

1905.
NEW ZEALAND.

TELEGRAPH CABLES

(FURTHER PAPERS RELATING TO).

[In continuation of Paper F.-8A, presented on the 7th November, 1904.]

Presented to both Houses of the General Assembly by Command of His Excellency.

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EASTERN EXTENSION COMPANY'S CABLES.

AUSTRALIA—NEW ZEALAND.

No. 1.

The DEPUTY POSTMASTER-GENERAL, Sydney, to the SECRETARY, General Post Office, Wellington.

(Telegram.)

Sydney, 31st March, 1905.

PLEASE note that under new system adopted by Commonwealth Sydney will adjust for New Zealand business to and from Commonwealth *via* Eastern only. Adelaide will adjust for New Zealand business to and from international cable *via* Eastern. Kindly forward draft covering international business with statements to Adelaide from 1st April, 1905. Draft and statements for Commonwealth business should be forwarded to Sydney as hitherto.

No. 2.

The SECRETARY, General Post Office, Wellington, to the DEPUTY POSTMASTER-GENERAL, Sydney.

(Telegram.)

Wellington, 3rd April, 1905.

YOUR new system accounting Eastern Company not in accord with Telegraph Convention, which contemplates our adjusting through limitrophic State, which is New South Wales (see service regulation seventy-five). Your proposal, moreover, involves additional accounting and additional remittance on our part. Were it mutually arranged (*vide* article seventeen, Convention) that Wakapuaka - La Perouse cable transit-rate be remitted you for payment in lieu of direct payment now made by us to company, your proposals probably agreed to.

No. 3.

The MANAGER IN AUSTRALASIA, Eastern Extension Company, Melbourne, to the Hon. the POSTMASTER-GENERAL, Wellington.

The Eastern Extension Australasia and China Telegraph Company (Limited),

SIR,—

Melbourne, 17th April, 1905.

I have the honour to enclose for your perusal copy of a letter to the Postmaster-General of the Commonwealth, on the subject of diverted messages, and shall be glad if you will also give the question consideration, and advise me of your views.

Both the Pacific Cable Board and my company agree that excess rates for diversion of messages to a more costly route, when the original one is interrupted, should be collected from senders, and I shall be glad if you will also approve of this in the case of messages from New Zealand.

I have, &c.,

WM. WARREN, Manager in Australasia.

The Hon. the Postmaster-General, Wellington.

Enclosure in No. 3.

The MANAGER IN AUSTRALASIA, Eastern Extension Company, Melbourne, to the Hon. the POSTMASTER-GENERAL, Commonwealth of Australia, Melbourne.

The Eastern Extension Australasia and China Telegraph Company (Limited),

SIR,—

Melbourne, 17th April, 1905.

I have the honour, by direction, to invite your attention to the following regulation (XLII.) of the International Telegraphic Convention, paragraph 2:—

“Telegrams, however, originating in or destined for countries situated outside of Europe are only retransmitted by a more costly route if they are presented at the office which has to retransmit them within a maximum period of twenty-four hours following notification of the interruption.”

Under that regulation, if the Pacific cable were interrupted, messages to Canada (for a period of twenty-four hours) could be diverted *via* Eastern, at the Pacific rate—namely, 2s. 4d. per word. The Eastern rate for Canada being 4s. 6d., a *pro ratâ* division of the 2s. 4d. would give about half-rates to the respective Administrations concerned in the *via* Eastern route, which would include the Commonwealth.

On the other hand, messages to South Africa, Asia, &c., when the Eastern route is interrupted, could go *viâ* Pacific, at rates the division of which would leave only a small fraction to each of the interested Administrations.

Great confusion in the accounts would inevitably arise, as all Telegraph Administrations do not adopt the Convention throughout, especially in regard to accounts.

The company's Traffic Accountant had a long interview with Mr. Reynolds, of the Pacific Cable Board, on the subject last month, and both of them were in agreement as to the desirability of not diverting messages originating in Australia to a dearer route than that directed by the senders without first collecting the extra charge. The Traffic Accountant told Mr. Reynolds that, so far as the company was concerned, it will not send on telegrams which have to be diverted from its lines unless the extra charge has been collected from the public, or unless the sender withdraws his telegram and takes it direct to the Government office himself.

Mr. Reynolds suggested that I should be asked to communicate with you with special reference to messages collected at Government offices for North America and diverted *viâ* Eastern, as he thought you would have no objection to collecting the extra charge from the public on such telegrams.

Whatever course is pursued by your Government in regard to the diverted messages the company will agree to; but I beg to submit for your favourable consideration that when any direct route is interrupted the charge for the longer and more costly route should be collected, unless the sender is prepared to await the restoration of the first route.

I have, &c.,

WM. WARREN, Manager in Australasia.

The Hon. the Postmaster-General, Commonwealth of Australia, Melbourne.

No. 4.

The SECRETARY, General Post Office, Wellington, to the MANAGER IN AUSTRALASIA, Eastern Extension Company, Melbourne.

SIR,—

General Post Office, Wellington, 12th May, 1905.

I have the honour, by direction, to acknowledge the receipt of your letter of the 17th ultimo, covering copy of one to the Postmaster-General of the Commonwealth, proposing that in cases of interruption cable-messages should not be diverted to a more costly route unless the extra charges were paid, and asking this Department to give the question consideration.

In reply, I have to inform you that it is considered that the proposed arrangement is one which would affect the contracting States generally, and I am, therefore, not prepared to recommend the Postmaster-General, in the face of Article XLII. of the International Telegraph Convention, to agree to the proposal. In any case, this Department would expect to hear from the Commonwealth Post Office and the Pacific Cable Board in the matter.

I have, &c.,

W. GRAY, Secretary.

The Manager in Australasia, the Eastern Extension, Australasia, and China Telegraph Company (Limited), Melbourne.

No. 5.

The SECRETARY, General Post Office, Wellington, to the GENERAL MANAGER, Pacific Cable Board, London.

SIR,—

General Post Office, Wellington, 13th May, 1905.

I have the honour to enclose herewith, for your information, copy of correspondence exchanged between this Department and the Manager in Australasia of the Eastern Extension Australasian and China Telegraph Company (Limited), Melbourne, with reference to the proposal that in cases of interruption cable messages should not be diverted to a more costly route unless the extra charges were paid.

I have, &c.,

W. GRAY, Secretary.

The General Manager, Pacific Cable Board,
Queen Anne's Chambers, Tothill Street, Westminster, London.

PACIFIC CABLE.

BUILDINGS, DEPOT, FINANCE, ETC.

No. 6.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR.
 MY LORD,—

Downing Street, 19th August, 1904.

With reference to my predecessor's despatch, No. 61 of the 22nd August, 1903 [not printed], and subsequent correspondence, I have the honour to transmit to you, for the information of your Ministers, copy of a letter from the Treasury, enclosing copy of the Auditor's report on the account of the Pacific Cable Board for the year ended 31st March last.

2. I shall be glad if your Ministers will make arrangements as soon as possible for paying to the Imperial Government the sum of £9,750 2s. 9d. I have, &c.,
 Governor, the Right Hon. Lord Plunket, K.C.V.O., &c. ALFRED LYTTELTON.

Enclosure 1 in No. 6.

The SECRETARY, General Post Office, London, to the UNDER-SECRETARY OF STATE FOR THE COLONIES.

SIR,—

Treasury Chambers, 15th August, 1904.

I am directed by the Lords Commissioners of His Majesty's Treasury to acquaint you, for the information of Mr. Secretary Lyttelton, that the Pacific Cable Board's account of the expenses of the cable for the period ended 31st March last has now been audited. A copy of the Auditor's report is enclosed herewith, from which it will be seen that the deficit on the working of the cable for the period in question amounts to £87,751 4s. 5d., and the sums, therefore, recoverable from the colonial Governments are as follows:—

	£	s.	d.
Australia, 6/18ths	29,250	8	2
Canada, 5/18ths	24,375	6	9
New Zealand, 2/18ths	9,750	2	9
	£63,375	17	8

I am accordingly to request that you will move the Secretary of State to communicate with the colonial Governments concerned in order that these amounts may be paid as soon as practicable to the credit of the account of the vote for telegraph subsidies and Pacific cable.

A copy of the printed account as presented to Parliament is also enclosed.

The Under-Secretary of State, Colonial Office.

I am, &c.,
 G. H. MURRAY.

Sub-enclosure to Enclosure 1 in No. 6.

The ACCOUNTANT TO THE TREASURY to the SECRETARY TO THE TREASURY, London.

SIR,—

Treasury Chambers, 9th July, 1904.

I have the honour to report that I have audited the accounts of the Pacific Cable Board for the year ended 31st March, 1904, in accordance with the instructions conveyed in their Lordships' minute of the 17th April, 1902, and have found them correct.

The annual expenses of the cable as described in section 3 (2) of "The Pacific Cable Act, 1901," so far as they were not met out of the receipts arising in connection with the cable, amounted in the year ended 31st March, 1904, to £87,751 4s. 5d., and a sum of £63,375 17s. 8d. representing 13/18ths of the net expenditure is, therefore, recoverable from the colonial Governments, viz.:—

	£	s.	d.
Australia, 6/18ths	29,250	8	2
Canada, 5/18ths	24,375	6	9
New Zealand, 2/18ths	9,750	2	9
	£63,375	17	8

I beg to submit that the account forwarded with the Pacific Cable Board's letter of the 4th instant be presented to Parliament in compliance with section 7 of "The Pacific Cable Act, 1901."

The Secretary to the Treasury.

I have, &c.,
 G. H. HUNT.

No. 7.

