

I feel confident that my Board will welcome the action now taken by the New Zealand Government, as it will considerably strengthen their hands in the efforts made to place the connection across Canada in such a state as will enable the Pacific cable to compete on a more equal footing with that of the rival route.

I sincerely hope that Sir Joseph Ward's communications will result in action being taken in the near future to remove the greatest of our disabilities.

I have, &c.,

J. MILWARD,

Manager in the Pacific.

The Secretary, General Post Office, Wellington.

[P.C. Constr. 09/53.]

No. 8.

The Hon. the PRIME MINISTER OF THE COMMONWEALTH, Melbourne, to the Right Hon. the PRIME MINISTER, Wellington.

SIR,—

Melbourne, 5th January, 1910.

In acknowledging the receipt of your letter of the 18th November, relative to the question of the provision of a State-owned land-line across the Dominion of Canada, to be worked in co-operation with the Pacific cable, I have the honour to inform you that this Government concurs in such a proposal, and our representative on the Pacific Cable Board has been advised accordingly.

I have, &c.,

The Right Hon. the Prime Minister of the Dominion of New Zealand.
Wellington.

A. DEAKIN.

[P.C. Fin. and Constr. 10/7.]

No. 9.

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

(Telegram.)

London, 6th January, 1910.

YOUR letter of 18th November addressed to the Prime Minister of Canada: Terms proposed, Pacific Cable Board to pay Canadian Pacific Railway \$55,000 per annum for exclusive use of line from Montreal to Bamfield; railway company to supply and maintain a copper wire two hundred and ten pounds per mile, also to grant, if available, free of charge office accommodation for Pacific Cable Board staff at Montreal, and all Pacific Cable Board repeating-stations and other minor details. This will entail further annual expenditure of £6,700 for one year, and following year about £4,500, based on present receipts, reduced annually if traffic increased. Have reason to think that arrangements being made on these lines, and it appears to me most practical way of meeting difficulty. Have you any objection?

[P.C. Fin. and Constr. 09/55.]

No. 10.

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

(Telegram.)

London, 6th January, 1910.

YOUR letter eighteenth November respecting Canadian land-line: Board's Manager just returned from Canada, where he has been negotiating terms with Canadian Pacific Railway for the lease to Board of exclusive use of wire to be operated by Board's staff between Montreal and Bamfield. Yesterday the Board considered and approved the terms, and are prepared to conclude agreement for five years unless you desire to press your suggestion on the partner Governments. The Board's scheme should provide an efficient service at much less cost than for a new Government line, and without delay, and they much hope you may consider this arrangement would satisfactorily meet the object you have in view. Please cable reply.

[P.C. Fin. and Constr. 09/54.]

No. 11.

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

(Telegram.)

Wellington, 7th January, 1910.

WHILE I am of opinion that the land-line owned by the several respective countries will be preferable, I concur in the proposal for five years, as it will give time in the interval to endeavour to have the requisite co-operation secured to bring about a State-owned line.

No. 12.

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

(Telegram.)

Wellington, 10th January, 1910.

AGREE with the proposals, providing it is limited to five years. It will give time in the interval to endeavour to arrange for our own line, which I think is much preferable; but the present arrangement is satisfactory in the meantime.

[P.C. Fin. and Constr. 09/58.]