

admitted?—It would have to pay an entrance fee, and would then be admitted upon an equal subscription.

66. Is that provided for by the deed of association?—There is no deed of association. It is provided for by resolution. Any paper has a right to be admitted upon payment of the entrance fee, and to be on equal terms with all the others.

67. What is the amount of the entrance fee?—That would rest with the committee. In the principal towns £500 has been spoken of. I think that is intended to be the maximum.

68. Then it is fixed at £500?—That is the sum fixed in the resolution, but it is really not to exceed £500. The reason for an entrance fee is this: These papers at present in existence have for years been spending money very freely in trying to build up a proper system of telegraphy, and have lost a great deal. They do not want to exclude any new papers, but think they should pay an entrance fee. Any surplus money would be devoted to reducing the subscription.

69. How are the expenses divided?—The special-wire amount is divided between the special-wire papers only.

70. Equally?—No, not equally, because the larger papers are best able to pay the larger proportion. It is not fixed upon any absolute system, but according to what the papers can pay. The principal morning papers pay £20 per month now, and the smaller papers pay £14 11s. 3d. per month, according to their circumstances. They all enjoy the same service. This is simply to make up to £2,222. In regard to subscriptions the papers are divided into four or five classes. For general expenses and management they are classed according to their position, the subscriptions varying from £66 per annum down to £22 per annum, which is the lowest for the regular classes; but there is an irregular class which varies from £20 to £10 per annum—small bi-weekly papers, and so on. The subscriptions are just calculated to meet the bare expenses of management.

71. If any new paper was admitted it would be for the committee to say what it would have to pay?—It would be classified according to the rank of the town, and would pay in accordance with what the other papers pay. If it was a morning paper in Christchurch, it would pay the same as the other morning papers there; if it was an evening paper, then it would pay the same as the evening papers in Christchurch are required to pay. These rates would be subject to a *pro rata* reduction if there was a surplus, and if there was a deficiency, to an increase in the rates.

72. You say the fee is not to exceed £500?—That is the sum in the principal towns.

73. Is there any rule binding upon the Association as to the amount to be paid?—There is that rule.

74. That is, any sum they like to charge, not exceeding £500?—Yes.

75. What I want to elicit is this: As we are giving practically a monopoly to the Press Association for Press telegrams, to what extent papers newly established might or might not be deprived of privileges by act of the Association?—The general scale fixed was—for first-class towns, £500; £300 to £100 for the smaller places and towns; and in the country districts probably £50 or so. All the Press Agency papers which joined the Association had to pay entrance fees. The *Canterbury Press*, *Dunedin Herald*, and *New Zealander* had to pay £250 each, and the smaller papers entrance fees down to £10. That was to liquidate the amount expended by the old association—it was to clear off the liabilities.

76. You say there is no deed of association. Supposing a new arrangement was made with the Association for a period of two years, what is there that could compel the Association to admit any new paper?—A clause in the agreement might easily be inserted.

77. There is no such clause at present?—No; but entrance on fair terms would not be objected to. But we should not consider it fair for a paper started in opposition to those for years established to be admitted without paying anything, and to enter into competition with them on precisely equal terms.

78. It would give papers now under the Association enormous political power if they could prevent the establishment of any new paper?—I am sure the committee would not object to a clause being inserted, fixing the terms on which the entrance fee is to be paid.

79. Do you speak with authority when you say that?—I think so, for this reason: In the new agreement we have made with Reuter in connection with cable matters the same question cropped up, and such a clause was inserted in general terms. Mr. Collins, Reuter's agent, was informed of the existing resolution, and a general clause was inserted in his agreement to prevent our arbitrarily refusing any papers: so I do not think the committee would object to that course.

80. Do you know if any members of the committee of management are likely to be in Wellington?—I do not think so. I wrote to Mr. Reeves, and I do not think he is likely to come. Mr. Blundell is here.

81. *Mr. Bain.*] You say there is no other Press Association in existence?—No.

82. Are the papers generally satisfied?—Well, I can only speak from having received no complaints, and from receiving many assurances that the system is working well.

83. Do I understand you ask exclusive privileges?—No.

84. Is it necessary, in working the Press-telegraph system generally, you should have a monopoly?—No; I do not think so. We have no right to object to any other association starting.

85. If the Government made regulations similar to those made for the public at present, would it interfere with the work?—It would depend upon the nature of them.

86. What I mean is, the same regulations that govern the public business?—That is, the same as now?

87. What I mean is, an open arrangement that any paper could receive at a fixed Press rate?—We should not object so long as we had our wire. We want no monopoly.

88. *Hon. J. Hall* (to Mr. Bain).] Do you mean through the Association?

89. *Mr. Bain.*] No; I mean the Government should fix certain regulations with the Press—the same as those which govern the public business—and do away with the special wire, so as to have an open regulation which any paper can take advantage of?—It would not at all enable us to carry out anything like an efficient supply.