

No. 177.

The POSTMASTER-GENERAL, Adelaide, to the SECRETARY, General Post Office, Wellington.
(Telegram.) Adelaide, 16th April, 1900.
AGENTS-GENERAL, Tasmania, Western Australia, and South Australia, signed agreement on Saturday, and Berne notified that reduced rates to the three contracting colonies will come into force on 1st May.

No. 178.

The POSTMASTER-GENERAL, Adelaide, to the SECRETARY, General Post Office, Wellington.
Post Office and Telegraph Department, General Post Office, Adelaide,
19th April, 1900.

SIR,—

I enclose you copy of a telegram that I sent to Mr. Lambton, in order that correct figures may be taken as regards cable receipts.

With respect to clause 9 of the agreement with the cable company, it was proposed to add the words: "namely, 3s. 6d. per word on ordinary telegrams, 2s. 6d. per word on Government telegrams, and 1s. 4d. per word on Press telegrams." This, however, has been rendered unnecessary, as the Eastern Extension Telegraph Company have explained, in a letter to the Agents-General, that the words "subject to the maximum limits in each case fixed by this agreement" mean that, if the rates have been reduced to 3s., the maximum limit to which they could be raised would be 3s. 6d.; and if reduced to 2s. 6d., they could not be raised above 3s.; 3s. 6d. and 3s. being the maximum in each case.

The words proposed to be added have therefore been struck out by the Agents-General for Tasmania, Western Australia, and South Australia, who have signed the agreement on behalf of the colonies accepting the terms of the cable company.

The Secretary, General Post Office, Wellington.

Yours, &c.,

C. TODD.

Enclosure in No. 178.

The POSTMASTER-GENERAL, Adelaide, to the DEPUTY POSTMASTER-GENERAL, Sydney.

(Telegram.)

Adelaide, 18th April, 1900.

THERE appears to be some confusion about the guarantee and the receipts of the cable companies. Mr. Cook says the receipts going to credit of guarantee are derived from only the forwarded traffic from Australasia. I need not say that the traffic both ways is taken.

Our books show that the gross receipts for international traffic for year ending 31st December, 1898, were £466,075, of which £334,525 went to credit of guarantee, representing the net receipts, after deducting all out-payments to other administrations, of the Eastern Extension and associated companies, parties to the guarantee. In 1899 the gross receipts were £542,681, and the net receipts £391,136. In the first three months of 1900 the gross receipts were £147,305, or net receipts of cable companies £103,902.

Adopting these figures, the cable companies' receipts for the three years ending 31st December, 1900, may be put down at £378,545, or, excluding Australasian traffic with India and China, £358,545. The rates, therefore, will certainly be reduced to 3s. 6d. on the 1st January, 1901. I also regard as certain that the cable receipts for the three years 1899, 1900, and 1901 will average £330,000 per annum, which will insure further reduction to 3s. on the 1st January, 1902.

Appendix C.

SIR,—

I have the honour to submit for the information of the Government a communication of this date, addressed to the British people, setting forth the present position of the Pacific-cable movement.

Hon. R. W. Scott, Secretary of State.

Ottawa, 5th May, 1899.

I have, &c.,

SANDFORD FLEMING.

THE PACIFIC-CABLE MOVEMENT: ITS PRESENT POSITION.

To the British People.

Ottawa, 5th May, 1899.

WITHIN the last few days it has been stated that the Home Government has not responded to the proposals of Canada, Australia, and New Zealand respecting the establishment of the Pacific cable in the way that the Governments of the people of these countries had reason to expect, in consequence of which a feeling of disappointment and surprise is on all sides expressed.

It had been arranged that the Pacific cable should be established as a national work, the Governments of Canada, Australia, and New Zealand being joint partners with the Imperial Government.

This arrangement has been slowly developed. It has been generally favoured by all the Governments for some time. The Home Government has frequently been asked to take the initiative in carrying it into effect, but the Colonial Secretary has always insisted that Canada and the Australasian Colonies should take primary action by determining what proportion of the cost of the undertaking each would be willing to contribute.

It has been a matter of much difficulty to reach an agreement on this point, and the difficulty has been enhanced by the great intervening distances and the character of the means of communication, in consequence of which much delay has arisen. At length, however, conclusions have been arrived at. On the 20th August last the Australasian Colonies finally agreed to contribute eight-eighths of the cost, and last month Canada finally undertook to contribute five-eighths, making thirteen-eighths in all, thus leaving only five-eighths to be assumed by the Home Government.