

agreement, he may adopt prohibitive rates. I can lay down no absolute proviso without risk of embarrassing the Commissioners. I can only say that I attach the utmost importance to any power they can obtain for determining the tariff from time to time; that I think that it should never exceed one shilling per word; and that it should be reducible from time to time, as the net receipts leave a surplus after paying an agreed percentage on the capital, inclusive of interest.

The Commissioners must insist on stringent regulations respecting the order of transmitting messages. A private company (if for instance war broke out) might reap immense results from a monopoly of the line. We have to look forward twenty-one years.

I have not referred to the class of cable, nor limit of time for laying it; but in both respects there should be definite agreement, of the nature of which the Commissioners should take the best advice. Mr Lemon suggests that the class of cable should be at least equal to the last English Atlantic Cable.

These are the conditions which strike me after hurried consideration. No doubt there are others to be borne in mind, and the Commissioners should be careful to take the best advice, and study the conditions of other analogous arrangements.

Wellington, 1st June, 1870.

JULIUS VOGEL.

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