of the 26th May last, and also of one thousand Debenture Bonds of this Loan of £100 each, Nos. 1201 to 1700 inclusive, and Nos. 3201 to 3700 inclusive, the whole of the Bonds required for the issue of the Loan being thus completed.

In the absence of any letter of instructions from you, and having reason to believe that the issue of another Loan in this market was impending, we, in conjunction with the Bank of New South Wales, considered it advisable to send you the following telegram:—

“Urgently recommend issue to-morrow.

“Minimum 99. Deposit 5.

“Balance 1st September. Reply.”

To this we received, on Tuesday the 6th instant, your reply as follows:—

“Approved. Would like balance earlier, but leave entirely to you.”

We immediately took steps to bring out the prospectus of the Loan, a copy of which I have the honor to enclose. We now look forward to a favourable issue on the 12th instant, but the result will have been telegraphed to you long before you receive this letter.

I have now to advise that the Honorable Adye-Douglas, Agent-General for Tasmania, has agreed with the Directors of the Tasmanian Main Line Railway Company, that he will deposit with us, in the joint names of the Agent-General for Tasmania and The Tasmanian Main Line Railway Company, the sum of Fourteen thousand five hundred Pounds (£14,500), pending the settlement of the matters in dispute between the Government of Tasmania and the Railway Company in respect to that amount. He has directed me to deduct this sum from the forthcoming Loan and deposit it in this Bank, and we purpose carrying out this arrangement accordingly.

I have, &c.

JAS. TULLOCH, *Manager.*

To the Honorable the Treasurer of Tasmania, Hobart.

P.S.—The mail delivered on the 5th instant brought me also an envelope bearing the Melbourne postmark of the 28th May last, containing two unsigned specimens of each denomination of the Bonds of the Loan,—viz., two of £100, two of £500, two of £1000,—but no letter.

A U S T R A L I A.

TASMANIAN GOVERNMENT LOAN FOR £1,000,000.

IN FOUR PER CENT. DEBENTURES.

Authorised by the Tasmanian Parliament under the Act 49, No. 54, assented to 5 December, 1885, for the Redemption of Bonds falling due in the years 1885, 1886, 1887, and 1888, the construction of Railways and other Public Works, and secured upon the Consolidated Revenues of the Colony.

THE BANK OF NEW SOUTH WALES AND THE CONSOLIDATED BANK LIMITED, as Agents for the Tasmanian Government have been instructed to negotiate the said Loan for £1,000,000 authorised by the above-mentioned Act of the Tasmanian Parliament.

The Loan will be issued in Debentures of £1000, £500, and £100 each, bearing interest at Four per cent. per annum from the 1st instant, and the Coupons of the said Loan are payable upon the 1st January and 1st July in each year, at the office of the Banking Agents of the Government of Tasmania in London, where also the principal will be payable on the 1st July, 1911.

Copies of the Act with the Debentures and Coupons can be seen at the Bank of New South Wales and the Consolidated Bank Limited.

Tenders in the form annexed will be received at the Bank of New South Wales, No. 64, Old Broad-street, up till Two o'clock P.M. on Monday, the 12th instant, where and when they will be opened in the presence of the Agents and of such of the applicants as may attend.

The Debentures will be allotted to the highest bidders, provided the prices offered are not below £99 for every £100 in Debentures.

Tenders at a price including a fraction of a shilling other than sixpence will not be preferentially accepted, and should the equivalent Tenders exceed the Amount of the Debentures to be allotted, a *pro ratâ* distribution will be made.

Payment of the Debentures will be required as follows :—

Five per cent. on application, and

The balance on the 25th August, when the Debentures will be delivered.

Forms of tender may be obtained at the BANK OF NEW SOUTH WALES, and the CONSOLIDATED BANK LIMITED.

BANK OF NEW SOUTH WALES.

64, Old Broad Street, E.C.

CONSOLIDATED BANK, LIMITED.

52 THREADNEEDLE STREET, E.C.

LONDON, 6th July, 1886.

F O R M O F T E N D E R.

To the Directors of

THE BANK OF NEW SOUTH WALES,

AND

CONSOLIDATED BANK LIMITED.

Gentlemen,

_____ hereby tender for £ _____

Debentures of the Tasmanian Government, according to the annexed notice of the 6th instant, on which _____ enclose the required deposit of £ _____

and undertake to pay £ _____

for every £100 in Debentures, and to accept the same or any less amount that may be allotted to _____ and to pay the balance in conformity with the terms of the said notice.

Name _____

Address _____

Date _____ July, 1886.

{ The amount
also in words.

{ The amount
also in words.

Treasury, Hobart, 19th August, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

I AM in receipt of your valued letter of the 9th ultimo, which duly reached me to-day, with the enclosures therein referred to.

I note that you had duly received the whole of the Bonds required for the issue of the above Loan, and that my letter of instruction had not reached you. My letter of instruction was not due in London until the 12th July, which will account for it not having been in your hands at the time you wrote yours of the 9th.

The two unsigned specimens of each denomination of the Bonds were sent from the publishers in Melbourne under separate cover at my special request, and I am glad to learn you have received them.

The result of the issue of this Loan is very satisfactory to Tasmania, and must be very gratifying to yourself and the Manager of the Bank of New South Wales. On receipt of your telegram I felt sure that you were acting in the best interests of the Colony, and at once intimated my approval of the early issue of the Loan.

The paragraph in your letter *re* the agreement between the Agent-General and the Main Line Railway Company surprised me very much, and was the first intimation I had received of any such negotiation, and, until the receipt this morning of a letter from the Agent-General, the Cabinet were in like ignorance.

The Instructions of the Agent-General, a copy of which I have already forwarded you, expressly forbid his incurring any liability on behalf of the Government without authority.

Mr. Douglas had not received any instructions which would authorise his agreeing to a deposit of money, and also to what practically amounts to a compromise of the action now pending in respect to the disputes between the Government and the Company.

A meeting of the Cabinet was immediately held, and it was decided to forward the following cablegram to you:—"Letter of 9th July received to-day. Mine of 23rd June gave explicit instructions *re* disposal of Loan, and must be adhered to. Agent-General had no authority to make agreement with Railway for deposit of money. Government decline to recognise it."

