

Whatever we have said in favor of Government, and against private control of the cables, it is of course not designed to reflect on the company to whose praiseworthy energy and enterprise Australasia owes it that she has possessed, and still possesses, telegraph communication with the outer world.

The Eastern Extension Company deserves well of the colonies, and its claims cannot be overlooked. It would probably be deemed illiberal in Governments, and would prove very discouraging to future private enterprise, if, with money borrowed as low as they can now borrow, the Governments were to go into opposition to the Company without giving it the opportunity of disposing of its interests on reasonably favorable terms to itself. The same consideration should be given to the company as that which the government of a city would give to existing water and gas works after it had determined that the city should in future take the charge of supplying the inhabitants with gas and water.

Before erecting fresh works all reasonable efforts should be made to acquire existing ones. We think, therefore, the Governments should fairly recompense the company by buying its lines, in preference to constructing others on their own account.

The company has a good duplicate system between Penang and India, and, it is to be presumed, contemplate duplicating the line between Singapore and Penang, since in Mr. Pender's memo., dated October 3rd, 1876, he says:—"This company, however, already possesses one line between Singapore and India, and has entered into a contract for a second, which will be laid down by the end of the present year."

When the Australasian lines reach Singapore they fall into the system that serves for China. We think it would be desirable to arrange for the use without purchase of the lines from Singapore to India, always presuming, of course, that the duplication between Singapore and Penang is completed. Commercially and economically, it would appear to us to be a mistake to lay down fresh lines when sufficiently good ones are available. Two lines from Singapore to India would be sufficient for all purposes; and, therefore, both the Governments and the company must benefit by a suitable arrangement. We would suggest that in the event of the company selling its line between Singapore and Port Darwin to the Governments, that that arrangement should be accompanied by one for the use of the lines between Singapore and India, for a lump yearly payment, commencing with the present estimated revenue of the section and increasing each year by five per cent. for such time as may be agreed on. Thus the Governments will be able to fix their own tariff to India whilst still using the company's lines between Singapore and India. The arrangement must, however, be made in such a manner as to meet the contingency of the British and Indian Governments acquiring the lines between India and Singapore, a result which we believe will not be unlikely to follow the course we propose the Australasian Governments shall take.

We observe from a paragraph in the *Argus* that Mr. W. J. Cracknell, the Superintendent of Telegraphs in Queensland, has made a recommendation to the Government to arrange for the construction of a line to Singapore in connection with one from Singapore to Bangkok. This, though somewhat briefly stated, is probably a renewal of the plan arranged between the Governments of New South Wales, New Zealand, and Queensland and Mr. Audley Coote, in 1873. The project was to carry a land line up the Malay Peninsula to Tevoi, on the Tenassarim frontier; the Indian Government to extend their lines from Moulmein to Tevoi. The King of Siam was to give a concession for carrying the line up the Peninsula, and the projectors were in return to run a branch line to Bangkok in Siam. When Sir Daniel Cooper, Mr. Daintree, and Sir Julius Vogel commenced negotiating with Messrs. Siemens Brothers to carry out the arrangement made by their agent, Mr. Coote, considerable attention was given to the proposed route to connect Singapore with India, as on it depended the success of a thorough scheme of telegraph. We have good authority for saying that Sir D. Cooper, Mr. Daintree, and Sir Julius Vogel found reason to doubt the success of the project. They were informed it was very questionable if the independent Chiefs in the Peninsula would respect the King of Siam's concession; besides, the vegetation along the route was so rankly luxurious that to keep the line open would involve considerable expense. So doubtful were they of the proposal that, in one of their letters to Messrs. Siemens Brothers, they wrote:—"With respect to the landing on the Malay Peninsula, between Penang and Singapore, we must inform you that we shall stipulate, in case that line does not work satisfactorily, that we be at liberty to call upon you to lay a cable instead."

From this it may be inferred that the Colonial representatives doubted the success of the line even so far as Penang, whilst beyond that, it is to be presumed, they thought a cable absolutely requisite. We make these remarks to show that we have duly considered Mr. Cracknell's proposal. It may be added, however, that the plan we are now suggesting is so much more favorable to Queensland as well as to the other colonies, that Mr. Cracknell, of whose ability we are well aware, is not, we think, at all likely to dispute it.

To resume, we have not come to the conclusions we have indicated without satisfying ourselves that the Governments would not be likely to suffer by them. Obviously, it would be imprudent to too narrowly discuss the purchasing price, but it is no secret that the company has expended about £600,000 on what is called its Australian Section, i.e., the line between Singapore and Port Darwin; that the New Zealand line has cost about £290,000, and the Tasmanian about £70,000; amounting in all to about £960,000.

Before further dealing with these figures, it is necessary to consider the mode of duplication. It is, as we have said, essential that there should be a complete duplication of the line between Australasia and Europe. Tasmania and New Zealand should also be secured against accident to their present single line of communication. This might be cheaply effected by laying a line between the two colonies themselves, which, in effect, would give to each an alternative means of communication with the main Australasian system. The line between Sydney and Nelson cost £290,000, including the purchase of a steamer. A line to connect Tasmania and New Zealand would cost about £200,000.

From England to Singapore, with the exception of the Penang section, to which we have already referred, there are two lines the whole way—at some parts there are more than two lines. Between Singapore and Australia there is but one line. We regret to have to touch on the subject of the route of the duplication of the line between Australia and Singapore, since it is one of great difficulty, but our remarks would be incomplete if we failed to do so. At the Conference, whilst the expediency of duplication was admitted, no decision whatever was come to concerning it. In our opinion, no duplication would be satisfactory that did not give an alternative line throughout, which, of course, includes an alternative to