

such spots (rare as it is) gives assurance to the settlers, and encouragement to the Natives most friendly to the Europeans. The Native Minister instances the late cruise of H.M.S. "Basilisk," which was interrupted by orders from the Admiralty to repair to New Guinea for the purpose of completing the discoveries made by Captain Moresby, during which several places on the East Coast were visited, where a man-of-war had not touched for a length of time. The Native Minister considers that this cruise was productive of a marked effect for good. Her Majesty's naval forces have always been looked upon as the chief type of Her Majesty's supremacy, and so long as the exigencies of the service do not interfere, the Native Minister would respectfully urge that this feeling should not be lost sight of.

3. In communicating these views to your Lordship, in which I have reason to concur, I must bear testimony to the desire shown by the Commodore to provide for this service, and to the immediate steps which he took to replace H.M.S. "Basilisk;" but it is evident that while the greater part of the Australian squadron is required for special service in the Pacific, its present small numbers cannot afford that Her Majesty's ships shall be present as frequently as formerly upon the Australian and New Zealand coasts.

I have, &c.,

JAMES FERGUSSON,

The Right Hon. the Earl of Kimberley.

Governor.

No. 28.

COPY of DESPATCH from Governor the Right Hon. Sir J. FERGUSSON, Bart.,  
to the Right Hon. the Earl of KIMBERLEY.

(No. 13.)

Government House, Wellington,

MY LORD,—

New Zealand, 11th March, 1874.

In reply to your Despatch No. 86, of 12th December last, transmitting a copy of a letter from the India Office, stating that the Telegraph Department administrations of South Australia and New Zealand prohibit acceptance of telegrams for Europe labelled *viâ* Teheran, I have the honor to transmit a Memorandum from the Premier, who is also Commissioner of Telegraphs, with enclosures, explanatory of the alleged prohibition.

2. I would add that I believe the Government of New Zealand are alive to the advantages of alternate telegraphic lines.

I have, &c.,

JAMES FERGUSSON,

The Right Hon. the Earl of Kimberley.

Governor.

Enclosure in No. 28.

HIS EXCELLENCY is referred to Mr. Lemon's memorandum. The matter complained of seems to have arisen through a mistake. Mr. Lemon's recollection does not tally with the statement made by Captain Holt. Mr. Lemon believes he explained to Captain Holt that it would be better not to mark the telegram "*viâ* Teheran," because he had no authority to accept a telegram of the kind. In fact, the Company had overlooked placing the New Zealand Telegraph Department in possession of the necessary information to enable such a telegram to be forwarded with confidence: for example, Mr. Lemon did not know the rate by Teheran. The Telegraph Department has no desire to favour any particular line, and fully recognizes the advantages of alternative rates. The Company forwarding by Teheran may rely on its interests being protected, and receiving fair consideration, if it places the Department in possession of the terms, &c., for using its lines.

Wellington, 9th March, 1874.

JULIUS VOGEL.

Sub-Enclosure 1 to Enclosure in No. 28.

I ATTACH hereto a copy of a letter received by me from Mr. Knevitt, the Agent of the Java Cable Company at Adelaide, and also copy of my reply.

Prior to the receipt of Mr. Knevitt's letter, no intimation had ever been received by this Department as to the forwarding of telegrams by any special route, or that such could be effected if the sender of a telegram so desired it; consequently no instructions have ever been issued from this office to the telegraph offices throughout New Zealand, not to receive telegrams with the words "*viâ* Teheran." We are under no agreement to work with the Java cable, as stated by Mr. Holt in his letter, as my