The Premier has also telegraphed to the Agent-General on this subject.

I shall feel obliged if you will comply with my letter of instruction of 23rd June last, as to the disposal of the proceeds of this Loan.

Again thanking you for the interest you have always taken in matters affecting the interests of this Colony,

I have, &c.

W. H. BURGESS, *Treasurer.*

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

TELEGRAM.

Consolidated Bank, London.

HONOUR cheques Douglas Twenty thousand.

TREASURER.
Tasmania, 16. 7. '86.

Treasury, Hobart, 21st July, 1886.

SIR,

I HAD the honor to forward the following telegram to your address on the 16th instant—
“Honor cheques Douglas twenty thousand.”

I trust the telegram reached you in due course, and that you were able to arrange to meet payments authorised by Mr. Douglas as Agent-General for Tasmania.

I have, &c.

W. H. BURGESS, *Treasurer.*

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

Via Brindisi.

*The Consolidated Bank, Limited, 52, Threadneedle-street,
London, 16th July, 1886.*

SIR,

I HAVE the honor to acknowledge the receipt, this afternoon, of your telegram, dated 16th, 5.10 P.M., as follows:—“Honour cheques, Douglas, twenty thousand. Treasurer, Tasmania,”—and will duly comply therewith.

My last previous general letter was of the 9th inst., and a copy of it, with a copy of the relative Statement of Account, is herewith enclosed.

I have, &c.

J. TAYLOR, *pro Manager.*

The Honorable the Treasurer of Tasmania, Hobart.

Treasury, Hobart, 27th August, 1886.

SIR,

YOUR favour of the 16th July duly reached me, intimating that you had received my telegram to place £20,000 to the credit of the Agent-General. You will please understand that this £20,000 is part of £90,000 authorised in my letter to you of 23rd June, 1886, to be placed to the Public Account of the Agent-General with you. I note that you will give effect to my request.

The copy of your general letter formed an enclosure to the letter now acknowledged.

I have, &c.

W. H. BURGESS, *Treasurer.*

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

Via Brindisi.

*The Consolidated Bank, Limited, 52, Threadneedle-street,
London, 16th July, 1886.*

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAD the honor of addressing you on the 9th inst., and a copy of that letter, with a second copy of the Prospectus of the Loan, is herewith enclosed.

I now confirm my telegram, despatched to you on the 12th inst., as follows:—"Loan successfully issued. Two millions applied for. Average, about ninety-nine eighteen. Payment twenty-fifth August." The actual amount applied for was £2,094,700, and the average price offered was £99 17s. 11d. per cent.

A list of the allotments made is enclosed herewith.

By the delivery of the Tasmanian mail on the 12th inst. I was put in possession of your valued letter (printed) of the 29th May last, advising the despatch of the final parcel of the bonds of the Loan. These had arrived on the 5th inst., and were duly acknowledged in my letter of the 9th inst.

Your letter enclosed six certified copies of the Act of the Parliament of Tasmania, 49 Victoria, No. 54, authorising this Loan.

I have also to thank you for the valuable statistics and information in your letter, and in the separate printed statement therewith, all serving to show the present position of Tasmania, and demonstrating that the issue of the Loan is justified by the sound condition of the Colony.

I take note that full instructions as to the disposal of the proceeds of the Loan were to be sent to me by an early mail. Up to the present date these have not been received. On payment in full on the 25th August, those instructions, however, shall be promptly and carefully carried out.

I cannot but congratulate your Government upon what must be considered the successful issue of the Loan, having regard to the fact that the Government of New South Wales announced a loan of five and a half millions three days after the issue of our Prospectus; and that, in the case of your Government's previous Loan, the average price of which was £100 8s. 1d., the first half-yearly coupon became due ten days after payment in full and delivery of the bonds.

In accordance with the instructions of the Agent-General, as referred to in my letter of the 9th inst., the sum of fourteen thousand five hundred pounds (£14,500), has been transferred from the proceeds of this Loan and placed to an account in the joint names of the Agent-General of Tasmania and the Tasmanian Main Line Railway Co., Limited.

I have, &c.

J. TAYLOR, *pro Manager.*

The Honorable the Treasurer of Tasmania, Hobart.

Treasury, Hobart, 27th August, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

ON the 23rd instant I duly received your valued letter of the 16th July, together with the enclosures therein referred to.

I have duly noted the contents of your letter, and with regard to the disposal of the proceeds of the moneys, my advice of 23rd June, due in London on the 2nd instant, will have reached you, as I intended, in ample time to enable you to give effect to my wishes in respect to the distribution of the funds. As the balance was not to be paid over until the 25th instant, it afforded me sufficient time to complete the details of my arrangements with the banks here before writing you.

I learn, through the Manager of the Commercial Bank, Hobart, that you, yesterday, placed with the Bank of New South Wales, London, the sum of £500,000, in obedience with my instructions, and I have no doubt that the other authorised payments have been duly made by you.

I have already written thanking you and the Manager of the Bank of New South Wales for your able assistance in placing this Loan on the London market, and your further letter of the 16th July confirms the confidence of the Government of Tasmania in your judgment and fitness to watch the interests of this Colony.

I fully concur with you in opinion that the unexpected issue of a large Loan by the Government of New South Wales, three days after the Tasmanian Loan had been announced, must have affected the price realised for our issue. At the same time, the figure obtained for our Bonds must be regarded as very satisfactory to the Colony, and gratifying to yourself and Mr. Badcock.

On the 19th inst. I wrote you fully with regard to the unexpected action of the Agent-General in placing to a Special Account with you the sum of £14,500, pending the settlement of certain amounts in dispute between the Government and the Tasmanian Main Line Railway Company. This communication will inform you that the action taken is not approved of, and, as the Government did not authorise the step taken, they decline to be compromised thereby.

I have, &c.

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

W. H. BURGESS, *Treasurer.*

Via Brindisi.