The SECRETARY, Pacific Cable Board, London, to the Hon. the POSTMASTER-GENERAL, Wellington.
The Pacific Cable Board, Queen Anne's Chambers,
London, S.W., 26th August, 1904.

SIR,—

Headquarters of H.M.C.S. "Iris."

I am directed by the Pacific Cable Board to refer to their telegraphic correspondence with you in July, 1903 [Nos. 15 and 17, F.-8, 1904], on the subject of making Auckland the depot for their repairing-ship, and to inform you that in a letter [confirming No. 35, F.-8, 1904], addressed to the Premier by the Chairman, Sir Spencer Walpole, in January of this year, the Board gratefully accepted your Government's offer to provide a site and equipment for the convenience of the "Iris."

The Board understands that in April last [No. 43, F.-8, 1904] you were yourself good enough to go into the question of selecting a suitable site with the Chairman and members of the Auckland Harbour Board, and agreed upon a piece of land on the North Shore, between the Calliope Dock and Devonport Ferry, as convenient, and, further, that Mr. Seddon visited the vessel in June and promised that the matter should receive attention.

Captain Sharp, however, writing under cover of a letter of 22nd July, states that "nothing has been done beyond boring for piles," and the Board would welcome the assurance that the work connected with the wharfage operations is being pushed forward with no undue delay.

The Hon. the Postmaster-General, Wellington.

I am, &c.,

HUGH LATHAM, Secretary.

No. 8.

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

Westminster Chambers, 13, Victoria Street,
London, S.W., 14th October, 1904.

SIR,—

Pacific Cable Board.

I beg to enclose herewith a copy of the accounts of the Pacific Cable Board for the financial year 1903-4, with the Chairman's report as presented to Parliament, together with a copy of the traffic statistics for that period.

I am, &c.,

W. P. REEVES.

The Hon. the Premier, Wellington.

Enclosure in No. 8.

PACIFIC CABLE ACT, 1901 (1 Edward VII. c. 31).—ACCOUNT FOR THE PERIOD ENDED
31ST MARCH, 1904.

I.—STATEMENT showing the Sum issued out of the Consolidated Fund and the Expenditure.

—	Year in which issued.	Amount.	—	Amount.
Sum issued (out of an authorised issue of £2,000,000)	1901-2	£ 1,060,935 0 0	Expenditure in the period ended 31st March, 1903	£ 1,960,781 12 0
Sum issued (out of an authorised issue of £2,000,000)	1902-3	939,065 0 0	Expenditure in the year ended 31st March, 1904	32,185 8 7
			Balance in hand	1,992,967 0 7
		2,000,000 0 0		7,032 19 5
				2,000,000 0 0

II.—STATEMENT showing the Money borrowed and the Securities created.

—	Amount.	Money borrowed.	Securities created.
Sum issued as above	£ 2,000,000 0 0	£ 784,600 0 0	Annuity of £77,544 18s.
		1,215,400 0 0	First payment, 1st December, 1903.
			Last payment, 1st December, 1952.
			(N.B.)—During the construction of the cable the sum borrowed bore interest at the rate of 3 per cent. per annum, under § 2 (2) of the Pacific Cable Act.
	2,000,000 0 0	2,000,000 0 0	

III.—STATEMENT showing the Aggregate Amount of Capital Expenditure.

Details of Expenditure.	In the Period ended 31st March, 1903.		In the Year ended 31st March, 1904.		Total to 31st March, 1904	
	£	s. d.	£	s. d.	£	s. d.
(1.) Head office (furniture, &c.)	319	2 10	30	18 0	350	0 10
(2.) Stations—						
Buildings	39,112	6 2	23,180	9 2	62,292	15 4
Accessories	12,078	1 3	4,988	1 8	17,066	2 11
(3.) Cable—						
Contract	1,795,422	0 0	—3,310	10 5	1,792,111	9 7
Accessories	335	15 0	..	..	335	15 0
(4.) Instruments	25,906	1 9	1,887	17 6	27,793	19 3
(5.) Ship—						
Contract	65,910	0 0	..	..	65,910	0 0
Accessories	1,562	15 5	5,403	12 8	6,971	8 1
(6.) Engineers' fees and expenses	20,135	9 7	..	..	20,135	9 7
	1,960,781	12 0	32,185	8 7	1,992,967	0 7

IV.—STATEMENT showing the Expenses of the Cable in the Year ended 31st March, 1904.

Details of Receipts.	Amount.		Details of Expenditure.	Amount.	
	£	s. d.		£	s. d.
Balance on 31st March, 1903	28,562	15 1	First annuity payment	77,544	18 0
Received from H.M. Treasury out of the Parliamentary Grants-in- Aid	75,374	5 4	Head office (salaries and expenses)	4,568	3 3
			Head office (advertising, canvassing, en- gineers' fees, royalties, and cost of re- mitting money Home)	1,259	18 4
Traffic Receipts	£ 81,832	s. d. 16 5	Cable stations (salaries and expenses) ..	31,763	7 2
Less paid out to the Atlantic companies and Canadian Pacific Railway Company for the insertion of date and time	2,008	11 0	Cable ship (salaries and expenses)	15,933	11 5
			Provident Fund—Contributions to (State- ment V.)	1,299	19 6
Interest on money placed on deposit	79,824	5 5	Transferred to cable repair—Reserve and General Renewal Fund (Statement VI.)	35,500	0 0
	294	7 10			
	184,055	13 8	Balance on 31st March, 1904	167,869	17 8
				16,185	16 0
				184,055	13 8

V.—STATEMENT showing (a) the Securities purchased and sold, and (b) the Sums received and expended on Account of the Provident Fund in the Year ended 31st March, 1904.

—	Securities purchased. (For Details see below.)		—	Securities sold. (For Details see below.)	
	£	s. d.		£	s. d.
Balance on 31st March, 1903	1,789	19 4	Invested in securities, viz:—		
Transferred from the account of annual expenses (as per Statement IV.)	1,299	19 6	£1,000 London County Council 3-per-cent. stock at 92½	925	1 0
Contribution of employees	1,299	19 6	£1,300 London County Council 3-per-cent. stock at 95½	1,234	12 6
Interest on securities	71	10 9	£1,000 London County Council 3-per-cent. stock at 95½	960	1 0
Securities purchased (as per contra)	3,300	0 0	Payment to employees on cessation of services	101	3 1
			Balance on 31st March, 1904	3,300	0 0
	3,300	0 0		3,220	17 7
				1,240	11 6
	4,461	9 1		3,300	0 0
				4,461	9 1

Details of Securities.	Balance on 31st March, 1903.		Securities pur- chased during Period of Account.		Total.		Securities sold during Period of Account.		Balance on 31st March, 1904.		Value at Market Price on 31st March, 1904.	
	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.
London County Coun- cil 3-per-cent. Stock	3,300	0 0	3,300	0 0	..	..	3,300	0 0	90½	2,994 15 0

VI.—STATEMENT showing (a) the Securities purchased and sold, and (b) the Sums received and expended on Account of the Cable Repair Reserve and General Renewal Fund for the Year ended the 31st March, 1904.

	Securities purchased. (For Details see below.)		Cash Receipts.			Securities sold. (For Details see below.)		Cash Payments.	
	£	s. d.	£	s. d.		£	s. d.	£	s. d.
Balance on 31st March, 1903	1,200	0 0	1,319	4 9	Purchase of stock cable ..	..	..	1,290	5 0
Transferred from the account of annual expenses (Statement IV.)	..	..	35,500	0 0	Invested in securities, viz. :—				
Interest on securities ..	..	..	254	13 4	Bank of England stock :—				
Securities purchased (as per contra)	24,188	0 5	..	..	£800 at 322½ ..	..	..	2,583	5 6
					£791 7s. 9d. at 315½ ..	..	..	2,500	0 0
					£658 12s. 3d. at 314 ..	..	..	2,070	13 7
					Victoria 3-per-cent. stock :—				
					£3,000 at 87½ ..	..	..	2,625	1 0
					£1,000 at 89½ ..	..	..	895	1 0
					Victoria 3½-per-cent. stock :—				
					£1,000 at 92½ ..	..	..	926	5 0
					New South Wales 3-per-cent. stock :—				
					£1,000 at 89½ ..	..	..	895	1 0
					£1,157 13s. 8d. at 86½ ..	..	..	1,000	0 0
					£2,842 6s. 4d. at 87½ ..	..	..	2,497	14 10
					Queensland 3-per-cent. stock :—				
					£1,000 at 89½ ..	..	..	900	1 0
					£1,162 14s. 8d. at 85½ ..	..	..	1,000	0 0
					£2,637 5s. 4d. at 86½ ..	..	..	2,472	0 6
					New Zealand 3-per-cent. stock :—				
					£1,000 at 91½ ..	..	..	915	1 0
					New Zealand 4-per-cent. debentures :—				
					£1,000 at par ..	..	..	999	8 6
					Canadian 3-per-cent. stock :—				
					£2,400 at 101½ ..	..	..	2,436	1 0
					£2,538 0s. 5d. at 98½ ..	..	..	2,500	0 0
					Balance on 31st March, 1904	25,388	0 5	28,505	18 11
								8,567	19 2
	25,388	0	537,073	18 1				25,388	0
								537,073	18 1

Details of Securities.	Balance on 31st March, 1903.		Securities purchased during Period of Account.		Total.		Securities sold during Period of Account.		Balance on 31st March, 1904.		Value at Market Price, 31st March, 1904.	
	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.
Bank of England stock ..	1,200	0 0	2,250	0 0	3,450	0 0	..	..	3,450	0 0	301½	10,393 2 6
Victoria 3-per-cent. stock ..	..	..	4,000	0 0	4,000	0 0	..	..	4,000	0 0	85½	3,420 0 0
3½-per-cent. stock ..	..	..	1,000	0 0	1,000	0 0	..	..	1,000	0 0	95½	950 0 0
New South Wales 3-per-cent. stock	..	..	5,000	0 0	5,000	0 0	..	..	5,000	0 0	84½	4,225 0 0
Queensland 3-per-cent. stock	..	..	5,000	0 0	5,000	0 0	..	..	5,000	0 0	85½	4,275 0 0
New Zealand 3-per-cent. stock	..	..	1,000	0 0	1,000	0 0	..	..	1,000	0 0	86½	865 0 0
Ditto 4-per-cent. debentures	..	..	1,000	0 0	1,000	0 0	..	..	1,000	0 0	99½	991 13 4
Canadian 3-per-cent. stock	..	..	4,938	0 5	4,938	0 5	..	..	4,938	0 5	94½	4,654 1 7
	1,200	0 0	24,188	0 5	25,388	0 5	..	..	25,388	0 5		29,773 17 5

S. WALPOLE, Chairman.

Examined and found correct.—G. H. HUNT, Auditor.
Pacific Cable Board, 5th July, 1904.

