For Enclosure 5 in No. 113 see Enclosure in No. 110.

[See No. 53.]

No. 114.

The Secretary, General Post Office, Wellington, to the Secretary, Postmaster-General's Department, Melbourne.

(Telegram.)

Mr. Reynolds has informed Postmaster-General purport of your proposals for uniform penny terminal rate throughout Commonwealth on New Zealand-Australian traffic. While Sir Joseph Ward exceedingly pleased to learn that there is prospect of uniform minimum Australian rate, he altogether fails to understand why this should be conditional on our rate being reduced to one halfpenny, and he will be glad to know the reasons therefor. Local circumstances governing the handling and delivering of messages in this colony altogether overlooked. Our principal business centres much in same position as individual States Commonwealth. They extend from Auckland to southernmost part of South Island, a distance of over one thousand miles from Doubt-. Minister trusts that you will reconsider matter so far as affects our rate. and favour me with early reply.

No. 115.

The General Manager, Pacific Cable Board, Melbourne, to the Hon. the Postmaster-GENERAL, Wellington.

Sir,— Melbourne, 11th April, 1902. I forward for your information a copy of my letter of this date to the Postmaster-General, Melbourne, respecting the tariffs of the Pacific Cable Board, already approved by the New Zealand Government.

It is my present intention to open the cables for traffic on the 1st May, but circumstances may alter this date. I shall immediately wire you when the date is fixed.

I conclude you will notify Berne of the extension from Doubtless Bay to the Fijis and Norfolk I have, &c.,
C. H. REYNOLDS, Island.

General Manager to the Pacific Cable Board.

The Hon. the Postmaster-General, Wellington.

Enclosure in No. 115.

The GENERAL MANAGER, Pacific Cable Board, Melbourne, to the Hon. the POSTMASTER-GENERAL, Melbourne.

Melbourne, 11th April, 1902. I have the honour to report that the Pacific Cable Board has sanctioned the following tariffs on the various sections of the Pacific cable, which I submit for your approval:-

				Ord	linary.	British Government.	Press.
					d.	$\mathbf{d}.$	d.
Southport-Doubtless Bay	• • •	•••			3	2	1
Southport-Norfolk Island	•••				2	1	
Doubtless Bay-Norfolk Island			٠		2	1	• • •
Southport-Suva (Fiji)					7	5	3
Doubtless Bay-Suva (Fiji)					7	5	3
Norfolk Island-Suva (Fiji)					5	4	

The British Government rate would include colonial Governments.

Press messages at the reduced rates would only be sent under the usual conditions that govern

such messages, and other telegrams would take precedence of them.

It is proposed to work the cables generally under the regulations of the International Convention, as I have already reported to you. The formal adherence of the Pacific Cable Board to the International Telegraphic Union is a matter that may, I think, stand over for the present. On my return to London it would be time enough for the Board to go into the question. Meanwhile the views of your Government on this point might be communicated to the Board. The only difficulty of the Board becoming a full member of the International Telegraphic Union lies in the fact that the Eastern Extension Company does not so belong, and therefore in the matter of changes of its tariffs, and in other particulars, it is not bound by the regulations of the Conven-

8—F. 8.