*The Consolidated Bank, Limited,
52, Threadneedle-street, London, 30th July, 1886.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 11th ultimo, which reached me on the 26th inst., enclosing two printed copies of the Instructions to the Honorable Adye Douglas, Agent-General for Tasmania, of which I take due note.

Under date of the 26th inst., the Crown Agents for the Colonies applied to us to pay the sum of twenty-two thousand pounds (£22,000) to their account with the Bank of England, leaving a credit of three thousand pounds (£3000) in their favour with ourselves. We have duly complied with their request, the two amounts making together the twenty-five thousand pounds (£25,000) referred to in your telegram of the 3rd ultimo, and our reply thereto by telegram of the same date, and letter of 4th June.

I take this opportunity to enclose copies of my several letters of the 16th inst., and one of the 9th inst.

I have, &c.

The Honorable the Treasurer of Tasmania, Hobart.

J. TAYLOR, *pro Manager.*

Treasury, Hobart, 7th September, 1886.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 30th July, with the enclosures referred to, and I have to thank you for attending to my instructions by telegram dated 3rd June, 1886, to pay over to the Crown Agents the sum of £25,000.

I have, &c.

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

W. H. BURGESS, *Treasurer.*

Via Brindisi.

*The Consolidated Bank, Limited,
52, Threadneedle-street, London, 16th July, 1886.*

SIR,

I HAVE the honor to acknowledge the receipt on the 12th inst. of your confidential letter dated the 29th May last, enclosing matter for my perusal, which I duly treat as confidential.

I have, &c.

The Honorable the Treasurer of Tasmania, Hobart.

JAS. TULLOCH, *Manager.*

Treasury, Hobart, 26th August, 1886.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 16th July, informing me that you had duly received my confidential communication of the 29th May last.

I have, &c.

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

J. E. PACKER, *pro Treasurer.*

Viâ Brindisi.

*The Consolidated Bank, Limited, 52, Threadneedle-street,
London, 6th August, 1886.*

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to acknowledge the receipt, on the 3rd instant, of your valued letter of the 23rd June last, containing instructions as to the disposal of the proceeds of the Loan. We will duly give full effect to these instructions when put in funds by the final payments due on the 25th inst.

I take the opportunity to enclose a copy of our general letter of the 30th ultimo.

I have, &c.

JAS. TULLOCH, *Manager.*

The Hon. the Treasurer of Tasmania, Hobart.

The Statement of Account for July, with the corresponding cancelled coupons, will be forwarded by next mail.

Treasury, Hobart, 16th September, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to acknowledge the receipt of your letter of the 6th ultimo, notifying receipt of my instructions of 23rd June as to the disposal of the proceeds of the above Loan, and I note that you will duly give full effect to my wishes:

I have, &c.

W. H. BURGESS, *Treasurer.*

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

TELEGRAM.

LETTER of 9th July received to-day. Mine of 23rd June gave explicit instructions *re* disposal of Loan, and must be adhered to. Agent-General had no authority to make agreement with Railway for deposit of money. Government decline to recognise it.

Consolidated, London.

TREASURER.
Tasmania, 18. 8. 86.

Viâ Brindisi.

*The Consolidated Bank, Limited, 52, Threadneedle-street,
London, 20th August, 1886.*

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to acknowledge the receipt of your telegram of the 18th instant, as follows:—

“Letter of 9th July received to-day. Mine of 23rd June gave explicit instructions *re* disposal of Loan, and must be adhered to. Agent-General had no authority to make agreement with Railway for deposit of money. Government decline to recognise it.”

This telegram, I think, must have been sent without full knowledge of the facts which led to the money being deposited as mentioned in my letter of the 9th July.

I therefore beg to inform you that on the issue of the Prospectus of the Loan, on the 6th July, we had notice from the Secretary of the Tasmanian Main Line Railway Company that steps would be taken with a view to obstruct the successful issue of the Loan; and that the Company had written to the Honorable Adye Douglas, asking him to attend at their office on the following day. At the meeting held on the 7th July (at which I was present by request), a long discussion took place extending to between two and three hours, and it was only at the last moment that the Directors of the Main Line Railway Company agreed not to obstruct the Loan, on condition of having the £14,500 lodged jointly in their names and that of the Agent-General of Tasmania, pending a settlement of the points in dispute.

At the time Mr. Douglas entered into this Agreement, and gave instructions to this Bank to place the money in the joint names, there existed no evidence that he was in any way exceeding his powers, as we were not put in possession of the printed Instructions to the Agent-General until the 26th of July.

By this document we see that Clause 9 states that the Agent-General is "not to incur any liability or enter into any contract on behalf of the Government of Tasmania, without authority in writing previously obtained."

Had these instructions been in our possession at the time, we should not have taken the responsibility of acting upon the Agent-General's orders, however much we might have considered that it would be expedient to do so: and with regard to your letter as to the disposal of the proceeds of the Loan, it did not reach until the 3rd of August.

The Directors of this Bank do not wish to incur any responsibility when it can possibly be avoided; but, in this instance, they feel that they would have been neglecting the best interest of your Colony had they refused to recognise and to act upon the undertaking of your Agent-General.

My Directors think that, upon consideration of these circumstances, and bearing in mind that the New South Wales Loan of £5,500,000 was announced before the Loan of your Government was tendered for, and that they had no evidence before them that the Agent-General was exceeding his instructions, and being solicitous for the success of your Loan, you will be of opinion that the steps taken on the 7th of July with regard to the deposit of the £14,500 were not only prudent, but advisable, in the best interest of your Government, and were a material factor in bringing about the successful issue of the Loan.

With regard to the disposal of the proceeds, we will make the payments as directed, adjusting the dispoits of £14,500 by making the payments to the "Public Account of the Colony of Tasmania operated upon by the Agent-General" £75,500, instead of £90,000, so as to make the figures balance.

You will of course understand that the money being placed in joint names does not commit your Government in any way beyond the amount being held in abeyance until the points in dispute with the Main Line Railway Company are settled either mutually or by law.

We regret that it has been necessary to act without your definite instructions, but feel sure that this explanation will be satisfactory.

I have, &c.

