

The rate between Bamfield and London is already very cheap, and is as low as companies depending for their existence on the business aspects of their operations can justify.

It must be borne in mind that the ordinary rate between London and Bamfield is 36 cents per word, and that all comparisons must be made with that ordinary rate. The rate made for the British Pacific cable is a special concession. Therefore, the rate for Press messages between Bamfield and London, which is 6d., is only one-third of the ordinary rate between Bamfield and London. Even regarding it as one-half of the special rate granted to the Pacific cable, it is still within the principle laid down in the Convention that reductions of Press rates shall not be made until the ordinary rate is less than double the Press tariff. As compared with the through rate between Australia and London, the Press rate is only one-third of the ordinary rate.

Much as we would like to meet the wishes of the Board, we cannot hold out any prospect of a reduction in the Press rate.

I have, &c.,

GEORGE G. WARD

Vice-President and General Manager.

Sir H. W. Primrose, K.C.B., C.S.I., Chairman, Pacific Cable Board,
Queen Anne's Chambers, London, S.W.

Enclosure No. 2 in No. 28.

The MANAGER, Anglo-American Telegraph Company London, to the CHAIRMAN, Pacific Cable Board, London.

Anglo-American Telegraph Company (Limited), 26 Old Broad Street, 20th February, 1908.

SIR,—

Replying to your letter of the 29th January [not printed], I beg to inform you that the Anglo-American, Direct United States, Western Union, and Paris and New York Telegraph Companies regret they are unable to reduce the existing Press rate between the United Kingdom and Vancouver, which is already a specially low rate for the Pacific route.

I have, &c.,

J. H. CURSON,

Manager.

Sir Henry W. Primrose, K.C.B., C.S.I., I.S.O., Chairman, Pacific Cable Board.

No. 29.

The Right Hon. the PRIME MINISTER, to the HIGH COMMISSIONER.

Prime Minister's Office, Wellington, 6th October, 1908.

SIR,—

I have the honour to acknowledge the receipt of your letter of the 24th July last, notifying that you had communicated to the Chairman of the Pacific Cable Board the contents of my letter of the 1st May respecting the desired reduction in the tariff for Press messages transmitted between Australasia and the United Kingdom, and that the matter had been brought before the Board's meeting on the 21st July.

I regret to learn from the correspondence received by the Board from the Commercial Cable and the Anglo-American Telegraph Companies, of which you forwarded a copy, that the Companies do not see their way to reduce their existing rates.

I do not gather from your letter that the suggestion of this Government that the Pacific cable rate be reduced from 5d. to 2d. per word has yet been considered by the Board. If the suggestion were adopted, the through rate could be fixed as 8½d. in place of 1s., New Zealand, as already announced, being prepared to accept ½d. instead of 1d. as its share. As it is very desirable that the rate to be charged should be made as moderate as possible, so that the extensive use of the Pacific cable for press telegrams may be encouraged, I have to request that you will again be so good as to submit the matter for the Board's consideration. In the event of the proposal being given effect to the rate on messages between New Zealand and the United Kingdom would be allocated as follows :—

					Present Shares.	Suggested Shares.
Atlantic companies	..	..	..	..	5d.	5d.
Canadian Pacific Railway	..	..	..	..	1d.	1d.
Pacific cable	..	..	..	..	5d.	2d.
New Zealand	..	..	..	..	1d.	½d.
					1s.	8½d.

I have, &c.,

J. G. WARD,

Prime Minister.

The Hon. W. P. Reeves, High Commissioner for New Zealand, London.

[P.C. Press, 08/37.]