

General Post Office,

Wellington, 30th August, 1867.

SIR,—

I have the honor to submit, for the information of your Excellency, the following Report on the Telegraph Service of New Zealand for the year ended 30th June last.

I regret to state that the working of the Department during the period in question has not been satisfactory either to the Government or the public. With a view of ascertaining the real causes of the irregularities of which frequent complaints have been made, I have myself inspected the greater part of the Telegraph Lines, and nearly all the Telegraph Stations in the Middle Island. The stations may be said to be in good order; but the line itself is in a very unsatisfactory condition. It has, in some places, been badly laid out, and in most instances, it has been constructed of very unsuitable timber. The portion of the line between Woodend and Blenheim, which has only been in operation for two years, is already so much decayed, that its immediate reconstruction is indispensable, and nearly the whole of the remainder of the line in the Middle Island will have to be renewed within the next two years. This is the more to be regretted, as the large increase which has taken place during the past year in the receipts of the Telegraph Department shews how largely the use of this means of communication already enters into the business operations of the Colony, and how serious may be the inconvenience which must result from the unavoidable interruptions which will take place during the process of reconstruction.

Some changes have been effected during the year in the management of the Department, which have been attended with very beneficial results; it is possible that further alterations will be found necessary.

In October last the line of Telegraph constructed by the military authorities from Auckland to the Waikato, was transferred to the Colonial Government, and has since been managed for this Department by Mr. Weaver, the Provincial Engineer of the Province of Auckland. The amount to be paid to the Imperial Government for the line, plant, &c., was settled by valuation at £2276 0s. 9d. This line will form a portion of the trunk line of Telegraph through the North Island, the construction of which has already been commenced. As mentioned in Mr. Sheath's Report, the portions of the work extending from Wellington to Napier are already either wholly or partially under contract. A careful preliminary survey which has been made of the country between Napier, Poverty Bay, and Tauranga, shews that it presents no material difficulties to the extension of the Telegraph line in this direction. On the remaining section of the trunk line, viz., that between Tauranga and Cambridge, on the Waikato, difficulties would probably be encountered at present on the part of the resident natives, but there is good reason to believe that these difficulties will not be of long duration. I propose to proceed with the erection of the line from Napier to Poverty Bay and Tauranga with as little delay as possible. The whole of the necessary wire, instruments and other material, have been ordered from England, and may be expected to arrive shortly.

As a portion of Mr. Sheath's Report appeared to me to reflect, in a manner unusual in documents of this nature, upon the administration of one of my predecessors in the office of Postmaster-General, viz., the Honorable Major Richardson, and to endeavour to throw upon that gentleman the blame of the inefficient condition in which the Telegraph Department has recently been found, I thought it just to transmit a copy of the Report to Major Richardson. He has requested me to lay before your Excellency, along with Mr. Sheath's Report, certain extracts from official correspondence between that gentleman and the superior officers of this department, which extracts will accordingly be found appended to this letter. They appear to me to furnish a complete answer to the statements of Mr. Sheath, and to show that that gentleman is by no means free from responsibility for the use of the unsuitable material which has been employed in the erection of the southern lines.

I have, &c.,

JOHN HALL,

Postmaster-General and Commissioner of
Electric Telegraphs.His Excellency Sir George Grey, K.C.B.,
Governor of New Zealand.