

TERMINAL RATES.

No. 3.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR.
My Lord,—

Downing Street, 1st August, 1913.

With reference to Mr. Lyttelton's despatch of the 3rd August, 1905 [not printed], I have the honour to transmit to Your Excellency, to be laid before your Ministers, the accompanying copy of a letter addressed by the Chairman of the Pacific Board to the Lords Commissioners of His Majesty's Treasury, forwarding a memorandum on the subject of the terminal rates charged on Pacific-cable traffic in the Commonwealth of Australia and New Zealand respectively.

2. The Lords Commissioners of the Treasury desire to point out, as regards the statement made in paragraph 5 of the memorandum, that it cannot be assumed that the revenue derived by the Imperial Post Office, directly and indirectly, in respect of Pacific-cable traffic, amounts even approximately to $\frac{1}{2}$ d. a word on the total Pacific-cable traffic with the United Kingdom.

3. The Lords Commissioners also express the opinion that either of the arrangements suggested in paragraphs 11 to 14 of the memorandum would be more equitable to the taxpayers of this country than that at present in force.

4. I shall be glad to receive an intimation of the views of your Ministers upon the questions raised in the memorandum.

I have, &c.,

L. HARCOURT

Governor His Excellency the Right Hon. the Earl of Liverpool, K.C.M.G., M.V.O., &c
[P. & T. 11/68.]

Enclosure in No. 3.

The CHAIRMAN, Pacific Cable Board, London, to the SECRETARY, His Majesty's Treasury, London.
SIR,—

Queen Anne's Chambers, London S.W., 27th November, 1912.

I have the honour to acquaint you, for the information of the Lords Commissioners of His Majesty's Treasury, that the Postmaster-General of New Zealand has recently drawn attention to the inequality of the terminal rates charged on Pacific-cable traffic in Australia and New Zealand respectively [see F.—8, 1913, Nos. 25–27], and has asked that "the matter may be looked into with a view to determining whether some concession cannot be made to the New Zealand public."

The question thus raised is not a new one. It was discussed with considerable animation at the time when the Pacific cable was first opened for traffic, in 1902–3, both by this Board and by the several Governments interested in the cable; and it was also considered by the Pacific Cable Conference which sat in 1905 [see F.—8, 1906, No. 29] under the presidency of Mr. Secretary Lyttelton. Now that it has been revived, my Board feel that, while it may constitute a legitimate subject of discussion between the Governments interested in the cable, it does not lie with us to do more than to invite their attention to the views expressed by the New Zealand Government, and to offer such assistance as we can towards the consideration of them by recalling the facts and past history of the question, and by indicating such solutions of it as appear to us to be deserving of examination.

I have accordingly been authorized to forward to you copies of a memorandum which has been drawn up with this latter object, and to suggest that, should their Lordships be so pleased, they should move the Secretary of State for the Colonies to communicate it to the Governments of Canada, Australia, and New Zealand, with such expression of opinion on the subject as may commend itself to His Majesty's Government.

I have, &c.,

H. W. PRIMROSE, Chairman.

The Secretary, His Majesty's Treasury, Whitehall.

Sub-enclosure to Enclosure in No. 3.

MEMORANDUM OF SIR HENRY PRIMROSE, CHAIRMAN, PACIFIC CABLE BOARD.

AUSTRALIAN TERMINAL RATES.

1. IN May last our Manager in the Pacific received from the Secretary to the New Zealand Post Office the letter of which the following is a copy :—

General Post Office, Wellington, 7th May, 1912.

SIR,—

International Cable Messages.

I have the honour to inform you that the Hon. Mr. Ell, Postmaster-General, has been looking into the question of terminal rates, and is not at all satisfied that the charge for cable messages to and from New Zealand should be the same as to and from Australia, seeing that the Commonwealth Government receives a terminal rate of 5d., while New Zealand receives 1d. only. I am therefore directed to ask that the matter be looked into, with a view to determining whether some concession cannot be made to the New Zealand public. I should be obliged if you would favour me with any information you have on the subject.

I am, &c.,

(Sgd.) D ROBERTSON, Secretary.

The Manager in the Pacific, Pacific Cable Board.