

I am asking the Governments of Canada, the Commonwealth of Australia, the Union of South Africa, and India to raise their contributions to £5,000 a year each, and the Government of Newfoundland to contribute £1,000. In every case I suggest that, following the example of the United Kingdom, the increased sum should be promised for five years. It must be left to the future to determine whether these contributions should be continued, or, indeed, become permanent. My own conviction is that the vigorous development of the Institute will lead to its utility being so universally recognized that, at the end of the five-years period, all the countries interested will gladly agree to continue to support it.

9. I am aware that these are large demands, especially when contrasted with the very small contributions at present made by the dominions to the support of the Institute. But I would venture to point out that these contributions are really quite inadequate to an enterprise of this magnitude and Imperial importance, and their exiguity is calculated to give the impression, which I believe to be misleading, that the maintenance of the Institute is not a matter of serious interest to the dominions. I hope that this is not the case. But the time has now come when it is necessary to put the degree of interest which they actually do feel in it to the test. New Zealand is, like other dominions, represented on the Executive Council of the Institute. New Zealand is therefore in a position to judge for herself of the value of the work it does. The Institute, though located in this country, is not in any sense a specially British institution. In its administration, as in its work, it is genuinely Imperial, and belongs not to the United Kingdom and its dependencies alone, but to all the partner-nations of the Empire. It is therefore with some confidence that I am appealing to the great, wealthy, and growing dominions to assist in keeping it alive.

I have, &c.,

MILNER.

The Officer Administering the Government of New Zealand.

No. 34.

New Zealand, No. 171.

SIR,—

Downing Street, 24th August, 1920.

With reference to Lord Liverpool's despatch, No. 40, of the 4th March, I have the honour to transmit to Your Excellency, to be laid before your Ministers, a copy of a letter from the Postmaster-General relative to a new arrangement for the working of the Anglo - United States money-order service.

I have, &c.,

MILNER.

The Officer administering the Government of New Zealand.

Enclosure.

SIR,—

General Post Office, London E.C. 1, 13th August, 1920.

With reference to the letter, No. 240910/19, sent to you from this office on the 4th December last, in reply to your letter, No. 66808/19, of the 27th November last, concerning the money-order service between Australia and the United States, I am directed by the Postmaster-General to acquaint you, for the information of the Secretary of State for the Colonies, that the United States Post Office has now agreed to adopt, as from the 15th instant, the proposals made by this office in connection with the working of the Anglo - United States money-order service. Under the new arrangements the fixed rate of £1=\$4.87 will no longer be used for the conversion of the amounts of money-orders exchanged between the United Kingdom and the United States in both directions, or for the settlement of the relative accounts. Instead, on and from the 15th instant, each Administration will be empowered to fix, and to revise when necessary, the rate of conversion applicable to the orders issued by it for payment by the other Administration, and will be credited in the monthly accounts, in its own currency, with the total of the amounts which it has been authorized to pay; and in order to arrive at the balance of the account the smaller of the two credits will be converted into the money of the larger credit at the mean rate for sight drafts current during the month of the account.

In these circumstances there will no longer be any necessity to continue the arrangement described in the third paragraph of the letter from this office mentioned above, whereby the rate of poundage charged on money-orders issued in the United Kingdom for payment in the United States is altered from time to time to correspond with fluctuations in the rate of exchange. The rate of