PACIFIC CABLE.

FINANCE, RATES, TRAFFIC, ETC.

No. 1.

The CHAIRMAN, Pacific Cable Board, London, to the Right Hon. the PRIME MINISTER, Wellington. Queen Anne's Chambers, London, S.W., 29th April, 1910.

I have the honour to inform you that I duly laid before the Pacific Cable Board your letter of the 19th January last [not printed], in which you enclosed copy of a circular letter [not printed] issued by the Eastern Extension Company on the subject of cable rates between the United Kingdom and Australia, and stated that, in the circumstances, it appeared to you that the proper thing for the Board to do was to reduce its rate to 2s. 6d. forthwith.

The Board have carefully considered this suggestion, but regret that they do not feel able to adopt it. For, in their opinion, it would entail a very severe loss of revenue, seeing that the whole of the reduction of 6d. would almost certainly have to be met out of the Board's share of the tolls on European messages, of which it would represent nearly 30 per cent.—a proportion so large that there would be no prospect of the loss being covered for some time to come by any resulting increase of traffic.

While, however, the Board are sorry not to be able to fall in with your suggestion, they are happy to be able to say that, so far as they can judge, the circular of the Eastern Extension Company has not had any prejudicial effect upon their traffic.

I have, &c.,
H. W. PRIMROSE, Chairman.
The Right Hon. Sir Joseph Ward, K.C.M.G., Prime Minister, Wellington. [P.C. Rates 10/29.]

No. 2.

The Right Hon. the PRIME MINISTER, Wellington, to the CHAIRMAN, Pacific Cable Board, London. Prime Minister's Office, Wellington, 28th June, 1910. SIR,—

I have the honour to acknowledge the receipt of your letter of the 29th April last, in reference to the proposal of this Government for the reduction by the Board of the rate for ordinary telegrams between Australasia and Great Britain and Europe from 3s. to 2s. 6d. a word.

While regretting that the Board is unable to adopt the proposal, I recognize that it is hampered by having to make use of cables across the Atlantic belonging to private companies. I believe, however, that any reduction in rates would mean a largely increased business; and I hope yet to hear of your Board reconsidering the matter at an opportune time.

I have, &c., J. G. WARD, Prime Minister.

The Chairman, Pacific Cable Board, Queen Anne's Chambers, London, S.W. [P.C. Rates 10/32.]

No. 3.-

The High Commissioner to the Right Hon, the Prime Minister.

Westminster Chambers, 13 Victoria Street, London, S.W.,
Sir,—

Referring to my letter of the 24th September, 1909 [No. 1, F.-8, 1910], I have the honour to enclose herein copy of a letter from the Colonial Office, covering a communication from the Imperial Treasury, showing the amounts recoverable from the colonial Governments in respect to the deficit on the working of the cable for the year ended 31st March, 1910, and asking that arrangements might be made for payment to the Imperial Treasury of the sum of £6,620 18s. 6d., being the amount due from the Government of New Zealand.

Payment has been made to the Imperial Treasury.

I have, &c., Wm. Hall-Jones.

The Right Hon, the Prime Minister, Wellington, [P.C. Fin. and Constr. 10/262.]