

Since then I have made some hasty inquiries, and the result, which at present is somewhat crude, is embodied in the enclosed letter from a practical telegraphist, Mr. Passmore, to myself.

Her Majesty's Government will, I doubt not, open the line to public competition; and it is to be hoped that the Dutch Government will not mar such a proceeding by granting to any person the exclusive permission to land submarine cables on their Island.

I have no desire to appear further in this matter, or to trouble your Grace upon it.

I have, &c.,

G. S. WALTERS,

Agent General.

His Grace the Duke of Newcastle, K.G.

MR. PASSMORE TO MR. WALTERS.

90, Cannon-street, London,

26th February, 1863.

DEAR SIR,—

With reference to our conversation of this morning, I think it is highly important that the Government should well consider the various routes before committing itself to any scheme for telegraphic communication with the Australian Colonies.

Mr. Gisborne's scheme is for a submarine line from East Java to Moreton Bay, a distance of 3,024 knots, at an estimated outlay of £1,000,000.

Since that scheme was originated, Mr. Stuart has crossed the continent three times, planting a flag on the north coast, near Cambridge Gulf, and he reports most favourably of the major part of the country, which he has now traversed three years consecutively.

The country is being speedily occupied, and everything tends to prove the practicability of a land-line across the continent, with a submarine line to East Java.

What I should suggest as a proposal to be made (without going into detail) would stand thus, viz. :—

Submarine Cable from North Coast to East Java . .	940 miles.
Land Section	1,480 miles.
Total . .	2,420 miles.

A report and estimate of the cost of this cable and land-line has been prepared, and it may be relied on, I think, that it could be completed for under £500,000, or for one half the cost of Mr. Gisborne's scheme, with a saving of 1,000 miles in the length of sea-line.

It should be suggested to the Dutch Government to grant no exclusive concession for the landing of cables in the Island of Java.

I have, &c.,

WM. B. PASSMORE.

G. S. Walters, Esq., Agent-General for South Australia.

P.S.—If Mr. Gisborne alters his plan, and proposes to carry his submarine cable from East Java to the Gulf of Carpentaria only, being a distance of 1855 miles, at the diminished cost of £710,000, then I would suggest, as against this proposal, that the cable be carried to a nearer point on the north Coast, distance only 940 miles, and at a cost of £235,000, thus saving 915 miles of sea-line and £475,000 of money.

MR. WALTERS TO SIR F. ROGERS, BART.

Office of Agent-General for South Australia,

5, Copthall Court, 19th March, 1863.

SIR,—

I have the honor to acknowledge your letter of the 16th instant.

The kind expressions of his Grace the Duke of Newcastle, embolden me to bring to a conclusion what I am desirous of saying with respect to Telegraph communication with the Australasian Colonies, after having made further inquiry.

1. Let me restate that I was impelled to address his Grace from the urgency of the moment, as I perceived that a number of respected colonists had consented to accompany Mr. Gisborne to the Chancellor of the Exchequer, the object of Mr. Gisborne being, as I believed, to promote one or other of his two schemes, both of which appeared to me most undesirable in the interests of Her Majesty's Government, and of every one of the colonies.

2. And for the following reasons :—That on the 1st scheme of 3,000 miles (nautical) to cost about a million sterling, no less than 2,000 miles might be saved.

That on the 2nd scheme of about 2,000 nautical miles of cable to cost about £710,000, 1,000 miles might be saved ;

That on the calculated price of about £380 per nautical mile, about £150 more or less might be saved ;