SIR,—

The Pacific Cable Board, Queen Anne's Chambers, S.W., 4th July, 1904.

In transmitting to you the accounts of this Board showing: (i.) the sum issued out of the Consolidated Fund, and the expenditure; (ii.) the money borrowed and the securities created; (iii.) the aggregate amount of capital expenditure; (iv.) the expenses of the cable in the year ending 31st March, 1904; (v.) the account of the Provident Fund; and (vi.) the account of the Reserve and General Renewal Fund,—I have the honour on behalf of the Pacific Cable Board to make the following observations:—

1. Throughout the year 1903-4 the cable was maintained and remained in efficient working-order. I am glad to be able to report that no interruption of any kind occurred on any of its sections.

2. The gross message revenue received during the year 1903-4 was £81,832 16s. 5d., from which has to be deducted £2,008 11s.—being the sum paid to the Atlantic and Canadian Pacific Telegraph Companies, for supplying the date and time of filing all messages to or from the United Kingdom and the Continent—leaving the net message revenue £79,824 5s. 5d., as shown in the accounts. £12,440 17s. of this sum is on account of messages transmitted during 1902-3, and an approximately similar amount is outstanding and will appear in the next accounts.

The number of messages and words transmitted during the year 1903-4 were approximately 176,351 and 2,095,573 respectively, of which 107,747 messages and 1,226,460 words were inter-colonial.

3. In January, 1904, the Fiji Government opened telegraph communication—partly overland and partly by cable—between Suva and Levuka, the cable having been brought from England and laid in the previous June by the Board's staff. At the request of this Government, the Suva end of this cable, which is led into the Board's offices, is worked by the employees of the Board. The sum which the Board received for so working it for this short period amounted to £32 2s. 7d.

4. The actual expenditure of the Board on the service of the cable during the twelve months ending 31st March last amounted to:—

Head Office (including some £1,250 for royalties, advertising, engineer's fees, and cost of remitting money home)	£	s.	d.
Stations	...	...	...
Ship	...	...	...
Provident Fund	...	...	...
			£54,824 19 8

5. The actual expenditure of the Board, therefore, on the services of the cable amounted to £54,824 19s. 8d., or to almost exactly £25,000 less than its gross receipts. As, however, the Board set aside, in the year under review, £35,500 as a Renewal Fund, and as it has also to pay an annuity of £77,544 18s. to meet the interest on its capital and to replace the whole capital in fifty years, the actual deficit amounted to rather more than £88,000, and this sum has to be provided in the proportion already agreed upon between them by the contributing Governments.

6. The Renewal Fund amounted on the 31st March last to £52,000. £12,500 of this sum was held in spare cable. Rather more than £31,000 had been invested in Bank of England stock, or in the securities of the contributing Governments. The balance, exceeding £8,000, had been set aside for investment, and has been invested since the close of the year.

7. The Board hesitates to make any exact forecast of its probable revenue and expenditure during the present year 1904-5. If, however, no unforeseen interruption of the cable should take place, and no other contingency affecting its earnings should arise, it believes that the financial results of the present year may be approximately those submitted to their Lordships on 27th January, viz.:—

Traffic revenue	...	...	...	£	79,000	Annuity	...	...	...	£	77,545
Deficit	...	...	...	£	89,810	Renewal Fund	...	...	...	£	35,000
						Working-expenses	...	...	...	£	56,265
				£	168,810					£	168,810

Thus a sum of £89,810 may have to be provided by the contributing Governments.

8. The Board is glad to be able to report that it has received loyal and efficient service from its staff generally during the whole year. Thanks to their efforts the cable is already gaining a reputation for accuracy. The speed with which its business has been transacted is also very gratifying, and the Board believe that, as one result of the construction of the cable and the competition to which its construction has led, the average time of transmission between Australasia and the United Kingdom has been sensibly accelerated.

9. The Board is also happy to report that, notwithstanding the severe climatic conditions under which its work is done, the health of the staff throughout the year, on the whole, has been excellent. The Board has endeavoured to supply its officers at its outlying stations with rational means of amusement; it arranged with the Australian-American line that its steamers should periodically call at Fanning Island on their northward journey, and on the arrangement falling through it has made a similar arrangement with the Canadian-Australian line, subject to the Canadian Government's approval. Such calls are absolutely necessary for the purpose of supplying the staff with meat and other food, since the island, though it is capable of supporting poultry, and though its waters supply excellent fish, is devoid of all live stock and is unsuited for either cattle, sheep, or vegetables.

10. The Government of New Zealand has instituted a branch post-office on the island. Lloyds have taken advantage of the existence of a cable-station to establish a signal-station upon it. Ships have already been induced to make the island for the purpose of asking instructions or reporting themselves to their employers, and the Board believe that, if a suitable lighthouse were provided—and it has drawn the attention of His Majesty's Government to the desirability of providing it—the island might become a convenient place of call for merchant vessels, and, in certain contingencies, might prove of the utmost value to His Majesty's Navy.

11. The General Manager in the course of the year paid a visit to all the stations of the Board, and had interviews of importance with members of the Government in Canada, Australia, New Zealand, and Fiji. The Board is of opinion that much advantage has arisen from these visits.

12. The Board is glad to know that a Conference will immediately be held in London between representatives of the various Governments interested in the cable under the presidency of Mr. Lyttelton, the Secretary of State for the Colonies, as the representative of the United Kingdom, with the object of settling certain matters at issue between them. The Board, which from the first has been most anxious for the Conference, believes and trusts that it will have the effect of solving many difficulties, and indirectly of promoting the prosperity of the cable.

I have, &c.,

S. WALPOLE, Chairman.

The Secretary, His Majesty's Treasury, Whitehall, S.W.

No. 9.

The GENERAL MANAGER, Pacific Cable Board, London, to the SECRETARY, General Post Office, Wellington.

SIR,— The Pacific Cable Board, Queen Anne's Chambers,
Tothill Street, Westminster, London, S.W., 27th October, 1904.

In accordance with the request contained in your letter dated 19th September, I have the honour to forward a schedule of the items which make up the capital cost of the Board's New Zealand station up to the 31st March, 1904. This return does not include the cost of instruments and electrical appliances, &c., amounting to £2,179 6s. 1d.

I have, &c.,

C. H. REYNOLDS, General Manager.

The Secretary, General Post Office, Wellington.

STATEMENT SHOWING THE AMOUNT ON WHICH THE NEW ZEALAND GOVERNMENT PAYS RENT TO 31ST MARCH, 1904.

	£	s.	d.
Contract payments for buildings	4,937	16	10
Pipes, &c., for water-supply	477	6	6
Wages, laying pipes, &c.	94	1	1
Freight on pipes, &c.	26	16	9
Salary of overseer	106	15	0
Furniture	29	4	6
Travelling expenses of officers	22	9	8
Advertising	4	18	0
Purchase of land and transfer expenses	138	3	0
Value of Crown land reserved	32	0	0
Mess-room extension for billiard-room	36	0	0
Office and workshop fittings, &c.	91	3	6
Furniture	1,512	11	7
	£7,509	6	5

C. H. REYNOLDS, General Manager.
FREDK. J. ADYE, Accountant.

No. 10.

The SECRETARY, General Post Office, Wellington, to the UNDER-SECRETARY, Colonial Secretary's Office, Wellington.

(Memorandum.)

General Post Office, Wellington, 27th October, 1904.

REFERRING to the provision which your office is making on the supplementary estimates to meet the Pacific cable deficiency, I have to inform you that the Secretary of State for the Colonies has forwarded through His Excellency the Governor copy of the auditor's report on the account of the Pacific Cable Board for the year ended the 31st March last, which shows that the amount payable by this colony is £9,750 2s. 9d.

W. GRAY, Secretary.

The Under-Secretary, Colonial Secretary's Office, Wellington.

No. 11.

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

SIR,—

Prime Minister's Office, Wellington, 8th November, 1904.

I have the honour to refer to your letter of the 30th January last [No. 36, F.-8, 1904], forwarding an amended estimate of the receipts and expenditure of the Pacific cable for the year ended 31st March last, and to inform you that, from a despatch dated the 19th August, from the Secretary of State for the Colonies to His Excellency the Governor, it has been ascertained that actual deficit on the working of the cable amounted in the year to £87,751 4s. 5d. The proportion of the deficiency for which this colony is liable is £9,750 2s. 9d., and provision has been made for payment of the amount.

