

It is now recognised that cables laid in a depth, varying from 30 to 100 fathoms, are seldom broken, and can be easily repaired; the processes of insulating, covering, shipping, and laying cables have, moreover, made immense progress, and the importance of detailed sounding is now fully recognised. All this has been strikingly exemplified by the success of the Malta and Alexandria cable.

The manufacture of the Persian Gulf cable is proceeding rapidly, and the communication between England and India is expected to be completed by the end of this year.

As you are aware, the promoters have adopted the Overland Telegraph between Brisbane and the South Eastern portion of Gulf Carpentaria; thus reducing the length of the sea line from East Java to that point to 1,830 nautical miles, the total capital required to £710,000, and the subsidy to £35,500 per annum.

You are also aware that many persons in South Australia desire to see the terminus of the sea line fixed at Cambridge Gulf on the Northern Coast, thereby reducing the length of the sea line to 1,030 nautical miles; but necessitating the construction of a land line between Cambridge Gulf and Spencer Gulf on the Southern Coast. The land line proposed by Queensland will traverse a direct distance of 1,060 statute miles; that advocated in South Australia, a direct distance of 1,413 statute miles. The actual mileage of wire will of course be immensely in excess of length in each case, but I take direct distances for the convenience of comparison.

The land line, therefore, advocated in South Australia, will be nearly half as long again as that adopted by the promoters; moreover the latter will traverse a country in which there are already settlements to within less than 300 miles of Gulf Carpentaria, whilst in South Australia the cattle stations do not extend beyond Cooper's Creek, which is 1,250 miles in a direct line from Cambridge Gulf.

I will here observe that neither in South Australia nor in Queensland is it contemplated that New South Wales, Victoria, Tasmania, and the other contributing Colonies shall be spared any outlay by shortening the sea line, and reducing the annual subsidy to the Company; since, I find that the Governments of both the former Colonies claim the co-operation of the others in constructing and maintaining a considerable portion at least of the land lines.

As the cables can be laid between India and Australia in less than two years from the granting of the subsidies, the promoters must of course see that the land line that is adopted can be constructed within that time, and can be afterwards efficiently maintained.

So important a communication as that in question cannot be left to depend upon an insecure line.

It is to be regretted that so many persons are attempting to make the Telegraph the vehicle for preparing the country they are interested in for pastoral occupation, to the detriment of the direct object. I think it my duty to make these general observations; but I must add, that so far as my late communications with the Government of South Australia have proceeded, they completely satisfy me that the Executive of that Colony are prepared to adopt the land line which the majority of the Colonies agree in, and not unduly to insist upon their own; and it may be that, in pointing out the superiority of the line through Queensland, I am only stating what will meet with universal assent.

I trust, Sir, that you will see that this most important question is making rapid progress, and that the time has arrived for giving definite instructions and powers to the agents representing the Colonial interest in England, to treat with those who are quite prepared to carry out the work on receiving certain definite assistance.

I have, &c.,

F. GISBORNE.

Governor Sir George Grey, K.C.B.

Enclosure to No. 7.

SIR CHARLES NICHOLSON TO THE RIGHT HONORABLE THE CHANCELLOR OF THE EXCHEQUER.

5, Cleveland Row, St. James, S.W.,
6th March, 1863.

SIR,—

The Deputation connected with the Anglo-Australian and China Telegraph, which had the honor of waiting upon you on the 27th ultimo, with the special object of ascertaining whether Her Majesty's Government would co-operate with the several Australian Governments in carrying out the Java-Queensland Section, as part of the Line between India and Australia, were invited by you to state in writing the result of previous negotiations on the subject, and the amount and nature of the assistance which Her Majesty's Government is expected to give.

I have, therefore, the honor to recapitulate that, as regards the first Section of this Telegraphic System, viz., the Line between Rangoon and Singapore, the Promoters have been informed by the Secretary of State for India that he cannot entertain any proposition for its execution until the Treasury shall assist in carrying out the extension to Australia.

The next link in the chain, viz., the Line between Singapore and Java, has lately been subsidized by the Netherlands Government, but it is on condition that it shall only be carried out contemporaneously with the Rangoon-Singapore Telegraph.