

1911.
NEW ZEALAND.

TELEGRAPH CABLES

(FURTHER PAPERS RELATING TO).

[In continuation of Paper F.-8, presented on the 27th September, 1910.]

Presented to both Houses of the General Assembly by Command of His Excellency.

INDEX.

PACIFIC CABLE:—	No.	Page.
Finance, Rates, &c. .. .. .	..	2-9
Accunts, 1909-10—Capital Account		
Provident Fund		
Receipts and Expenditure	3	
Reserve and General Renewal Fund		
Securities		
Rates, United Kingdom—Australasia: Proposed Reduction	1, 2	
Report, 1909-10	3	
AUSTRALIA - NEW ZEALAND CABLE .. .. .	..	9-12
New Zealand approves Direct Second Cable	6-12	
Proposed Second Cable, New Zealand—Australia	4-13	
Resolutions of House of Representatives	8	
Resolutions of Legislative Council	9	
Wireless Installations, Effect of	14, 15	
ATLANTIC CABLE, PROPOSED .. .. .	..	13, 14
Australia: Views	16	
Great Britain: Views	16	
New Zealand favours Proposal	17-19	
CANADIAN LAND LINE .. .. .	..	15
Line taken over by Pacific Cable Board	20, 21	
DEFERRED CABLE MESSAGES .. .. .	..	15-17
Conference, Result of	22, 23	
Proposed Adoption between New Zealand and Australia	24-29	
PRESS REDUCTION .. .. .	..	17, 18
Australia: Proposed Subsidized Service	31	
Resolutions at Congress of Chambers of Commerce, 1909	30	

PACIFIC CABLE.

FINANCE, RATES, TRAFFIC, ETC.

No. 1.

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

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.,
16th September, 1910.

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.]

Enclosure in No. 3.

The ASSISTANT UNDER-SECRETARY OF STATE, Colonial Office, to the HIGH COMMISSIONER.

SIR,—

Colonial Office, S.W., 7th September, 1910.

I am directed by the Earl of Crewe to transmit to you a copy of a letter from the Treasury on the subject of the expenses incurred in connection with the Pacific Cable Board for the year 1909–10, and to inquire whether the High Commissioner can arrange to pay to the Imperial Treasury the sum of £6,620 18s. 6d., being the amount due from the Government of the Dominion.

2. I am to add that copies of the paper enclosed in this letter have been forwarded to the Government of the Dominion.

The High Commissioner for New Zealand, London.

I am, &c.,

C. P. LUCAS.

Sub-enclosure 1 in No. 3.

The SECRETARY TO THE TREASURY to the UNDER-SECRETARY OF STATE, Colonial Office.

SIR,—

Treasury Chambers, 27th August, 1910.

I am directed by the Lords Commissioners of His Majesty's Treasury to acquaint you, for the information of the Earl of Crewe, that the Pacific Cable Board's account of the expenses of the cable for the year ended the 31st March last has now been audited. A copy of the auditor's report is enclosed herewith, from which it will be seen that the deficit on the working of the cable for the year in question amounted to £59,588 6s. 7d., and the sums therefore recoverable from the colonial Governments are as follows:—

	£	s.	d.
Australia (six-eighteenths)	19,862	15	6
Canada (five-eighteenths)	16,552	6	3
New Zealand (two-eighteenths)	6,620	18	6

£43,036 0 3

I am accordingly to request that you will move the Secretary of State for the Colonies to communicate with the colonial Governments concerned, in order that these amounts may be paid as soon as practicable to the credit of the account of the vote for telegraph subsidies and Pacific cable.

A copy of the printed account as presented to Parliament is also enclosed.

I am, &c.,

The Under-Secretary of State, Colonial Office.

G. H. MURRAY.

Sub-enclosure 2 in No. 3.

The AUDITOR TO THE TREASURY, London, to the SECRETARY TO THE TREASURY, London.

SIR,—

Treasury Chambers, 28th July, 1910.

I have the honour to report that I have audited the accounts of the Pacific Cable Board for the year ended 31st March, 1910, in accordance with the instructions conveyed in their Lordships' minute of the 17th April, 1902, and have found them correct.

The annual expenses of the cable, as defined in section 3 (2) of the Pacific Cable Act, 1901, so far as they were not met out of the receipts arising in connection with the cable, amounted in the year ended 31st March, 1910, to £59,588 6s. 7d. and a sum of £43,036 0s. 3d., representing thirteen-eighteenths of the net expenditure, is, therefore, recoverable from the contributing Governments, viz.:—

	£	s.	d.
Australia (six-eighteenths)	19,862	15	6
Canada (five-eighteenths)	16,552	6	3
New Zealand (two-eighteenths)	6,620	18	6

£43,036 0 3

I beg to submit that the accompanying account, which has been duly certified, be presented to Parliament, in compliance with section 7 of the Pacific Cable Act, 1901.

I have, &c.,

The Secretary to the Treasury.

G. H. HUNT, Auditor.

Enclosure to Sub-enclosure 2 in No. 3.

The CHAIRMAN, Pacific Cable Board, London, to the SECRETARY TO THE TREASURY, London.

Queen Anne's Chambers, Tothill Street, Westminster, London,

27th July, 1910.

SIR,—

I have the honour, on behalf of the Pacific Cable Board, to submit, in the form hitherto adopted, the following accounts: (i) The sum issued out of the Consolidated Fund, and the expenditure of the Board on Capital Account; (ii) the money borrowed and the securities created; (iii) the aggregate amount of capital expenditure up to the 31st March, 1910; (iv) the expenses of the cable in the year ending 31st March, 1910; (v) the account of the Provident Fund; and (vi) the account of the Reserve and General Renewal Fund.

2. The results of the year's working are set forth in the following statement:—

<i>Receipts.</i>				£	s.	d.	£	s.	d.
Traffic receipts	...	...	...	115,735	7	3			
Less Atlantic companies' charge for conveying date and time, and for delivering duplicate copies in London and other large centres in United Kingdom	...	...	...	4,269	18	9			
							111,465	8	6
Interest on deposits	...	...	...				40	16	8
Refund tolls and dues	...	...	...				217	13	0
							£111,723	18	2
<i>Expenditure.</i>									
Head office (salaries and expenses, canvassing, engineers' fees, and royalties)	...	...	...				£	s.	d.
							6,309	3	6
Cable stations (salaries and expenses)	...	...	...				43,959	7	6
Ship's salaries and expenses	...	...	...				11,821	11	10
Provident Fund	...	...	...				1,677	3	11
Renewal Account	...	...	...				30,000	0	0
Excess of receipts over expenditure...	...	...	...				17,956	11	5
							£111,723	18	2

3. The sum of £17,956 was thus available for reduction of the amount (£77,544) contributed annually for interest and sinking fund on the capital advanced by the National Debt Commissioners. The amount payable by the Governments associated in the enterprise is thus £59,588, as against the sum of £60,888 payable by them for the previous year.

As compared with the contribution made by the Board towards the Redemption Fund in 1909, the above amount shows an increase of £1,300.

4. The traffic receipts as brought to account for the year show only the small increase of £403. The real increase was, however, considerably larger, as, owing to accidental delay in transfers to the Board's Account by the Governments of Australia and New Zealand, a sum of no less than £2,211, which should have been credited to the revenue for 1909–10, was not brought to account until after 31st March. But for this the revenue would have exceeded that of 1909 by £2,614, and would have been £1,534 in excess of the estimate.