JAS. TULLOCH, *Manager.*

The Hon. the Treasurer of Tasmania, Hobart.

Via Brindisi.

*The Consolidated Bank, Limited, 52, Threadneedle-street,
London, 27th August, 1886.*

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to enclose a copy of the letter that I addressed to you on the 20th instant.

By the delivery of the Tasmanian mail on the 21st instant I was put in possession of your valued letter of the 10th July last, instructing me to place the sum of £150,000 (one hundred and fifty thousand pounds), with the Commercial Banking Company of Sydney, London, to the credit of the Bank of Van Diemen's Land, Limited, in account with the Treasurer of Tasmania.

On the 25th instant the greater part of the payments-in-full on the new Loan was received; and, in accordance with your instructions, we have made the following payments:—

1. To the Bank of New South Wales, London, to the credit of the Commercial Bank of Tasmania, Limited, in account with the Treasurer of Tasmania	£ 500,000
2. To the Commercial Banking Company of Sydney, London, to the credit of the Bank of Van Diemen's Land, Limited, in account with the Treasurer of Tasmania	150,000
3. To the English, Scottish, and Australian Chartered Bank, London, to the credit of the National Bank of Tasmania, Limited, in account with the Treasurer of Tasmania	50,000
4. To the London and Westminster Bank, Limited, to the credit of the Bank of Van Diemen's Land, Limited, in account with the Treasurer of Tasmania	50,000

By the next mail we expect that all will be paid up; and shall then send you the full detailed account of the disposal of the proceeds of the Loan.

I have, &c.

JAS. TULLOCH, *Manager.*

The Hon. the Treasurer of Tasmania, Hobart.

Treasury, Hobart, 2nd October, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to acknowledge the receipt of your letter of the 27th August last, intimating that you had duly received my instructions of the 10th July, respecting payment of the sum of £150,000 to the Commercial Banking Company of Sydney, and advising me that on the 25th of August the greater part of the payments in full on the new Loan were made, which enabled you to make deposits of £750,000 in accordance with my instructions.

I hope by next mail to receive your full detailed account of the disposal of the proceeds of the Loan.

I have, &c.

W. H. BURGESS, *Treasurer.*

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

Via Brindisi.

*The Consolidated Bank, Limited, 52, Threadneedle-street,
London, 3rd September, 1886.*

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to enclose a copy of my letter to you of the 27th ultimo, and also, as then anticipated, to add a full and detailed account of the receipts and payments in connection with the Loan.

You will observe that, in order to make the payments directed in your letter of the 23rd June last, we have had to take eleven thousand three hundred and seventy pounds eighteen shillings and fourpence (£11,370 18s. 4d.) from your General Account.

The Crown Agents for the Colonies requested us to hold the three thousand pounds (£3000) balance of the twenty-five thousand pounds (£25,000) ordered to be paid to them until they should apply for it; and that amount remains to the credit of your General Account.

The balance of that account, being two thousand four hundred and seventy-three pounds ten shillings and ten pence (£2473 10s. 10d.), as shewn in the Statement of Account forwarded to you by the present mail, and coupons to the amount of about six hundred and twenty-five pounds (£625) being still outstanding, it follows that upon payment of the three thousand pounds (£3000) to the Crown Agents, your General Account will be overdrawn by about eleven hundred and fifty pounds (£1150).

Referring to your valued letter of the 17th July last, received on the 31st ultimo, my Directors desire me to communicate to you their gratification with the obliging terms in which you request me to convey to them your high appreciation of their efforts on the occasion of this Loan to promote the interests of Tasmania.

I have, &c.

JAS. TULLOCH, *Manager.*

The Honorable the Treasurer of Tasmania, Hobart.

TASMANIAN Government 4 per cent. Loan, 1886—Debenture Account in account with Consolidated Bank, Limited.

1886.	Dr.	£	s.	d.	1886.	Cr.	£	s.	d.
July 5.	To Telegram	8	8	7	July 13.	By 5 per cent. on application	50,000	0	0
12.	Ditto	10	18	2	Aug. 25.	Payments in full	948,944	16	6
13.	Joint Account Agent-General and Tasmanian Main Line Railway Company	14,500	0	0	31.	From General Account to provide for payments as ordered in Treasurer's letter of 23rd June, 1886	11,370	18	4
20.	Brokers' Commission	2455	0	0					
	Bankers' ditto	5000	0	0					
26.	Stamping Bonds	1250	0	0					
27.	Crown Agents	22,000	0	0					
Aug. 26.	Government Account for Coupons	57,710	0	0					
	Public Account of Colony of Tasmania	75,500	0	0					
	Government Account, balance of credit to Crown Agents not yet claimed	3000	0	0					
	Bank of New South Wales Account, Commercial Bank of Tasmania Account, Treasurer of Tasmania	500,000	0	0					
	London and Western Bank Account, Bank of Van Diemen's Land, Limited, Account, Treasurer of Tasmania	50,000	0	0					
	Commercial Banking Company of Sydney Account, Bank of Van Diemen's Land, Limited, Account, Treasurer of Tasmania	150,000	0	0					
	English, Scottish, and Australian Chartered Bank Account, National Bank of Tasmania Account, Treasurer of Tasmania	50,000	0	0					
Aug. 31.	For Coupons due September, 1886	525	0	0					
	Ditto, January, 1887	77,710	0	0					
	Ditto, March, 1887	525	0	0					
	Advertising, printing, &c.	121	8	1					
		<u>£1,010,315</u>	<u>14</u>	<u>10</u>			<u>£1,010,315</u>	<u>14</u>	<u>10</u>

Treasury, Hobart, 13th October, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to acknowledge the receipt of your valued letter of the 3rd ultimo on the above subject, and am glad to find that all the moneys in connection with the Loan have now been received, and that you have distributed the same in accordance with my instructions.

The accounts will be examined in due course, and no doubt will be found correct.

I have, &c.

J. E. PACKER, *pro Treasurer.*

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

Treasury, Hobart, 13th October, 1886.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 20th August last, informing me that you duly received my telegram declining, on the part of the Government of this Colony, to recognise the special deposit of £14,500 made by the Agent-General of Tasmania as a preliminary to negotiations for a final settlement of certain matters in dispute between the Government and the Main Line Railway Company.

