

No. 177.

The POSTMASTER-GENERAL, Adelaide, to the SECRETARY, General Post Office, Wellington.
(Telegram.) Adelaide, 16th April, 1900.

AGENTS-GENERAL Tasmania, Western Australia, and South Australia signed agreement on Saturday, and Berne notified that reduced rates to the three contracting colonies will come into force on 1st May.

No. 178.

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

Post Office and Telegraph Department, General Post Office, Adelaide,
19th April, 1900.

SIR,— I enclose you copy of a telegram that I sent to Mr. Lambton, in order that correct figures may be taken as regard cable-receipts.

With respect to clause 9 of the agreement with the Cable Company, it was proposed to add the words: "namely, 3s. 6d. per word on ordinary telegrams, 2s. 6d. per word on Government telegrams, and 1s. 4d. per word on Press telegrams." This, however, has been rendered unnecessary, as the Eastern Extension Telegraph Company have explained, in a letter to the Agents-General, that the words "subject to the maximum limits in each case fixed by this agreement" mean that, if the rates have been reduced to 3s., the maximum limit to which they could be raised would be 3s. 6d.; and, if reduced to 2s. 6d., they could not be raised above 3s.; 3s. 6d. and 3s. being the maximum in each case.

The words proposed to be added have, therefore, been struck out by the Agents-General for Tasmania, Western Australia, and South Australia, who have signed the agreement on behalf of the colonies accepting the terms of the Cable Company.

The Secretary, General Post Office, Wellington.

Yours, &c.,

C. TODD.

Enclosure in No. 178.

The POSTMASTER-GENERAL, Adelaide, to the DEPUTY POSTMASTER-GENERAL, Sydney.

(Telegram.)

Adelaide, 18th April, 1900.

THERE appears to be some confusion about the guarantee and the receipts of the cable companies. Mr. Cook says the receipts going to credit of guarantee are derived from only the forwarded traffic from Australasia. I need not say that the traffic both ways is taken.

Our books show that the gross receipts for international traffic for year ending 31st December, 1898, were £466,075, of which £334,525 went to credit of guarantee, representing the net receipts, after deducting all out-payments to other administrations, of the Eastern Extension and associated companies, parties to the guarantee. In 1899 the gross receipts were £542,681, and the net receipts £391,136. In the first three months of 1900 the gross receipts were £147,305, or net receipts of cable companies £103,902.

Adopting these figures, the cable companies' receipts for the three years ending the 31st December, 1900, may be put down at £378,545, or, excluding Australasian traffic with India and China, £358,545. The rates, therefore, will certainly be reduced to 3s. 6d. on the 1st January, 1901. I also regard as certain that the cable-receipts for the three years 1899, 1900, and 1901, will average £330,000 per annum, which will insure further reduction to 3s. on the 1st January, 1902.

APPENDICES.

APPENDIX A.

SINGAPORE AND HONGKONG SECOND CABLE, 1893.

AGREEMENT, made the 28th day of October, 1893, between the Most Honourable the Marquis of Ripon, &c., Secretary of State for the Colonies, of the one part, and the Eastern Extension Australasia and China Telegraph Company (Limited), (hereinafter called the "company"), of the other part.

WHEREAS it is expedient that the existing telegraphic communication with Hongkong should be strengthened by the laying of a second submarine telegraph cable between Singapore and Hongkong without touching at any point not in British territory and connecting at Labuan *en route*; and whereas the company are prepared to provide, lay, and work such a cable forthwith at their own cost on the conditions hereinafter expressed. It is hereby agreed as follows:—

Article 1.—The company will at their own cost, and as promptly as possible, provide and lay a submarine telegraph cable connecting Singapore, Labuan and Hongkong, and will work and maintain the same in good condition (save in cases of *force majeure*) for the term of twenty-five years from the date hereof, and upon the same terms and conditions as the existing cables of the company, except so far as these terms and conditions are varied by this agreement in respect of the new cable.

Article 2.—During the term of this agreement all messages on the service of the Imperial Government, or of the Colonial Governments of Hongkong, the Straits Settlements, or Labuan, may be sent over any line owned or controlled by the company at one-half the rates paid by the public.