Colonel Glover,

94. By the Chairman.—They came down too low?—They came down too low, and we have no continued, 10th May 1878. reason to suppose that we are not at the happy medium now.

95. By Mr. Mein.—We have not made the experiment?—We find that if we once come down

it is a very difficult thing to go up again; we cannot alter.

96. The difference is so decided; it costs us twice as much to send from Adelaide to India as it costs from India to London?—If you look at this paper—you can send from London to Melbourne at the rate of less than 1d. per word per 100 miles; if you send on the Brazilian Company from London to Pernambuco or Rio Janeiro, it is $2\frac{1}{2}$ d. per word a 100 miles; from New York a little more than 1d. per word a 100 miles; from New York to Panama it is $4\frac{1}{2}$ d. per word for 100 miles; and we are under 1d. If you look at that, we are as cheap as anything that can be.

97. That is based upon a calculation from London to the termini here?—Yes.
98. What would be the calculation from the termini here to India?—I explain why you cannot expect me to charge the same rate from here to India as from India to London.

99. By Mr. Burns.—Are you prepared to make any reduction upon the current rate of charges?— I see no reason for doing so; but if the Governments subsidize us to the amount of our loss, we are

agreeable to do so; that is the general question.

100. Supposing we enter into one of the contracts we have been discussing, do you think your directors would be prepared to make a general reduction in general telegraphic charges to the colonies?-I think not upon general telegraphic messages; but I think very likely a reduction might be made upon press messages for the public.

101. And Government?—I have not asked that; but I will ask the question.

102. You draw a distinction between telegraphic messages which you think are for the whole community and private messages?-Yes.

103. You spoke about your loss; how do you estimate the loss by reduction of charges—upon what basis do you estimate it?—If you pay me so much a word, I get the present income upon the present traffic; if you pay me so much less a word, I estimate the present traffic at so much less a word, and there is a loss

104. Would not you get an increase of business upon a reduction of charges?—I do not think the reduction would be large enough—it would always cost £5 or £6, and a person considers almost as much whether he will spend £5 or £6 as if he spent £10—he would only send a message when he was going to get a profit.

105. Would you submit a proposal to the company, and tell us what reductions the company would make in prospect of subsidies, and to what amount?—I should like to know what tariff the Conference

wishes to have adopted.

- 106. Different proposals have been made to the company as to reduction of charges, both a word rate and other rates?—The word rate was not in existence at the time the reduction of charge first originated. The word rate entirely originated in the spontaneous action of the telegraphic companies; and I believe our company and the Eastern Company were the first originators of it; even upon the continent of Europe you cannot get a word rate, nor even in England. You have a ten-word rate, and it is only because the directors consulted the wishes of the public that they introduced those reductions; this liberality I think you will find arose from the public companies finding out the convenience of the public, and trying to meet it.
- 107. Have you considered what would be the probable effect upon the amount of business you would receive from the reductions, and have you considered what subsidies would be required to recoup you for those reductions?—I think a reduction of a penny a word may be considered equal to about £1,000

108. Any reduction is a very serious matter to the company?—A very serious matter.

109. By the Chairman.—I would ask you are you able to supplement the offer contained in the communication to South Australia by any statement within your own knowledge as to any concessions that the directors are prepared to make?—No; but I am quite prepared to undertake to this effect, that if the Conference would make to me any suggestions that they wish to get an answer, I shall be delighted to transmit them and get an answer for them.

110. You have no power to do anything?—I have no power but to make an offer for £32,400 a year. 111. Any modifications you will transmit?—Yes.

- 112. By Mr. Burns.—By transmission of offers I understand you to mean that you have the use of the wire and can get rapid decisions from your board in London to any offer we may make?—Yes.
- 113. By Sir Jumes Wilson.—What period of time would the company expect a subsidy to be paid for if a contract were entered into for a duplicate cable?—I should have to transmit that home.

 114. Would it be ten years or five years, or what?—That I shall have to ask.

- 115. By the Chairman.—Or whether it could be made to cease when the business reached a certain amount?-Yes.
- 116. By Sir James Wilson.—Can you suggest a shorter practical route than the one between Singapore and Port Darwin?—No; one of our principal reasons for suggesting the route that we do is its shortness and its cheapness.
- 117. By Mr. Burns.—Do you think one steamer would be sufficient between Port Darwin and Banjoewangie to keep two lines in repair?—Certainly, because I suppose the two lines would not be in disrepair at the same time; besides, they are upon the same line, and therefore she could go from one to the other.

118. The annual cost of the steamer would be, I have seen it stated, £10,000?—Yes, it would. You would have to insure and keep her in repair. We have now only one steamer altogether

119. Do you see any difficulty in laying down a cable, in the matter of repairing the cables, any danger of grappling the wrong cable?—I do not think that. When a man can go now and tell, on a fault occurring, that that fault is at a certain mile of the cable, and the captain can navigate his ship up to that and pick it up in this moderately shallow water, I do not think when that degree of science is reached that there is any reason to fear that he would pick up the wrong cable.

120. By Mr. Todd.—They would not be laid close together?—They would be some miles apart. If you look at the chart, you will see the number of cables across the Atlantic. There is a pretty good bundle, and they do not pick up the wrong one.