

4. A Conference, at which each of the Governments was represented, was held during January last in Sydney, New South Wales, for the consideration of the whole question.

5. A copy of the report, minutes of proceedings, &c., is appended hereto.

6. The resolutions adopted by the Conference included one recommending that negotiations or inquiries should be commenced, with a view to the construction of a cable to be laid between the United States and New Zealand; and it was further resolved that the Government of this colony should "enter into communication with the Government of the United States, for the purpose of procuring their assent to contribute to the payment of any subsidy that may be payable in respect" of such a cable.

7. Complying with the direction of the Conference, the Commissioner of Telegraphs suggests that this memorandum be forwarded to His Excellency the Governor, for transmission, through the Secretary of State, to the Government of the United States; and the Commissioner trusts that His Excellency will feel justified in promoting as far as possible the object of the Conference.

8. There is in these colonies, and amongst mercantile men in London, a feeling that if the route through Europe and India be chosen for the second line of telegraph, it should be secured by an essentially independent system, and not by duplications of portions of any line in operation. Dangers which affect the stability of one cable may almost equally, and at the same time, affect a second laid in the same stretch of sea, although not in proximity. Monopoly should be guarded against as far as possible. All reasons why a second line should be a separate one tell even more strongly in favour of the adoption of a totally distinct route; and by the choice of the Pacific Ocean course, from the United States southwards, not only would this advantage be most effectually gained, but a line would be secured which might reasonably be expected not to fail at the same time as one from England eastward. At present, much inconvenience results from the mutilation of messages by operators unacquainted with the English language. Freedom from such mutilation could be secured at any repeating station in the Pacific. But for its cost, this route would be preferred by all the Australasian Colonies.

9. It is understood that a cable from California to Japan, *via* the Hawaiian group, will very probably be laid. If this be done, San Francisco will be connected with Honolulu, and thus one-third of the work desired by the Conference will be completed for a separate purpose, in itself of great importance to the United States. On the other hand, English companies interested in the Eastern route are striving to obtain from the colonies a subsidy for duplicating certain lines. If those companies succeed, the question of an Australasian telegraph *via* the United States will be indefinitely postponed, although a large portion of the necessary work will (as has been said) be done by the Japan cable.

10. The Conference assumed that the Government of the United States would be disposed to concede substantial assistance towards a Pacific cable, because (putting aside all other considerations) telegraphic communication with Australasia by that route would be a great aid to commerce. The Australasian Colonies have now a population of about 2,500,000, apart from aboriginal natives. That population consumes very largely per head of many articles of food which are now, and may continue to be, imported from the United States; and it desires to use much more largely than at present many tools and labour-saving machines which the United States supplies better and cheaper than any other country.

11. The declared value of imports from the United States into the Australasian Colonies during 1875 (as will be seen from a return appended), exceeded £820,000 sterling.

12. The trade of the United States in the various Polynesian groups is understood to be large; and commerce with those islands is certainly capable of vast extension.

13. It is almost certain that were a Pacific cable completed to the north of New Zealand, the French Government would contribute liberally towards the connection of New Caledonia with the system; and it is probable that the Tahitian group would also soon be united.

14. The project of such a Pacific telegraph has been brought under the notice of citizens of the United States who were amongst the earliest promoters of the telegraph system, and who are earnest advocates of its extension. Intelligence received from the Agent General for New Zealand—who recently passed through America on his way to London—warrants the assertion that by many gentlemen of the class mentioned, as well as by merchants of New York and San Francisco, such aid as the Conference directed New Zealand to ask, would be regarded as a help to science and to trade, and as generally a wise concession on the part of the United States Government.

15. For these reasons, it is submitted that the application on behalf of the Conference deserves to be very favourably considered by the Government of the United States. The Commissioner suggests that at present only two questions should be dealt with, namely—Whether, supposing fair arrangements for the great work contemplated be found possible, the United States will contribute liberally towards its cost, by which course alone its accomplishment will be made practicable; and whether the Government will authorize the landing of the cable upon that point of its territory which may be considered best suited for the purpose.

Wellington, 9th April, 1877.

GEORGE McLEAN.

DECLARED VALUE of IMPORTS during 1875, from the United States to Australasia.

New South Wales ...	...	...	...	...	...	£203,539
New Zealand ...	...	...	...	...	...	213,492
Queensland ...	...	...	...	...	...	15,263
South Australia ...	...	...	...	...	...	28,502
Tasmania ...	...	...	...	...	...	5,583
Victoria ...	...	...	...	...	...	353,141
Western Australia (no return).						
Total ...	...	...	...	...	...	£819,520

Correspondence
respecting a
Cable from the
United States.