New Zealand Government Telegraph Department,

Wellington, 27th July, 1867. SIR.

I have the honor to forward my third annual report on the progress and working of the New Zealand Telegraph Department.

The report would have been in earlier but for the necessary delay in obtaining returns from the outlying stations.

The whole of the station returns are complete, with the exception of those of Tokomairiro, to which a small amount might be added had I time to collect a few missing returns.

I have, however, concluded it, as it is advisable to send in my report without further delay, and thus pass over the returns we shall have to compile as time and occasion permit.

I have, &c.,

The Honorable

The Telegraph Commissioner, Wellington.

ALFRED SHEATH, Telegraph Engineer.

## REPORT.

THE numerous complaints that have been made of the working of the Telegraph Department in this Colony, coupled with the energetic measures recently adopted by the Government for remedying the evils complained of, render some explanation necessary on my part, as well in justification of myself, as for the credit of the Staff generally; and I doubt not but on taking a glance at the course adopted in the working of the Department during its inauguration I can clearly shew that, had my suggestions been adopted, most of those evils would have been prevented.

## RETROSPECT.

On my first connection with Telegraphs in New Zealand, I took some trouble to ascertain the character of the different woods in the Colony, with the view of adopting the best description of timber for Telegraph posts.

The reports I received, however, were so conflicting, as to the nature and durability of New Zealand timbers, that I recommended the Canterbury Provincial Government to use blue gum, where totara could not be obtained, as both these timbers had been well tried.

I accordingly visited Tasmania for the purpose of procuring blue gum posts, and I then found that the sap wood (both of Australian and New Zealand timbers) was comparatively useless, and could not be expected to last more than four or five years under the most favorable circumstances.

I saw some blue gum saplings used as Telegragh posts near Hobart Town, that had not been in the ground more than three years, and they were completely rotted through.

Under these circumstances I addressed letters to the Postmaster-General, and to the Superintendents of Canterbury, Otago, and Southland, strongly urging them to allow of nothing but the heart of Australian snd New Zealand timbers in the construction of their Telegraphs, announcing at the same time my thorough want of confidence in the sap woods of these Colonies.

The only Government that acted upon my suggestions and took advantage of my warnings, was the Provincial Government of Canterbury; and the result has shewn how far I was right, and how well it would have been had my suggestions been universally adopted.

The totara and blue gum posts erected between the Rangitata and the Waitaki, are now as sound as when first put into the ground, while the saplings used in the other Provinces are fast falling to decay, and will require constant renewal.

Correspondence on this subject has already been laid upon the Table of the House of Representatives

during a previous session.

In concluding my annual report in 1865, I drew the attention of the Government to the desirability of appointing Telegraphists as Postmasters where the Post-offices and Telegraph Stations were combined and the business had to be performed by a single officer.

The suggestion was not carried into effect, and, on sundry complaints being made of the working of some of these Stations, I again urged the necessity of carrying out my suggestions, when I received the following reply, September 21st, 1865:—"I am further directed to inform you that it is the express desire of the Postmaster-General that the Telegraphists remain subordinate to the Postal Department, so that it will be unnecessary to revert to this subject on any future occasion.'

As the business increased, and new Stations were opened, the demand for experienced and efficient As the business increased, and new Stations were opened, the demand for experienced and emcient operators soon became apparent. I therefore hinted at requiring an increased Staff of Telegraphists, and on June 2nd, 1865, received the following reply:—"I am directed to acknowledge the receipt of your letter, reporting the progress of the working of the lines of Telegraph, and suggesting the probability of a larger Staff of Telegraphists being required, and to inform you that you are requested to be cautious in drawing inferences from the first indications; it is prejudicial to the public interests to reduce establishments, and, therefore, great caution must be exercised in creating them.

On May 20th, 1865, 1 wrote as follows:—"I have, I am sure, placed as few on this Staff (referring to the Head Office) as the nature of the duties require; but, at the outset, it will be required of all to use more than ordinary exertion; and I have no doubt as business increases the Government will be willing to accord extra assistance." "The 4th item noted as the Signals Department is a very important

"We have made an experimental commencement on the lowest possible scale of Staff employed, and we have obtained two results: -First, a knowledge that the Telegraph will more than pay its working expenses. Secondly, that the business may be extended with advantage offering increased facilities.