

No. 9.

Mr. WARREN to Mr. GRAY.

(Telegram.)

Melbourne, 20th October, 1892.

SEE Schedule Three: Will Mr. Ward agree to make New Zealand's proportion penny per word? Ordinary rate would then be five and three; Government, three and eleven; Press, two and twopence.

No. 10.

Mr. WARREN to Mr. GRAY.

(Telegram.)

Melbourne, 21st October, 1892.

MR. ZEAL suggested the following alterations and additions be made in proposed agreement [See Enclosure 2 in No. 35]: Subclause 1 to read, "As regards certain intercolonial messages, that is to say, messages passing between New Zealand and the following colonies—namely, New South Wales, Victoria, South Australia, West Australia, and Tasmania," &c. Following to be made subclause 2: "As regards intercolonial messages passing between New Zealand and Queensland: For all messages transmitted from New Zealand to Queensland, at the rates specified in the preceding subclause; but as regards messages transmitted from Queensland to New Zealand, for all Government and ordinary messages, at the rate of eight shillings and sixpence for first ten words or less, and tenpence for every additional word in excess of ten; for all Press messages transmitted from Queensland to New Zealand, at the rate of threepence per word; for all 'collect' messages (Government, ordinary, or Press) transmitted from Queensland to New Zealand, being replies to 'reply paid' messages, the rates last named for Government, ordinary, or Press messages, as the case may be, shall be collected in New Zealand." Present subclause 2 to be number 3. Wire if Mr. Ward approves of same.

No. 11.

Mr. WARREN to Mr. GRAY.

(Telegram.)

Melbourne, 21st October, 1892.

Re clause five: The principle of it has long been accepted by other Governments; and company cannot depart from it without injuring subsidy and guarantee agreements made with colonies, and this they are not prepared to do. Other colonies offer no objection to the clause in existing agreements, therefore trust Mr. Ward will reconsider matter and withdraw his opposition to proviso and so prevent further delay to introduction new tariff.

No. 12.

Mr. GRAY to Mr. WARREN.

(Telegram.)

Wellington, 22nd October, 1892.

SCHEDULE three: Mr. Ward agrees to make New Zealand's proportion penny per word, and approves schedule. He also approves of Mr. Zeal's proposed amendments. Clause five: Have any of the other colonies signed agreement with clause five as it stands? Mr. Ward determinedly opposed to proviso. Now desires to know whether it will be agreed to exempt New Zealand from liability in respect of intercolonial cables. This could be done by separate agreement, if it be considered a matter of consequence to retain clause as it now stands. Mr. Ward holds that it is a most inequitable provision to make New Zealand wholly responsible for a liability which is unquestionably the company's, merely because the colony agreed with company to a reduction in rates, and to guarantee to make good part loss company sustains from reduction in tariff. The delays which have taken place are much to be regretted. Mr. Ward now hopes that something definite and final may be arrived at without further delay. This can be accomplished so far as this colony is concerned by your giving way in respect of clause five.

No. 13.

Mr. WARREN to Mr. GRAY.

(Telegram.)

Melbourne, 24th October, 1892.

As already explained, similar article is in all existing contracts, see 1891 agreement for reduction European tariff, clause five, which was approved by contributing colonies. Other colonies anxious complete negotiations order bring new tariffs into operation soon as possible, but owing Mr. Ward's opposition to clause five, settlement is blocked. Company cannot depart from principle laid down in other agreements. Liability very small matter since section duplicated. Suggest Mr. Ward ask other colonies participate in liability.

No. 14.

The SECRETARY, General Post Office, to the MANAGER in AUSTRALASIA, Eastern Extension Company.

Post Office and Telegraph Department, General Post Office, Wellington,
25th October, 1892.

SIR,—

I have the honour to acknowledge, on behalf of the Hon. the Postmaster-General and for myself, the receipt of your letters of the 3rd instant, enclosing copies of the new schedules of