

its fullest extent. I at once communicated the contents of your letter to the London Manager and Secretary of the Pacific Cable Board; but the matter was one that had been under the consideration of the Board when the Commonwealth Postmaster-General first made his suggestion, and again later.

The fact is, the companies controlling the Atlantic and trans-Canadian services are not disposed to make reductions for deferred cables. This can only be satisfactorily done when these services form part of the all-red system.

The present position of the matter is shown in the annexed copy of letter from the London Manager and Secretary and its enclosures.

The Right Hon. the Prime Minister, Wellington, New Zealand.

I have, &c.,

WM. HALL-JONES.

[P.C. Rates 10/7.]

Enclosure in No. 17.

The LONDON MANAGER AND SECRETARY, Pacific Cable Board, to the HIGH COMMISSIONER.

SIR,—

Queen Anne's Chambers, London, S.W., 6th January, 1910.

I thank you for your favour of the 4th instant [not printed] covering a letter from your Government relating to a proposal made by the Postmaster-General of the Australian Commonwealth on the subject of "deferred" cable rates.

I would remind you that this matter has twice been discussed by the Board, and that it formed the subject of a conference of telegraph administrations, regarding which I submitted a report.

After the refusal of the Atlantic cable companies to offer special rates for deferred traffic, the matter was discussed at the meeting of the Board held on the 31st August, with the result that—

"Mr. Coghlan suggested that the Canadian Pacific Railway be asked whether they would transmit Marconi telegrams at same rate as present messages, the idea being to use the Marconi system for deferred telegrams or plain English."

I now send a copy of the correspondence that passed between the Manager of the Canadian Pacific Railway Telegraphs and myself on this subject.

You will observe that not only is it not at present possible to secure a reduction on the trans-Canadian rate for these messages, but that a specially high rate will be applied to this traffic.

The question of securing a lower rate is therefore dependent on the outcome of negotiations now in progress with the Canadian Pacific Railway.

I have, &c.,

A. S. BAXENDALE,

London Manager and Secretary.

Hon. W. Hall-Jones, High Commissioner for New Zealand, 13 Victoria Street, S.W.

Sub-enclosure No. 1 to Enclosure in No. 17.

The LONDON MANAGER AND SECRETARY, Pacific Cable Board, London, to the MANAGER, TELEGRAPHS, Canadian Pacific Railway, Montreal.

SIR,—

The Pacific Cable Board, Queen Anne's Chambers, S.W., 4th September, 1909.

I am instructed by my Board to ask whether your company would be prepared to grant a reduced rate for deferred plain-language messages handled by the Marconi Company and transiting Canada.

It has been proposed that if the Marconi Company can, with their new installations, provide a reasonably good service for plain-language traffic across the Atlantic, the Board might tentatively introduce a deferred rate; but before doing this it would be necessary to secure a low transit charge between the Marconi station and Bamfield.

Previous correspondence would seem to show that your company has been unfavourable to the concession of Press rates for Marconi Press traffic; but, no doubt, this is due to the fact that the Marconi service has hitherto been restricted and irregular.

My Board is also unwilling to associate itself with any irregular service, but may possibly wish to take advantage of the Marconi system if a much-improved service is secured by the new plant that is being installed in Ireland and Nova Scotia. There would seem no probability at present of the establishment of a reliable wireless transatlantic service for code traffic, but there seems no good reason to suppose that a fairly reliable service for plain language (or plain English) traffic could not be maintained, and if low rates for such traffic were made by all the Administrations concerned, it would be possible to meet (experimentally) the demand for a deferred plain-English rate, and to see whether, with restrictions which would be imposed, a new class of traffic could be fostered and established.

I have, &c.,

A. S. BAXENDALE,

London Manager and Secretary.

James Kent, Esq., Manager, Telegraphs, Canadian Pacific Railway Company, Montreal.

Sub-enclosure No. 2 to Enclosure in No. 17.

The MANAGER, TELEGRAPHS, Canadian Pacific Railway, Montreal, to the LONDON MANAGER AND SECRETARY, Pacific Cable Board, London.

SIR,—

The Canadian Pacific Railway, Montreal, 16th September, 1909.

I beg to acknowledge the receipt of your letter of the 4th instant, asking if the Canadian Pacific Railway will grant reduced rate for deferred plain-language messages by the Marconi Company, and transiting Canada. The Marconi Company up to the present time has not been able to maintain any kind of a continuous service with Canada.