I have carefully perused your explanation, for which I have to thank you; at the same time I think that in a matter of so much importance it would have been more satisfactory if you had telegraphed to this Government for immediate instructions, particularly as the Agent-General was unable to show you any authority from this Government to enter into any arrangement of the kind.

I regret that you had not a copy of the printed instructions issued for Mr. Douglas' guidance. At the same time I do not see that the possession of a copy would relieve the Bank from the necessity of having special instruction on so important a point as the payment referred to, because there are obvious and strong objections to an Agent-General or any official of the Government being allowed to operate without direct authority on the general Banking account of the Colony.

When I issued my instructions to you on the appointment of the Agent-General, you will remember that I did not in any way sanction his being permitted to operate upon any other account than the one I stated he would open with your Bank.

I trust that in future when the General Government Account is to be interfered with you will demand a direct and specific instruction, which will be most convenient, and prevent complications arising.

I fully recognise that in this instance your Directors acted, as they believed, in the best interests of the Colony, and I trust that the explicit instructions now forwarded will prevent a recurrence of any similar action.

You have acted in accordance with my wishes in deducting the amount of the special deposit from the funds authorised by me to be placed at the disposal of the Agent-General.

I have, &c.

W. H. BURGESS, *Treasurer.*

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

Via Brindisi

*The Consolidated Bank, Limited, 52, Threadneedle-street,
London, 1st October, 1886.*

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to acknowledge the receipt of your valued letters of the 4th and 18th August last, in the latter of which reference is made to the agreement entered into by the Agent-General and the Main Line Railway Company. My letter to you of the 20th August last went so fully into the subject that I have nothing further to add.

I beg to enclose a copy of my letter to you of 3rd September, and of the account of receipts and payments in connection with the Loan which accompanied the same.

I have, &c.

JAS. TULLOCH, *Manager.*

The Hon. the Treasurer of Tasmania, Hobart.

BANK OF NEW SOUTH WALES.

Treasury, Hobart, 28th November, 1885.

SIR,

Tasmanian 4 per cent. Loan, £1,000,000.

By the mail leaving here to-day I have written to the Manager of the Consolidated Bank in London, advising him that the Parliament of this Colony has just approved of the issue of a further 4 per cent. Loan of One million Pounds, to redeem certain Debentures and to defray the cost of additional Railways and other Public Works of a reproductive character required to aid in developing the resources of Tasmania. I have informed Mr. Tulloch that it is the intention of this Government to ask your Bank and the Consolidated Bank to undertake the issue. May I therefore request that you will confer with Mr. Tulloch, and after perusal of my letter to him favour me with your views?

I have, &c.

W. H. BURGESS, *Treasurer, Tasmania.*

*The Manager Bank of New South Wales,
Old Broad-street, London.*

*Bank of New South Wales, Old Broad-street,
London, 15th January, 1886.*

SIR,

I HAVE the honor to acknowledge your letter of the 28th November, informing me it is the intention of your Government to confide to this Bank, in conjunction with the Consolidated Bank, the issue in London of a 4 per cent. Loan of £1,000,000, which the Parliament of your Colony has recently sanctioned, and asking me to express my views on the proposed operation after conference with Mr. Tulloch.

I have seen that gentleman, who has kindly read me your communication to him.

I have to thank you for this fresh evidence of your Government's confidence in this institution, and to assure you our best efforts shall be put forth to make your Loan a success.

The month of May—by which time your Debentures will, I hope, be here—would be a favourable time of year to bring out the Loan, and I have no reason to doubt its success if meantime the peace of the world is maintained, and if the minimum price of issue is fixed with reference to the state of the Money and Stock Markets at the time. We trust you will, as heretofore, give due weight in this respect to the opinion of your Agents, who will, I can assure you, suggest the highest rate of issue compatible with safety.

What limit we may hereafter suggest I could not now foreshadow. Your last two Loans were brought out, as you will remember, at 98, and we trust we shall not have to recommend a reduction on that minimum. The present market price of your Bonds is 100½ to 101, *ex* January coupon, but this represents transactions for limited amounts only.

We hear rumours of Loans coming forward for other Australian Colonies, and their issue might in some measure affect greatly the market for Colonial Stocks, but Tasmania has hitherto been moderate in her borrowing, and her securities are favourably regarded by investors in this country.

I have, &c.

J. BADCOCK, *Manager.*

The Hon. W. H. BURGESS, Esq., Treasury, Hobart.

Treasury, Hobart, 20th February, 1886.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 15th ultimo, on the subject of the new Loan for £1,000,000 to be issued in London for this Colony.

I am glad to learn that you have perused my communication to Mr. Tulloch.

The Bonds for the new issue are now in course of preparation, and I hope to be able to place them in your hands in June next, dated Hobart, 1st July, 1886, so that you will be able to decide with Mr. Tulloch as to the best time after the latter date to issue the Loan.

As to the minimum price, that, of course, I must leave in your hands, to be determined after consideration of the surrounding circumstances of the time, but I am satisfied that you will not fail to consult the best interests of the Colony.

I have written to Mr. Tulloch more fully on a point he referred to in his letter of even date to yours, which you would oblige me by reading.

I have, &c.

*The Manager Bank of New South Wales,
Old Broad-street, London.*

W. H. BURGESS, *Treasurer.*

Treasury, Hobart, 17th April, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to state that by this day's mail I have forwarded to the Manager of the Consolidated Bank, London, one parcel of Debenture Bonds representing £200,000 of the above issue. The Bonds are Numbers 1 to 200 inclusive, of £1000 each. I have asked the Manager of the Consolidated Bank to take possession of these and hold them until I am able to place in his hands the remainder of the Stock, £800,000. This I hope to be able to do without any unnecessary delay, as the work of printing has been completed, and this Department is now actively engaged in the preparation of the Bonds for transmission to London.

When the balance is sent forward I shall at the same time address you fully on the subject of the issue. In the meantime I should feel very much obliged to have your views as to the chances of success attending the Loan, so that I may then use the telegraph in the event of it being found necessary to communicate with you on any point affecting the issue.

