

graphing public, and if our guarantee proposal had been accepted it would have given the public a cheaper tariff than it is possible to obtain by any other means without entailing considerable expenditure on the colony. Under the circumstances, however, the company have no alternative but to raise the tariff for intercolonial telegrams from 1st October to 10s. per ten words and 1s. for every additional word, in order to recoup the loss of the subsidy." This gives a flat contradiction to the statement we are dealing with, and, as a matter of fact, the tariff actually *was* raised over the cable between New Zealand and New South Wales. Having nailed this statement to the counter, there is little in the article worth further attention. It may perhaps be an indiscretion to suggest to the editor of the Melbourne *Argus* that, in matters connected with the Eastern Extension Cable Company, he might apply to Mr. W. Warren, the manager of that company in Australasia, to have his information verified. In the article we refer to, and which is published as an editorial, we find a table purporting to give the subdivision among the various companies and Governments concerned of the rate per word received for telegrams from Australia to London. It is curious to find in this schedule of proportions that the division of the cable route on the English side of India is described in this Australian editorial as "cis-Indian." This would have been described as *ultra-Indian* had the table above referred to, and which appears as part of the article, been really drawn up in Australia, instead of having been supplied, as we are justified in believing, from some (apparently) competent source in London. We can only inquire of ourselves how much more of the information we have proven to be misleading springs from the same source.

No. 35.

The SECRETARY, General Post Office, Wellington, to Mr. J. C. LOCKLEY, the British Empire Cable Corporation, Nhill, Victoria.

SIR,—

General Post Office, Wellington, 21st January, 1899.

I have the honour to acknowledge the receipt of your letter of the 8th instant, advising of the receipt of a letter from Sir Sandford Fleming, and asking that the proposals made in your communication of the 1st September last, to submerge and maintain on a co-operative basis with the interested Governments the projected Pacific cable, might be held over in the meantime.

In reply, I have to inform you that your request has been noted.

I have, &c.,

W. GRAY, Secretary.

J. C. Lockley, Esq.,

The British Empire Cable Corporation, Nhill, Victoria.

No. 36.

The SECRETARY, General Post Office, Wellington, to the Hon. AUDLEY COOTE, Sydney.

SIR,—

General Post Office, Wellington, 21st January, 1899.

I have the honour, by direction, to acknowledge, with thanks, the receipt of your letter of the 11th instant, forwarding extracts from the *Electrical Review* on the subject of the proposed Pacific cable.

I have, &c.,

W. GRAY, Secretary.

The Hon. Audley Coote, Waverley Park, Sydney.

No. 37.

Sir SANDFORD FLEMING, Ottawa, to the Hon. the PREMIER, Wellington.

SIR,—

Ottawa, 2nd February, 1899.

I have the honour to enclose, for your information, a memorandum I have prepared for the Canadian Government on the cost, annual expenses, and revenue of the proposed Pacific cable.

I have, &c.,

SANDFORD FLEMING.

The Hon. the Premier, New Zealand.

Enclosure in No. 37.

MEMORANDUM: COST, ANNUAL CHARGES, AND REVENUE—THE PACIFIC CABLE.

Cost.—A careful and exhaustive inquiry was made by the Imperial Cable Committee, which met in London in 1896, Lord Selborne, Chairman, the Canadian representatives being Lord Strathcona and Hon. A. G. Jones.

The Committee had before them the tenders received by the Canadian Government in 1894; they examined the managers of various cable-construction firms, and they took a large amount of technical evidence. After a thorough investigation the Committee came to the conclusion that a cable of a serviceable type could be manufactured, shipped, laid, and guaranteed for £1,500,000, and that it would be possible to secure another type of cable, one capable of transmitting 50 per cent. more traffic, for £1,800,000.

One of the most substantial construction firms offered to furnish and lay the cable of the first-mentioned type for £1,517,000, and of the second type for £1,880,000; and this offer not only included the erection at each station of suitable buildings, with duplicate sets of all proper instruments, but also the cost of maintaining the cables for three years. It is probable, the report states, that another firm would offer similar terms.