

bears the charge over the Eastern Extension Telegraph Company's cable, I shall be prepared to agree to free transmission over our lines whenever necessary to maintain the connection *via* Pacific.

I would mention that the Commonwealth charges a uniform intercolonial transit rate of 1d. per word for New Zealand cablegrams.

I have, &c.,

J. G. WARD, Postmaster-General.

The Chairman, Pacific Cable Board, London.

No. 136.

The SECRETARY, General Post Office, Wellington, to the SECRETARY, Postmaster-General's Department, Melbourne.

SIR,—

General Post Office, Wellington, 27th October, 1902.

I have the honour to forward herewith copy of the reply of the Postmaster-General to the letter from the Chairman, Pacific Cable Board, with reference to the charges for diverted traffic when the Pacific cable is wholly opened.

As you will see, the Minister has agreed to waive the charge for transmission of diverted traffic to and from Australia over our lines in the event of a breakdown of the Norfolk Island - Southport section of the cable; and I shall be glad to learn whether our messages for transmission *via* Pacific will be forwarded free between Southport and Sydney, and *vice versa*, should the Norfolk Island - Doubtless Bay section be interrupted, the Pacific Cable Board in either case bearing the Eastern Extension Telegraph Company's cable charge.

I have, &c.,

W. GRAY, Secretary.

The Secretary, Postmaster-General's Department, Melbourne.

No. 137.

The AGENT-GENERAL to the Hon. the PRIME MINISTER.

(Telegram.)

London, 5th November, 1902.

PACIFIC Cable Board decided to-day fix Australasian uniform rate three shillings. Urged special low rate New Zealand, taking into consideration the low terminal charges. Board objected on ground that there is serious danger of war rates with Eastern Company, but represented New Zealand could raise terminal charges.

No. 138.

The GENERAL MANAGER, Pacific Cable Board, London, to the Hon. the POSTMASTER-GENERAL, Wellington.

(Telegram.)

London, 8th November, 1902.

DATE of opening Pacific cable cannot yet be fixed. Possibly early December. Through rates ordinary messages, including New Zealand, Norfolk Island, or Fiji to Fanning, two shillings; to Canada two shillings and fourpence; to Great Britain three shillings. Continent of Europe and United States rates not yet arranged. Former will probably exceed three shillings. British and Colonial Government rates and Press will be wired later.

No. 139.

The SECRETARY, General Post Office, Wellington, to the SUPERINTENDENT, Pacific Cable Station, Doubtless Bay.

(Telegram.)

Wellington, 10th November, 1902.

MR. REYNOLDS service *re* rates: Is there to be a uniform two and fourpence for British North America?

No. 140.

The Hon. the PRIME MINISTER to the AGENT-GENERAL.

(Telegram.)

Wellington, 13th November, 1902.

PACIFIC cable and your telegram 5th: Unable raise terminal rate as suggested. Would be higher than for Eastern traffic. Rate should be uniform both routes. If raised against Eastern, would give company ground complain their traffic penalised. Terminal rate to remain at 1d., we paying over to Board 2s. 11d., but Board credit us with 4d. when claiming proportion annual loss working cable. Board would receive 2s. 7d. net, same as for Australian traffic. Assume Commonwealth would not give up any portion of its 5d., which relatively too high. But Board apparently satisfied with 2s. 7d. for cable and out payments.

5—F. 8.