

74. And you think that there would thereby be duplication of communication with England, and that want would be thereby supplied?—You are going somewhat outside of my domain; but if you ask me, I would say yes, certainly.

75. Looking at it from a commercial point of view, would not your company be very glad to have that duplication?—No doubt, but does not care very much about whether you do it or not; if you make a dozen lines, then we shall be more sure of messages; but neither in the colony nor in any habitable place upon the globe can you put up a land line or a sea line, and say it is never to break—break it will.

76. *By Mr. Burns.*—Speaking of the interruptions, I want to put to you some questions upon the breakages upon the land lines. Are you aware of the number of times the line broke between Port Darwin and Adelaide?—I cannot answer you, except from the printed return handed to me by the South Australian authorities.

77. Suppose we were to agree to the offer made by the chairman of your company with regard to this duplication, and attach to that the condition that your company should duplicate the line between Penang and Rangoon?—Between Singapore and Penang?

78. Between Singapore and Penang. Do not you think we should then have up to the point of Port Darwin every reasonable prospect of non-interruptions to the communication between the colonies and England?—Most certainly, and I do not know how you could get a better one either; because, if you go to a separate line in deep water, as I have tried to explain to you, you may have an entire interruption; whereas at the worst, it is not likely that the two cables would be both interrupted together. Even if they were, it would be a mere matter of a day or two to put it in repair. But I do not think that would occur; it would be certain—that is as certain as human foresight could make it.

79. Speaking of the business received by the cable and the comparative business contributed by the different colonies, is it within your knowledge that a large portion of the telegrams received by the press by cable are received, in the first instance, in Melbourne, and then are sent from there to the different colonies?—I cannot quite tell you that; I really do not know.

80. You have not inquired into that?—No; but perhaps some of the company's agents may be able to tell you. It is worthy of notice, however, that that might be done just as well at Adelaide.

Mr. Todd.—They come both ways. A number of messages come addressed to Reuter, at Adelaide, and are repeated; and others come addressed to the *Argus*, and go to the other colonies.

81. *By Mr. Burns.*—Do you think it is probable, if the colonies agree to the duplication we have been speaking of, that the company would be in a position to reduce the charges?—If you give us the sum of money that we have asked you, you give us into one hand what we shall have exactly to pay out of the other to the people from whom we borrow the money, and not one farthing of the money will benefit the company. How we are, on that account, to reduce the charges, I fail to see. I will ask the question willingly; but if you ask my individual opinion, I tell you the simple facts.

82. With regard to your company as a commercial speculation, have you been in a position to pay a reasonable dividend to your shareholders?—We have paid 5 per cent.; but the dividend is not paid so much from the Australian lines as from the other lines.

83. I understand the dividend you pay is 5 per cent.?—Five per cent.

84. *By the Chairman.*—What is the capital of your company upon which 5 per cent. is paid?—About £2,000,000. We had a reserve fund of £127,000, which was a general reserve fund over the whole of our company's operations; but it was spent in laying the duplicate cable between Penang and Rangoon, for the general benefit of the company.

85. *By Mr. Mein.*—With regard to the telegraph—what does your company pay for the transmission of its messages from India to London per word?—Now you ask me a question I really have not the papers to answer from; but I am content to take Mr. Todd's information as printed here.

86. Three shillings and fourpence halfpenny?—Yes; but it varies from time to time according to the convention. But we may take Mr. Todd's statement as correct for the present for all practical purposes.

87. The distance from India to London is about two-thirds the distance from London to Port Darwin, is it not?—I must explain. The telegraph company from India to England bases its calculations upon the traffic it gets in India, and it keeps up the whole of its establishment for the sake of that traffic. If this company comes in and gives them further traffic, they do not increase their staff or their expenses; but all our work is pure gain; therefore they can afford to work for us at a cheaper rate than they can afford to work simply from India; and the only way we have been enabled to give you a tariff that is in any way reasonable is [that as each new company has joined the combination, so it has for the company in advance reduced its tariff less than the tariff to its own terminus.

88. *By the Chairman.*—Do you know the difference between what you pay and what they charge in India?—No, I cannot tell you now; it was all fixed long long ago, their charge to India has varied, whereas our charge has generally been a fixed one.

89. *By Mr. Todd.*—You pay about 1s. 2d. a word less I think?—Somewhere about that perhaps.

90. *By Mr. Mein.*—The point I want an explanation upon is the extraordinary difference in price between Port Darwin and India and between India and London?—That is accounted for in this way. There is a large traffic to India, whereas as we come further and further away we have to rely more and more upon the traffic of the place we go to. Had we anything additional, we could reduce the charges. We have to live upon our own traffic alone.

91. The inference is that the more work given the cheaper is the rate of traffic?—It is so within a certain limit.

92. Is not that applicable to us?—It is an extraordinary thing, but I think you will find that within a hundred messages a year the traffic has been exactly the same. The whole five years we have been in existence, the traffic has been ridiculously even, showing no great development whatever.

93. *By Mr. Todd.*—You can scarcely compare one year with another on account of the interruptions?—There was only the one interruption in that particular year. I have it down somewhere. It has been a most even traffic; but I can answer you better by the table I produce. It was the same when the Atlantic cable was first open; you could not send less than a message of twenty words, and you had to pay £20 for it. Their daily average was £750. This year they reduced to a tariff of one shilling a word, and the traffic is 1,254 messages against 29, but they only made £824 against £757.

Colonel Glover,
continued,
10th May 1878.