I have, &c.,

J. G. WARD, for Prime Minister.

The Hon. W. P. Reeves, Agent-General for New Zealand, London.

No. 12.

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

SIR,—

Prime Minister's Office, Wellington, 22nd November, 1904.

Adverting to my letter of the 8th instant, I have now the honour to inform you that payment of the sum of £9,750 2s. 9d., New Zealand's proportion of the Pacific cable deficiency for the year ended the 31st March, 1904, was arranged by cable message on the 18th instant.

I have, &c.,

J. G. WARD, for Prime Minister.

The Hon. W. P. Reeves, Agent-General for New Zealand, London.

PACIFIC CABLE ESTIMATES

(As approved by the Board, 20th December, 1904), 1st April, 1905, to 31st March, 1906.

<i>Receipts.</i>	£	£	<i>Expenditure.</i>	£
Through traffic for week at present rate	1,310		Third annuity payment	77,545
Weekly allowance for Atlantic companies' charge for insertion of date and time and duplicate copies	60		Head office	5,100
Weekly receipts on through traffic	1,250		Stations	29,836
Yearly receipt on through traffic		65,000	Ship	19,250
Yearly receipt on local traffic		15,000	Renewals and depreciations	34,000
Estimated increase of traffic		2,000	Royalty on instruments	500
Estimated deficit		86,017	Engineers' fees	300
		£168,017	Provident Fund	1,486
				£168,017

DETAILS OF EXPENDITURE.

<i>London Office.</i>						£	s.	d.
Salaries						3,587	0	0
Rent, &c.						850	0	0
Auditor						100	0	0
Sundry expenses						563	0	0
						£5,100	0	0
<i>Ship.</i>								
Wages, victualling, and pursers' stores						10,000	0	0
Coal						4,500	0	0
Stores: Cable, deck, engineers, electrical and stationers (including £1,000 to be written off cable stores)						3,250	0	0
Contingencies						1,500	0	0
						£19,250	0	0
<i>Renewals and Depreciation</i>								
Cable reserve						24,000	0	0
Ship, 5 per cent. on, say, £67,000						3,350	0	0
Buildings, 5 per cent. on, say, £66,000						3,300	0	0
Ships' instruments, 10 per cent. on, say, £6,500						650	0	0
Station instruments, 10 per cent. on, say, £27,000						2,700	0	0
						£34,000	0	0

Stations.

	Suva.	Norfolk Island.	Doubtless Bay	Southport.	Vancouver.	Fanning.
	£	£	£	£	£	£
Salaries*	5,322	5,969	3,693	5,467	4,604	6,805
Recoveries .. ..	...	...	620†	1,164†	240†	...
	5,322	5,969	3,073	4,303	4,364	6,805

£29,836

* Including foreign service allowances. † Probable recoveries from Australian, Canadian, and New Zealand Governments for supernumerary operators and clerks for service of land lines.

Australia.—Rent, 6 per cent. on one-fifth cost of office building and land (say, £2,000), £24; six operators at £150, £900; Clerks for special numbering of traffic states, £240: total £1,164.

Canada.—Rent, £240.

New Zealand.—Rent, twelve months from 1st April, 1904, to 31st March, 1905, £244; three clerks, actual, say £376: total, £620.

No. 14.

The SECRETARY, General Post Office, Wellington, to the SECRETARY, Pacific Cable Board, London.
SIR,— General Post Office, Wellington, 31st December, 1904.

I am directed to acknowledge the receipt of your letter of the 26th August last, asking that the wharfage operations in connection with the site at Auckland as a depot for H.M.C.S. "Iris" might be pushed forward.

In reply, I am to inform you that the work will be done at an early date. Provision has been made in this year's estimates for the cost.

I have, &c.,

W. GRAY, Secretary.

The Secretary, Pacific Cable Board, Queen Anne's Chambers, London, S.W.

No. 15.

The COMMANDER, H.M.C.S. "Iris," Auckland, to the Hon. the POSTMASTER-GENERAL, Wellington.
DEAR SIR,— H.M.C.S. "Iris," Auckland, 2nd January, 1905.

In reference to the depot for H.M.C.S. "Iris," may I ask you what has been done that I can report to the Home authorities? Lying at anchor in the river with the weather we get here entails a great amount of risk to the ship. Could we only have permanent moorings in the interim it would be a great advantage, and the depot could come later on.

With the season's greetings,

I am, &c.,

T. W. M. SHARP, Commander.

The Hon. Sir Joseph Ward, K.C.M.G., Postmaster-General, &c.

No. 16.

The SECRETARY, General Post Office, Wellington, to the COMMANDER, H.M.C.S. "Iris," Auckland.
SIR,— General Post Office, Wellington, 31st January, 1905.

I have the honour, by direction, to acknowledge the receipt of your letter of the 2nd instant, inquiring what had been decided upon with respect to providing a depot at Auckland for the use of the Pacific cable-repairing steamer, and, in reply, to say that the matter is now under consideration by Government. You will be informed so soon as a decision is arrived at.

I have, &c.,

W. GRAY, Secretary.

Captain T. W. M. Sharp, H.M.C.S. "Iris," Auckland.

No. 17.

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

Westminster Chambers, 13, Victoria Street, London, S.W.,
6th February, 1905.

SIR,—

I beg to state that I have been desired by the Pacific Cable Board to ascertain whether any further steps have been taken for the provision of the wharfage accommodation at Auckland for the Board's repairing-ship.

In his letter to yourself of the 27th January, 1904 [confirming No. 35, F.-8, 1904], the Chairman of the Board stated that the Board had decided to make Auckland the headquarters of the "Iris," and accepted your offer to provide the necessary accommodation; but it appears that, at all events, up to the end of July, nothing had been done beyond boring for piles.

Meanwhile the Brisbane Chamber of Commerce are pressing the Board to allow the "Iris" to remain a portion of the year at Brisbane, and the Board are inquiring whether the Queensland Government would be willing to extend similar facilities to those which you have expressed your willingness to accord.

Assuming that it is still your wish that the repairing-ship should make Auckland its headquarters, I venture to urge that the accommodation which has been promised should be completed without further delay, so that there may be no ground for transferring the "Iris" to Brisbane.

I shall be glad if on receipt of this you would inform me by telegraph what has been done towards meeting the requirements of the Board as regards wharfage accommodation, &c.

I have, &c.,

W. P. REEVES.

The Hon. the Premier, Wellington.

No. 18.

The SECRETARY, General Post Office, Wellington, to the SECRETARY, Pacific Cable Board, London.
SIR,— General Post Office, Wellington, 7th February, 1905.

I have the honour to refer to your letter of the 26th August last, and to mine in reply thereto of the 31st December, on the subject of the erection at Auckland of a depot for H.M.C.S. "Iris."

I have now to inform you that Government has decided that the proposed work is to stand over pending the receipt of an intimation as to the intention of your Board in respect of the employment of coloured labour on the cable-steamer while lying in New Zealand waters.

I have, &c.,

W. GRAY, Secretary.

The Secretary, Pacific Cable Board, Queen Anne's Chambers, London, S.W.

No. 19.

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

The Pacific Cable Board, Queen Anne's Chambers,
London, S.W., 2nd March, 1905.

SIR,—

I beg to acknowledge the receipt of your letter of 31st December last [not printed], stating that the Government of New Zealand, "after full consideration of the whole circumstances surrounding the case, is unable to see its way to concur in the principle of employing coloured labour on the steamer while lying in New Zealand waters."

In reply, I am to inform you that my Board have received this opinion with much regret, because they fear that it might ultimately compel them to withdraw the "Iris" from the waters of New Zealand, as the work of the ship cannot, in their judgment, and according to the best advice they have been able to obtain, be satisfactorily performed in the tropics, where so much of it lies, by white labour only.

My Board, however, do not understand your Government at the present moment to do more than intimate an opinion which they have no immediate intention of acting upon, and they are, accordingly, calling for full reports from the commander of the ship as to the various places at which it might be possible to station the vessel, and the relative advantages of each, with special reference to the expediency of employing white or coloured labour. On receiving these reports, which they naturally cannot obtain for some weeks, the Board hope to be in a position to communicate again with your Government on the whole subject.

I am, &c.

S. WALPOLE, Chairman.

The Hon. the Postmaster-General, Wellington.

No. 20.

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

Wellington, 28th March, 1905.

(Telegram.)
STEAMER "Iris" and your letter sixth ultimo: See Post Office letter seventh February to Secretary, Board; also my letter thirtieth December to yourself *re* Chinese [not printed].

No. 21.

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

London, 29th March, 1905.

(Telegram.)
PACIFIC Cable Board February meeting decided to call on captain of the "Iris" to report as to whole question of coloured *versus* white labour. Board awaiting report before taking action.

No. 22.

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

Prime Minister's Office, 31st March, 1905.

SIR,—

I have the honour to refer to your letter of the 6th February, inquiring, on behalf of the Pacific Cable Board, whether any further steps had been taken for the provision of wharfage accommodation at Auckland for the Board's repairing-ship; and to confirm my cablegram in reply, as follows [No. 20].

I now beg to enclose, for your information, copy of the letter of the 7th ultimo to the Pacific Cable Board, referred to in the cablegram herein confirmed.

I have, &c.,

ALBERT PITT, for Premier.

The Hon. W. P. Reeves, Agent-General for New Zealand, London.

No. 23.

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

General Post Office, Wellington, 10th May, 1905.