I have, &c.

W. H. BURGESS, *Treasurer.*

*The Manager Bank of New South Wales,
Old Broad-street, London.*

Treasury, Hobart, 1st May, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

ON the 17th ultimo I had the honor to write to you stating that I had sent to the Consolidated Bank, London, by the same mail a parcel of Debenture Bonds of £1000 each, numbered 1 to 200, forming part of the new Loan of £1,000,000.

By the Mail leaving here to-day I have despatched to the Consolidated Bank another parcel of Bonds of £500 each, numbered 201 to 1200, being a further instalment of the above Loan.

I have, &c.

J. E. PACKER, *pro Treasurer.*

The Manager Bank of New South Wales, London.

Treasury, Hobart, 12th May, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

REFERRING to my letter of the 1st instant on the above subject, I have now the honor to inform you that by the mail leaving here to-day I have sent to the Manager of the Consolidated Bank, London, another parcel of Debenture Bonds of £100 each, numbered 1701 to 3200 inclusive, and 3701 to 4200 inclusive. This will place in your hands all but One thousand Bonds, namely, Numbers 1201 to 1700 inclusive, and 3201 to 3700 inclusive.

These Bonds are now being prepared, and will be ready to despatch by the Orient mail, leaving here on the 26th instant, due in London on the 5th July following, by which opportunity full instructions will be forwarded.

I have, &c.

W. H. BURGESS, *Treasurer.*

The Manager Bank of New South Wales, London.

Treasury, Hobart, 29th May, 1886.

SIR,

Tasmanian 4 per cent. Loan.

I HAVE the honor to forward herewith copy of the letter of instruction sent by this day's mail to the Manager of the Consolidated Bank, London, written expressly for the guidance of yourself and Mr. Tulloch in bringing out this Loan of £1,000,000, and I trust that you will find the information supplied in the letter, and statement that accompanies it, sufficient to enable you to proceed with the issue at an early date.

I now leave the matter in your hands, and hope to learn that you have successfully placed the Loan.

I have, &c.

W. H. BURGESS, *Treasurer Tasmania.*

The Manager Bank of New South Wales, London.

Treasury, Hobart, 23rd June, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE written Mr. Tulloch by this day's post informing him as to the disposal of the proceeds of the above Loan, and requesting him to place with your Bank to the credit of the Commercial Bank of Tasmania, Limited, in account with the Treasurer of Tasmania, the sum of £500,000, the receipt of which be good enough to acknowledge by first post.

I have, &c.

W. H. BURGESS, *Treasurer.*

The Manager Bank of New South Wales, London.

Bank of New South Wales, London, 9th April, 1886.

SIR,

I HAVE the honor to acknowledge your letter of the 20th February, informing me that the Bonds for the new issue of your £1,000,000 Loan, which were then in course of preparation, would be in my hands in June next, and that the Bonds would bear date the 1st July, 1886.

It is now too late for any advice I might offer in this matter to receive consideration at your hands, but I think it right to point out that it would have been preferable that the Bonds should bear a date prior to their issue from your Treasury; they might, for instance, have been dated on the 1st January last, and the July coupon could have been detached prior to their transmission.

Should it be considered desirable to bring out the Loan in the early part of July,—and any later date for its issue between then and October would probably be undesirable,—it is possible that objections may be raised by the Committee of the Stock Exchange to the issue of Debentures that had been manifestly post-dated.

I hope the question may not arise, but I deem it right to mention its possibility; at the same time I would renew my assurance that our very best efforts shall be directed to make the issue a success.

I have, &c.

The Honorable the Treasurer, Hobart.

J. BADCOCK, *Manager.*

[Confidential.]

Treasury, 29th August, 1886.

SIR,

I HAVE the honor to acknowledge your letter of the 9th April last, referring to the date which the Bonds for the £1,000,000 bear, and suggesting the possibility of objections being raised by the Committee of the Stock Exchange to the issue of Debentures manifestly post-dated. I have to thank you for calling attention to this point, and I concur with you in hoping that the question may not arise, although, if it does, I am at a loss to know how it can possibly affect the Loan. Any persons who become purchasers of the Bonds will certainly not raise any question affecting the validity of their securities,—indeed they could not do so as long as such securities are recognised by the Government. On the other hand, the Government, who, it appears to me, alone are in a position to object, are certainly not likely to commit an act of repudiation, and would, I think, be debarred from so doing even if they wished it, by the fact that the Bonds are signed by the Governor and principal Officers of the Treasury and Audit Departments, and would be bound thereby.

I have, &c.

W. H. BURGESS, *Treasurer Tasmania.*

*Bank of New South Wales, Old Broad-street,
London, 4th June, 1886.*

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to acknowledge your letter of the 17th April, informing me of the transmission of one parcel, 200 bonds of £1000 each, part of the Debentures of this Loan. These have been received by the Consolidated Bank.

I need not here trouble you with a recapitulation of the cable messages that have since the receipt of your letter passed between your Government and the Manager of that institution, as they will be confirmed by the last named. I have concurred with those despatched from this side.

We hope to launch your Loan, with your concurrence as to time and minimum, immediately after receipt of all the Debentures; and before receipt of this communication by you we shall seek your instructions by cable.

The present would certainly have been a favourable moment for the issue. Our money market, however, shows no signs of hardening, and if political influences are not averse, the middle of July may be as favourable as the present moment.

Again assuring you that our best efforts shall be exerted in the interests of your Colony and Government,

I have, &c.

The Honorable the Treasurer, Hobart, Tasmania.

J. BADCOCK, *Manager.*

Treasury, Hobart, 15th July, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to acknowledge the receipt of your valued letter of the 4th ultimo on the subject of the above Loan, and I have to thank you for the information supplied, which I need not now specially deal with, because since your letter was written I have received a cable message reporting the successful result of the appeal to your market. It is very gratifying to learn that the credit of this Colony continues to maintain its position in the eyes of investors.

When I receive your final report I shall then be in a position to enter more fully into the matter. In the meantime,

I have, &c.

