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made in the scheme will not affect their acceptance of the same, I am directed by the High Commissioner to state that he is of opinion that the abolition of the fixed period of delay and the minimum-number charge per message are improvements upon the original proposals of the Board, and on behalf of the Government he concurs in the proposal that the terminal charge in New Zealand shall be reduced to one-half the present rate. It is equally assumed that the co-partners I have, &c., C. Wray Palliser, agree to a similar reduction.

Secretary to the Department.

The London Manager and Secretary, Pacific Cable Board, Queen Anne's Chambers, Westminster, S.W.

## No. 25.

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

(Telegram.) London, 27th October, 1911. ANTICIPATE that deferred-rate telegrams Britain - New Zealand will come into operation from 1st January next. Proposed at same date to introduce similar deferred rate of 2½d. word plainlanguage messages between New Zealand and Australia, Pacific Cable Board receiving 11d., New Zealand, Australia 1d. each. Do you approve?

[P.C. Rates 11/232.]

## No. 26.

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

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

27th October, 1911. SIR,-

I have the honour to enclose herein copy of a letter I have received from the Chairman of the Pacific Cable Board with regard to the question of a proposed extension to the traffic between Australia and New Zealand of the concession in regard to deferred messages in plain language that is to be applied to international traffic. As the Board suggests that, if the proposal is approved by the Governments of Australia and New Zealand, it should come into operation on the 1st January next, when the international agreement will also come into operation, I cabled to you this day on the subject, and I give hereunder a copy of the message I sent to you, and to which I now await your reply. I have, &c.,

WM. HALL-JONES.

The Right Hon. the Prime Minister, Wellington, New Zealand. [P.C. Rates 11/280.]

## Enclosure in No. 26.

The CHAIRMAN, Pacific Cable Board, to the HIGH COMMISSIONER.

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

SIR, 26th October, 1911.

I have the honour to inform you that at the meeting of the Board on the 24th instant the question was considered of an extension to the traffic between Australia and New Zealand of the concession in regard to deferred messages in plain language that is to be applied to international traffic under the agreement, supplementary to the regulations of the International Telegraph Convention, recently negotiated by the British Postmaster-General.

As you are aware, the application of that agreement is obligatory only in respect of messages for which the rate charged is not less than 1 franc a word. But by special arrangement between the Governments concerned the benefit of it, with or without modification, may be extended to systems on which a lower rate is chargeable, and the Board came to the conclusion that, subject to the concurrence of the Governments of Australia and New Zealand, it would be right to allow to the public of these countries advantages similar to those which the new international agreement will confer elsewhere.

It was accordingly decided to propose to these Governments that, subject to the several conditions of the said international agreement, deferred messages in plain language should be allowed to be sent between Australia and New Zealand at the reduced charge of  $2\frac{1}{2}$ d. per word (instead of at the ordinary rate of  $4\frac{1}{2}$ d. per word), and that the  $2\frac{1}{2}$ d. should be divided as follows:—

To the Pacific Cable Board	 	 	 $1\frac{1}{2}d$ .
To the Australian Government	 	 	 $\frac{1}{2}$ d.
To the New Zealand Government	 	 	 $\frac{1}{2}$ d.
Total	 	 	 $2\frac{1}{2}$ d.

It would not be desirable to fix a rate for the public which included a lower fraction of a penny than one-half; and, as regards the distribution, it appeared to the Board that, in view of the low terminal charge in New Zealand on ordinary messages, it would be equitable to allow to that country the extra 4d. that is charged over and above the actual half of the ordinary rate.