During the year some increase in business from the Continent has been obtained through the employment of a canvassing agent in Germany, and good results have also followed from increased activity in canvassing in this country.

In the miscellaneous receipts there was a falling-off of £1,773, those of 1908–9 having been abnormally swollen by the sum received from the Commonwealth Government for charter of the "Iris" (£1,339); and the net results of these several circumstances is a diminution in the total receipts for the year of £1,370 as compared with 1908–9.

5. The expenditure for the year shows a net decrease of £2,668. The principal saving (£5,343) has been on the item "Ship's salaries and expenses," and has been due in part to the fact that no voyage was made during the year to the island stations in the Pacific, so that the expenditure on coal was greatly diminished, and in part to the "skeletonizing" of the crew when in harbour, which is mentioned below. There was also a reduction of £1,000 in the amount carried to renewal account, the annual charge for which reached in the year the figure of £30,000, the figure at which, according to the instructions of their Lordships, it will for the future stand. On the other hand, there was an increase of £353 on head office expenses due to the ordinary increments of salaries, and to the addition to the staff in 1909 of a special canvasser for London and the Provinces, and of another for Germany; and of £3,221 on the item "Cable stations (salaries and expenses)." Of this amount, £1,089 was due to the provision of two additional cottages at Norfolk and Fanning Islands, £311 to cost of painting at cable stations, £546 to renewals of instruments and furniture, and the remainder is attributable to the number of acting-allowances that became payable to officers taking the place of superior officers on leave, and to the normal increase under the incremental scheme of salaries.

6. The forecast of the Board's revenue contained in the annual account for the year ending 31st March, 1910, was in excess of the actual figure by £1,535, while the actual expenditure was £6,188 below the original estimate.

7. The preliminary forecast of revenue and expenditure for the year ending 31st March, 1911, prepared on 6th December, 1909, was as follows:—

£			£		
Traffic revenue	...	128,000	Renewal Fund	...	30,000
			Working-expenses	...	84,702
			Excess	...	13,298
		£128,000			£128,000

The large increases in the estimate of traffic revenue on the one side, and of working-expenses on the other, are due to the new arrangements for the working of the Canadian land lines between Montreal and Vancouver, which are referred to in paragraph 10 below.

8. It will be seen that the Renewal Fund stood at £219,488 on 31st March, 1910. The balance of cash at that date to the credit of this account was £27,072, and this is now in course of investment. Credit is given to the Renewal Fund for all interest earned by investments

on this account, and as the annual interest now amounts to over £7,000, while the appropriation from the revenue for this purpose is now £30,000, the present growth of the fund is at the rate of over £37,000 a year. In addition to this cash reserve there is in hand cable, &c., of the value of £15,945.

Condition of the Cable.

9. For eleven months of the year under review the cable worked without interruption, and no repairs were required. But at the beginning of March last a break occurred—the first since the cable was laid in 1902—about 3 knots distant from the Doubtless Bay Station, and caused a total interruption of communication on the New Zealand—Norfolk Island Section for five days. During this period, messages to and from New Zealand were sent round by Sydney, but nevertheless a certain amount of traffic was diverted to the Eastern route, with consequent loss of revenue to the Board. The injury to the cable, which was caused by chafing on rock, was promptly and efficiently repaired by the Board's repairing vessel.

Land Lines.

10. *Canada.*—The difficulties connected with the land lines in Canada have been the subject of frequent remark in previous reports. To some extent they are inseparable from the geographical and climatic conditions of the country traversed. But the Board, after full consideration of the subject, came to the conclusion that much could be done to minimize them if it could take into its own hands the working of the lines between Montreal and Bamfield. Accordingly, after obtaining the sanction of all Governments interested in the cable, it entered into an agreement with the Canadian Pacific Railway, under which the company is to lease to the Board, for a period of five years, the exclusive use of a copper wire between Montreal and Bamfield, and is to maintain it in good condition, while the Board is to provide the staff necessary to work the line, and is to retain for itself such portion of the tolls as have hitherto been paid over to the railway company. This arrangement, which is on the point of being brought into operation, will have several advantages. It will keep at all times a clear passage for the Board's traffic, and obviate any risk of delay from congestion of ordinary traffic over the lines of the railway company; it will allow of the adoption of the European system of signalling, which involves much less risk of error in transmission than does the American Morse system—a point of great importance where, as is the case with the Pacific cable traffic, the bulk of the messages handled are in code language; and it will enable the Board to make and enforce regulations of its own for early notification of any breakdown in the lines, and for the prompt diversion of messages to other routes, so as to avoid any serious delay in their reaching their destination. In the past it has too frequently happened that, when the lines have been interrupted, messages have been kept for an unduly long time in the hope that communication would be restored, and it is this rather than the mere fact of interruption that has been a cause of dissatisfaction on the part of the public with the Pacific route.

The Board are confident that by these means much can be done to eliminate sources of irregularity in their service, and by thus rendering it more attractive they trust to secure such an increase of revenue as will very shortly compensate for the somewhat increased net expenditure that the new arrangements may at first entail.

11. *Australia.*—In last year's report it was stated that "Some delay had been caused almost daily to the Board's Australian traffic, owing to the faulty condition of the Southport—Sydney line." In view of that condition of things the Board, in May, 1909, last, made an earnest appeal to the Commonwealth Government to provide them with what had been long promised, the exclusive use of a copper wire in place of the old and defective iron wire which had been assigned for their service. Replying in August, the Commonwealth Government recognized the need for improvement in the existing arrangements, and undertook, so soon as they could conveniently do so, to place at the Board's disposal the exclusive use of an existing copper wire between Sydney and Southport, and in the meantime to provide repeaters in the present wire circuit. This latter measure has been duly carried out, but the transfer of the copper wire has not yet been made.

Delays and interruptions continue to be frequent, and the Board are convinced that the service cannot be satisfactorily carried on until they can obtain the use of the promised copper wire. They much hope that the Commonwealth Government may before long find itself able to meet their admitted requirements.

12. *New Zealand.*—The line between Doubtless Bay and Auckland has been maintained in good condition by the New Zealand Government, and has worked satisfactorily throughout the year.

Repairing-ship.

13. In the course of the year the Board decided, in the interests of economy, to make a change in the arrangements in regard to the manning of the "Iris," and instead of maintaining her crew continuously at full strength, to reduce her staff when in harbour to a nucleus crew, which should be expanded to full strength only when the vessel was required in active service. The change was made in July, 1909, and effects a saving in wages and victualling of about £320 a month while the ship is in harbour. On two occasions since the change was made it has been necessary to send her to sea at short notice, and it is satisfactory to be able to state that on neither occasion was any difficulty found in obtaining promptly the required number of hands.

On the occasion of the breaking of the cable referred to in paragraph 9, the order to get ready was received by the commander at 11 o'clock on a Saturday morning, yet, notwithstanding the Saturday half-holiday and the interposition of Sunday, he was able to put to sea on Monday afternoon at 5 p.m. On a more recent occasion, when the "Iris" was lent on charter to the Eastern Extension Company, she was got ready with equal expedition, and the promptitude shown

in both instances is extremely satisfactory, not only as reflecting great credit on the ship's commander, Captain Sharp, and his permanent staff, but as showing that no serious delay need be apprehended in completing the ship's complement when required, and that in consequence the course taken by the Board may be regarded as fully justified by experience.

