

international telegraph rates; and to say that the rates as therein printed—with the amendment in New Zealand's inland rate, which is to be reduced from 2d. to 1d. per word, as per my service telegram of the 22nd instant—are approved of by this Government.

I think it as well to send you copies of the service telegrams exchanged between us since the 10th instant.

I have, &c.,

The Manager in Australasia,
The Eastern Extension Australasia and China Telegraph
Company (Limited), Melbourne.

W. GRAY, Secretary.

No. 15.

Mr. TODD to Mr. GRAY.

Adelaide, 25th October, 1892.

(Telegram.)

HAVE referred to clause five, which contains only usual provisions.

No. 16.

Mr. SMIBERT to Mr. GRAY.

Melbourne, 25th October, 1892.

(Telegram.)

UNDERSTAND Mr. Ward objects to clause five in proposed agreement. Similar clause is in operation in existing agreement for international lines.

No. 17.

Mr. GRAY to Mr. WARREN.

Wellington, 25th October, 1892.

(Telegram.)

CABLE Agreement: If your company going to insist on New Zealand alone becoming responsible under clause five Mr. Ward will be compelled to withdraw from whole arrangement. Mr. Ward considers that your company should have provided that liability shared by all the colonies. Nor is he disposed to make the matter a personal one with colonies, and cannot therefore approach them as suggested by you.

No. 18.

Mr. GRAY to Mr. SMIBERT.

Wellington, 25th October, 1892.

YES; Mr. Ward strongly objects to New Zealand being made wholly liable under clause five, and cannot agree to proviso as it stands. Very different is position under European cable agreement, where all colonies responsible.

No. 19.

Mr. SMIBERT to Mr. GRAY.

Melbourne, 26th October, 1892.

(Telegram.)

MR. ZEAL understood that the liabilities, including the war risk, as well as the advantages, were to be mutually accepted by all the guaranteeing colonies, and this could be arranged for by a supplementary agreement among ourselves without reference to the company, similar to what was done recently with the 1891 agreement for international rates. I have telegraphed to all colonies interested to see if they concur.

No. 20.

Mr. GRAY to Mr. WARREN.

Wellington, 7th November, 1892.

(Telegram.)

URGENT. Have other colonies agreed to sign agreement with war clause? What is being done? Can you say definitely when reduced rates will come into force? Mr. Ward very anxious, as matter seems to be drifting.

No. 21.

Mr. WARREN to Mr. GRAY.

Melbourne, 7th November, 1892.

(Telegram.)

YES, excepting West Australia, who has promised to reply to-day. Will wire when received. Cannot say definitely when reduced rate will come into operation until matters arranged.

No. 22.

Mr. WARREN to Mr. GRAY.

Melbourne, 8th November, 1892.

(Telegram.)

ALL colonies have now agreed to share liability clause five.