

about £17,368 per annum, then the rates should be slightly raised so as to produce the £20,000 per annum now guaranteed, which would mean an increase on the present rates of about 6d. for the first ten words and 1d. for each additional word.

I have, &c.,

S. H. LAMBTON, Deputy Postmaster-General.

The Secretary, General Post Office, Wellington.

### No. 10.

The SECRETARY, General Post Office, Wellington, to the DEPUTY POSTMASTER-GENERAL, Sydney.  
SIR,—

General Post Office, Wellington, 10th March, 1900.

I have the honour to acknowledge the receipt of your letter of the 20th ultimo, asking what action this department proposes to take with regard to the notice given by the Eastern Extension Telegraph Company to terminate on the 30th proximo the existing tariff agreements for Australasian and New Zealand traffic.

The matter has been placed before the Postmaster-General, who directs me to say that at a later stage he will advise what course he thinks should be followed.

I have, &c.,

The Deputy Postmaster-General, Sydney.

W. GRAY, Secretary.

### No. 11.

The Hon. the PREMIER, Adelaide, to the Hon. the PREMIER, Wellington.

SIR,—

Premier's Office, Adelaide, 22nd March, 1900.

Referring to my telegram of the 15th ultimo, I have now the honour to forward a full copy of the notice [not printed] from the Eastern Extension Australasia and China Telegraph Company (Limited) terminating on the 30th April next the tariff agreements now existing between that company and the Governments concerned.

I have, &c.,

The Hon. the Premier, Wellington.

F. W. HOLDER.

### No. 12.

The MANAGER in AUSTRALASIA, Eastern Extension Company, to the Hon. the POSTMASTER-GENERAL, Wellington.

(Telegram.)

Melbourne, 3rd April, 1900.

IN view heavy loss (over six thousand pounds per annum) which company has suffered since April, 1895, under the amended guarantee agreement, and that agreement expiring at end of present month, company is not prepared to continue. It would, therefore, be glad to know if you are willing to revert to the 1892 agreement by which one-quarter of the loss was borne by the company, or whether the rate is to be raised in lieu of a guarantee.

### No. 13.

The DEPUTY POSTMASTER-GENERAL, Sydney, to the SECRETARY, General Post Office, Wellington.

(Telegram.)

Sydney, 7th April, 1900.

Re your letter 10th ultimo: Kindly advise what your department proposes doing regarding notice given by Eastern Extension Company to terminate tariff agreements on thirtieth instant. [Reply refers to No. 14.]

### No. 14.

The Hon. the POSTMASTER-GENERAL, Wellington, to the MANAGER in AUSTRALASIA, Eastern Extension Company, Melbourne.

(Telegram.)

Christchurch, 7th April, 1900.

Re guarantee: Replying to your cable of third, I cannot but express surprise at its contents. In view of position of traffic as compared with guarantee, your request conveys the impression that, with the receipts closely approximating £20,000, the guarantee is asked for in order to insure a continued contribution from New Zealand and other colonies, even though the traffic receipts amount to twenty thousand a year. As guarantee of twenty thousand was deemed by your company in 1895 as sufficient, it is extraordinary that, in the face of your having abandoned the duplicate-cable subsidy of £32,400 a year, you should now ask for an increased guarantee of £6,000 for the Sydney-New Zealand cable. I find that the total traffic-receipts to your company over this cable for the twelve months ended January last amounted to about £18,574, and for the year ended January, 1899, they were £17,047—an increase, in round numbers, of £1,500 for last year. If this rate of increase maintained during current year, which is more than probable, the receipts should be over £20,000. Were the traffic a falling one I could understand the company's request for a further guarantee; but, in view of the fact that the receipts are fast approaching the amount guaranteed, I am unable to understand why you should now ask not only the renewal of existing guarantee—which, upon the revenue returns, appears unnecessary—but one for an additional £6,000. I am not prepared to agree to any such request, and you will be good enough to kindly accept this as my reply declining.