F.—8. 29

that we fully expected that Great Britain would have agreed to share in the actual cost of this important work in the proportions recommended at Premiers' Conference in August last—namely, Great Britain and Canada, five-ninths; New South Wales, Victoria, New Zealand, and Queensland, remaining four-ninths; strongly urge on Government a reconsideration of decision. Please say if you concur in above, and, if so, whether we should each send instructions to our respective Agents-General.

No. 54.

The Hon. the Premier, Wellington, to the Hon. the Premier and Colonial Treasurer, Sydney.

(Telegram.) Wellington, 22nd May, 1899.

Pacific cable: Concur in views expressed in your message of twentieth. In addition to sending instructions to respective Agents-General, I think that each colony should send message to Secretary of State through its Governor urging importance of Imperial partnership.

No. 55.

The SECRETARY, General Post Office, Hobart, to the SECRETARY, General Post Office, Wellington.

Post and Telegraph Department, General Post Office,

Hobart, 26th May, 1899.

I am directed by the Right Hon. the Postmaster-General to forward you hereunder a Sir,-

copy of a cablegram that has been received from the Tasmanian Agent-General:

"Proposed Australian Postmasters' Conference should remember re Pacific cable that probably 50 per cent. must be added to the original estimated cost, consequent upon the extraordinary continued rise in prices of copper, guttapercha, and other cable material.'

The Secretary, General Post Office, Wellington.

I have, &c., H. V. Bayly, Secretary.

No. 56.

The AGENT-GENERAL to the Hon. the PREMIER.

(Telegram.) London, 9th June, 1899. IMPERIAL Government, while unwilling adopt arrangement involving partnership, propose to use credit United Kingdom for the purpose of raising sufficient capital. Having regard to whole matter requiring careful consideration and arrangement details, it is proposed to appoint colonial delegates to meet Chancellor Exchequer and Secretary of State Colonies. I am strongly of opinion this very good offer.

No. 57.

The AGENT-GENERAL to the Hon. the PREMIER.

Westminster Chambers, 13, Victoria Street, London, S.W., 9th June, 1899.

Sir,-Referring to my letter of the 19th May last, I beg to enclose letter received from the Colonial Office, in which it is stated that the Imperial Government are willing to consider the matter of the Pacific cable on the basis of utilising the credit of the United Kingdom in the provision of the capital necessary for the undertaking, and proposing that delegates of the colonial Governments shall meet the Chancellor of the Exchequer and the Secretary of State for the Colonies for the purpose of making the necessary arrangements involved in the adoption of the principle.

Copy of cablegram sent yesterday is also enclosed. The Hon. the Premier, Wellington.

I have, &c.,

W. P. Reeves.

Enclosure in No. 57.

The Secretary of State for the Colonies to the High Commissioner for Canada. Colonial Office, Downing Street, 6th June, 1899. My LORD,

I am directed by Mr. Secretary Chamberlain to acknowledge the receipt of the letters of the 9th and 18th ultimo, signed by your Lordship and the Agents-General for New South Wales, Victoria, New Zealand, and Queensland, in reference to the offer of Her Majesty's Government

to assist the scheme for connecting Canada with Australasia by a submarine cable.

2. Mr. Chamberlain desires me to point out, in reply, that, though the proposal that the construction and operation of the cable should be under the joint control of the Mother-country and the colonies concerned was advocated by the Committee of 1897, and was adopted by the colonies, Her Majesty's Government had distinctly stated that they were not in any way committed to that or any of the other recommendations of the Committee.

3. In approaching the question of what assistance they should render to the project, Her Majesty's Government had to consider, as was pointed out by the Secretary of State at the conference with the Premiers in 1897, that it was not one which the Imperial Government regarded as urgent, or in which, apart from their desire to afford the support and assistance of the Mother-country to the colonies, they would have been anxious to take part.

4. They had also to bear in mind that the cable will be remote from this country, with

one of its terminals in Canada and the others in Australasia, and that it must be worked by the

postal administration of the colonies where it is landed.

5. It appeared to them, therefore, that it was preferable, as likely to avoid any possible friction in the management, that Her Majesty's Government should refrain from seeking any active participation in the construction and control of the cable, and should give their support to the scheme, untrammelled by any conditions except such regulations of a general nature as