

Telegram from the Right Hon. the PRIME MINISTER OF NEW ZEALAND to the Hon. the ACTING PRIME MINISTER, Wellington.

28th July, 1918.

WOOL: With reference to your telegram of 18th June, after conference on several occasions with representatives of Imperial Government: In addition to offer contained in telegram from Secretary of State for the Colonies of 6th June, modified in accordance with New Zealand conditions and to meet objections which I raised, representatives of Imperial Government now suggest that it may be acceptable to Imperial Government to agree that instead of receiving half-profit actually realized New Zealand wool bonus to New Zealand should be calculated on basis of profits realized on Australian purchase, so that in effect New Zealand will receive bonus exactly at the same rate per pound wool delivered under new contract as is paid to Australia. I think that this is improvement on previous arrangement. Please submit to representatives of producers and telegraph reply with least possible delay.

Telegram from the ACTING PRIME MINISTER, Wellington, to the Right Hon. the PRIME MINISTER OF NEW ZEALAND, London.

2nd August, 1918.

WOOL: With reference your telegram 28th July, I met Dominion Wool-growers' Committee to-day with reference basis for calculation of wool profits, and committee passed following resolution: "That this committee, not having definite information of the position in Australia, is satisfied to leave matter in hands of Prime Minister to do best he can in interests of wool-growers."

Telegram from the Right Hon. the PRIME MINISTER OF NEW ZEALAND, London, to the ACTING PRIME MINISTER, Wellington.

8th August, 1918.

WOOL: Propose to send following letter to Director-General Supply, representing Imperial Government: "With reference to our recent conference respecting arrangements for purchase New Zealand wool, desire on behalf of New Zealand Government inform you that we are willing to dispose of New Zealand wool-clip to His Majesty's Government for the duration of the war and for one full year commencing 30th June after the termination of hostilities, present prices based on 55 per cent. over 1913-14 basis, to be continued without any change. Imperial Government to pay any increase due to handling charges if rendered necessary. Basis price to be final with regard to wool used for British Government purposes, but with regard to wool sold for other purposes the bonus per pound to be paid New Zealand resulting from the profits actually realized to be calculated on basis of profits realized on the Australian purchase." New Zealand concurrence desired.

Letter from the CONTROLLER OF IMPERIAL GOVERNMENT SUPPLIES, Wellington, to the DIRECTOR OF ARMY CONTRACTS, London.

10th August, 1918.

DEAR SIR,—

*Profits on Wool.*

I have pleasure in acknowledging the receipt of your letter dated 3rd June, 124/Wool/33/R.M.I.A., and am greatly obliged to you for the information you have been so good as to furnish on the above subject.

The difficulties experienced in arriving at a settlement of the matter and the necessity for proceeding with discretion are quite appreciated, and I shall look forward with much interest to receiving in due course particulars of the procedure to be adopted in ascertaining the amount returnable to the New Zealand growers.

The question of the method of distributing to growers the amount which may become available has not yet been very closely considered by this Department, as it is possible the growers themselves as a whole may have some request to make as to the disposal of the money; but at the moment a *pro rata* distribution on the basis of the value of wool purchased from growers under the requisition would appear to be an equitable and convenient plan to apply to the wool purchased to the end of the present season.

From the negotiations which are now approaching finality with regard to further purchases of wool it would appear that the profit-sharing arrangements are to be on a more generous scale than hitherto. Consequently it would seem desirable that if possible the profits realized on the purchases to the end of this season should be shown distinct from those to be realized on future purchases.

Yours, &c.,

R. TRIGGS, Controller.

The Director of Army Contracts, War Office, Imperial House,  
Tothill Street, Westminster, London.

Letter from the Right Hon. the PRIME MINISTER OF NEW ZEALAND to ANDREW WEIR, Esq.,  
Surveyor-General of Supply, War Office.

Prime Minister's Office, Savoy Hotel, W.C. 2, 13th August, 1918.

DEAR SIR,—

With reference to our recent conference respecting arrangements for the purchase of New Zealand wool, I desire, on behalf of the New Zealand Government, to inform you that we are willing to dispose of the New Zealand wool-clip to His Majesty's Government for the period of the war, and