

to me the Government's decision upon the questions asked therein, which are numbered 1, 2, and 3 hereunder. If you reply under these numbers, your message can be brief.

- (1.) Would the Government be willing to convey cable-letters free by post between the cable-station and the place of destination ?
- (2.) Would the Government be willing to forgo all terminal charges on cable-letters ; and, if not, what is the lowest charge per group that it could accept ?
- (3.) In the event of the Governments being willing to forgo terminal charges, would the Government be willing to accept the ordinary inland rate on cable-letters deliverable by telegraph ?

(1.) I think postage should be paid. (2.) Recommended. (3.) Recommended.

I have, &c.,

WM. HALL-JONES.

The Right Hon. the Prime Minister, Wellington, New Zealand.

[P.C. Press 12/17.]

### Enclosure in No. 3.

The CHAIRMAN, Pacific Cable Board, London, to the HIGH COMMISSIONER.

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

6th March, 1912.

SIR,—

As you are aware, the Pacific Cable Board has had under consideration the question of extending to its system the scheme for week-end cable-letters which has recently been introduced on the Atlantic system between this country and Canada and the United States of America. But before formulating a definite proposal on the subject it is necessary for the Board to know the terms on which the Governments of Australia and New Zealand would be willing to co-operate, and I have accordingly to request that you will ascertain this from your Government for the information of the Board.

The scheme was described in the Financial Supplement of the *Times* of the 8th December, 1911, and its main features may be recapitulated as follows :—

(a.) Week-end cable-letters are accepted up to midnight on Saturday for delivery on the following Tuesday morning.

(b.) They are forwarded to, and despatched from, the terminal points of the cables by post in franked envelopes, but a sender may have his letter delivered by telegraph on payment of an additional charge equivalent to the internal rate for ordinary telegrams in the country of destination.

(c.) They must be written in plain language, and according to the rules prescribed for messages accepted at half-rates.

(d.) The charge on the letters is at a rate not per word, but per group of five words, or fraction of a group, with a minimum charge of 6s. (the equivalent of six groups). For each subsequent group or fraction of a group the charge is 1s.

It will be seen that, apart from the effects of the minimum charge and of the charge for fractions of a group, the rate allows five words to be sent in a week-end cable-letter at the same price as a single word would cost in an ordinary message.

The extension of this system to the Pacific would no doubt be a comparatively simple matter, if it were possible to adopt without modification the basis of giving in effect five words in a cable-letter for the price of one in an ordinary message. But there are reasons which lead the Board to think that an experiment on those lines would be too hazardous in its financial effect to allow of its adoption. In the first place, the greater difference of longitude between the United Kingdom and Australasia, as compared with that between the United Kingdom and America, sensibly reduces the period of relative inactivity of the Pacific cable during the week-end ; and, secondly, the longer time that letters take in transmission would so largely increase the inducement to substitute cable-letters for ordinary mail-letters that if too low a rate were charged the amount of the cable-letter traffic might quite possibly exceed the capacity of the cable during the week-end interval of comparative idleness.

For these reasons the Board is of opinion that it would not be safe to adopt the rate of five words for one, unless the Pacific cable were to be credited with the whole, or all but the whole, of the rate over and above the amount to be paid out to the Atlantic companies.

Accordingly, what I would ask you to ascertain from your Government is, what are the most favourable terms on which it would be prepared to handle week-end cable traffic, and to assist you in so doing I will indicate the specific questions which I think might be submitted to your Government.

Two alternative facilities might be offered to the public : (a) Week-end cable-letters that should be transmitted by post within the United Kingdom and within the Commonwealth and the Dominion, and by telegraph for the whole distance between the United Kingdom and Australasia ; (b) letters that should be transmitted by telegraph between Australasia and Montreal only, and by post between the United Kingdom and Montreal and within the Australasian dominions.

So far as the Australasian Government are concerned, the two alternatives present the same features, although for the public the charge for letters in class (b) would be 1s. per group less than for those in class (a). Therefore the following questions apply equally to both schemes :—

- (1.) Would your Government be willing to convey cable-letters free by post between the cable-station and the place of destination ?
- (2.) Would it be willing to forgo all terminal charges on cable-letters ; and, if not, what is the lowest charge per group that it could accept ?
- (3.) In the event of the Governments being willing to forgo terminal charges, would it be willing to accept the ordinary inland rate on cable-letters deliverable by telegraph ?