The ship herself continues to be maintained in first-class order, and the discipline and efficiency of the permanent officers and men to be very satisfactory.

Staff.

14. The health of the staff has been good throughout the year, and the service rendered by them has continued on the high level of efficiency and zeal which has characterized it in previous years.

As men rise in the service the number who desire to marry increases, and this has tended to create a situation of some difficulty, owing to the limited accommodation available for married officers at the stations in the Pacific. The conditions attaching to the Board's service—the isolated position and trying climate of several of their stations, the consequent necessity of restricting the period of continuous service of an officer at any one of them, and the absence in them of any accommodation except what the Board provides—impose limits on the number of married men that the Board can at any one time employ, without incurring an extravagant expenditure on housing-accommodation and travelling-expenses. But the Board desires to make these limits as narrow as is consistent with a due regard for the financial interests of the undertaking, and in accordance with that policy it decided to provide quarters for one additional married officer at the three stations of Bamfield, Fanning Island, and Norfolk Island. At the two latter stations cottages have now been erected at a cost of about £1,100. The additional house at Bamfield remains to be supplied in due course.

Composition of the Board.

15. At the close of 1909 Sir Horace Tozer retired from the Board on resigning the post of Agent-General for Queensland. He had been a member since June, 1903, and his departure was much regretted by his colleagues. His place has been taken by the Right Hon. Sir George Reid, High Commissioner for the Commonwealth of Australia.

Rates.

16. In deference to the opinion in favour of a cheapening of cable rates for Press messages, which was expressed with so much force and so much unanimity at the Imperial Press Conference held in London last year, the Board offered to reduce by one-half its charge on Press messages between Australasia and Vancouver, provided the Australian and New Zealand Governments would do the same, and so allow of a reduction from 1s. to 9d. per word of the total charge between the United Kingdom and Australasia. Those Governments at once gave their assent, and the new rates were brought into force as from 1st August, 1909.

The effect of the change has been to increase substantially the amount of Press traffic carried by the Pacific cable. In the first place, although it does not appear that there has been any very marked increase in the total volume of international Press messages between the United Kingdom and Australasia, a fair proportion of it has been given to our route, whereas formerly almost the whole of it was sent by the Eastern route; and in the second place, the reduction in rates has been instrumental in encouraging the establishment of a new Press service between Canada and Australasia, which was started in February last by a new Australian agency, and of which the whole is carried by the Pacific cable. As a consequence, the Board's revenue from Press business, which formerly was almost a negligible quantity, has risen to some £250 a month.

17. The following statement shows the progress of the international traffic since the opening of the cable:—

Number of Messages and Words dealt with.—International

Year.	Messages.				Words.			
	Ordinary.	Government.	Press.	Total.	Ordinary.	Government.	Press.	Total.
1902-3*	18,494	915	35	19,444	202,313	24,210	1,831	228,354
1903-4	64,595	3,128	890	68,613	744,034	83,116	37,819†	864,969
1904-5	67,677	3,018	387	71,082	781,028	71,575	19,110	871,713
1905-6	77,331	3,109	259	80,699	834,778	74,763	13,225	922,766
1906-7	93,533	3,983	302	97,818	1,010,133	101,307	17,222	1,128,662‡
1907-8	98,964	4,292	1,918	105,174	1,041,433	105,519	84,940†	1,231,892
1908-9	98,186	4,617	1,009	103,812	1,012,998	116,847	95,203§	1,225,048
1909-10	109,384	4,841	1,438	115,663	1,109,639‡	120,415	126,081||	1,356,135‡

* Cable opened for international traffic, 8th December, 1902.

† English cricket team in Australia.

‡ Sydney office opened.
Canadian service.

§ American fleet visit to Australasian waters.

|| Reduced Press rate and new

In addition to the above, a very considerable intercolonial traffic is carried between Australia, New Zealand, and the Fijis, keeping the southern sections of the cable fully occupied during business hours.

I have, &c.,

H. W. PRIMROSE, Chairman.

The Secretary, His Majesty's Treasury, Whitehall, S.W.

PACIFIC CABLE BOARD (1 EDWARD VII, c. 31).—ACCOUNT FOR PERIOD ENDED 31ST MARCH, 1910.

I.—STATEMENT showing the Sum issued out of the Consolidated Fund and the Expenditure.

—	Year in which issued.	Amount.	—	Amount.
Sum issued (out of an authorized issue of £2,000,000)	1901-2	£ 1,060,935 s. d. 0 0	Expenditure in the period ended 31st March, 1909	£ 1,999,127 s. d. 1 10
Sum issued (out of an authorized issue of £2,000,000)	1902-3	939,065 0 0	Expenditure in the year ended 31st March, 1910	..
			Balance in hand	1,999,127 1 10 872 18 2
		2,000,000 0 0		2,000,000 0 0

II.—STATEMENT showing the Sums borrowed and the Securities created.

—	Amount.	Money borrowed.	Securities created.
Sum issued as above	£ 2,000,000 s. d. 0 0	In the period to 31st March, 1902 In the year to 31st March, 1903	£ 784,600 s. d. 0 0 1,215,400 0 0
	2,000,000 0 0		2,000,000 0 0

III.—STATEMENT showing the Aggregate Amount of Capital Expenditure.

Details of Expenditure.	In the Period ending 31st March, 1909.	In the Year ended 31st March, 1910.	Total to 31st March, 1910.
(1.) Head office (furniture, &c.)	£ 429 s. d. 7 8	£ .. s. d. ..	£ 429 s. d. 7 8
(2.) Stations,—			
Buildings	66,878 18 3	..	66,878 18 3
Accessories	18,828 18 11	..	18,828 18 11
(3.) Cable,—			
Contract	1,790,642 15 6	..	1,790,642 15 6
Accessories	335 15 0	..	335 15 0
(4.) Instruments	28,804 8 10	..	28,804 8 10
(5.) Ship,—			
Contract	65,910 0 0	..	65,910 0 0
Accessories	7,161 8 1	..	7,161 8 1
(6.) Engineers' fees and expenses	20,135 9 7	..	20,135 9 7
	1,999,127 1 10	..	1,999,127 1 10

IV.—STATEMENT showing the Expenses of the Cable in the Year ended 31st March, 1910.

