

## STATEMENT.

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The existing traffic between Europe and Australasia consists of 1,306,716 words, and its value to the Eastern, Indo-European, and Eastern Extension Telegraph Companies, and the Persian Gulf Department of the Indian Government, at the present rates, after deducting Government out-payments, is	... ..	£209,628
If the rates were reduced, as proposed by the Wellington Conference resolution, to 3s. per word for ordinary telegrams, 2s. for Government telegrams, and 1s. 6d. for Press telegrams, existing traffic would produce only	.. ..	119,572
And consequently result in a loss of	.. ..	90,056
		<u>£209,628</u>
If half the traffic were diverted to the Pacific line this would be increased	..	<u>£149,842</u>
By the Pacific route the tariffs, after deduction of out-payments for Australian and Canadian land-lines and Atlantic cables, would probably be as follows 1s. 6d. for ordinary telegrams, 8d. for Government telegrams, and 10d. for Press telegrams, and if the Pacific cable carried one-half of the existing traffic it would earn about		44,765
Leaving to be made up by the subsidy or guarantee, to cover its expenses and interest on capital		192,235
		<u>£237,000</u>
These have been estimated as follows:—		
Capital, £1,800,000.		
Working-expenses by £25,000, maintenance, £35,000	.. ..	60,000
Amortization to replace cable at end of fourteen years' guarantee		105,000
4 per cent. interest on capital	.. ..	72,000
		<u>£237,000</u>
Less estimated earnings as above	.. ..	44,765
Total amount subsidy or guarantee required	... ..	192,235
		<u>£237,000</u>

Even if whole of existing traffic were diverted to the Pacific cable it would only earn £89,530, or £147,470 short of the amount above shown to be required.

[Letter of same text, with statement, received from the company's Manager for Australasia in Melbourne.]

## No. 8.

The ACTING-SUPERINTENDENT, Eastern Extension Australasia and China Telegraph Company, Wakapuaka, to the Hon. the POSTMASTER-GENERAL, Wellington.

The Eastern Extension Australasia and China Telegraph Company (Limited),  
Cable Bay, Wakapuaka, Nelson, New Zealand, 17th April, 1894.

SIR,— I have the honour to forward you copy of a letter I have sent the Premier by direction of Sir John Pender, Chairman of this company [See No. 7.]

I have, &c.,

S. L. JAMES,

Acting-Superintendent.

The Hon. J. G. Ward, Postmaster-General, Wellington.

## No. 9

The Hon. the PRESIDENT, Postal and Telegraph Conference, Wellington, to the Hon. the PREMIER, Ottawa.

Postal and Telegraph Conference, Wellington, New Zealand,  
18th April, 1894.

SIR,—

I have the honour to forward herewith copy of a resolution in relation to the proposed Canadian-Pacific cable, passed at the Australasian Postal and Telegraph Conference, which commenced its sittings at Wellington on the 5th ultimo.

You will observe that the terms of the resolution suggest that the countries interested in securing cable communication between Canada and the Australasian Colonies should join in guaranteeing for fourteen years a sum of £72,000 per annum—the amount of interest on the proposed capital—to any company undertaking the laying of a Pacific cable by either of the routes mentioned; and the representatives to the Conference, with the exception of those from South and West Australia, will recommend their Governments to this effect. I have accordingly to ask whether your country will be prepared to join the colonies in the proposed guarantee, and, if so, I venture to express the hope that the interests of your country will admit of your Government being able to affirm its determination to bear a substantial proportion of the cost. I shall also be glad to hear at the same time that you will co-operate with the colonies in securing the assistance of the Imperial Government in the guarantee.

I have, &c.,

The Hon. the Premier, Ottawa, Canada.

J. G. WARD, President.