No. 2.

The Hon. J. Hall to Mr. H. M. Collins.

Government Offices, Wellington, 15th October, 1879. SIR,-The Government have carefully considered the letter, dated 20th May, which you, on behalf of Reuter's Telegram Company (Limited), addressed to the Hon. Sir George Grey as Premier.

2. In that letter you state the views of your Company as to the advantages that would be gained

for the colony if the Government would agree to pay yearly a sum representing a little more than the actual cost of transmitting by telegraph to London such items of news as might from time to time be prepared by the Government, or approved of by them, that news being, through the agency of

your Company, supplied to the newspapers of the United Kingdom.

3. The Government recognize the very great value of the services performed by your Company in aiding British and colonial papers to publish news from all parts of the world, and they therefore

regret that they are compelled to differ from you respecting the proposal now in question.

4. It is the opinion of my colleagues and myself that the Government of New Zealand ought not to contribute, out of the funds of the colony, towards securing the publication anywhere of political or other news relating to the colony, especially when, in theory if not in fact, they would themselves control the compilation of that news.

5. The Government must consequently decline to make any such arrangement as you have submitted to them, but they will cause a copy of this correspondence to be laid before the General

Assembly, which is now in session.

I have, &c., John Hall.

Henry M. Collins, Esq., General Agent for Australasia, &c., &c.

By Authority: George Didsbury, Government Printer, Wellington.—1879.

Price 8d.]