Details of Receipts.	Parliamentary Grant.	Revenue.	Details of Expenditure.	Annuity for the replacement of Capital.	Working-expenses.
Balance on 31st March, 1909	£ 19,791 s. d. 16 6	£ .. s. d. ..	Seventh annuity-payment	£ 77,544 s. d. 18 0	£ .. s. d. ..
Received from H.M. Treasury out of the parliamentary grant-in-aid	54,712 5 11	..	Head office (salaries and expenses)	..	5,203 11 10
Traffic receipts (less £4,269 18s. 9d. paid out to the Canadian Pacific Railway and the Atlantic companies for the insertion of date and time and for duplicate copies of messages)	..	111,465 8 6	Head office (advertising and canvassing, engineers' fees, and royalties)	..	1,105 11 8
Interest on money placed on deposit	..	40 16 8	Cable-stations (salaries and expenses)	..	43,959 7 6
Refund of tolls and dues	..	217 13 0	Cable - ship (salaries and expenses)	..	11,821 11 10
			Provident Fund, contribution to (Statement V)	..	1,677 3 11
			Transferred to Cable Repair — Reserve and General Renewal Fund (Statement VI)	..	30,000 0 0
					93,767 6 9
					77,544 18 0
		111,723 18 2			171,312 4 9
		74,504 2 5	Balance on 31st March, 1910	..	14,915 15 10
		186,228 0 7			186,228 0 7

V.—STATEMENT showing (a) the Sums received and expended, and (b) the Securities purchased and sold on Account of the Provident Fund in the Year ended 31st March, 1910.

—	Securities purchased. (For Details see below.)	Cash Receipts.	—	Securities sold or redeemed. (For Details see below.)	Cash Payments.
	£ s. d.	£ s. d.		£ s. d.	£ s. d.
Balance on 31st March, 1909	17,148 0 0	842 11 4	£1,800 Queensland 3½-per-cent. stock at 97 (amount paid in full on allotment)	..	1,656 0 0
Transferred from the account of annual expenses (Statement IV)	..	1,677 3 11	£1,000 New South Wales 3½-per-cent. stock at 97½	..	977 11 0
Contributions of employees	..	1,677 3 11	Payment to employees on cessation of services	..	233 3 4
Interest on securities	..	590 16 2	Auditor's fee	..	10 0 0
Securities purchased (as per contra)	2,800 0 0	..			
			Balance on 31st March, 1910	19,948 0 0	2,876 14 4
					1,911 1 0
	19,948 0 0	4,787 15 4		19,948 0 0	4,787 15 4

Details of Securities.	Balance on 31st March, 1909.	Securities purchased during Period of Account.	Total.	Securities sold or redeemed during Period of Account.	Balance on 31st March, 1910.	Value at Market Price on 31st March, 1910.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
London County Council 3-per-cent. stock	4,700 0 0	..	4,700 0 0	..	4,700 0 0	87½ 4,112 10 0
London, Brighton, and South Coast Railway 4-per-cent. debenture stock	1,800 0 0	..	1,800 0 0	..	1,800 0 0	107 1,926 0 0
Canadian Northern Railway 3-per-cent. debenture stock (guaranteed by Canadian Government)	2,048 0 0	..	2,048 0 0	..	2,048 0 0	85 1,740 16 0
Canada 4-per-cent. debenture bonds	800 0 0	..	800 0 0	..	800 0 0	102½ 820 0 0
Canada 3½-per-cent. stock ..	1,000 0 0	..	1,000 0 0	..	1,000 0 0	par. 1,000 0 0
Metropolitan Water Board 3-per-cent. B stock	2,200 0 0	..	2,200 0 0	..	2,200 0 0	87 1,914 0 0
North-eastern Railway 3-per-cent. debenture stock	1,700 0 0	..	1,700 0 0	..	1,700 0 0	84 1,428 0 0
Straits Settlement 3½-per-cent. stock	1,900 0 0	..	1,900 0 0	..	1,900 0 0	99 1,881 0 0
New South Wales 3-per-cent. stock	1,000 0 0	..	1,000 0 0	..	1,000 0 0	87 870 0 0
New South Wales 3½-per-cent. stock	..	1,000 0 0	1,000 0 0	..	1,000 0 0	97 970 0 0
Queensland 3½-per-cent. stock	..	1,800 0 0	1,800 0 0	..	1,800 0 0	98 1,764 0 0
	17,148 0 0	2,800 0 0	19,948 0 0	..	19,948 0 0	.. 18,426 6 0

VI.—STATEMENT showing (a) the Sums received and expended, and (b) the Securities purchased and sold on Account of the Cable Repair—Reserve and General Renewal Fund for the Year ended 31st March, 1910.

—	Securities purchased. (For Details see below.)	Cash Receipts.	—	Securities sold or redeemed. (For Details see below.)	Cash Payments.
	£ s. d.	£ s. d.		£ s. d.	£ s. d.
Balance on 31st March, 1909	183,465 2 10	18,791 3 6	Invested in securities, viz. :—	..	7,360 0 0
Transferred from the account of annual expenses (Statement IV)	..	30,000 0 0	£8,000 Queensland 3½-per-cent. stock at 97 (amount paid in full on allotment)	..	7,289 0 0
Interest on securities	..	7,138 11 8	£7,400 Canada 3½-per-cent. stock at 98½	..	4,940 13 6
Securities purchased (as per contra)	34,550 0 0	..	£5,000 Canada 3½-per-cent. stock at 98½	..	4,950 0 0
£4,000 New Zealand 4-per-cent. Treasury Bills redeemed	..	4,000 0 0	£5,000 Canada 3½-per-cent. stock at 99	..	3,300 0 0
			£4,000 Grand Trunk Pacific Railway Company 3-per-cent, first mortgage sterling bonds at 82½	..	5,018 1 8
			£5,150 New South Wales 3½-per-cent. stock at 97½	..	32,857 15 2
			Balance at 31st March, 1910	218,015 2 10	27,072 0 0
	218,015 2 10	59,929 15 2		218,015 2 10	59,929 15 2

VI.—STATEMENT, ETC.—*continued*.

