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C. Todd, Esq., 11th May 1878. coral island, the tide falls faster than the water can run off the island, so that the water comes bounding down the walls of the island after the tide has fallen two or three feet below. I have seen that myself; I have been through all those seas, and know the nature of the whole coast from the Roper River to Port Darwin. I have landed in many places and examined the coral reefs.

347. By Sir James Wilson.—Are you speaking of the Torres Straits now—will you draw a distinction between Torres Straits proper and the Gulf of Carpentaria?—I have not mentioned or referred

to the Torres Straits at all.

348. By Mr. Boucaut.—What is the name of the place you spoke of?—Clarence Strait; it is the strait between Melville Island and Port Darwin.

349. By Mr. Mein.—You have been speaking upon the assumption that it is possible the cable might be constructed between Port Darwin and Normantown; you have been combating that route?—Yes.

350. The remarks you have made do not apply to a route from the south of Timor either to Normantown, in the Gulf of Carpentaria, or to Cape York, at the north of the Australian continent?—I say the chief objection to that route is, that you are laying a much longer cable than you require; it is paying eighteen pence or two shillings for what you could get done for a shilling.

351. Your only objection is from an economical point of view?—An economical point of view principally; but also, every additional mile you lay, not only have you increased your cost, but you have

increased your liability to interruptions.

352. When you said economy, you had in view the capital outlay in the construction of the cable? -I had.

353. You did not take into consideration at all the cost of transmitting messages from the terminable

point of Australia to the separate capitals of Australia?—I did.

354. You said nothing about it?—I did not, because you asked me a question that led me in another direction. I put it this way. I am rather anticipating, perhaps; but it comes to this, that if you lay your duplicate cable to either Cape York or Normantown, you increase the capital cost so much as to make an additional subsidy at the same rate of interest as is asked by Colonel Glover—£15,600 a year. Now, that means, taking the amount of business done by Victoria and New South Wales—that means that Victoria shall increase her subsidy £6,000 or £7,000, and New South Wales nearly as much. There is of course a set-off to this in the lower land rate for the transmission of messages through Queensland and New South Wales to Victoria, which would reduce the amount by £4,000 or £5,000. The increased capital cost I put down at £250,000 or £300,000, if I take Colonel Glover's estimate of the cost of the cable either to Normantown or Cape York, which agrees with the offer of Mr. Gisborne some years since. You will have to pay therefore nearly £300,000 more for a cable to go either to Normantown or Cape York than you would have for a cable to Port Darwin, and that means about £15,000 or £18,000 a year more subsidy; but I am content to put it at £15,000; therefore Victoria would not have to pay any more at all events in paying the higher rate via Port Darwin, and in that case the payment is made by persons who actually use the telegraph.

355. I believe we may say in round numbers that the international words per annum are about

250,000?—Yes.

356. And that Victoria sends at least one-half?—Nearly. She sends about 0.41; a little more than four-tenths. I have a late statement here—[referring to a paper]. Last year there were 12,479 messages, of which Victoria sent 4,514.

357. Words is the best. Have you got the number of words?—The number of words unfortunately are not given in this return. I can telegraph for them and get them.

- 358. You say 0.41?—I spoke from a previous calculation, but that is very nearly borne out; but this return would not in fact come to four-tenths of the whole traffic; this would only come to 0.38 nearly.

 359. South Australia charges 1s. 3d. to Victoria for all messages that go over her lines?—She
- 360. Assuming that the ordinary intercolonial rate was charged on messages from Normantown to Victoria, she would have only to pay 2d. a word?—But you are charging more; you charge more now. New South Wales charges 3d. a word upon every international telegram.

361. But I assume that if intercolonial rates are charged?—Of course, if you reduce, South

Australia might do the same.

- 362. I ask you, upon a certain assumption, whether a certain charge would be made; assuming that the intercolonial rates were charged upon messages from Normantown to Victoria, only twopence per word would be charged?—Exactly.
- 363. Now, can you make a comparison showing the different amounts that Victoria would have to pay for international messages going by different routes ?—I could prepare such a statement; but I should take the existing rates, not assuming any reduction of rates upon either side; I should take existing rates. 364. By Mr. Boucaut.—But could you prepare a return assuming the rates suggested by Mr. Mein?

-Yes, of course I could.

365. But you explain that you would like to contrast it with the other also?—Yes. 366. But still you will do what Mr. Mein asks?—Yes, quite so.

367. Now I would just like you accurately to explain to the delegates the steps that the South Australian Government has been taking in regard to poling and insulators and other amendments of our overland line since its opening ?—In answering that question, I will first inform the Conference that I speak from practical knowledge of the state of the line as first erected and as it stands now, having personally ridden over nearly the whole of the line. There are very few miles that I have not seen. We have planted iron poles either consecutively or alternately with wooden poles from near Southport to south of the Alice Springs—a distance of over 800 miles—and funds have been provided by the Legislature for continuing the iron poles wherever they may be necessary to within a short distance of Port Augusta, or, to speak more accurately, to Beltana, from which point the line to Port Augusta will be shifted to the railway now in course of construction—a distance of 200 miles, in round numbers—that is, a total distance poled with iron poles, either consecutively or alternatively with wooden poles, of nearly 1,600 miles. That will free us from one source of interruption, bush fires; and as to the iron poles, I may anticipate a question a little that probably may be put to me, which is whether, in going from wooden to iron poles, I have not jumped from the frying-pan into the fire—it is not so. This last season we have had some few interruptions from lightning, which destroys the insulators, but the whole