No. 103.

New Zealand, No. 10.

My Lord.

Downing Street, 3rd January, 1913.

With reference to my telegram of the 1st instant, I have the honour to transmit to you, for the information of your Ministers, a copy of a letter from the General Post Office giving particulars of the reductions in cable rates which came into force on the 1st instant. I have, &c.,

L. HARCOURT.

Governor the Right Hon. the Earl of Liverpool, K.C.M.G., M.V.O., &c.

Enclosure.

General Post Office, London, 31st December, 1912. SIR.-

With reference to your letter of the 13th December (37769/1912), I am directed by the Postmaster-General to say, for the information of the Secretary of State for the Colonies, that the following reductions in the transatlantic cable rates will be brought into force on the 1st of January:

(i.) A reduction of 1½d. a word in the charge for deferred (half-rate) telegrams for Canada, New-

foundland, and the United States.

(ii.) A reduction in the charge for day-cable letters (to be known in future as "night-cable letters") from 6s. for twenty-one words to 3s. for thirteen words for messages to be delivered by telegraph in the east of Canada and the United States. The rates for the more distant places have also been reduced. The period of delay has been decreased, and the messages will be delivered on the day after despatch instead of the second day after despatch.

(iii.) For week-end cable letters the charge will be 4s. 6d. for twenty-five words, instead of 6s. for thirty-one words, and the messages will be delivered on the Monday after the week in which they are

sent instead of on the Tuesday.

The Western Union Company, with whom these arrangements have been made, undertook to make

corresponding arrangements for traffic sent over the Pacific cable.

After considering the matter the Pacific Cable Board decided to make no reduction in the charges for deferred (half-rate) telegrams, and not to adopt the system of night-cable letters. The Board have, however, arranged a system of week-end cable letters with Australia and New Zealand at a charge of 18s. for twenty-four words and 9d. per word beyond twenty-four. These messages must be received by Saturday night, and will not be delivered before the following Tuesday. Full particulars of the service are given in the accompanying extract from the Post Office circular.

As regards this service, it should be mentioned that the arrangements, to some of which it is understood the Australian Post Office has objected, were drawn up by the Pacific Cable Board and the Eastern Telegraph Company, and that the Post Office has no responsibility for the service beyond arranging for the transmission of the messages either by post or by telegraph within this country.

The arrangements detailed above have only been completed within the last few days.

On the 1st September last the Western Union Company reduced the rate for ordinary Press telegrams to Canada, Newfoundland, and the United States by 11d. per word, and decreased the period of delay for deferred Press telegrams. It was arranged that these concessions should also be available for Pacific traffic; and the Pacific Cable Board reduced the rate for Press telegrams to Australia and New Zealand from 9d. to $7\frac{1}{2}$ d. per word. The Board decided that the arrangements for reducing the delay on deferred Press telegrams were not suitable for adoption in their service.

The Under-Secretary of State, Colonial Office.

I have, &c., A. F. KING.

No. 104.

New Zealand, No. 21.

Downing Street, 8th January, 1913. My Lord,-

I have the honour to acknowledge the receipt of Lord Islington's A.-1, 1913, despatch, No. 165, of the 11th October last, on the subject of the carrying of colours by regiments of the New Zealand Territorial Force.

2. I referred Lord Islington's despatch to the Army Council, who have informed me that they see no reason why the 11th New Zealand Regiment should not be permitted to retain its original title of "Taranaki Rifles," and to keep possession

of the private colours presented to it by the ladies of Taranaki.

3. The Army Council, however, point out that it would be contrary to the custom of the British, or indeed of any army, for a Rifle battalion to carry a colour on parade, and that they would therefore be unable to support the application for sanction to depart from a time-honoured principle, which is prized by Rifle regiments as a distinction marking the difference which originally existed between their duties and those of other Infantry regiments. With regard to the reference made in the