Details of Securities.	Balance on 31st March, 1909.			Securities purchased during Period of Account.			Total.			Securities sold or redeemed during Period of Account.			Balance on 31st March, 1910.			Value at Market Price on 31st March, 1910.			
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	
Bank of England stock ..	11,500	0	0	..	..	..	11,500	0	0	..	..	..	11,500	0	0	252	28,980	0	0
Victoria 3-per-cent. stock ..	10,750	0	0	..	..	..	10,750	0	0	..	..	..	10,750	0	0	86½	9,298	15	0
Victoria 3½-per-cent. stock ..	7,000	0	0	..	..	..	7,000	0	0	..	..	..	7,000	0	0	97	6,790	0	0
New South Wales 3-per-cent. stock	12,000	0	0	..	..	..	12,000	0	0	..	..	..	12,000	0	0	87	10,440	0	0
New South Wales 3½-per-cent. stock	7,000	0	0	5,150	0	0	12,150	0	0	..	..	..	12,150	0	0	97	11,785	10	0
Queensland 3-per-cent. stock ..	7,500	0	0	..	..	..	7,500	0	0	..	..	..	7,500	0	0	85½	6,412	10	0
Queensland 3½-per-cent. stock ..	..	..	..	8,000	0	0	8,000	0	0	..	..	..	8,000	0	0	98	7,840	0	0
New Zealand 3-per-cent. stock	1,000	0	0	..	..	..	1,000	0	0	..	..	..	1,000	0	0	86½	865	0	0
New Zealand 3½-per-cent. stock	4,000	0	0	..	..	..	4,000	0	0	..	..	..	4,000	0	0	97	3,880	0	0
New Zealand 4-per-cent. debenture stock	14,000	0	0	..	..	..	14,000	0	0	..	..	..	14,000	0	0	par.	14,000	0	0
New Zealand 4-per-cent. Trea- sury bills	4,000	0	0	..	..	..	4,000	0	0	4,000	0	0	..	..	..	..	..	..	..
Bank of New Zealand 4-per- cent. guaranteed stock	1,500	0	0	..	..	..	1,500	0	0	..	..	..	1,500	0	0	101	1,515	0	0
Canada 3-per-cent. stock ..	20,000	0	0	..	..	..	20,000	0	0	..	..	..	20,000	0	0	91½	18,300	0	0
Canada 3½-per-cent. stock ..	4,000	0	0	17,400	0	0	21,400	0	0	..	..	..	21,400	0	0	par.	21,400	0	0
Canada 4-per-cent. debenture bonds	9,000	0	0	..	..	..	9,000	0	0	..	..	..	9,000	0	0	102½	9,225	0	0
Canadian Northern Railway 3-per-cent. debenture stock (guaranteed by the Canadian Government)	6,000	0	0	..	..	..	6,000	0	0	..	..	..	6,000	0	0	85	5,100	0	0
Grand Trunk Pacific Railway Company 3-per-cent. first mortgage sterling bonds	..	..	..	4,000	0	0	4,000	0	0	..	..	..	4,000	0	0	83	3,320	0	0
Metropolitan Water Board 3-per-cent. B stock	4,000	0	0	..	..	..	4,000	0	0	..	..	..	4,000	0	0	87	3,480	0	0
Local loans 3-per-cent. stock ..	14,000	0	0	..	..	..	14,000	0	0	..	..	..	14,000	0	0	95	13,300	0	0
Guaranteed 2½-per-cent. stock	1,100	0	0	..	..	..	1,100	0	0	..	..	..	1,100	0	0	82½	904	15	0
India 3-per-cent. stock ..	12,000	0	0	..	..	..	12,000	0	0	..	..	..	12,000	0	0	81½	9,810	0	0
India 3½-per-cent. stock ..	8,000	0	0	..	..	..	8,000	0	0	..	..	..	8,000	0	0	95½	7,620	0	0
South Australian 4-per-cent. stock	16,000	0	0	..	..	..	16,000	0	0	..	..	..	16,000	0	0	101	16,160	0	0
Straits Settlements 3½-per-cent. stock	4,000	0	0	..	..	..	4,000	0	0	..	..	..	4,000	0	0	99	3,960	0	0
War stock, 2½ per cent. ..	5,115	2	10	..	..	..	5,115	2	10	..	..	..	5,115	2	10	99½	5,102	7	1
	183,465	2	10	34,550	0	0	218,015	2	10	4,000	0	0	214,015	2	10	..	219,488	17	1

Examined and found correct—G. H. HUNT, Auditor.
Pacific Cable Board, 26th July, 1910.

H. W. PRIMROSE, Chairman.

AUSTRALIA-NEW ZEALAND CABLE.

No. 4.

[NEWS EXTRACT, 8th August, 1910.]

The Pacific Cable.

(Telegram.)

London, 6th August, 1910.

THE Pacific Cable Board proposes to lay another cable between Australia and New Zealand with funds in the Board's possession. The Governments of New Zealand, Canada, and Australia have sanctioned the proposal; Britain, while agreeable, considers an Act of Parliament authorizing the work should be obtained.

The proposal is therefore in abeyance for the present.

[P.C. Fin. and Constr. 10/178.]

No. 5.

The CHAIRMAN, Pacific Cable Board, London, to the Right Hon. the PRIME MINISTER.

SIR,—

Queen Anne's Chambers, S.W., 26th August, 1910.

I have the honour to acknowledge receipt of your letter of 28th June [not printed], further on the subject of an additional cable between New Zealand and Australia, and to state that the Pacific Cable Board are in full agreement with you as to the extreme importance of improving their service for intercolonial traffic.

The several associated Governments have all pronounced themselves in favour of the laying by the Board of a direct cable between New Zealand and Sydney, but the Lords Commissioners of His Majesty's Treasury have, on behalf of the Imperial Government, expressed the opinion that further statutory authority must be obtained before this can be done.

The circumstances of the current session of Parliament have so far rendered impossible the introduction of the necessary legislation; but the Board will not fail to urge upon His Majesty's Government the desirability of placing it at the earliest possible moment in a position to undertake the proposed extension of its system.

* * * * *

I have, &c.,

The Right Hon. the Prime Minister, Wellington.

H. W. PRIMROSE, Chairman.

[P.C. Fin. and Constr. 10/216.]

No. 6.

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

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

21st September, 1910.

SIR,—

I have the honour to enclose herein, for your information, copy of a letter which I sent to the London Manager and Secretary of the Board on the 16th instant with regard to the proposed Sydney to New Zealand direct cable.

I have, &c.,

The Right Hon. the Prime Minister, Wellington.

WM. HALL-JONES.

[P.C. Fin. and Constr. 10/225.]

Enclosure in No. 6.

The HIGH COMMISSIONER to the LONDON MANAGER AND SECRETARY, Pacific Cable Board.

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

16th September, 1910.

SIR,—

With reference to your message of this afternoon [not printed], I now understand you wish to have in writing New Zealand's concurrence in the proposed laying of the above cable. You will find the matter dealt with by Sir Joseph Ward in his letter to your Chairman of the 30th March, 1910 [not printed], and on behalf of New Zealand I beg to intimate my concurrence in this proposal.

I have, &c.,

WM. HALL-JONES.

A. S. Baxendale, Esq., London Manager and Secretary, Pacific Cable Board,
Queen Anne's Chambers, London, S.W.

No. 7.

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

(Telegram.)

Wellington, 27th September, 1910.

PROPOSED Australia New Zealand cable: Government consents to the cost to be met from funds invested on account of Board's Renewal Fund, subject to the approval of Parliament, which is being asked for immediately.

[P.C. Fin. and Constr. 10/192.]

No. 8.

[EXTRACT FROM THE JOURNALS OF THE HOUSE OF REPRESENTATIVES, Wednesday, the 28th day of September, 1910.]

Resolved, That, whereas it has been represented to this House that the Pacific Cable Board desires to construct a deviation of the Pacific cable authorized by the Pacific Cable Authorization Act, 1899, and it appears to this House that such deviation should be permitted, this House approves, in pursuance of the provisions of section 166 of the Post and Telegraph Act, 1908, of the Pacific Cable Board constructing and laying a cable to be used in the transmission of messages between New Zealand and Australia in place, if required, of a portion of the Pacific cable at present used for that purpose; the new cable to lie directly between Doubtless Bay and some point in Australia without touching at any intermediate point.—(On motion of the Right Hon. Sir J. G. Ward.)

No. 9.

[EXTRACT FROM THE JOURNALS OF THE LEGISLATIVE COUNCIL, Wednesday, the 28th day of September, 1910.]

Resolved, That, whereas it has been represented to this Council that the Pacific Cable Board desires to construct a deviation of the Pacific cable authorized by the Pacific Cable Authorization Act, 1899, and it appears to this Council that such deviation should be permitted, this Council approves, in pursuance of the provisions of section 166 of the Post and Telegraph Act, 1908, of the Pacific Cable Board constructing and laying a cable to be used in the transmission of messages between New Zealand and Australia in place, if required, of a portion of the Pacific cable at present used for that purpose; the new cable to lie directly between Doubtless Bay and some point in Australia without touching at any intermediate point.—(On motion of the Hon. Dr. Findlay.)

