REDUCTION IN CABLE RATES.

No. 25.

The Secretary, General Post Office, Wellington, to the Manager in the Pacific Cable Board, Sydney.

Str.— General Post Office, Wellington, 7th May, 1912.

I have the honour to inform you that the Hon. Mr. Ell. Postmaster-General, has been looking into the question of terminal rates, and is not at all satisfied that the charge for cable messages to and from New Zealand should be the same as to and from Australia, seeing that the Commonwealth Government receives a terminal rate of 5d., while New Zealand receives 1d. only. I am therefore directed to ask that the matter be looked into with a view to determining whether some concession cannot be made to the New Zealand public. I should be obliged if you would favour me with any information you have on the subject.

I have, &c.,

D. Robertson, Secretary.

The Manager in the Pacific, Pacific Cable Board, 64 Pitt Street, Sydney, [P.C. Rates 12/177.]

No. 26.

The Manager in the Pacific Pacific Cable Board, Sydney, to the Secretary, General Post Office, Wellington.

Sir,— Dixson's Buildings, 64 Pitt Street, Sydney, 25th May, 1912.

I have the honour to acknowledge receipt of your letter of the 7th instant, concerning the charges for cable messages to and from New Zealand, and asking that the matter be looked into with the view of some concession being made to the New Zealand public in consideration of the fact that the New Zealand Government only receives 1d. per word as terminal rate, against 5d. by the Commonwealth Government.

I regret to say I have no record in this office of the correspondence that took place between your Government and my Board when the rates to and from New Zealand on international messages were decided on: I am therefore forwarding your letter to my Board for their consideration and reply.

ľ have, &c., J. Milward,

The Secretary, General Post Office, Wellington, [P.C. Rates 12/179.]

Manager in the Pacific.

No. 27.

The Hon, the Prime Minister to the High Commissioner.

Prime Minister's Office, Wellington, 7th June, 1912.

I have the honour to request that you will be good enough to place before the Pacific Cable Board that the time has come when the rate on cable messages to and from New Zealand should be reduced so that the New Zealand public will gain the benefit of the low terminal charges in this country.

As you may not have full information at hand, I may explain that when arranging the rates in November, 1902, the Pacific Cable Board fixed the charge to and from Australia at 3s. The Agent-General for New Zealand pressed for a lower rate for New Zealand on account of the low terminal charges. The New Zealand terminal charge is 1d., while the Australian charge is 5d. The Board, fearing, it is understood, a rate war with the Eastern Company, objected and pointed out that New Zealand could raise the terminal charges. This was not agreeable to this country, and a suggestion was made that a rebate of 4d, a word might be allowed by the Board. The Board declined, and suggested pooling the Australasian terminal rates, to which Australia objected. A conference of the partner Governments to discuss, inter alia, terminal rates was decided upon, but, owing chiefly to the Canadian elections, the conference was not held until 1905. The conference was of opinion that the Australian terminal rate was excessive, and the Commonwealth Government was requested to consider the question of reduction. In September of the same year New Zealand endeavoured to arrange with Australia the question of pooling the terminal rates. Thereafter the question of the Commonwealth agreement with the Eastern Extension Company assumed such prominence that the question of terminal rates was not proceeded with further.

My Government is now of opinion that, as the terminal rate for New Zealand continues to be 1d., the through rate for cable messages should be 4d. less than that to and from Australia, and I shall be glad if you will use your best endeavours to have a reduction arranged. It does not appear to me that any reasonable argument can be advanced why cable messages to and from New Zealand should be charged at the same rate as messages to and from Australia, seeing not only that the distance is considerably less, but that fewer transmissions are involved.

I have, &c.,

THOS. MACKENZIE, Prime Minister.

The High Commissioner for New Zealand, London.

[Reply not printed.]

P.C. Rates 12/227.1

Approximate Cost of Paper.—Preparation, not given; printing (1,600 copies) £15