A.—2.

Facilities for the Handling of Exhibits.

It is understood that special wharves will be built for the discharge of cargoes direct from oceangoing steamers, whence lines will be laid on which trollies conveying goods can be drawn right up to and into the buildings themselves. Inside the buildings the goods will be handled by a manutention service provided by the Exhibition authorities, for which a charge will be made. Should exhibitors wish to provide this service themselves they will be at liberty to do so.

Arrangements will be made for the storage of empty packing-cases at the rates charged by local

warehousemen.

Exhibitors can, however, if they wish, make their own arrangements for this service, but no empty cases will be allowed to remain within the building.

Power, Steam, Gas, and Water Supply.

An ample supply of electric power, steam, gas, and water will be available for the use of exhibitors at charges based upon the local rates.

Customs Regulations.

The Exhibition will be treated as a bonded warehouse, and only Customs declaration forms of the most simple character will be required, in order to identify goods re-exported at the close of the Exhibition. Any goods not so re-exported will have, in accordance with present arrangements, to pay the duty imposed by the revenue laws in force at the time of their importation. The Exhibition authorities are, however, endeavouring to procure the passage of a law under which goods sold should only be taxed in accordance with their value on the day of their sale, and not the day of their importation. No decision has, however, as yet been arrived at on this point. No goods may be sold for delivery before the close of the Exhibition.

No duty will be levied on show-cases or material required for the decoration of sites allotted to foreign countries, nor on furniture, books, stationery, &c., required for use at the offices of foreign Commissioners. Should goods employed for decorative purposes, such as hangings, linoleum, glue, nails, &c., be unfit for re-exportation at the close of the Exhibition, they may be declared abandoned, and no duty will be payable. There are no octroi or other municipal dues in force at San Francisco.

Labour.

The board of directors state that every safeguard will be taken to avoid the occurrence of strikes, and in this connection they remark that the majority of the unions are themselves so interested in the success of the Exhibition that it is improbable that any of their employees will strike. In the event of a strike, however, the State laws permit the importation of "blackleg" labour. It is stated that there will be no restriction whatever to the employment of foreign labourers should foreign Commissioners desire to employ workmen from their own countries.

Awards.

The adjudication of awards will be undertaken by a series of four juries—namely, class, group, department, and superior juries. With regard to the appointment of the jurors, it is stated that this subject will be discussed at a meeting of the Exhibition authorities with the foreign Commissioners, to be held some time before the opening of the Exhibition.

No. 84.

New Zealand, No. 276.

My Lord,— Downing Street, 25th September, 1912.

With reference to my despatch, No. 262, of the 28th July, 1911, I have the honour to state, for the information of your Ministers, that the Suez Canal Company have decided to make a reduction in the Suez Canal transit dues by 50 centimes per ton from the 1st January next. The dues will thus be reduced to 6 francs 25 centimes per ton for loaded ships and 3 francs 75 centimes per ton for ships in ballast.

I have, &c.,

L. HARCOURT.

Governor the Right Hon. Lord Islington, K.C.M.G., D.S.O., &c.

No. 85.

New Zealand, No. 284.

My Lord,— Downing Street, 2nd October, 1912.

I have the honour to acknowledge the receipt of your despatch, No. 78, of the 6th June, on the subject of the request of the Lyttelton Harbour Board to be allowed to fly on its vessel the Blue Ensign with the Board's badge, with cross anchors and the letters "N.Z." in the centre, and four stars at the end of the flag.

A.—1, 1913