No. 10.

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

(Telegram.)

Wellington, 30th September, 1910.

BOTH Houses have agreed resolution consenting to Pacific Cable Board laying cable Doubtless Bay to Australia.

[P.C. Fin. and Constr. 10/205.]

No. 11.

The Right Hon. the PRIME MINISTER, Wellington, to the CHAIRMAN, Pacific Cable Board, London.
SIR,—

Prime Minister's Office, Wellington, 6th October, 1910.

I have the honour to refer to your letter of the 18th May, 1910 [not printed], to the High Commissioner for this Dominion in London on the subject of the proposal of the Pacific Cable Board to lay a cable between Australia and New Zealand; and to inform you that the proposal is approved of by the New Zealand Government.

It was necessary under section 166 of the New Zealand Post and Telegraph Act to obtain the authority of Parliament; and the resolution hereunder was accordingly submitted to both Houses of Parliament and passed by them on the 28th ultimo.

I am sending separately printed copies of the resolution.

I have, &c.,

J. G. WARD, Prime Minister.

The Chairman, Pacific Cable Board, Queen Anne's Chambers, London.

[P.C. Fin. and Constr. 10/213.]

No. 12.

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

SIR,— Prime Minister's Office, Wellington, 6th October, 1910.

I have the honour to confirm my cable message of the 30th ultimo.

I have written direct to the Chairman of the Pacific Cable Board announcing the concurrence of the Government in the Board's proposal.

I am sending you separately printed copies of the resolution.

I have, &c.,

J. G. WARD, Prime Minister.

The Hon. Sir Wm. Hall-Jones, K.C.M.G., High Commissioner for New Zealand, London.

[P.C. Fin. and Constr. 10/215.]

No. 13.

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

SIR,— Prime Minister's Office, Wellington, 6th October, 1910.

In continuation of my letter of to-day, I have the honour to forward herewith two copies of the resolution passed on the 28th ultimo by each House of Parliament approving of the proposal of the Pacific Cable Board to lay a cable between New Zealand and Australia.

I have, &c.,

J. G. WARD, Prime Minister.

The Hon. Sir Wm. Hall-Jones, K.C.M.G., High Commissioner for New Zealand, London.

[Copies of the resolutions were also sent to the Right Hon. the Prime Minister of the Dominion of Canada, the Hon. the Prime Minister of the Commonwealth of Australia, the Chairman, Pacific Cable Board, London, the Manager in the Pacific, Pacific Cable Board, Sydney, and the Superintendent, Pacific Cable Station, Doubtless Bay.]

[P.C. Fin. and Constr. 10/201.]

No. 14.

The CHAIRMAN, Pacific Cable Board, London, to the Right Hon. the PRIME MINISTER, Wellington.

SIR,— Queen Anne's Chambers, S.W., 25th November, 1910.

I have the honour to acknowledge receipt of, and to thank you for, your letter of 6th October, concerning the resolution passed by each House of the Dominion Parliament on the 28th September last approving of the proposal of the Pacific Cable Board to lay a cable between New Zealand and Australia.

Information has been received from His Majesty's Treasury that, prior to the seeking of the approval of the Imperial Parliament for this project, their Lordships deem it necessary to obtain the assurance of the Commonwealth and Dominion Governments that the proposed wireless-telegraph schemes of the Pacific will not compete commercially with the existing cable systems.

The consent of the Commonwealth and Canadian Governments to the laying of the cable has already been received.

I have, &c.,

H. W. PRIMROSE, Chairman.

The Right Hon. Sir Joseph Ward, P.C., K.C.M.G., Prime Minister,
Dominion of New Zealand, Wellington.

[P.C. Fin. and Constr. 10/282.]

No. 15.

The Right Hon. the PRIME MINISTER, Wellington, to the CHAIRMAN, Pacific Cable Board, London.

SIR,— Prime Minister's Office, Wellington, 7th February, 1911.

I have the honour to refer to your letter of the 25th November last, and in reply thereto to inform you that it is not intended that the wireless telegraphic system in New Zealand is to compete with the existing cable system for commercial work between New Zealand and Australia. The wireless apparatus will be used for communicating with ships and for defence purposes only.

I have, &c.,

J. G. WARD, Prime Minister.

The Chairman, Pacific Cable Board, Queen Anne's Chambers, London, S.W.

[P.C. Fin. and Constr. 10/284.]

PROPOSED ATLANTIC CABLE.

No. 16.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR.
 MY LORD,—

Downing Street, 21st October, 1910.

With reference to your telegram of the 11th instant [not printed], I have the honour to transmit to you, for the information of your Ministers, copy of correspondence with the Governor-General of the Commonwealth of Australia, relative to a proposal that action should be taken to obtain the ownership and control of a cable across the Atlantic between Great Britain and Canada, and that the telegraph-line between the landing-place of such cable and the point of junction with the Pacific cable should be owned and operated by the Canadian Government.

I have, &c.,
 CREWE.

Governor the Right Hon. Lord Islington, D.S.O., &c.
 [P.C. Fin. and Constr. 10/273.]

Enclosure No. 1 in No. 16.

His Excellency the GOVERNOR-GENERAL, Commonwealth of Australia, Melbourne, to the Right Hon. the SECRETARY OF STATE FOR THE COLONIES.

Commonwealth of Australia, Governor-General's Office, Melbourne,
 25th July, 1910.

MY LORD,—

I have the honour to inform Your Lordship that I am advised by His Majesty's Prime Minister of the Commonwealth that the Government are of opinion that in order to secure a lower rate for telegrams with Europe, *via* the Pacific cable, and also more accurate transmission, action should be taken to obtain the ownership and control of a cable across the Atlantic Ocean, between Great Britain and Canada.

Further, it is considered by the Commonwealth Government that the telegraph-line between the landing-place of such proposed Atlantic cable and the point of junction with the Pacific cable should be owned and operated by the Canadian Government.

2. The High Commissioner of the Commonwealth has been requested to urge upon the Pacific Cable Board the desirableness of obtaining such a cable, either by purchasing one of the existing lines or by laying an independent cable.

3. The present apportionments on a Press message between Australia and the United Kingdom *via* Pacific are as follows :—

Atlantic cable	...	...	...	...	...	per word, 5d.
Canada	...	...	...	...	...	„ 1d.
Pacific Cable Board	...	...	...	...	...	„ 2d.
Australia	...	...	...	...	...	„ 1d.

4. In dealing with this matter, the Commonwealth Postmaster-General points out the comparatively large amount allotted to the Atlantic section, and draws attention to the circumstance that the charge on public messages to places in Europe, other than the United Kingdom, exceeds 3s. per word, owing to the fact that the Atlantic cable companies will not agree to accept the same apportionment on these messages as they do on messages to the United Kingdom. This gives the Eastern Extension Telegraph Company a practical monopoly of European business to places outside the United Kingdom.

5. The Prime Minister informs me that the Commonwealth Government will be glad if the Imperial authorities can see their way to co-operate with them on this question with a view to securing the objects sought. I may add that similar representations are being addressed to the Government of Canada by the Commonwealth Government.

I have, &c.,
 DUDLEY, Governor-General.

The Right Hon. the Secretary of State for the Colonies.