SIR,—

I have the honour to acknowledge the receipt of your letter of the 2nd March last, advising that the commander of H.M.C.S. "Iris" had been directed to furnish your Board with full reports as to the various places at which it might be possible to station the vessel, and the relative advantages of each, with special reference to the expediency of employing white or coloured labour.

When the reports have been considered by the Board, Government will be pleased to hear from you again in the matter.

I have, &c.,

J. G. WARD, Postmaster-General.

The Chairman, Pacific Cable Board, Queen Anne's Chambers, London, S.W.

CONFERENCE.

No. 24.

The SECRETARY, Pacific Cable Board, London, to the SUPERINTENDENT of the Board, Bamfield.
(Telegram.) London, 16th September, 1904.

CHAIRMAN regrets that he cannot sanction messages between New Zealand Government and its representative, Sir Sandford Fleming, being carried free. They may be sent at Government rate.

No. 25.

The Hon. the POSTMASTER-GENERAL, Wellington, to the CHAIRMAN, Pacific Cable Board, London.
(Telegram.) Wellington, 19th September, 1904.

ASTONISHED learn Board determined insist payment messages between Sir Sandford Fleming and myself. Entirely in interests of Pacific cable and Conference. Sir Sandford specially visited Bamfield exchange views, and understood he would have free use of cable. Board's decision marked contrast many gratuitous services rendered by us. Urge Board reconsider.

No. 26.

The CHAIRMAN, Pacific Cable Board, London, to the Hon. the POSTMASTER-GENERAL, Wellington.
(Telegram.) London, 21st September, 1904.

BOARD fully recognise and appreciate all that Government of New Zealand has done for cable, and earnestly desire to reciprocate, but regrets that it cannot rightly make any exception to the general rule, that all Government business should be paid for at Government rates. They wish to point out that the other Governments are paying for their telegrams on this basis.

No. 27.

The CHAIRMAN, Pacific Cable Board, London, to the Hon. the POSTMASTER-GENERAL, Wellington.
The Pacific Cable Board, Queen Anne's Chambers,
London, S.W., 26th September, 1904.

SIR,— I have the honour to acknowledge and confirm the following telegrams referring to the proposed free transmission of messages over the Pacific cable between your Government and Sir Sandford Fleming, who has been delegated to represent them at the forthcoming Conference [Nos. 24, 25, and 26].

In this matter the Board feel that the right principle is that all Government messages should be paid for at Government rates, a principle to which the Agents-General themselves conform, and from which, in view of the fact that all the contributing Governments have a proportionate interest in the receipts of the cable, there can be no reason for departure in any particular case.

I desire, further, to point out that had the Board arrived at any contrary conclusion it would not have been to the interest of the Government of New Zealand, for it is plain that if the privilege of sending free telegrams on matters relating to the Conference had been accorded to that Government the privilege must necessarily have been extended to all the other Governments which would be represented in London, including the Government of the United Kingdom; but as the Government of the United Kingdom has made a far larger use of the cable in this matter than its partners, bearing as it did the whole burden of arranging for the Conference, it is clear that it would have obtained the greatest measure of relief from the concession, while the contribution of all the Governments would have been necessarily increased by the amount which these free messages represented.

The Government of the United Kingdom, however, have paid without question for all the many messages which it has transmitted on the subject of the Conference, and the Board therefore, on this ground alone, could not have avoided charging the other Governments interested for similar communication.

I have, &c.,

S. WALPOLE, Chairman.

The Hon. the Postmaster-General, Wellington.

No. 28.

Sir SANDFORD FLEMING, Ottawa, to the Hon. the POSTMASTER-GENERAL, Wellington.

DEAR SIR JOSEPH WARD,—

Winterholme, Ottawa, 8th October, 1904.

Referring to my cable-message of 16th September from Bamfield, I thought Mr. Reynolds would be able to furnish me with the total traffic passing between Australasia and Europe by both systems. Accordingly, I wrote him in the middle of August requesting him to do so. He seems,

however, unable to throw light on the subject, and the Secretary of the Board, in his letter to me of the 2nd September, states that they have no means of getting the information. It appears to me that if New Zealand and the Commonwealth each charge—the one 1d., the other 5d. per word—the total number of words must be known by the respective Governments, and, indeed, is probably published in the parliamentary returns. If I am right in this supposition, may I ask you to let me know, on receipt of this, the total business by both systems for the years 1902 and 1903, and oblige,

Yours, &c.,

SANDFORD FLEMING.

Sir Joseph Ward, K.C.M.G., Postmaster-General, Wellington.

No. 29.

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

Westminster Chambers, 13, Victoria Street, London S.W.,

29th October, 1904.

SIR,—

I beg herewith to transmit copy, received from the Colonial Office, of a telegraphic correspondence with the Governor of Canada, from which it will be seen that the Pacific Cable Conference is postponed for the present.

I have, &c.,

W. P. REEVES.

The Hon. the Premier, Wellington.

Enclosure 1 in No. 29.

His Excellency the GOVERNOR-GENERAL, Ottawa, to the Right Hon. the SECRETARY OF STATE FOR THE COLONIES.

Ottawa, 25th October, 1904.

(Telegram.)

REFERRING to your telegrams of 13th October and 20th October, Pacific cable, as general election is now pending it will be impossible for Mulock to attend Conference at the time named. It had better, therefore, be postponed indefinitely for the present. As soon as Ministers meet after election—say, in three weeks—definite answer will be sent. My Government ask me to send above. Much regret delay.

Enclosure 2 in No. 29.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR-GENERAL, Ottawa.

London, 27th October, 1904.

(Telegram.)

REFERRING to your telegram of 25th October, am informing other Governments of postponement of Conference. Presume Fleming has been informed.

No. 30.

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

SIR,—

General Post Office, Wellington, 22nd November, 1904.

I have the honour to acknowledge the receipt of your letter of the 26th September, with reference to the proposed free transmission of messages over the Pacific cable between Sir Sandford Fleming and myself on matters to be discussed at the Pacific Cable Conference.

I regret that the Board should have prohibited the free use of their cable for the transmission of messages on business concerning the Board and not the New Zealand Government, which, in respect of its own official business, does not expect or wish to have the free use of the cable. It is considered that had the messages been sent over other lines, in addition to the Pacific cable, the case would have been on an entirely different footing; and the Board's decision is regarded as illiberal as well as arbitrary. What might have to be done in regard to other contributing Governments does not, it is submitted, really affect the point raised, as the messages in question did not go beyond the Pacific cable system, while those emanating from the Imperial Government necessarily were transmitted over the Atlantic cable and the Canadian and Australian land lines as well as the Pacific cable.

I have, &c.,

J. G. WARD, Postmaster-General.

The General Manager, Pacific Cable Board, Queen Anne's Chambers, London, S.W.

No. 31.

The Hon. the POSTMASTER-GENERAL, Wellington, to Sir SANDFORD FLEMING, Ottawa.

General Post Office, Wellington, 8th December, 1904.

MY DEAR SIR SANDFORD FLEMING,—

I have your letter of the 8th October last, asking whether you could be furnished with particulars of the total telegraph business which passed between Australasia and Europe over both the Eastern and Pacific routes during the years 1902 and 1903.

On going into the matter, I regret to find that this Department is not in a position to supply the information, but the Pacific Cable Conference will, no doubt, be able to obtain the desired particulars.

With kind regards;

I am, &c.,
J. G. WARD.

Sir Sandford Fleming, K.C.M.G., Winterholme, Ottawa.

No. 32.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES, to His Excellency the GOVERNOR, Wellington.

MY LORD,—

Downing Street, 9th December, 1904.

I have the honour to transmit to you, for the information of your Ministers, with reference to my despatch of the 30th July, the paper noted in the subjoined schedule.

I have, &c.,

ALFRED LYTTELTON.

The Officer administering the Government of New Zealand.

Enclosure in No. 32.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR-GENERAL, Ottawa.

MY LORD,—

Downing Street, 8th December, 1904.

I had hoped that, when the questions connected with the terms of reference to the Pacific Cable Conference and its composition had been settled, and the various Governments had nominated their delegates, it would be possible to arrange for the assembly of the Conference without further delay.

On the 27th June I informed Lord Minto by telegram that Sir Sandford Fleming had been selected as the representative of New Zealand, and, on the 1st July, I sent another telegram, announcing that Lord Jersey had been selected as the representative of the Commonwealth of Australia in the place of Mr. Copeland, deceased, and requesting that Sir W. Mulock, the Canadian representative, might leave for England as soon as possible. I pressed this request in my telegrams of the 4th and 8th July, with a view to securing the assembly of the Conference in the course of that month. To these telegrams I received no reply; but I learned indirectly that Sir W. Mulock would not be able to leave Canada before the 1st August at the earliest. I thereupon decided, in view of the inconvenience of holding the Conference in the holiday season, that it would be best to postpone it until the first fortnight of November, and Lord Minto informed me in his telegram of the 19th July that this time would suit both Sir W. Mulock and Sir S. Fleming.

On the 13th October, and again on the 20th October, I inquired by telegraph when Sir W. Mulock and Sir S. Fleming would arrive in England. On the 25th October Lord Minto reported that, as the Dominion general election was then impending, it would not be possible for Sir W. Mulock to attend the Conference at the time named, and that it had better therefore be postponed indefinitely for the present. It was, however, promised that as soon as the Ministry met after the election—say, in three weeks—a definite answer would be sent.

I duly arranged for the further postponement of the Conference, but I have not yet received the communication promised in Lord Minto's telegram of the 25th October, and I have recently learnt from the Press that Sir W. Mulock has left Canada for Mexico on official business with the Government of that Republic.

