

minimal charges, less the amount chargeable at urgent inland rates, be included in the Pacific Cable accounts, and is of opinion that Australia should be urged as a matter of equity to accept this proposal.

I have, &c.,

ARTHUR.

The Right Hon. Lewis V. Harcourt, M.P., Secretary of State for the Colonies.

No. 32.

New Zealand, No. 198.

MY LORD,—

Downing Street, 8th May, 1914.

With reference to my despatch, No. 47, of the 30th January, I have the honour to transmit to Your Excellency, for the information of your Ministers, copy of a letter from the General Post Office on the subject of the recommendations in regard to telegraph matters contained in the Second Interim Report of the Dominions Royal Commission.

I have, &c.,

L. HARCOURT.

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

Enclosure.

SIR,—

General Post Office, London, 30th April, 1914.

I am directed by the Postmaster-General to say, for the information of the Secretary of State for the Colonies, that he has had under consideration the recommendations in regard to telegraph matters contained in the recent Interim Report of the Dominions Royal Commission, and he thinks it may be convenient to the Secretary of State to have the following observations on the proposals from the point of view of the Post Office.

The recommendations of the Commission are:—

Reduction of Ordinary Rate to Australia and New Zealand.

The ordinary rate from the United Kingdom to Australia is 3s. a word, and of this sum 5d. a word accrues to the Australian Post Office. For the sake of uniformity the rate to New Zealand has been maintained at 3s. a word, although the New Zealand Post Office charges only 1d. a word for dealing in New Zealand with telegrams passing over the cable. The Commission suggest that the Australian Post Office should reduce its charge from 5d. to 1d. a word, and thus enable the rate to Australia and New Zealand to be reduced to 2s. 8d. This Department has long been of opinion that the Australian charge of 5d. was unduly high, but it cannot say whether a rate of 1d. would be adequate.

Establishment of a Service of Cable Letter-telegrams (other than Week-end Letter-telegrams).

The Commission recommend that a service of cable letter-telegrams should be started between the United Kingdom and Australasia, on the lines of the existing service between the United Kingdom and North America, under which telegrams in plain language are accepted at about quarter-rates for delivery next day. The Atlantic companies are prepared to co-operate in a service of the kind with Australasia, but the Pacific Cable Board has hitherto objected on financial grounds. The effect which a service of the kind would have on the revenue of the Board is not a matter on which the Post Office can form an opinion.

Improvement of the Existing Week-end Letter-telegram Service.

Week-end letter-telegrams to Australasia cost at present 18s. for twenty-four words, plus 9d. for each word beyond twenty-four. This charge covers transmission by post to the cable office in this country, by telegraph thence to the cable office in Australia or New Zealand, and then by post to destination. The public have an option of telegraphic transmission to and from the cable office at either end on payment, in addition, of the inland telegraph rate of each country. This arrangement has proved troublesome to work and difficult for the public to understand, and the Post Office has been trying for some time to arrange with the Pacific Cable Board and the cable companies for the present rate of 9d. a word to cover transmission by telegraph at both ends when necessary to prevent delay. The principle has now been accepted, and the arrangement will come into operation on the 1st May. It has also been arranged that the minimum charge shall be reduced from 18s. covering twenty-four words to 15s. covering twenty words.

These arrangements meet to some extent two of the recommendations of the Commission, namely: (a) That letter-telegrams be transmitted by telegraph throughout; and (b) that the minimum number of words be reduced from twenty-four to twelve.

The other recommendations of the Commission on this subject are: (c) That the charge per word be reduced from 9d. to 6d.; (d) that the telegrams be delivered on Monday instead of Tuesday as at present; and (e) that "the vexatious and annoying formalities with which deferred telegrams and letter-telegrams are surrounded should be abolished, and that no extra charge be made for the service communications indicating the nature of these messages."