

The numerous islands of these seas will enable stations to be placed about 600 miles apart ; a convenient distance for working and repairs.

The Malta and Alexandria cable, which is longer than the proposed India-Singapore, and nearly half the length of the Java-Brisbane line, in common with nearly every other cable laid in shallow water, or say within 100 fathoms, has been maintained in permanent good working order. At this moment there are more than 3,000 nautical miles of cable, containing upwards of 5,000 miles of insulated wire, successfully at work in shallow water ; some have worked eight or ten years, and a large proportion have cost nothing for repairs. Occasional interruptions are the only dangers to be feared, and when an efficient steamer is maintained for the purpose, any necessary repairs can be rapidly and easily effected.

The promoters have applied to the Government of India for an annual subsidy in support of the India-Singapore, or first section. Sir Charles Wood assured a deputation of the promoters that the Indian Government would carry out, or assist in carrying out, this section cotemporaneously with the other sections.

They have applied to the French Government for an annual subsidy for that portion of the second section which is between Singapore and Saigon.

The Australian Legislature voted considerable subsidies two years ago in support of the Java-Queensland, or third section, and they have been asked to apply them to carrying out the work at once.

All these subsidies are only to run during the successful working of the lines ; but a reasonable time in each year is to be allowed for repairs without any deduction in the payments. The Company will always have a steamer in readiness to effect any repairs which may be required.

The Singapore-Batavia line has been frequently interrupted. These interruptions have been due partly to the light cable used, and have been unnecessarily prolonged, owing to the absence of any organisation for repairs ; but the Dutch Government will have a strong interest in keeping up this telegraphic communication efficiently, so soon as Singapore is connected with India. They have granted the right to the promoters to have a separate wire through Java and to settle the tariff of messages in conjunction with the Government.

Arrangements are in progress for securing an efficient cable between Batavia and Singapore.

It appears from official returns that 10,000 vessels, including repeated voyages, and a trade of £64,000,000 at the least, will annually make use of the line between India and China, and that a trade of £40,000,000, in which 2,400 vessels are engaged, will annually make use of that between India and Australia. The trade moreover, both with China and Australia, is rapidly on the increase, and a large and wealthy population in the latter country will send and receive numerous messages on private business. From these sources it is estimated that a minimum of 40,000 messages will be annually transmitted by the cable between India and China, and a similar number by that between India and Anstralia, principally on their way to and from Europe, being 55 messages *per diem* each way to and from China and Australia respectively.

The relative cost of the three sections will be as follows :—

Rangoon-Singapore	...	...	...	£450,000
Singapore-Hong Kong	...	...	...	530,000
Java-Brisbane	...	...	...	1,100,000
			Total	£2,080,000

This capital includes a sufficient reserve fund, and will provide heavy cables protected against corrosion by a hard bituminous outer covering. The cables will be capable of transmitting over 70,000 messages of twenty words each per annum with the ordinary instruments now in use. For the India-Singapore section a larger core will be adopted capable of transmitting 150,000 messages per annum. This number of messages could be doubled by adopting the latest improvements in instruments.

The negotiations between the promoters and the Australian Governments, in reference to the line between Java and Queensland have been carried on as follows : Mr. F. Gisborne proceeded to Australia in 1860, for the purpose of obtaining subsidies for that line. New South Wales voted a subsidy of £10,000 per annum, without requiring the Home Government to contribute ; Victoria voted £13,000 a year, contingent upon the Home Government contributing something ; and the governments of Tasmania, New Zealand, and Queensland promised proportionate contributions. Subsequently Victoria made an offer to the Home Government to provide half of the whole subsidy that might be required, if the Home Government would also provide half. It was understood at the time that Victoria would take Tasmania, South Australia, and Western Australia, as her co-contributors, leaving New South Wales, Queensland, and New Zealand as co-contributors with the Home Government, which would practically reduce the contribution of the Home Government to a trifling amount. The whole annual subsidy then asked for was £35,000, to raise a capital of £800,000. This was calculated to provide a cable similar to that then recently laid in the Red Sea, and between Batavia and Singapore. The outer iron covering of this cable, however, has since proved very much too light and liable to corrosion. The greater part of the Red Sea cable was laid in deep water where it was impossible to repair it. The failure of this and other deep sea cables made it impossible for some time to act upon the Resolutions passed by the Australian legislatures. The public did not at first discriminate between deep and shallow sea cables, but the obvious and continued success of the great majority of shallow sea lines, and especially of the long cable between Malta and Alexandria, has