EASTERN EXTENSION COMPANY'S CABLES.

AUSTRALIA-NEW ZEALAND.

No. 1.

The Hon, the Prime Minister, Commonwealth of Australia, Melbourne, to the Hon, the Prime Minister, Wellington.

Commonwealth of Australia, Prime Minister's Office,

Sir,— Melbourne, 12th October, 1906.

Adverting to your letter of the 9th August last [not printed] relative to the request of the Eastern Extension Telegraph Company to be allowed to reopen an office in Melbourne, I have the honour to transmit herewith for your information a copy of a petition by certain manufacturers, merchants, &c., of Melbourne, on the subject, together with this Government's reply.

I have, &c.,

ALFRED DEAKIN.

The Hon. the Prime Minister of New Zealand, Wellington. [E.E. Misc. 06/123.]

Enclosure in No. 1.

(MEMORIAL TO THE PRIME MINISTER, FROM CERTAIN USERS OF THE CABLES, AS TO THE PRESENT UNSATISFACTORY CONDITION OF THE SERVICE IN VICTORIA; AND REPLY OF THE POSTMASTER-GENERAL THERETO.)

Return to Order made by the Senate on 30th August, 1906—"That there be laid on the table of the Senate a copy of the petition, and the names of the signatories thereto, having reference to the Eastern Extension Company; also a copy of the Postmaster-General's reply to the said petition."—(Senator Higgs.)

Laid on the Table of the Senate, 24th September, 1906; ordered to be printed, 27th September, 1906.

Commonwealth of Australia, Postmaster-General's Department, Melbourne, 9th August, 1906.

I have the honour to forward herewith—(1) The papers, No. P.M. 06/2907, which you returned to this office on the 7th ultimo, relative to a memorial addressed to the Prime Minister by certain firms, companies, and persons in Victoria, complaining of the alleged present unsatisfactory condition in Victoria of the cable service, and requesting that steps be taken to place it upon a better footing, &c.; also (2) the letter [not printed] addressed to the Hon. Wm. Knox, M.P., by Mr. Warren, Manager in Australasia of the Eastern Extension Company, which was handed in as a reply to the request to the memorialists to state what the facilities were of which they complained they had been deprived. With regard to this latter communication, the Postmaster-General desires me to say that it appears somewhat remarkable that the gentlemen who signed the memorial above referred to—asking that the Eastern Extension Company be allowed to reopen its office, and have the use of a private line between Melbourne and Adelaide, and who stated, as a reason why their application should be complied with, that the facilities allowed in the company's office while it existed were in startling contrast to those allowed by this Department—should not have been in a position to state, from their own knowledge, what those facilities were without having to obtain the information from the officers of the company.

2. It has, of course, been brought to the knowledge of the Department that certain facilities in connection with service repeats, which were not legitimate—being in contravention of the International Regulations by which both the company and the Department are bound—were afforded by the Eastern Extension Company to their clients while they had the use of a special wire between

Melbourne and Adelaide.

SIR,--

3. Prior to the opening of the Pacific cable such facilities as have been legitimately offered by the Eastern Extension Company at its offices—which were opened for purely competitive purposes, vide the agreements between the company and the States concerned—were not afforded at the Department's offices, and were not asked for either by the company or by the public. However, in 1903 arrangements were made to give greater facilities to the public in connection with telegrams sent via Pacific, but it was not necessary to arrange for similar facilities in connection with telegrams via Eastern, as the Eastern Extension Company had its own offices.

4. After the closing of the Eastern Extension Company's offices in Melbourne instructions were issued that exactly the same facilities were to be afforded by the Department's officers to business