*The Manager Bank of New South Wales,
Old Broad-street, London.*

J. E. PACKER, *pro Treasurer.*

Bank of New South Wales, London, E.C., 9th July, 1886.

SIR,

Tasmanian Government Loan of £1,000,000.

MY colleague in this financial operation, the Manager of the Consolidated Bank, will, by this mail, confirm our joint telegram to you of the 5th inst., and will acknowledge your reply of the following day. He will also express our thanks for the promptitude of your decision.

This Bank had sound reasons, particulars of which I am not at liberty to divulge, for urging immediate action; but I may say that if any delay had occurred in bringing forward your Loan we should have been forestalled by another Colony, and would have had to wait for some time before we could have issued our Prospectus, and this postponement would have landed us in an unfavorable period of the year.

Your Loan will be a success. I need not here enter on speculative calculations of the price we shall obtain, as you will know of the result by cable in the next three days.

I enclose copy of the Prospectus and cuttings from our daily papers noticing the issue.

I have, &c.

J. BADCOCK, *Manager.*

The Honorable the Treasurer, Hobart.

P.S.—Since writing the above I have information that the Government of New South Wales will to-morrow bring out a loan of five millions in 3½ per cent. invested stock.—J. B.

[See Copy of Prospectus with Consolidated Bank Correspondence.]

PRESS NOTICES.—7 JULY, 1886.

Times.

THE Bank of New South Wales and the Consolidated Bank (Limited), as agents for the Tasmanian Government, announce that they have been instructed to negotiate a Tasmanian Government Loan for £1,000,000 in Four per cent. Debentures, payable upon January 1 and July 1 in each year at the offices of these banks, where also the principal will be payable on July 1, 1911. Tenders will be received at the Bank of New South Wales up till 2 o'clock P.M. on Monday, the 12th instant. The *minimum* price is 99 per cent.

Telegraph.

Tenders will be received on July 12 by the Bank of New South Wales for a Tasmanian Government Four per cent. loan for £1,000,000. The minimum is fixed at £99 per £100 debenture, and the money is stated to be required for railways and other public works. Five per cent. is payable on application, and the balance on Aug. 25.

Standard.

The Bank of New South Wales and the Consolidated Bank (Limited) offer for subscription a new Tasmanian Loan of £1,000,000 in Four per cent. Debentures. The minimum price at which tenders will be accepted is £99 per £100. Part of the money is to be used in redeeming old bonds due or about to fall due, and the rest will be spent on railways and other public works. The existing debt of the Colony exceeds £3,000,000, but it has not hitherto been such a wanton borrower as some of its neighbours.

Daily News.

TASMANIAN GOVERNMENT LOAN.—The Bank of New South Wales, 64, Old Broad-street, will receive tenders on Monday, the 12th instant, for a loan of £1,000,000 in 4 p.c. Debentures, to be allotted to the highest bidders provided the prices offered are not below £99 for every £100 debenture. Interest will commence from 1st instant, and the coupons are payable upon the 1st January and 1st July in each year.

Money.

The Bank of New South Wales and the Consolidated Bank, Limited, as agents for the Tasmanian Government, have been instructed to negotiate a loan for £1,000,000, in 4 per cent. Debentures, authorised by the Tasmanian Parliament. The loan will be issued in debentures of £1000, £500, and £100 each, bearing interest at 4 per cent. per annum from the 1st instant, and the coupons of the said loan are payable upon the 1st January and 1st July in each year, at the office of the banking agents of the Government of Tasmania in London, where also the principal will be payable on the 1st July, 1911. Tenders will be received at the Bank of New South Wales, No. 64, Old Broad-street, up till two o'clock P.M. on Monday, the 12th instant.

Financier.

TASMANIAN GOVERNMENT LOAN FOR £1,000,000 IN FOUR PER CENT. DEBENTURES.—The Bank of New South Wales and the Consolidated Bank, Limited, announce that, as Agents for the Tasmanian Government, they are authorised to receive tenders for an issue of £1,000,000 Four per cent. Tasmanian Government Debentures, until two o'clock on Monday next, the 12th instant. The minimum price of issue is £99 per cent. The money is required for the redemption of Bonds falling due in the years 1885, 1886, 1887, and 1888, and for the construction of Railways and other public works. The Debentures will be issued in amounts of £1000, £500, and £100 each, and will bear interest as from the 1st instant, which will thenceforward be payable half-yearly upon the 1st of January and July. The principal will be repayable on the 1st July, 1911. Five per cent. is required on application and the balance on the 25th August, when the Debentures will be delivered.

Post.

The Bank of New South Wales and the Consolidated Bank are authorised to negotiate a loan for £1,000,000 Tasmanian Government 4 per cent. Debentures, the money being required for railways and other public works. The minimum price is £99 per £100 Debenture. The loan will be issued in debentures of £1000, £500, and £100 each, bearing interest at 4 per cent. per annum from the 1st instant, and the coupons of the said loan are payable upon the 1st of January and 1st of July in each year, at the office of the banking agents of the Government of Tasmania in London, where also the principal will be payable on the 1st of July, 1911. Tenders will be received up to two o'clock on Monday, at the Bank of New South Wales.

Financial News.

TASMANIAN GOVERNMENT LOAN.—The Bank of New South Wales and the Consolidated Bank, Limited, as agents for the Tasmanian Government, have been instructed to negotiate a loan for £1,000,000 authorised by the Tasmanian Parliament. The loan will be issued in debentures of £1000, £500, and £100 each, bearing interest at 4 per cent. per annum from the 1st instant, and the coupons are payable upon January 1 and July 1 in each year, at the office of the banking agents of the Government of Tasmania in London, where also the principal will be payable on July 1, 1911. The debentures will be allotted to the highest bidders, provided the prices offered are not below £99 for every £100 in debentures.

Evening News.