As your Ministers will understand, I am anxious to give to the Governments of Australia and New Zealand an early indication of the date on which the Conference will begin its deliberations. I shall, therefore, be glad if you will inform me when it will be possible to arrange for Sir W. Mulock's presence in London. It is hardly necessary for me to point out that it is most important that the difficulties which have led to the appointment of the Conference should not be allowed to continue to exist any longer than is absolutely inevitable, and that it is, therefore, desirable that Sir W. Mulock should be here at the earliest possible date.

I shall be glad if you will keep Sir S. Fleming informed of any arrangements made in connection with the Conference.

I have, &c.,

ALFRED LYTTELTON.

Governor-General the Right Hon. Earl Grey, G.C.M.G., &c.

No. 33.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR.

MY LORD,—

Downing Street, 5th January, 1905.

With reference to my despatch of the 9th December last, I have the honour to transmit to you, for the information of your Ministers, copy of a correspondence with the Canadian Government, from which it will be seen that it has now been arranged that the Pacific Cable Conference shall meet as soon as possible after the 7th May next.

I have, &c.,

ALFRED LYTTELTON.

Governor, the Right Hon. Lord Plunket, K.C.V.O., &c.

Enclosure 1 in No. 33.

His Excellency the GOVERNOR-GENERAL, Ottawa, to the Right Hon. the SECRETARY OF STATE FOR THE COLONIES.

(Telegram.)

Ottawa, 27th December, 1904.

REFERRING to your despatch 8th December, Pacific Cable Conference: Prime Minister suggests Conference meet in London May next.

Enclosure 2 in No. 33.

The Right Hon the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR-GENERAL, Ottawa.

MY LORD,—

Downing Street, 5th January, 1905.

I have the honour to acknowledge the receipt of your Excellency's telegram of the 27th December last, and to inform you that I accept the suggestion of your Prime Minister, that the Pacific Cable Conference should meet in May next, and that I shall be glad if you will arrange for the attendance of Sir W. Mulock as soon as possible after the 7th of that month.

I am informing the other Governments accordingly. I shall be obliged if you will have Sir Sandford Fleming informed also.

I have, &c.,

ALFRED LYTTELTON.

Governor-General His Excellency the Right Hon. Earl Grey, G.C.M.G., &c.

No. 34.

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

(Telegram.)

London, 6th January, 1905.

COLONIAL Office, 11th May or early in the month May, meeting Cable Conference as suggested. Canadian Government, Colonial Office informs me, did not consult with New Zealand and Australian Colonies because it was understood Mulock would not come any earlier date.

MISCELLANEOUS :

DIVERSION OF TRAFFIC, EMPIRE CABLES.

No. 35.

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

Commonwealth of Australia, Postmaster-General's Department, Melbourne,
7th November, 1904.

SIR,—

With reference to your letter of the 30th September last [No. 50, F.-8A, 1904], embodying copy of a communication received by you from the General Manager of the Pacific Cable Board, London, respecting diversions of Pacific cable traffic to the Eastern Extension Company's cable and this Department's lines during interruptions to the New Zealand land line, and the question of Regulation XLII., paragraphs 1 and 2, of the London International Telegraph Convention of 1903 being applied in such cases, I have the honour, by direction of the Postmaster-General, to inform you this Department has not received any communication from the General Manager of the Pacific Cable Board since the new international rules were promulgated on the subject of sending telegrams by another route when that indicated by the sender is interrupted. This Department is, however, quite prepared to give effect to the regulations in this respect; but Regulation XLII. does not appear to provide for transmission by a more costly route without increased cost for a period of twenty-four hours, particularly when read, as it must be, in conjunction with Regulation LXXVI., and more especially paragraph 7 of that regulation. It would appear therefrom that, in the case of telegrams diverted from the original route, whether by interruption or otherwise, the loss occasioned thereby has to be borne by the Administrations concerned.

I have, &c.,

The Secretary, General Post Office, Wellington.

ROBT. T. SCOTT, Secretary.

INTERNATIONAL TELEGRAPH CONVENTION AND SERVICE REGULATIONS: 1903 REVISION (LONDON).
XLII.

1. When an interruption to the regular means of telegraphic communication occurs during the transmission of a telegram, the office beyond which the interruption exists immediately sends the telegram by a circuitous telegraphic route (Reg. LXXVI., paragraphs 5, 6, and 7), or in default by special messenger or by post (as far as possible by registered letter). The expense of forwarding other than that of telegraphic transmission is borne by the office which employs this means of forwarding. The envelope sent by post must bear the word "Telegram."

2. Telegrams, however, originating in or destined for countries situated outside of Europe are only retransmitted by a more costly route if they are presented at the office which has to retransmit them within a maximum period of twenty-four hours following notification of the interruption.

The presentation of the first telegram bearing the indication "diverted" (Reg. LXXVI., paragraph 5) will be considered as taking the place of the official notification of the interruption.

LXXVI.

5. In traffic under the European *régime*, when a telegram in course of transmission quits the route by which its charge was calculated, the amount collected for its transit is divided, from the point where the normal route was left, among the Administrations employed in its transmission, including the Administration which occasioned the diversion, and any submarine cables concerned. This diversion is effected *pro rata* to the normal transit rates.

The above stipulations apply equally to telegrams transmitted by a more expensive route, under the conditions stated in Article XLII. (2).

Telegrams forwarded under the conditions stated in the two preceding paragraphs bear the indication "diverted," which is transmitted at the end of the preamble, after the route indication, if there is one.

6. In the case of telegrams between limitrophic countries which are transmitted by a circuitous route, the Administration of origin credits the normal transit rates, in the absence of special arrangements. On the other hand, the terminal rates for such telegrams are settled between the Administrations of the two limitrophic countries, unless they are to be retained by the Administration of origin by virtue of special arrangement.

7. Under the extra-European *régime*, except in the case provided for in paragraph 5, section 2, when a telegram of whatever kind has been transmitted by a different route from that by which the charge was calculated, the difference of charge is borne by the Administration which diverted the telegram, subject to recovery from the Administration which may have caused the diversion.

 No. 36.

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

(Memorandum.)

General Post Office, Wellington, 23rd November, 1904.

REFERRING to your letter of the 20th September last [not printed], on the subject of diverted traffic, I beg to forward herewith copy of my letter to the Secretary, Postmaster-General's Department, Melbourne [No. 50, F.-8A, 1904], on the matter, and his reply thereto [No. 35].

I would suggest that the General Manager of your Board should communicate with the Federal Post Office in the hope that some reasonable basis may be found for an agreement respecting traffic diverted from the Pacific route in the case of interruptions. This Department has already agreed to come into line. I am of opinion that the Commonwealth should reduce its transit rate on diverted traffic.

W. GRAY, Secretary.

The Superintendent, Pacific Cable Station, Doubtless Bay.

 No. 37.

The GENERAL MANAGER, Pacific Cable Board, London, to the SECRETARY, General Post Office, Wellington.

The Pacific Cable Board, Queen Anne's Chambers,
Tothill Street, Westminster, London, S.W., 20th January, 1905.

SIR,—

Mr. Hertslet has forwarded me a copy of your memorandum dated the 23rd November; and I now send for your information a copy of my letter dated the 20th January, addressed to the Secretary, Postmaster-General's Department, Melbourne, dealing in considerable detail with the question of the treatment of diverted traffic in case of interruptions south of Norfolk Island, either on the cables or the connecting land-lines in Australia and New Zealand.

The settlement of the case was deferred by the Postmaster-General of Australia to the Pacific Cable Conference, when I hope it will be satisfactorily settled.

I have, &c.,

C. H. REYNOLDS, General Manager.

The Secretary, General Post Office, Wellington.

 Enclosure in No. 37.

The GENERAL MANAGER, Pacific Cable Board, London, to the SECRETARY, Postmaster-General's Department, Melbourne.

The Pacific Cable Board, Queen Anne's Chambers,
Tothill Street, Westminster, London, S.W., 20th January, 1905.

SIR,—

The Secretary of the New Zealand Post Office has forwarded me a copy of your letter, dated the 7th November, 1904, on the subject of the transit rate in Australia between La Perouse and Southport on diverted traffic during interruption on the New Zealand land-lines to Doubtless Bay or the cable between Doubtless Bay and Norfolk Island.

In accordance with your letter dated the 22nd December, 1903, the question of the reduction of the Australian transit rate in this contingency, or in the corresponding case of an interruption between Sydney and Norfolk Island *via* Southport, has been held over for the approaching Conference, which I now hear is to take place in May.

I may, however, explain meanwhile that the position has been somewhat changed since the new International Convention came into force last July. Under Reg. XLII. (2), and Reg. LXXVI. (5) (secs. 1 and 2), for a period of twenty-four hours after notification of interruption, messages can be diverted to a more costly route without increased charge to the sender of the telegram under the terms of Reg. LXXVI. (5)—*viz.*, the loss is borne ratably to the normal transit rates by all Administrations concerned in the transmission of the diverted message. Reg. LXXVI. (7) does not apply to the handling of the messages within the first twenty-four hours after interruption has been reported, as that is the specially exempted case mentioned under paragraph 5, section 2.

In the event of Australian traffic being diverted through New Zealand and the Extension cables, owing to an interruption of the Australian land-lines cutting off Southport, an extra charge of 4d., being 1d. for New Zealand and 3d. for the Extension cables, would be incurred under the normal transit rates. In the event of New Zealand traffic being diverted *via* Australia and the Extension owing to an interruption on the New Zealand land-lines cutting off Doubtless Bay, there is a similar increase of 4d. in the charge, in addition to which the Pacific Cable Board loses 4d. on its normal transit to New Zealand.

