

No. 33.

The Right Hon. the PRIME MINISTER to the HIGH COMMISSIONER.

(Telegram.)

Wellington, 1st September, 1905.

CABLE Conference: Your cable twenty-third July [not printed] only deals with proposed pooling. Nothing definite important questions, such as reduction Commonwealth terminal rate and Commonwealth Eastern agreement, and amendments suggested by Conference. Nothing known how Pacific cable secure twelve thousand additional revenue and save nine thousand repairing ship. Desire know how this arrived at, and what Eastern Company to receive in return. Communicate substance this to Chairman Board. Is Canada against pooling?

No. 34.

The Hon. the POSTMASTER-GENERAL, Wellington, to the Hon. the PRIME MINISTER, Commonwealth of Australia.

(Telegram.)

Wellington, 6th September, 1905.

JUST received following cable from Sir Sandford Fleming: "See my report Conference. Delay from causes beyond my control. Important facts are disclosed." This confirms my opinion that we ought to have fuller particulars before committing ourselves to any definite action. Report not yet reached me.

[P.C. Rates 05/73.]

No. 35.

The CHAIRMAN, Pacific Cable Board, London, to the Right Hon. the PRIME MINISTER.

(Telegram.)

London, 7th September, 1905.

REEVES has given me your message. Proposed arrangement with Eastern contemplates as basis for division of earnings that Pacific cable should carry about 160,000 words more than it is carrying if it had not been for arrangements between Commonwealth and Eastern Company. Then 160,000 words at 1s. 6d. average share of Board's receipt on each would represent £12,000 a year, which would be paid by Eastern to Board. Company offer to buy Board's repairing ship and execute repairs for Board at a rate of about £175 a day. This would enable Board to reduce capital by £50,000, value of ship, saving roughly £1,750 annually interest and sinking fund. Would also enable it to save cost of maintenance and renewal fund on ship, together at least £16,000 a year. Board would propose, if this arrangement is effected, to set aside £9,000 annually to provide for possible repairs of cable, which we believe would on an average be sufficient, saving £17,750, less repair fund £9,000, leaving net saving roughly £9,000. Additional advantage to Board that the whole arrangement would run for twelve months if cable was broken. Main advantage to Eastern closing of offices in Australia and consequent saving of expenses.

[P.C. Rates 05/132.]

No. 36.

The HIGH COMMISSIONER to the Right Hon. the PRIME MINISTER.

(Telegram.)

London, 12th September, 1905.

CHAIRMAN of Cable Board very anxious for reply to message sent in my telegram of 1st August [not printed] for information of Board. Meets on 14th September.

[P.C. Rates 05/87.]

No. 37.

The Right Hon. the PRIME MINISTER to the HIGH COMMISSIONER.

(Telegram.)

Wellington, 21st September, 1905.

FOR Chairman Board: New Zealand Government opposed to pooling proposal, and strongly of opinion Pacific cable should remain entirely independent of Eastern Company, remembering factors which caused State cable to be established. In any case, the concessions offered by them are not worth considering when the £21,000 is divided between contributing Governments. A ten-per-cent. normal increase annually would more than cover the £12,000 in three years. My Government of opinion Board should adopt vigorous policy Australia, and have separate offices Sydney, Melbourne, and separate wires. Expense far more than covered by increased receipts.

[P.C. Rates 05/136.]

No. 38.

The Hon. the POSTMASTER-GENERAL, Wellington, to the PRIME MINISTER, Commonwealth of Australia, Melbourne.

(Telegram.)

Wellington, 21st September, 1905.

OFFICIAL report Pacific Cable Conference received. Not yet advised, however, Eastern Company's actual position *re* pooling. Stated principal saving would be on closing Australian offices. Only 160,000 additional words annually for twelve years not worth considering. Ten-per-cent. increase traffic exceed £12,000 in three years. Fifty per cent. New South Wales and Victorian traffic would mean £23,000 a year additional revenue to Pacific cable. Estimated saving £9,000 a year