

for one full wool-year commencing 30th June after the termination of hostilities; present prices, based on 55 per cent. over 1913-14 basis, to be continued without any change; the Imperial Government to pay any increase for handling-charges if rendered necessary; the basis price to be final as regards wool used for British Government purposes, but in regard to wool sold for other purposes the bonus per pound to be paid New Zealand resulting from the profits actually realized to be calculated on the basis of the profits realized on the Australian purchase.

Yours, &c.,
W. F. MASSEY.

Letter from ANDREW WEIR, Esq., Surveyor-General of Supply, War Office, to the Right Hon. the
PRIME MINISTER OF NEW ZEALAND.

DEAR SIR,—

14th August, 1918.

I have pleasure in acknowledging receipt of your letter of 13th August, in which you inform me that the New Zealand Government is willing to dispose of the New Zealand wool-clips to His Majesty's Government for the period of the war and for one full wool-year, commencing 30th June, after the termination of hostilities, on terms which I understand to be those fully set forth in the annexed copy of a telegram sent to the Governor-General by the Secretary of State for the Colonies on the 6th June, with the exception that the conditions as to profit-sharing are to be modified as hereafter stated.

I attach a note of the conference held on the 15th July, in which it is suggested that instead of New Zealand receiving half the profit actually realised on New Zealand wool, the share of the profits so realised to be paid to New Zealand shall be calculated at the same rate per pound of wool delivered under the new contract as is paid to the Government of Australia under the new Australian contract; the reason for this modification being that it was feared that otherwise the New Zealand bonus might be materially lower than the Australian, owing to the larger proportion of crossbred wool used for military purposes, on which no profit would accrue.

I have much pleasure in stating that His Majesty's Government are prepared to accept the modification referred to in the preceding paragraph, and in view of your letter I understand the transaction is now closed on the terms of the telegram of the 6th June with the single modification referred to.

I have also to enclose copy of a telegram from the Commonwealth of Australia, dated the 12th June, accepting the offer of the 6th June. You will note that Australia has stipulated that the rate for handling-charges shall be raised from 5d. per pound to 3d. per pound. It is extremely desirable that so far as possible the arrangements with both Dominions shall be identical, and I shall be glad therefore to receive your confirmation that the handling-charge in New Zealand also shall be 3d. per pound.

Yours, &c.,
A. WEIR.

Letter from the Right Hon. the PRIME MINISTER OF NEW ZEALAND to ANDREW WEIR, Esq.,
Surveyor-General of Supply, War Office.

Prime Minister's Office, Savoy Hotel, W.C. 2, 16th August, 1918.

DEAR SIR,—

I have to acknowledge the receipt of your letter of the 14th instant, in connection with the New Zealand wool-clips which the New Zealand Government is willing to dispose of to His Majesty's Government for the period of the war and for one full wool-year commencing the 30th June after the termination of hostilities.

I am pleased to hear from you that His Majesty's Government are prepared to accept the modification referred to in the second paragraph of your letter now under reply, and the transaction can therefore be regarded as closed on the terms of the telegram sent to the Governor-General of New Zealand by the Secretary of State for the Colonies of the 6th June with the modification herein referred to.

On behalf of the New Zealand Government, I confirm the handling-charge in New Zealand shall be at the rate of 3d. per pound.

Yours, &c.,
W. F. MASSEY.

Andrew Weir, Esq., Surveyor-General of Supply, War Office, S.W. 1.

Telegram from the Right Hon. the PRIME MINISTER OF NEW ZEALAND, London, to the ACTING
PRIME MINISTER, Wellington.

22nd August, 1918.

WOOL: With reference to my telegram, 18th August, agreed with Imperial Government handling-charges New Zealand shall be at rate of 3d. per pound, same as Australia.