

No. 46.

The Hon. the ACTING-PREMIER to Sir SANDFORD FLEMING, Ottawa.

SIR,—

Premier's Office, Wellington, 21st June, 1902.

I have the honour to acknowledge the receipt of your letter of the 7th January last [No. 42, F.—8, 1902], enclosing copy of one addressed by you to the Hon. Mr. Mulock, Postmaster-General of Canada, with reference to (1) the establishing of a State-owned cable across the Atlantic, and (2) the transfer of the land-telegraphs of the Dominion to the Postal Department.

I have read the letter to Mr. Mulock with much interest, and share the views you have so clearly expressed therein. Bearing in mind the many advantages which there is every reason to believe would accrue, I am strongly of opinion that the Atlantic cable should be State-owned, and the overland lines in the Dominion brought under the control of the Canadian Post Office. With these connected to the Pacific cable I feel assured that the effect would be such an object-lesson to the world that ere long the Government of every country with cable-communication would take steps to bring the cable under its management, and a service cheaper even than that contemplated by many who take some little interest in such matters would unquestionably result.

Sir Sandford Fleming, K.C.M.G., Ottawa, Canada. I have, &c.,
J. G. WARD, Acting-Premier.

No. 47.

The AGENT-GENERAL to the Hon. the ACTING-PREMIER.

(Telegram.)

London, 25th June, 1902.

IN answer to your telegram 20th June, Pacific cable amount estimated for £13,500.

No. 48.

The AGENT-GENERAL to the Hon. the ACTING-PREMIER.

Westminster Chambers, 13, Victoria Street, London, S.W.,
25th June, 1902.

SIR,—

Referring to your cablegram of the 20th instant, inquiring what provision it would be necessary to make on this year's estimates as regards New Zealand's proportion of the interest and expenses to be incurred in connection with the Pacific cable, I beg herewith to transmit copy of correspondence with the Cable Board, from which it will be seen that the amount required is £13,333 6s. 8d., and I have cabled to you to-day accordingly.

The Hon. the Premier, Wellington.

I have, &c.,
W. P. REEVES.

Enclosure 1 in No. 48.

The SECRETARY TO THE AGENT-GENERAL to the SECRETARY, Pacific Cable Board.

SIR,—

13, Victoria Street, S.W., 23rd June, 1902.

I am directed by the Agent-General to inform you that he has received a cablegram from the New Zealand Government inquiring what provision will be necessary on the estimates of this year (April, 1902, to March, 1903) for the colony's proportion of interest and expenses in connection with the Pacific cable, and he will therefore be greatly obliged if you would kindly cause him to be furnished with the required information as quickly as possible, in order that he may telegraph a reply to his Government.

The Secretary, Pacific Cable Board.

I have, &c.,
WALTER KENNAWAY.

Enclosure 2 in No. 48.

The SECRETARY, Pacific Cable Board, to the AGENT-GENERAL.

SIR,—

Pacific Cable Board, 24, Queen Anne's Gate, S.W., 24th June, 1902.

In reply to Mr. Kennaway's letter of yesterday's date, inquiring as to the provision necessary on your Government's estimates of this year (1902-3) for the colony's proportion of interest and expenses in connection with the Pacific cable, I am directed by this Board to state, for the information of your Government, that the grant-in-aid voted by Parliament to defray these expenses of the Pacific Cable Board to March, 1903, is as follows:—

Interest on borrowed money	...	...	...	...	£ 65,000
Head office, salary and expenses	...	...	...	...	5,500
Stations, salary and expenses	...	...	...	...	26,000
Repairing-ship, salary and expenses	...	...	...	...	11,000
Renewals (cable reserve)	...	...	...	...	12,500
					<u>£120,000</u>

The Act recites the agreed proportions of such annual expenditure as being $\frac{5}{8}$ for His Majesty's Government and $\frac{1}{8}$ for the colonial Governments. The Board are not in possession of