

I have also to report that the New Zealand land-lines were interrupted on Thursday, the 11th July, 1906, requiring traffic to and from New Zealand *via* Pacific to be diverted *via* Australia and the Eastern extension lines. The Pacific Cable Board has provisionally accepted debits of 5d. Australian transit, 3d. Extension Company's charge, and 1d. New Zealand terminal charge on these diverted messages, as has been the case on some previous occasions. From inquiries made of the Brisbane office, it appears that they have no orders to accept any reduced *pro rata* charges during interruptions of the New Zealand land-lines involving diversion of New Zealand *via* Pacific traffic *via* Extension and Australia.

I shall be obliged if you will give the Brisbane office the necessary orders regarding the *pro rata* reductions.

I note that you are unable to give a special penny transit rate La Perouse and Southport during such diversions.

I have, &c.,

C. H. REYNOLDS, General Manager.

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

Enclosure 3 in No. 19.

The ACTING-SECRETARY, Postmaster-General's Department, Melbourne, to the GENERAL MANAGER, Pacific Cable Board (at Melbourne).

Commonwealth of Australia, Postmaster-General's Department,
Melbourne, 1st August, 1906.

SIR,—

With reference to your communication of the 18th ultimo, and previous correspondence on the subject of the diversion of Pacific-cable traffic during cable-interruptions, I have the honour to inform you the Deputy Postmasters-General, Sydney and Brisbane, have been instructed, by wire, that the same arrangements should be made as on former occasions, and as provided by the Convention.

I have, &c.,

J. OXENHAM, Acting-Secretary.

C. H. Reynolds, Esq., General Manager, Pacific Cable Board, Grand Hotel, Melbourne.

Enclosure 4 in No. 19.

The SUPERINTENDENT, Pacific Cable Station, Southport, to the GENERAL MANAGER, Pacific Cable Board (at Sydney).

(Telegram.)

Southport, 4th August, 1906.

A VERBAL communication was made me by Brisbane abstract clerk fortnight since that recent diverted work had been dealt with similar proportion to former occasions. Unable to check this till Monday, as Abstract Department closed at Brisbane since noon. Will report result inquiries Doubtless Bay.

Enclosure 5 in No. 19.

The SUPERINTENDENT, Pacific Cable Station, Southport, to the GENERAL MANAGER, Pacific Cable Board (at Doubtless Bay).

(Telegram.)

Southport, 14th August, 1906.

101. HAVE seen Abstract Department, Brisbane. They state that the communication from Melbourne *re* proportional rates for New Zealand diverted traffic too ambiguous to act upon, and application has been made for more explicit instructions. Up to present no reply has been received. I am asked to state the proportion Board accountants regard correct. Brisbane view is that of the threepence per word available after diverting point (Norfolk) should be apportioned five-elevenths Commonwealth, three-elevenths Eastern, and one-eleventh New Zealand (two-elevenths retained Pacific). Intercolonial one-seventh Commonwealth, three-sevenths Eastern, one-seventh New Zealand, two-sevenths Pacific Cable Board.

Enclosure 6 in No. 19.

The GENERAL MANAGER, Pacific Cable Board, to the SUPERINTENDENT, Pacific Cable Station, Southport.

(Telegram.)

[Undated.]

101. WILL answer from Norfolk. Read carefully Regulations 42/2, 76/5, and 76/7. These deal with diverted traffic. *Pro rata* reductions only apply for 24 hours. After 24 hours messages are not sent by more costly route than paid for by sender, but rather than lose traffic altogether, which has to be diverted *via* Australia or New Zealand, Board does not wish a higher rate charged to the public when a telegram for or from New Zealand has to be diverted *via* Southport, La Perouse, Wakapuaka, or in case of Australian messages *via* Wakapuaka and La Perouse. As Commonwealth refuse to allow any reduction in transit rate La Perouse-Southport, we have been paying all extra charge, including Extension Cable after the 24 hours. Explain this to Brisbane.