EXTRACT from Sir John Cockburn's Letter to the Electrician, dated the 29th May, 1903.

Governments when they go into business must be content to accept with equal mind the vicissitudes of profit and loss; and the Pacific combination can hardly complain of that wholesome competition which ostensibly it was established to promote, or legitimately claim a monopoly which it was intended to abolish.

Cable from Sir Edmund Barton, Prime Minister of Commonwealth, to Premier, New $Z_{\mathtt{EALAND}}$.

Resolution passed House of Representatives yesterday, without division, confirming agreement with Eastern Extension Company. During course of discussion I undertook give Pacific cable same facilities and privileges as company has under section 19 of agreement. Provision already has been made for recouping payment Customs duties. Also undertook provide facilities as to public offices and special wires, if Board apply and if traffic warrants separate wires; but also strongly deprecated present terminal charges, on which I am making further representations. Hansard report by mail.

Barton.

TELEGRAM from PREMIER of New ZEALAND to Sir EDMUND BARTON, Prime Minister of Commonwealth.

31st July, 1903.

Regret to learn that agreement Eastern Extension Company confirmed. What cannot be cured, I presume, must be endured. Privileges you have undertaken give Pacific cable, if availed of, may in some degree lessen the injuries sustained by concessions granted Eastern Extension Company.

Seddon, Premier.