

215. Do you know the rate of refund?—10 per cent. on the amount paid during the year as subscription-fees.

216. On the annual fees?—Yes.

217. Those that paid £250?—Would get £25.

218. Do I understand that this is distributed among the subscribers?—Among subscribers.

219. That is not common?—You should remember there are such things as losses, and this has been the case since the last rebates were made.

220. Do the papers subscribing bear the losses?—Certainly not. We do not call on any subscriber to pay more than is set down for his annual subscription.

221. Will you tell us when the last rebate was made?—I think it was three or four years ago. There has been no surplus since; as a matter of fact, there have been losses for the last few years, except one year.

WEDNESDAY, 9TH SEPTEMBER, 1896.

Mr. E. W. KNOWLES's examination continued.

Mr. Knowles: I would like to add, by way of supplement to my evidence given yesterday, some matters which I did not answer, which in a measure I declined to answer; but I may state to the Committee that the reason I did not answer was from the fact that I was not acquainted with the subject. I was asked with regard to the stringent condition laid down in the agreement between the subscribers and the Association to the effect that they should not be allowed to take messages from any others than the Association—

1. *The Chairman.*] We have not that agreement in evidence?—I believe not.

2. Do you propose to put it in?—I have not got it here.

3. Or to explain it?—I have not my own copy to place before the Committee.

4. Do you wish to explain the clauses in the agreement?—Yes.

5. Will you give us an idea of the nature of the clause?—I was asked whether Reuter and other services were not excluded.

6. And whether the Press Association were not prevented from taking any other service?—That is so.

7. They are prohibited from taking service from any one else?—Yes, and I propose to give the reason why, for the information of the Committee. The Australian association, from which we get the cables at the other side, makes it a stringent condition that we shall not take messages of any kind from Reuter or any one else, or allow them, under the agreement, to take from us. When the Association entered on the cable service it was decided that the wealthy papers should not be able to get any other cables than those coming through the Association—or, rather, that no subscriber should have advantage over another. The sole object was that the larger papers should not get any advantage over the smaller ones, or the wealthy owners over the poorer, so that all should be put on the same footing—that all should be treated alike. I might instance a case by reference to the Wellington papers. The *New Zealand Times* has had the reputation of not being wealthy in the past; they have been always struggling. If the *Evening Post* had opportunity and the money at its back the stronger would have an advantage over the weaker one. This is a point I should like the Committee to understand. Therefore the *Post*, or any other wealthy paper, would not be allowed to take from any other service. Mr. Atack has a letter from Mr. Brett, saying that he is too unwell to come to Wellington to give evidence before this Committee, and had not been out of his house until the day he wrote. In the absence of Mr. Brett, Mr. Feldwick, who is a member of the Upper House, and who is a shareholder, although not a director, is willing to give evidence. I should like, if the Committee could see its way to ask him to give evidence, that he should be summoned to inform the Committee of the working of the Association. Being also a journalist of many years' standing, he would be able to give you the benefit of his experience. I do not know that I have anything further to add. It occurred to me that I might give you some information as regards the Association's agreement, which may appear to outsiders very drastic. But it is equally drastic for the Association and the Australian society from whom it gets its messages; so that we are not allowed to get them from any one else.

8. Do I understand you do not get your messages from Europe, but from an Australian association?—Yes; that is so.

9. Is that association, like the Press Association, co-operative, or is it that you pay them for services rendered?—We pay for services rendered.

10. They obtain the news from Europe, and you buy the right of publication from them?—We buy the right to copy their messages; we get them immediately they arrive at Sydney.

11. Is it an association of newspapers, or is it a limited liability company carrying on business for the supply of news, and easing the cost of the messages to themselves by supplying you, or, rather, selling to you?—By selling to us.

12. Do you receive the whole of the messages, or have you an agent who selects for you?—We have a staff in Sydney. We can take the whole if we wish; anything they consider interesting to New Zealand they forward to us.

13. Is it not the fact that you have two services—a special and an ordinary service?—Not now.

14. Have they been abolished?—Yes.

15. Why?—Because the association in Australia does not now get what made up this service. They discontinued an expensive service; they may have discontinued to save money; but, at all events, they are not able to supply us with what was in the past to be supplied.