Enclosure No. 2 in No. 16.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR-GENERAL, Commonwealth of Australia, Melbourne.

MY LORD,—

Downing Street, 14th October, 1910.

I have the honour to acknowledge the receipt of Your Excellency's despatch of the 25th July, reporting that your Government suggest that action should be taken to obtain the ownership

and control of a cable across the Atlantic between Great Britain and Canada, and that the telegraph-line between the landing-place of such cable and the point of junction with the Pacific cable should be owned and operated by the Canadian Government.

2. As regards the latter point, your Ministers are aware that arrangements have now been made for the operation by the Pacific Cable Board of a telegraph-line through Canada, and I presume that this arrangement will fully meet the wishes of your Government in this respect.

3. The question of the provision of a State-owned cable across the Atlantic received the fullest consideration of His Majesty's Government at the end of 1908, when similar proposals were made by Mr. Lemieux, the Postmaster-General of Canada. His Majesty's Government then decided that it was not possible to accept the proposal, one of the considerations which weighed much with them being the inexpediency of incurring heavy outlay on trans-Atlantic cables at a time when great efforts are being made to provide effective long-distance services by means of wireless telegraphy.

4. Moreover, the existing trans-Atlantic service works with admirable efficiency, the terminal points of the cables are situated on British territory, and the landing licenses in this country guarantee complete control to the Government in case of emergency. There is, however, legitimate ground for dissatisfaction in that the rates press with undue severity on certain classes of the community. These grievances would be met, so far as the general public is concerned, if it should be found practicable to carry out a scheme based upon proposals made by the Postmaster-General of the Commonwealth under which half-rates would be charged in respect of telegrams in plain language accepted on the condition that they may be liable to be deferred until traffic paid for at full rates has been disposed of. The Postmaster-General is at present in communication with the principal cable companies and Government telegraph administrations with a view to the adoption at an early date of a reduced tariff on this basis, and Mr. Samuel is not without hope that his efforts may prove successful.

5. His Majesty's Government sympathize strongly with the desire of the Australian Government for a further reduction of the rates for Press telegrams, and for the adaptation of these rates so as to admit of the Pacific Cable Board charging the same through rate on telegrams exchanged with countries on the Continent of Europe as on those exchanged with the United Kingdom. In view, however, of the important negotiations referred to in the preceding paragraph of this despatch, the Postmaster-General deems it inexpedient for the present to press these particular points on the attention of the cable companies. The matter, however, will not be lost sight of when a suitable occasion for dealing with it presents itself.

I have, &c.,

CREWE.

Governor-General His Excellency the Right Honourable the Earl of Dudley,
G.C.M.G., G.C.V.O., &c.

No. 17.

The Right Hon. the PRIME MINISTER, Wellington, to the CHAIRMAN, Pacific Cable Board, London.
(Telegram.) Wellington, 1st November, 1910.

ON behalf New Zealand Government, I would strongly urge your Board to co-operate with British Government in laying Atlantic cable to complete through line to Pacific.

[P.C. Fin. and Constr. 10/226.]

No. 18.

The CHAIRMAN, Pacific Cable Board, London, to the Right Hon. the PRIME MINISTER, Wellington.
(Telegram.) London, 4th November, 1910.

PACIFIC Cable Board will bear in mind views of your Ministers through line to Pacific.

[P.C. Fin. and Constr. 10/230.]

No. 19.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR.
MY LORD,— Downing Street, 9th November, 1910.

I have the honour to acknowledge the receipt of your telegram of the 2nd instant, in which you report that your Ministers are desirous that His Majesty's Government should co-operate with the Pacific Cable Board in the construction of an Atlantic cable to complete a through line to the Pacific.

In reply, I have to request you to refer your Ministers to my predecessor's despatch of the 21st October, which explains the present attitude of His Majesty's Government on the subject.

I have, &c.,

L. HARCOURT.

Governor the Right Hon. Lord Islington, D.S.O.
[P.C. Fin. and Constr. 10/276.]

CANADIAN LAND LINE.

No. 20.

The MANAGER IN THE PACIFIC, Pacific Cable Board, Sydney, to the SECRETARY, General Post Office, Wellington.

SIR,—

Dixson's Buildings, 64 Pitt Street, Sydney, 24th August, 1910.

I have the honour to inform you that I have to-day received the following advice: "The Pacific Cable Board have taken over working trans-Canadian line Bamfield to Montreal. This means traffic is only handled once between Montreal and Fanning Island; distance, six thousand five hundred miles. It is hoped quicker and more accurate transmission will be afforded international messages."

I have, &c.,

T. CHAPMAN JUDD,
For Manager in the Pacific.

The Secretary, Post and Telegraph Department, Wellington.

[P.C. Fin. and Constr. 10/182.]

No. 21.

The SECRETARY, General Post Office, Wellington, to the MANAGER IN THE PACIFIC, Pacific Cable Board, Sydney.

SIR,—

General Post Office, Wellington, 1st September, 1910.

I have the honour to acknowledge the receipt of your letter of the 24th ultimo, notifying that your Board has taken over the working of the line between Bamfield and Montreal.

I congratulate you on the completion of the action taken by the Board to secure the line, and hope that our expectations for a faster and more accurate service across Canada will be realized.

I have, &c.,

D. ROBERTSON, Secretary.

The Manager in the Pacific, Pacific Cable Board, 64 Pitt Street, Sydney.

[P.C. Fin. and Constr. 10/183.]

DEFERRED CABLE MESSAGES.

No. 22.

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

(Telegram.)

Wellington, 9th August, 1910.

WHAT result Conference deferred cables?

[P.C. Rates 10/71.]

No. 23.

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

(Telegram.)

London, 10th August, 1910.

WITH reference to your telegram of 9th August, Pacific Cable Board proposed deferred rate 1s. 6d. per word, with minimum charge plain-language message delivered after forty-eight hours. British postal authorities opinion this must be approved by parties to Lisbon Convention, and called informal preliminary meeting representatives Pacific Cable Board, Eastern, Anglo-American, Eastern Extension, Western Union. Present consensus opinion experiment should be tried. General disapproval forty-eight hours delay and minimum charge. No meeting of Board since. Understand Postmaster-General now approaching France, Germany, if favourably disposed. Probably general conference all cable companies will be called. Personally believe best solution 1s. 6d. ordinary and 3s. 1d. urgent. Astonished our action restricted by Convention. Wrote last mail.

[P.C. Rates 10/72.]

No. 24.

The Right Hon. the PRIME MINISTER, Wellington, to the Hon. the PRIME MINISTER OF THE COMMONWEALTH, Melbourne.

SIR,—

Prime Minister's Office, Wellington, 9th February, 1911.

