

APPENDICES.

No. 1.

Telegram from C. Lemon, Esq., Superintendent of Telegraph Department, New Zealand, to C. Todd, Esq., C.M.G., Adelaide.

“New Zealand, 8th May 1878.

“Commissioner has seen your telegram ; desires me to say Government find it impossible to attend Conference. Letter on board *Arawata* explaining their views on proposed duplication.

(Signed) “C. LEMON.”

No. 2.

The Chief Secretary, South Australia to the Chief Secretary, Victoria.

SOUTH AUSTRALIA.

Chief Secretary's Office,
Adelaide, 24th January 1878.

SIR,

At the Cable Conference held in Sydney in January and February of last year, the Government of South Australia was invited to open negotiations for the duplication of sub-marine cables to connect this colony with Singapore. In compliance with this resolution, negotiations were opened with the Eastern Extension Telegraph Company, and resulted in the following proposal, which is now submitted for the favorable consideration of your Government.

The Eastern Extension Telegraph Company have intimated that they are willing, in consideration of an annual subsidy of £32,400, to lay a second cable from Singapore direct to Banjoewangie, avoiding the Java land lines, and thence direct to Port Darwin.

The amount of capital required for this work, which would comprise 2,157 miles of cable of the best type, is estimated at £540,000. This sum the company would raise at six per cent., which would be equivalent to the subsidy asked for. In addition to this, it is understood that, in the event of their offer being accepted, the company will be prepared to duplicate the cable between Penang and Singapore, a distance of 387 miles, and at a cost to themselves of nearly £100,000, for which they ask no subsidy.

As the company have recently, at a cost of about £180,000 from their own resources, provided a cable connecting Rangoon and Penang, should the proposal now submitted be carried out, there will be provided duplicate lines of communication between Australia and Europe, besides the alternative routes west of India and *via* China and Siberia.

The recent interruptions between Port Darwin and Singapore have most conclusively shown the necessity of having duplicate cables ; and, as the proposition now submitted is in every respect reasonable, this Government would strongly urge that the terms offered should be accepted, the subsidy being apportioned amongst the several colonies on the basis of population, as agreed to at the Cable Conference ; South Australia being exempt from contributing in consideration of the large outlay which she has incurred in erecting, and is still incurring in maintaining, the overland telegraph, which latter expense cannot be set down at less than £26,000 a year.

In the previous offer of the company laid before the Conference they asked for a subsidy of £48,600, viz., £32,400 for duplication, calculated at 6 per cent. on capital cost, and £16,200 for a renewal fund. Their present terms are therefore much more favorable ; and in fact it would be utterly impossible for any outside company to do the work cheaper and as efficiently.

With regard to the suggested duplication *via* Banjoewangie and Champion Bay, Mr. Todd, our Superintendent of Telegraphs, points out that it would involve about 350 miles more cable than if taken direct to Port Darwin, besides the cost of an extensive establishment at Champion Bay.

There would also be nearly 400 miles of additional land line to traverse, or over 2,330 miles from Champion Bay to Adelaide. It would be for the most part along the coast, and would consequently be more exposed to interruptions than a line inland. The route along which the cable to Champion Bay would be laid is right in the track of the south-east trades and north-west monsoons, during the prevalence of which it would be very difficult, or next to impossible, to effect any repairs. The sea bottom is also unknown, whereas between Singapore and Port Darwin the nature of the ground is now well known to the company's officers from several years' experience of the present cables ; and it has been ascertained that the dangers to which these are exposed can to a great extent be avoided.

The only argument that can be urged in favor of a different route is the obtaining of a duplicate land line ; but, with respect to this, experience has proved, not only that the present land line to Port Darwin is fully equal to all the demands made upon it, but that it is not liable to an interruption of more than two or three days. The Port Darwin line, passing as it does through the dry interior, is in circumstances exceptionally favorable for rapid transmission over long circuits, whilst the almost entire absence of local traffic must always give it an immense advantage over any other land line of equal length. I need hardly say that this Government fully realize the responsibility resting upon them to maintain the trans-continental line in the utmost state of efficiency ; and I would add that Mr. Todd has designed a peculiar form of insulator adapted for iron poles, which he believes will prove an effectual safeguard against breakages by lightning and other causes which now give trouble where iron poles are used. A large number of these insulators will be ordered by the next out-going mail.