

363. Is that speaking of the special marine service?—The cable and the land services. Telegrams received by the daily papers are paid for at the ordinary rates. We use the special wire at night-time.

364. Is there any special arrangement between the Telegraph Department and Reuter?—None, except with the Government regarding the midnight cable service. The Government and the Company contribute £250 a year to the Cable Company for the use of the cable from 12.30 a.m. to 1.30 a.m., New Zealand time. The Company pays half of whatever the cost is after deduction of the rates on the messages which go through the cable at night-time. Of late we have had to pay nothing, as the rates on the midnight cable messages have more than covered the £250 a year paid to the Cable Company. At least, I gather that to be the position of affairs, because the Government have not called upon us to make good any deficiency.

365. With regard to telegrams you get from England, do you make any special arrangements with the newspapers?—Yes. We contract with the principal newspapers, they paying us so much per annum, and paying wire-charges. We pay all the expense of cable messages to Wellington.

366. Is there any agreement between Reuter and the Imperial Government?—I know of none.

367. Has not Reuter any concession?—There was none when I left England six years ago. The Company conducts its business in England in the same manner as in New Zealand. It contracts to supply papers at so much per annum.

368. And it pays the Telegraph Department certain rates?—Yes. Of course in England we pay the agency-fee on the wire, and from England we pay much in the same way as in New Zealand. There is no agreement whatever.

369. Have you any suggestions to offer to the Committee with regard to facilities with the Company as to the use of the telegraph?—Well, I can scarcely say I can make any suggestions.

370. It has been pointed out that the messages take a great deal of time in their transmission to the evening papers during the day. When they have been handed in to the telegraph office at, say, 1 o'clock p.m., they have then reached their destination too late for publication in some parts of the colony where the papers go to press at 3 or 4 o'clock. Have you heard of any such complaints?—I have myself had to make complaints on the subject.

371. How long since?—Within the last six months.

372. That the messages do not reach the papers in time for publication?—Yes; but principally in places far away from Wellington. They would be received here in time, but not in distant places.

373. I suppose your Company has regular printed rules as to agreements?—We have a printed form of agreement which the papers sign; and we bind ourselves on the payment of so much a year to supply the news.

374. Would you have any objection to produce such a form of contract?—None whatever; but I am afraid the agreement can give you little information.

375. When you say "agreement," I wish to ask you whether the agreements you enter upon are upon a regular fixed scale?—Well, scarcely. We have different arrangements with different papers, and we have different terms with papers. We do not charge all papers the same rate.

376. *Mr. Fulton.*] According to classification, I suppose?—Yes.

377. *Mr. Ormond.*] Can you give the Committee any information as to the classification?—What, as to papers? Well, first there are the morning dailies in the large towns of the colony, which are recognized as the first-class journals and pay full rates. Then there are the Invercargill, Oamaru, and Napier papers, which are the second-class town papers. The bulk of the other papers are bi- and tri-weeklies, which only pay a small rate.

378. *Mr. Barron.*] I suppose sufficient to include the cost of the cable messages?—Yes. All they have to pay beyond the subscription is the ordinary wire-charges of the Press.

Dr. LEMON examined.

379. *The Chairman.*] What is your exact position, Dr. Lemon?—I am Superintendent of Telegraphs.

380. You know the object of the Committee, I presume?—It is to inquire what further facilities can be given by the Government in connection with Press messages.

381. In the printed papers which were laid before the House in August, 1879, you wrote a memorandum relating to the telegrams supplied to the various newspapers by means of the telegraph wires. Has there been any material alteration since then?—None, Sir.

382. I think the Committee would like to hear from you any statement in regard to the arrangements between the public Press and the Telegraphic Department generally, and also with regard to the special-wire system. I do not know whether it would be convenient for you to make a written statement, or whether you would rather make your statement to the Committee by word of mouth now. There are arrangements of the Press outside the special wire, and other arrangements with the Press with regard to that wire. The two parts into which the Committee wish your statement divided are as to the merits and demerits of the present system, and what alterations you can suggest; and the same with regard to the special wire?—I do not think I can do anything beyond the information I gave to the House at the time to which you refer. That suggested the placing of the various newspapers on an equal footing proportionately. I think my statement was exhaustive as to the questions you are asking now. Shall I read you my reply which I wrote you last year? [Dr. Lemon proceeded to read a part of it.]

383. You adhere to the opinion which you then expressed?—Yes.

384. Perhaps I had better read it? [The Chairman did so.]

385. Have you made any calculation what it cost the persons who came into the special-wire system—what it cost them per 100 words?—During June, 1880, there were telegraphed to the various newspapers 1,880,000 words.

386. During one year?—No; for the month of June alone.

387. What is the cost of that?—The Government got for it £166 13s. 4d.

388. *Hon. Mr. Hall.*] That was not during the session?—Yes; it was in the month of June. The number of words sent and received was 1,880,000.