The Bank of New South Wales and the Consolidated Bank (Limited), as agents for the Tasmanian Government, invite tenders up to two o'clock on Monday, the 12th instant, for a Tasmanian Government Loan for £1,000,000 in 4 per cent. Debentures at a minimum price of £99 per cent., of which £5 per cent. is payable on application, and the balance on August 25, when the debentures will be delivered. The loan is required for the redemption of bonds falling due in 1885, 1886, 1887, and 1888, and the construction of railways and other public works, and is secured on the Consolidated Revenue of the Colony.

Globe.

The Bank of New South Wales and the Consolidated Bank (Limited) as agents for the Tasmanian Government, invite subscriptions for a Tasmanian Government Loan of £1,000,000 in Four per cent. Debentures of £1000, £500, and £100 each, at a minimum price of £99 per cent.

St. James's Gazette.

Tenders will be received on Monday, the 12th instant, up to two o'clock, at the Bank of New South Wales, for a Tasmanian Government Loan for £1,000,000, in 4 per cent. debentures, at a minimum price of £99 per cent., payable £5 per cent. on application, and the balance on the 25th August next, when the debentures will be delivered. The loan is authorised for the redemption of bonds falling due, and for the construction of railways and other public works.

Treasury, Hobart, 18th August, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

By the mail received this morning I have been placed in possession of your valued letter of the 9th July, supplying more detailed information in connection with the above Loan, and confirming your joint telegram reporting the result of the issue of appeal to your market.

I note your explanation with regard to the immediate issue advised by you and approved by my telegram to the Consolidated Bank, dated 6th July, 1886. In replying that I approved of the recommendation I did so in full confidence that you were jointly acting in the best interests of this Colony, and that your subsequent letters would satisfactorily explain and fully justify the step you proposed to take. The result of the operation must be regarded as highly satisfactory to the Colony, and gratifying to yourself and the Manager of the Consolidated Bank.

I thank you for the copy of the Prospectus and Press notices of the Loan; and it is with pleasure I notice that the *Standard*, which has of late dealt rather severely with Australasian Loans

placed upon the London market, is able to record the fact that at any rate Tasmania cannot be charged with being such a "wanton borrower as some of its neighbours;" and I feel sure that if the Editor of the *Standard* were more intimately acquainted with the condition of the Colonies as a whole, he would modify the views expressed with regard to them, and acknowledge that their great resources fully justify a progressive policy designed to improve their condition.

I have, &c.

*The Manager Bank of New South Wales,
64, Old Broad-street, E.C., London.*

W. H. BURGESS, *Treasurer.*

*Bank of New South Wales, London, E.C.,
13 July, 1886.*

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to acknowledge your two letters of 29th May, which, with their enclosures, reached me yesterday, the enclosures being:—

1. Printed copy of your letter of instructions to the Manager of the Consolidated Bank, London.

2. Statistics of the Colony of Tasmania in connexion with the said Loan.

These documents I have read with attention. It is perhaps somewhat to be regretted that the last named did not reach my hands until the morning of the day on which we received tenders, as it was thus out of my power to enclose a copy with the Prospectus and Tender, forms as had been done on the last occasion. At the same time I do not consider that its absence in anywise affected the result of the operation.

As regards the instructions contained in your letter to Mr. Tulloch, I have to thank you for the confidence you have placed in me and my colleague, by giving us a large discretion regarding the time of issue and the minimum.

The result was telegraphed you yesterday by Mr. Tulloch as soon as arrived at; and I now enclose herewith a list of the Tenders accepted and rejected, which contains full particulars of the amounts applied for, prices, and proceeds; the average price realised being £99 17s. 11d.

This result will, I believe, be satisfactory to you and your Government. When, however, we fixed the limit at 99 I had hopes, and reasonable hopes, that the net average result would be something over par, and I am now confident that the hope would not have been disappointed if the New South Wales Government had not, contrary to all previous usage, advertised its Loan of 5½ millions the day previous to that on which our Tenders were to be received.

This action, which cannot be regarded as neighbourly, and which has in no way improved the prospects of their Loan, certainly inflicted an appreciable loss on your Colony.

We have handed to the Consolidated Bank, for the credit of you Government, the 5 per cent. deposit paid us yesterday by the successful Tenderers, and I notice that instructions as to the disposal of the proceeds of the entire Loan will be sent by an early mail to the Manager of the Consolidated Bank.

I have, &c.

J. BADCOCK, *Manager.*

The Honorable the Treasurer, Hobart.

Treasury, Hobart, 26th August, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to acknowledge the receipt of your letter of the 13th July, together with the enclosures therein referred to.

I have noted the contents of your letter, and am obliged to you for the additional information with regard to the result of the Loan. I fully concur with you in thinking that the issue of 5½ millions by New South Wales, just at the moment the Tasmanian Loan was before the market, must have had a depressing effect upon ours. Having regard to the demand for Colonial securities in London at the time, I did hope that our issue would have realised a higher price. At the same time the success which has attended the operation must be regarded as very satisfactory to all interested in the matter.

I have already written you thanking you for your able assistance on behalf of this Colony, and I will now only add that the result fully justifies the confidence reposed in you and the Manager of the Consolidated Bank by myself and colleagues.

I have, &c.

W. H. BURGESS, *Treasurer.*

The Manager Bank of New South Wales, London.

*Bank of New South Wales, Old Broad-street,
London, E.C., 6th August, 1886.*

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to acknowledge your letter of 23rd June last, and note that you have instructed Mr. Tulloch, of the Consolidated Bank, to pay us £500,000 out of the proceeds of the above Loan to the credit of the Treasurer of Tasmania, in account with The Commercial Bank of Tasmania, Limited, and on receipt of same we shall duly advise you.

I have, &c.

DAVID GEORGE, *Secretary.*

The Honorable the Treasurer, Hobart.

Treasury, Hobart, 16th September, 1886.

SIR,

Tasmanian 4 per cent. Loan, 1886.

I HAVE the honor to acknowledge the receipt of your letter of the 6th ultimo, informing me that you had duly received my letter intimating that the Manager of the Consolidated Bank had been instructed to pay over to you the sum of £500,000 out of the proceeds of the above Loan.

I have, &c.

W. H. BURGESS, *Treasurer.*

*The Secretary Bank of New South Wales,
Old Broad-street, London.*