

The following is our Report on additional matters remitted to us by the Honorable the Ministers :—

No. 68.—“Cable Subsidies and Guarantees, time of year closing.”

We recommend that this matter be referred to the Postmaster-General, South Australia, to arrange, if possible with the Eastern Extension Telegraph Company that the year close on the 31st December.

No. 87.—“The question of abolishing the system of ‘Urgent’ Intercolonial Telegrams, or of overcoming the delays to which ordinary Telegrams are subjected in Colonies in which such system is in operation.”

We recommend that the system of urgent telegrams be discontinued with regard to International Messages.

No. 88.—“Urgent Telegrams with West Australia.”

It is suggested that this Question be withdrawn, as it is disposed of by the recommendation of No. 87.

No. 102.—“Establishment of Telephonic communication between the Capital Cities of the Australian Continent.”

In 1896 several letters were received by the Sydney Office from Mr. Jules Renard, respecting the establishment of Telephonic communication between the capital cities of the Australian Continent (Adelaide, Melbourne, Sydney, Brisbane), it being pointed out that such a system of communication existed between Brussels and Paris; Paris, Lyons, and Marseilles (537 miles); Chicago and New York (1500 miles); as well as in other places. It was represented that the line from Adelaide to Brisbane could be constructed for a sum not exceeding £40,000. The Sydney Chamber of Commerce also wrote, enclosing a copy of a letter received by that body from Mr. Renard, and suggested that the subject might be considered at the next Intercolonial Postal Conference.

The matter received attention at the 1896 (Sydney) Conference, when the following Report of Permanent Heads was adopted; viz. :—

“This is a matter that requires careful consideration. The first cost would be more than double Mr. Renard’s estimates for connecting Brisbane, Sydney, Melbourne, and Adelaide, and the charge that would have to be made for conversation would be so large as to be almost prohibitory. The population of the Colonies is not sufficiently developed to enable an expensive work of this nature to be carried out so as to be remunerative at a reasonable charge to the public. The line from Sydney to Brisbane alone would cost £41,750, or, presuming that the existing poles could be used (which is impracticable), the estimate might be reduced to £24,250. Even making no allowance for maintenance of the line or for working expenses, the interest and sinking fund on a fifteen years’ purchase is 10 per cent. of the capital cost (really £9 12s. 8d. per cent.) Therefore, for a line to be justifiable, a revenue of £4175 will require to be guaranteed on the Brisbane and Sydney line alone. It must also be borne in mind that telephonic communication between the capital cities of Australia would materially interfere with the telegraph revenue. We are therefore not prepared to recommend Mr. Renard’s proposal for favourable consideration.”

Mr. Renard subsequently wrote, stating that the line from Sydney to Brisbane would not cost more than one-half the sum named in the above-quoted Report, and that, taking the largest diameter of wire for the through line from Adelaide to Brisbane (1800 miles), the total cost would not exceed £100,000, including new poles.

In June, 1897, the Sydney Chamber of Commerce forwarded to the New South Wales Postal Department a copy of the following Resolution, adopted at a Conference of Chambers of Commerce of Australasia held at Sydney in May, 1897, viz. :—

“*Long distance Telephony.*—That it is desirable that telephonic communication be established between the various Capitals and leading Towns of Australia as early as possible.”

In forwarding this Resolution, a hope was expressed that, as early as possible, enquiry would be made into the prospects of such an undertaking being a commercial success.

We are still of the opinion that there is not sufficient justification at the present time for the adoption of any scheme of Trunk Telephone Lines between the capital cities of the Australian Colonies. The reasons for our arriving at this decision are as follow :—

The present lines of poles are not able to carry the telephone wires in some cases, and, therefore, new poles would require to be erected in these places. The cost of construction would

NOTE.—
Chicago to
New York
1000 miles.