

12. In New Zealand the Post and Telegraph Department owns and operates the overseas radio-telegraph and radio-telephone services and performs all the work in connection with the acceptance, transmission, and delivery of cablegrams within New Zealand. The New Zealand Branch of Cable and Wireless, Ltd., deals only with the overseas transmission and reception of cable traffic. This work is performed in the company's cable station, which is located in the Auckland Chief Post Office building.

13. In due course the assets of Cable and Wireless, Ltd., in New Zealand—viz., cable terminal equipment—will be purchased from the United Kingdom Government and the ownership and operation of the cable station transferred to the Post and Telegraph Department, which will then be in a position to co-ordinate fully the inland and overseas telecommunication services of the Dominion, as they must be co-ordinated if the best service is to be given. Up to the present it has not been possible to achieve the necessary degree of co-ordination as the direct wireless services operated by the Post and Telegraph Department compete to some extent with the cable services operated by Cable and Wireless, Ltd. Until such time as the price of the shares of Cable and Wireless, Ltd., to be purchased by the United Kingdom Government is determined the cost of acquiring the terminal cable equipment in New Zealand will not be known with certainty, but it is estimated that it is not likely to exceed £65,000.

14. Steps will be taken in collaboration with the United Kingdom Government to safeguard the position of the staff now employed by Cable and Wireless, Ltd., in the operation of the Auckland cable station.

15. The Commonwealth Governments will, in due course, be invited to enter into an agreement in the form appearing in Appendix I of this paper, providing for the establishment of the Commonwealth Telecommunications Board and the implementation of the scheme recommended by the Commonwealth Telecommunications Conference.

16. Pending the implementation of the full scheme the Governments of the Commonwealth may be invited to enter into a supplementary agreement in the form appearing in Appendix II of this paper. Authority has been given for the High Commissioner for New Zealand in London to sign this agreement, if necessary, on behalf of the Government of New Zealand.

17. In conclusion, reference should be made to the agreement reached between countries of the Commonwealth and the United States at the Telecommunications Conference held in November and December, 1945, at Bermuda. The policy to be followed at this Conference had been discussed at the Commonwealth Telecommunications Conference in the summer of 1945. Full agreement was reached between the countries of the Commonwealth and the United States on outstanding telecommunication questions.