Both these cases have occurred. In July last, the Commonwealth, in the case of an interruption between Sydney and Brisbane, accepted 2d. instead of 5d. as its terminal or transit charge on Australian messages diverted *via* New Zealand, and New Zealand carried the diverted message free, the Extension Company receiving 3d. given up by Australia, thus making up the 4d. required under normal circumstances. On other occasions, owing to interruptions of the land-lines in New Zealand, New Zealand traffic has been diverted *via* Australia, and the Pacific Cable Board has paid out at Southport 9d. per word to the Commonwealth, being 5d. for Australia, 3d. for the Extension Company, and 1d. for New Zealand, the whole loss of 4d. having been borne by the Board, which had already lost an additional sum of 4d. (the difference between the normal rates to Australia and New Zealand) by being obliged to carry the messages to Australia instead of to New Zealand direct.

Under the Convention, this extra charge of 4d. (within the twenty-four hours) is recoverable *pro rata* from all the Administrations concerned, including the Eastern Extension in the case under consideration. After twenty-four hours it is eventually recoverable, Reg. LXXVI. (7), from the Administration which caused the diversion by the interruption of its lines. The application of these regulations, involving minute divisions of a penny, would be inconvenient in many ways, more especially as the American companies do not conform absolutely to the Convention, and it would manifestly be an advantage if the Commonwealth, the New Zealand Government, and the Pacific Cable Board could come to an agreement to deal with these contingencies south of Norfolk Island, whether they last within or beyond the twenty-four hours' limit.

The offer of the Pacific Cable Board, *vide* letter of the 4th November, 1902, was that during any interruption on the cables south of Norfolk Island involving diversion of Australian traffic *via* New Zealand, or New Zealand traffic *via* Australia, if the Australian charge was reduced to 1d. per word—*i.e.*, the same as New Zealand—the Board would bear the whole additional cost of the interruptions—*viz.*, 4d.—*i.e.*, 3d. to the Eastern Extension, and 1d. either to Australia or New Zealand for the additional transit involved. The Board's pay-out at Southport on New Zealand traffic would then be 5d., and its pay-out at Doubtless Bay on Australian traffic would similarly be 5d., as against 9d. at present in each case.

The method adopted by the Commonwealth and New Zealand Governments in dealing with the interruption in Australia in July last, as explained above, comes to the same result, and is another and equally satisfactory way of effecting the same object, if applied also to the case of traffic for New Zealand transiting Australia between Southport and La Perouse.

I am sending a copy of this letter to the Secretary to the New Zealand Post Office, and my Board will be glad to receive a further expression of the views of the Australian Post Office before the Conference. The New Zealand Government has already intimated its willingness to fall into line with any equitable arrangement.

I am, &c.,

C. H. REYNOLDS, General Manager.

R. T. Scott, Esq., Secretary, Postmaster-General's Department, Melbourne.

No. 38.

The Hon. the POSTMASTER-GENERAL, Ottawa, to the Hon. the POSTMASTER-GENERAL, Wellington.
Ottawa, 6th February, 1905.

(Telegram.)
How many pay words were delivered to New Zealand Post-offices for cable transmission beyond Australasia during each year since establishment Pacific cable? How many of these words each year were dispatched by Pacific cable and how many by Eastern Extension?

No. 39.

The Hon. the POSTMASTER-GENERAL, Wellington, to the Hon. the POSTMASTER-GENERAL, Ottawa.
Wellington, 10th February, 1905.

(Telegram.)
INTERNATIONAL.—*Via* Extension: 1902—Ordinary, 59,876; Press, 4,927. 1903—Ordinary, 52,591; Press, 6,783. 1904—Ordinary, 35,484; Press, 2,904. Totals—Ordinary, 147,951; Press, 14,614.

Via Pacific: 1902—Ordinary, 75,762; Press, 2,262. 1903—Ordinary, 210,503; Press, 1,552. 1904—Ordinary, 243,347; Press, 3,184. Totals—Ordinary, 529,612; Press, 6,998.

No. 40.

The SECRETARY, General Post Office, Wellington, to the GENERAL MANAGER, Pacific Cable Board, London.

SIR,—

General Post Office, Wellington, 8th March, 1905.

I have the honour to acknowledge the receipt of your letter of the 20th January last, and to thank you for the copy forwarded therewith of your letter of the same date, addressed to the Secretary of the Postmaster-General's Department, Melbourne, on the subject of the treatment of diverted traffic in case of interruptions south of Norfolk Island, either on the cables or on the connecting land-lines in Australia and New Zealand.

I note that the question has been referred to the Pacific Cable Conference for settlement, and hope that the Conference may decide in favour of your Board's proposals.

I have, &c.,
W. GRAY, Secretary.

The General Manager, Pacific Cable Board,
Queen Anne's Chambers, Tothill Street, Westminster, London, S.W.

No. 41.

OPEN LETTER FROM THE OTTAWA BOARD OF TRADE.

SIRS,—

Ottawa, Canada, 15th March, 1905.

The Board of Trade of the City of Ottawa, the capital of Canada, transmits, with respectful compliments, for your information, the accompanying circular letter (No. 3), on the subject of "the Empire cables," a projected new Imperial service, designed to unite the Mother-country telegraphically and in the most effective manner, with the vast territories of the King, in both hemispheres.

The Board, having for some years taken means to ascertain the views of the British people throughout the world on this important subject, has much satisfaction in making known the result. The circular letter now transmitted contains facts which will be of interest to you; it presents a remarkable consensus of opinion in favour of the policy of establishing the proposed new cable service between the great self-governing units of the Empire.

The primary objects in view being to facilitate long-distance cabling, cheapen oversea telegraphy, foster freedom of intercourse, and promote the development of trade—all tending to secure the permanent unity of the Empire—the Board feels assured that your hearty sympathy may be counted on; and earnestly hopes that you and your associates will see the way to co-operate in advancing the movement, and that the efforts put forth will speedily lead to definite and desirable results.

In the name and on behalf of the Board of Trade of the City of Ottawa,

I have, &c.,

CECIL BETHUNE, Secretary.

Enclosure in No. 41.

THE OTTAWA BOARD OF TRADE AND THE EMPIRE CABLES.

To whom it may concern.

SIRS,—

Ottawa, 1st March, 1905.

We have the honour to submit the documents which follow, furnishing evidence of the attitude of business-men and the Chambers of Commerce of the Empire on a question regarded as vital important.

The members of the Board of Trade of the City of Ottawa, Canada, have long had under consideration the subject of a comprehensive scheme of telegraph service. They have had in view a service which would best promote the trade of the Empire, foster mutual intercourse, and in the highest degree advance the common interests of the British people throughout the world.

The Board has endeavoured to consult public opinion in the several oversea British possessions and has placed itself in communication with commercial associations and individuals in all parts of the Empire. The replies received strengthen and confirm the views long held by the Board that there should be established as speedily as practicable a continuous chain of State-owned cables and telegraphs to link together in the most effective manner the Mother-country, Canada, New Zealand, Australia, India, South Africa, and the West Indies.

Such a chain of telegraph cables designed to girdle the globe without touching or traversing any land not British has been designated "the Empire cables." The Pacific cable as the initial link of the world-girdling chain was strongly advocated by the Ottawa Board until arrangements were effected for establishing that portion of the scheme as a joint State undertaking.

In 1901 [No. 19, F.-8, 1902] the Board issued a circular letter furnishing ample explanations respecting the complete scheme of Empire cables. A large edition, in pamphlet form, was printed and copies were transmitted for general information to the various associations representing trade, commerce, and manufactures in each of the widely sundered countries to be benefited. This pamphlet, consisting of forty-four pages of printed matter, comprised the following documents, viz. :—

"1. Post Office Reforms in the Victorian Era and the development of an Imperial Cable Service.

"2. A State-owned system of Electric Cables for the Empire, addressed to the Right Honourable Joseph Chamberlain, Colonial Secretary, 1898.

“ 3. State-owned Telegraphs for the Empire, addressed to the Right Honourable the Earl of Hopetoun, Governor-General of Australia, 1900.

“ 4. A State-owned Telegraph Service girdling the Globe, addressed to the Hon. Wm. Mulock, P.M.-G., Canada, 1901.

“ 5. Proposal to Nationalise the Telegraph Service of the Empire. Letter to Lieut.-Colonel Denison, President of the British Empire League in Canada, 1901.

“ 6. A Pan-Britannic Cable Service. Resolution of the British Empire League in Canada, at the Annual Meeting, 1901.”

In April, 1904 [No. 52, F.-8A, 1904] the Board issued a second circular letter in which was submitted,—

“ 1. Further information on the subject of Empire Cables prepared by a member of the Board.

“ 2. Resolution adopted by the Fifth Congress of the Chambers of Commerce of the Empire, held in Montreal, Canada, in August, 1903.

“ 3. Minute adopted by the British Empire League in Canada at the Annual Meeting, 1904.”

The second circular letter, like the first, found its way to many centres of political and commercial influences in both hemispheres. The responses received furnish irrefragable evidence that the British communities throughout the world desire to be united by the closest electrical connections, and that the means of telegraph intercourse should be entirely freed from the exactions imposed by certain private companies. The correspondence testifies to the fact that far-sighted business-men in all the British Dominions are in favour of the scheme of Empire cables. Such men see that by and through this means of mutual intercourse, the cost of oversea telegraphy will be enormously reduced, that British trade will be greatly promoted, and that unity of sentiment will be awakened and effectively fostered.