I have the honour to refer to the meeting held in London on the 22nd November last of the committee appointed to consider the proposals for the acceptance of plain-language telegrams at reduced rates under certain conditions in the extra-European system. The report [not printed] of the committee warrants my suggesting, pending the settlement of the larger question, the establishment of a "deferred" system in Australasia, in accordance with the authority given by Article 17 of the International Telegraph Convention. I therefore beg to propose that an experimental system of "deferred" cable messages *via* the Pacific cable be established between New Zealand and Australia for a year on the following conditions:—

1. The rate to be half the rate charged for ordinary telegrams.
2. No telegram to contain in address and signature less than five words.
3. Telegrams to be sent at night and posted in time for the first delivery.
4. Telegrams to be entirely in plain language; the text to have an intelligible meaning to the person accepting it for transmission, and not to include a succession of numbers, names, or words without connected meaning.
5. Only the "admitted" languages to be used.
6. Only one language to be used in any one telegram.
7. Numbers to be written in words except in the address.
8. The sender at the time of handing in to sign a declaration, if required, that the text of the telegram is entirely in plain language and is not intended to bear a second meaning; also that he will substantiate his declaration if called upon to do so.
9. The Departments and the Board to reserve the right to refuse to accept or to transmit any telegram at the reduced rate.

This proposal is also being made to the Pacific Cable Board.

I have, &c.,

J. G. WARD, Prime Minister.

The Hon. the Prime Minister, Commonwealth of Australia, Melbourne.

[Letter in similar terms sent on same date to the Manager in the Pacific, Pacific Cable Board, Sydney, by the Secretary, General Post Office, Wellington.]

[P.C. Rates 11/122.]

No. 25.

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

(Telegram.)

Wellington, 13th February, 1911.

THIS Dominion desires you urge Pacific Cable Board establish experimental deferred-telegram system Australasia for one year under Article 17 Telegraph Convention basis revised conditions your letter of the 2nd December 1910 [not printed], except that telegrams to be sent at night and posted time first delivery.

[P.C. Rates 11/118.]

No. 26.

The MANAGER IN THE PACIFIC, Pacific Cable Board, Sydney, to the SECRETARY, General Post Office, Wellington.

SIR,—

Dixson's Buildings, 64 Pitt Street, Sydney, 22nd February, 1911.

I have the honour to acknowledge receipt of, and to thank you for, your letter of the 9th instant, in which it is proposed that an experimental system of "deferred" cable messages be established *via* the Pacific cable in Australasia for one year on conditions similar to those proposed by the committee sitting in London on the 22nd November last to consider a similar proposal in connection with a "deferred" rate for extra-European traffic.

It is, I consider, practically certain that your proposal will meet with the hearty support of my Board, providing no obstacle is found under the regulations of the International Telegraph Convention, and so far as I can see Article 17 entirely covers the case.

I am communicating with my Board on the matter, and hope for an early and favourable reply.

I shall, of course, be much interested to hear the Commonwealth Government's views on the matter.

I have, &c.,

J. MILWARD, Manager in the Pacific.

The Secretary, General Post Office, Wellington.

[P.C. Rates 11/78.]

No. 27.

The Hon. the PRIME MINISTER OF THE COMMONWEALTH, Melbourne, to the Right Hon. the PRIME MINISTER, Wellington.

SIR,— Prime Minister's Office, Melbourne, 1st March, 1911.

I have the honour to acknowledge the receipt of your letter of the 9th ultimo, submitting a proposal for the establishment of an experimental system of "deferred" cable messages *via* the Pacific cable between New Zealand and Australia for a year on certain conditions.

The question will receive early consideration.

I have, &c.,

ANDREW FISHER

The Right Hon. the Prime Minister of New Zealand, Wellington.

[P.C. Rates 11/79.]

No. 28.

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

(Telegram.)

Wellington, 30th March, 1911.

YOUR letter, 16th February [not printed], Pacific cable. You apparently misunderstand my cablegram 13th. Desire is to establish experimental deferred system between New Zealand and Australia for one year immediately without waiting settlement general question. Bring under notice Board. Particulars probably already received from Milward.

[P.C. Rates 11/83.]

No. 29.

The Hon. the ACTING PRIME MINISTER to the HIGH COMMISSIONER.

SIR,—

Prime Minister's Office, Wellington, 31st March, 1911.

I have the honour to confirm the Prime Minister's cable message to you of the 13th ultimo, and to acknowledge the receipt of your reply of the same date as under:—

"Deferred telegrams. With reference to your telegram February 13th, proposal still under consideration. Companies interested include liability for delay of twenty-four hours, minimum six words, 1s. 6d. word, all plain language. If companies concur Article 17 will come into operation. Pacific Cable Board to have the right withdraw after one year."

I have also to confirm my cable message of the 30th instant.

I attach copy of the Prime Minister's letter, dated the 9th ultimo, to the Prime Minister of the Commonwealth of Australia on the subject of the proposed establishment for a year of an experimental system of "deferred" messages between New Zealand and Australia.

I have, &c.,

J. CARROLL, Acting Prime Minister.

The Hon. Sir Wm. Hall-Jones, K.C.M.G., High Commissioner for New Zealand, London.

[P.C. Rates 11/85.]

REDUCTION OF RATE FOR PRESS CABLE MESSAGES.

No. 30.

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

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

6th May, 1910.

SIR,—

I have the honour to enclose herein copies of letters from the London Chamber of Commerce conveying to you the terms of resolutions passed at the seventh Congress of Chambers of Commerce at Sydney in September last, on the following subjects:—

* * * * *

7. Telegraphic communication.

I have, &c.,

The Right Hon. the Prime Minister, Wellington.

WM. HALL-JONES.

[Acknowledged 8th October, 1910.]

P.C. Rates 10/51.]

Enclosure in No. 30.

The SECRETARY, London Chamber of Commerce, to the HIGH COMMISSIONER.

The London Chamber of Commerce, Oxford Court, Cannon Street,
London, E.C., 29th April, 1910.

SIR,—

I am instructed by the Congress Organizing Committee to ask if you will be good enough to convey to the Postal Department of the Dominion of New Zealand the terms of a resolution on the subject of telegraphic communication adopted by the seventh Congress of Chambers of Commerce of the Empire, which met at Sydney, N.S.W., in September, 1909. This resolution is as follows: "That this Congress is of opinion that it is desirable to complete the Imperial route between the Motherland and the Colonies of Canada, Australia, and New Zealand by providing a State-owned electric communication across Canada to Great Britain; and further, that the respective Postal Departments of the various Governments within the Empire be requested to bring forward a combined scheme for substantial reductions in telegraph rates, and especially in the direction of cheapening Press cablegrams."

This communication was not made earlier, as it was considered advisable to await the publication of the verbatim official report of the proceedings, in order that a copy of the debate upon the above motion might accompany this letter. This I have pleasure in appending [not printed].

I have, &c..

The High Commissioner for New Zealand.

CHARLES E. MUSGRAVE, Secretary.

No. 31.

[NEWS EXTRACT, 28th May, 1910.]

Press Cablegrams.

(Telegram.)

Melbourne, 27th May, 1910.

THE Federal Government has decided to offer a subsidy of £2,000 a year for three years for a cable service from abroad that will supply a minimum of one thousand words daily. The offer is limited to existing associations.

The conditions are not all defined, but generally they will be on the lines of the suggestions made in the Senate Committee's report on Press cables. The service must be available to all newspapers that comply with the conditions, and the control of the service will be left to the newspapers interested, every paper taking the service having a voice in the management.

All messages up to a thousand words per day must be transmitted by the Pacific cable, but no stipulation is made as to the route for anything beyond that number. The Postmaster-General will settle the conditions under which the service is supplied to papers, but not the terms.

The Government has instructed the High Commissioner in London to support in every possible way the construction of a State-owned Atlantic line.

[Tel. 10/4252.]

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