

rates; but in classifying the papers the committee, with a large knowledge of their circumstances, took into consideration what the papers were able to afford. Some papers that from their position ought to pay a much larger sum than they do, were put into a lower scale because they could not afford the higher one.

113. In the event of a newspaper starting in a city like Dunedin, or Auckland, or Christchurch, would it have to contribute the same for entrance fees and annual charges—although perhaps a smaller paper—as the old-established papers?—It would have to pay the same price for the same services as the papers with which it entered into competition.

114. Would not that act detrimentally, and create a monopoly among existing newspapers?—I do not think it would be fair to encourage newspapers in opposition to old-established ones by giving them the same service at a less price than the others. I do not think it would be at all fair to fix a different rate of subscription for them. As a matter of actual fairness, I suppose all the special-wire papers ought to contribute the same amount to the cost.

115. The tendency would be more favourable to the more wealthy papers than the small papers?—The subscription would not be much to any paper. The highest is £66 per year—not a very large subscription; and the special wire £5 per week, which is not a very large sum. If a new paper came in on the special wire at £225, the Committee would have to make a reduction all round. I think our present rate leaves a margin of 10s. per annum on the special wire: that is as close as we can possibly bring it.

116. *Mr. Fulton.*] You said, Mr. Gillon, that when the morning papers came in you charged them an entrance fee of £250: why do you propose to charge a larger sum now?—Because not only did these papers pay £250 entrance fee, but they had spent a great deal more than that in their attempt to establish a Press Association. The *Press*, I believe, spent £3,000 or £4,000 to get things into a satisfactory state, and they were glad to come into the Association and pay £250. But that by no means represents all that was spent.

117. Do you not think that to ask such a large contribution, seeing it is in the hands of a committee, is practically keeping the special wire in their own hands?—I do not think so, for this reason: A paper starting in either Auckland, Dunedin, or Christchurch, with any hope of success, must have a large capital, and £500 would be a very trifling matter in comparison. It would be impossible for a paper with a small capital to start in Auckland, Christchurch, or Dunedin with any hope of success.

118. *Mr. Shephard.*] The *Herald* started in Dunedin with a very small capital.—The difficulty is greatly intensified now by the position taken by the *Herald*. There was then only one morning paper; now there are two.

119. *Mr. Fulton.*] Would there be any objection to your supplying this Committee with a copy of the resolutions upon which the Association is founded?—I would like to ask Mr. Reeves about it.

120. *The Chairman* (to Mr. Fulton).] Do you mean to include the resolutions which provide for the admission of newspapers?—Yes.

121. *The Chairman.*] You understand that, Mr. Gillon?—Yes.

*Mr. Fulton:* In fact, the articles of association.

122. *The Chairman.*] I suppose there could be another resolution passed at any time increasing the fee: there is nothing binding in it?—I do not remember the precise wording of the resolution, but I think the amount fixed to be the highest amount that can be charged. I do not think it was intended to be a hard-and-fast rule at all.

123. I understand there is no clause to prohibit the Government making any other arrangement for the use of another special wire?—We do not ask it; but they should give no more favourable terms to others than they do to us.

124. I suppose the position you take up is that you pay full value for the use of the wire you have?—Yes. We of course know that with the amount of words transmitted we do not pay equal to the ordinary Press rates for it—we send a greater quantity; we know that—but we say we take this wire and pay for it whether we transmit or not, and we take it at hours when it is not otherwise occupied. In addition to the £2,000 under the original agreement for the main line, we pay £70 each for Blenheim, Hokitika, and Greymouth, and £1 a month for the extra hour on the arrival of the mail.

125. Have you anything to say as to facilities to the Association with regard to the submarine cable?—We act as agents for the Melbourne *Argus* and *Sydney Morning Herald*, that is all.

126. You have nothing to say to that?—No. We asked for longer hours to send to Wakapuaka, and Mr. Maginnity acceded to that.

127. Any member can secede at any time, I suppose?—I do not know anything to prevent any paper going out. The original arrangement was for two years. Other papers cannot come in until they pay the subscription and entrance fee.

128. Can the Association make any profit?—Not in any way.

129. Then, how do they pay for their staff?—By the subscription. The special-wire subscription is specially calculated to pay the cost of the special wire; but then there is a subscription for general expenses also.

130. *Mr. Bain.*] When the present Association started, was it not laid down as a leading feature that one paper only should be admitted?—It was.

131. In regard to Reuter's telegrams, the papers subscribe independently to that?—Yes. The Association have an agreement with Reuter; but he collects his subscriptions directly.

132. I suppose they pay for the telegrams as received?—Yes, as they come, except the special-wire telegrams. We allow Reuter to send cables to the special-wire papers at night. I do not know what Reuter's subscription is in each case, but it varies from £150 downwards. Reuter acts now as our Australian agent at Sydney and Melbourne. Mr. Collins is Reuter's agent here; but Reuter acts as our agent at Melbourne and Sydney. They prepare summaries of the English and Australian news and send them down by each steamer.

135. *The Chairman.*] Mr. Gillon, we need not keep you any longer. We are much obliged to you.—I will send the list of papers, and telegraph to Mr. Reeves about the resolutions.