The correspondence which has been summarised in the report of the Council of the Board indicates an extraordinary concurrence of feeling throughout the Empire on this particular subject. Whatever difference of opinion may exist among business men on fiscal and other questions there is absolutely no difference with respect to the policy of establishing the Empire cables; the necessity of this new Imperial service is recognised, it is regarded as an essential part of the machinery for developing and consolidating the Empire.

The Board of Trade of the capital of the Canadian Dominion has much satisfaction in submitting the report which follows for the information of all concerned in the well-being of the British people in every longitude.

We have, &c.,

D. MURPHY, President.

CECIL BETHUNE, Secretary.

REPORT OF THE COUNCIL.

Agreeably to the direction of the Board, the President and Council on the 20th April of last year, issued a circular letter reaffirming the hearty approval and concurrence of the members of the Ottawa Board of Trade, in the movement to complete the cables of the Empire. The President and Council sent the circular letter to various organized bodies representing British trade interests in all parts of the world. The communication forwarded contained full and complete explanations respecting the proposed system of Imperial telegraphy, designed to bring into the closest possible touch all the self-governing British possessions in each of the five continents.

The Council invited an expression of opinion respecting the movement in order that a judgment might be formed as to the views of the British people generally, and especially those engaged in trade throughout the world. Many replies have been received and with singular unanimity all expressions of opinion are in favour of the movement.

In order that the Imperial and Colonial Governments should be made aware of the character of the movement, communications were addressed to each of them. Courteous acknowledgments have been received through His Excellency the Governor-General and the Secretary of State for the Colonies, from Their Most Gracious Majesties the King and Queen, and from Their Royal Highnesses the Prince and Princess of Wales, and the Duke of Connaught.

Special mention may likewise be made of other acknowledgments, namely:—

“The Government of Madras, India, transmits sympathetic expressions of opinion in favour of the proposal, from the Chamber of Commerce, Madras, and from the Madras Trade Association.”

“The Bengal Chamber of Commerce, Calcutta, is entirely in sympathy with the idea of an all British cable communication throughout the Empire.”

“The Upper India Chamber of Commerce, Cawnpore, cordially supports the scheme and offers its co-operation in the movement designed to serve great Imperial ends, secure cheaper telegraphy, and promote trade.”

“The Rangoon Trade Association is quite in accord with the Ottawa Board of Trade, and expresses the opinion that the Empire cables would meet a great want, and be the means of materially reducing telegraphic rates.”

“The Government of Burmah sympathises with the object the Board has in view in connecting all parts of the British Empire by means of State-owned cables.”

“The Chamber of Commerce, Singapore, fully recognises the great importance of the proposal to complete the cables of the Empire, and will consider how they can assist the movement.”

“The Orange River Chamber of Commerce, Bloemfontein, entirely approves of the scheme and would be glad to see it carried into effect.”

“The Chamber of Commerce of the City of Georgetown, Demarara, views with satisfaction any advance that can be made towards Empire cables, and Imperial postal cables services, and will

be glad to see the speedy accomplishment of an unbroken chain around the globe, under our own control and entirely State-owned, giving all British people the speediest, cheapest, freest, and most effective intercourse throughout the Empire."

"The Trinidad Chamber of Commerce is in hearty sympathy with the efforts of the Ottawa Board of Trade to extend and complete a system of British cables throughout the Empire under State control."

"The Conference of Queensland Chambers of Commerce holds the opinion that the Empire system of cables touching British territory only, controlled and owned by the State, should receive the support of the Federal Government. This Conference gives its hearty support to the resolution adopted by the Montreal Congress of the Chambers of Commerce of the Empire."

"The Bundaberg Chamber of Commerce places on record its entire approval of the movement for the extension and completion of the system of Empire cables (of which the Pacific cable forms a part), believing that thereby the cost of cable messages will be materially reduced, that the business relations between the different parts of the Empire will be greatly facilitated, and that in the event of war such a system would be invaluable."

"The Brisbane Chamber of Commerce strongly holds that the Empire system of cables, touching British territory only, controlled and owned by the State, should receive the support of the Federal Government of Australia, and gives its support to the resolution adopted by the Montreal Congress of Chambers of Commerce of the Empire."

"The Rockhampton Chamber of Commerce is of the opinion that it is of the utmost importance to the trade and to the social and political relations of the British Empire that the various States comprising the Empire should be in communication with each other and the United Kingdom by State-owned electric telegraphy. This Chamber heartily approves of the action taken by the Ottawa Board of Trade to further the movement."

"The Toowoomba Chamber of Commerce expresses hearty concurrence in the movement advocated by the Ottawa Board of Trade."

"The Warrnambool Chamber of Commerce strongly endorses the resolution of the Montreal Congress of the Chambers of Commerce of the Empire as to the imperative need of the Empire cables."

"The British Empire League of Australia, at a meeting in Sydney on the 22nd September, 1904, gave formal expression to the opinion that all the self-governing British communities around the globe should be united by a continuous chain of State-owned telegraphs; that such an inter-Imperial line of communication would, under Government control, put an end to the difficulty which has been caused in Australia by the allied cable companies, and remove all friction which has arisen between the partners in the Pacific cable; that it would lower the charges to a minimum on oversea messages passing from New Zealand, Australia, India, South Africa, the West Indies, Newfoundland, Canada, and the Mother-country; that it would provide a double means of communication at low uniform rates between the Mother-country or any one British State, and all self-governing British States; that it would constitute the most effective means by which the several governmental units of the Empire may hold communion with each other whenever they desire; and that while it would be of the highest importance to the commercial and social interests of the British people around the world, it would by the subtle force of electricity at once promote the consolidation of the Empire, and prove an indispensable factor in Imperial unity; that this League views with satisfaction the steps towards this end being taken by the Board of Trade of the City of Ottawa, and the British Empire League in Canada, and assures those bodies of this league's co-operation and its doing whatever may be possible to further the movement in Australia."

"New Zealand is in full sympathy with the movement, and there is abundant evidence of the hearty reception given to the proposal. It will suffice to state that the circular letter issued by the Ottawa Board of Trade with the several explanatory appendices have been reprinted in full and presented to both Houses of the General Assembly by command of His Excellency the Governor."

The most satisfactory, sympathetic, and encouraging communications have been received from Chambers of Commerce and manufacturers in the United Kingdom. Special mention may be made of responses from Liverpool, Nottingham, Wolverton, Walsall and district, Bradford, Heckmondwike, Leeds, Bury, London, Glasgow, Edinburgh, Dublin, Cleckheaton, Batley, the south of Scotland, Galashiels, Kirkcaldy, East London, Belfast, and Birmingham.

That every centre of trade of the United Kingdom should warmly support the movement to complete a close electric union between the British people throughout the world is not surprising, when we bear in mind that they were so well represented at the Montreal Congress of 1903, and that such Congress passed with absolute unanimity the most comprehensive resolution on the subject yet placed on record.

It is scarcely necessary to state that there is no difference of opinion in Canada. The centres of trade and chambers of commerce throughout the Dominion have practically declared themselves in favour of the project set forth in the circular letter of the Ottawa Board of Trade of the 20th April last.

A copy of the circular letter is appended. Nearly a thousand copies were issued. The responses from every quarter of the globe are singularly favourable to the movement; not a single adverse reply has been received; no argument has been advanced against the public policy of completing without loss of time the comprehensive scheme known as "the Empire cables."

The President and Council, having endeavoured faithfully to carry out the instructions of the Board in this matter, have much pleasure in placing the gratifying results of their efforts before the general meeting.

Signed on behalf of the Council of the Board.

JOHN R. REID, President.
CECIL BETHUNE, Secretary.

CIRCULAR LETTER ON "THE EMPIRE CABLES" REFERRED TO IN THE FOREGOING REPORT.

To whom it may concern.

SIRS,—

The Board of Trade, Ottawa, 20th April, 1904.

1. The President and Council of the Ottawa Board of Trade have the honour to reaffirm the hearty approval of its members in the movement to complete the cables of the Empire.

2. The President and Council, under instructions from the Board, beg leave to submit for consideration the explanations given in Appendix A. The facts and arguments therein brought forward will be found to appeal strongly to every man who has the well-being of the British people at heart. The deliverance of the fifth Congress of the Chamber of Commerce of the Empire, held in Montreal in August, 1903, will be found in Appendix B. The deliberate and frequently repeated opinion of the Empire League in Canada will be found in Appendix C.

3. The President and Council invite expressions of general concurrence in this great Imperial movement; they especially ask the co-operation of every Chamber of Commerce and Board of Trade throughout the Empire. To make co-operation effective it is suggested that individual Chambers may express their views by resolution; such taken in concrete, will have a powerful influence on the several Governments concerned.

4. The co-operation of other bodies or individuals will be cordially welcomed.

5. The President and Council respectfully ask that they may be informed with respect to all action taken, and that copies of resolutions may be transmitted to the President or Secretary.

In the name and by the authority of the Board of Trade of the capital of the Dominion of Canada, we ask all concerned to assist in forming public opinion in favour of the speedy completion of the scheme of Empire cables.

We have, &c.,

JOHN R. REID, President.

CECIL BETHUNE, Secretary.

[Read No. 52, F.-8A, 1904.]

THE problem of an Empire-girdling State-owned telegraph system is further elucidated in the first circular letter and pamphlet issued by the Ottawa Board of Trade in 1901 [No. 19, F.-8A, 1902], and in Dr. Johnson's book on the "Annals and Aims of the Pacific Cable Project," recently published by Edward Stanford, London, and James Hope and Sons, Ottawa.

Approximate Cost of Paper.—Preparation, not given; printing (1,500 copies), £12 12s.

Price 9d.]

By Authority: JOHN MACKAY, Government Printer. Wellington.—1905.

