

# P A P E R S

RELATING TO THE

ESTABLISHMENT OF TELEGRAPHIC COMMUNICATION

BETWEEN

ENGLAND AND THE AUSTRALIAN COLONIES.

PRESENTED TO BOTH HOUSES OF THE GENERAL ASSEMBLY, BY COMMAND OF HIS EXCELLENCY.

AUCKLAND.

1863.



## P A P E R S

RELATING TO

## THE ESTABLISHMENT OF TELEGRAPHIC COMMUNICATION.

No. 1.

MR. F. GISBORNE TO GOVERNOR SIR GEORGE GREY, K.C.B.

6 Duke Street, Adelphi,  
London, 15th July, 1862.

SIR,—

I have the honor, on behalf of the Promoters of the Anglo-Australian & China Telegraph, to enclose a printed Statement of the objects for which they have associated themselves ; also Copy of a Document addressed to me, and signed by them, dated the 3rd March last ; also Copy of a Letter dated the 15th instant, addressed to me by Messrs. Forde & Fleeming Jenkin, enclosing Estimates for the construction, working, and maintaining of the Telegraph Line between Java and Brisbane ; also a map showing the Telegraphic System which they propose to carry out, with a view to connecting India with China and Australia. This undertaking comprises—1st. A Submarine Line between India (Rangoon) and Singapore to be extended to Hong Kong ; and, secondly, a Submarine Line between Singapore, or Java, and the terminus of the Telegraph system of Australia, which at present is at Brisbane ; also a Tariff Table between London and Alexandria.

The promoters are in negotiation with the Government of India as regards the first portion of the undertaking, and Sir Charles Wood gave a deputation of their body, which waited upon him on the 27th ultimo, the most positive assurance, that the link between India and Singapore would be completed, either by Government itself or by aiding a Company, contemporaneously with the carrying out of the Lines to Australia and China.

The promoters hope also to make arrangements with the Dutch Government, to have a Cable of their own between Singapore and Batavia, though that Government sent out forty miles of Cables last February to repair their Line, and there is no doubt that they will have a permanent interest in keeping up that communication efficiently, once that Singapore is connected by Telegraph with India.

The promoters have already the right to have a separate Wire through Java, and to settle the Tariff, in conjunction with the Dutch Government, as far as Singapore. The same powers are reserved to Her Majesty's Government, indeed no Tariff can be settled anywhere between Malta and Java without the assent of Her Majesty's Government. You will know, Sir, that the soundings between Java and Brisbane, along the proposed course, have been taken in the greatest detail almost anywhere, and shew a soft and uniform sea bottom, seldom exceeding fifty fathoms in depth. The Stations also can be so placed as not to be more than 500 to 600 miles apart. The permanent working and maintenance of Telegraph Cables laid under such conditions, does not admit of a doubt.

At this moment more than 3,000 miles of Cable, containing upwards of 5,000 miles of insulated Wire, are successfully at work in shallow water, say within 100 fathoms, the longest being that laid last year between Malta and Alexandria parallel to the African Coast, over a distance of 1,300 nautical miles. Some of these lines have worked eight or ten years, and a large proportion have cost nothing for repairs. The establishment of telegraphic communication between Australia and India will convert the present monthly communication between England and Australia into a weekly communication, and will bring them within, say, sixteen days of one another. When telegraphic communication is re-established between Egypt or Turkey in Asia, and India, the time will be further reduced to, say, a couple of days, or, under proper management, to a few hours.

The results of my visit to Australia in 1860, for the purpose of obtaining subsidies for the Line between Java and Queensland, may be shortly stated as follows :—New South Wales voted a Subsidy of £10,000 a year 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 the Government of 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 co-contributors, leaving New South Wales, Queensland, and New Zealand as co-contributors to the Home Government, which would practically reduce the contribution of the Home Government to a trifling amount. The whole annual Subsidy I then asked for was £35,000, to raise a capital of £800,000, calculated to provide a Cable similar to that then recently laid in the Red Sea. The outer iron covering of this Cable, however, has since proved very much too light, and liable to corrosion. The greater portion of this Cable was laid down in deep water, or in over one hundred fathoms, where it was impracticable 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 water Cables ; but the obvious and continuous success of all shallow Sea Lines has revived public confidence in these undertakings.

It is now proposed to lay a Cable three and a half times the weight of that laid in the Red Sea, and moreover to protect against corrosion by a hard bituminous outer covering, which has been successfully applied to Cables in the English and Irish Channel. This Cable will be capable of transmitting 70,800 messages of 20 words each per annum. This number of messages could be doubled by adopting the latest improvements in the transmitting instruments. To lay this heavier Cable, it will be necessary to increase the capital to one million one hundred thousand pounds (£1,100,000), which includes a sufficient Reserve Fund for future repairs, as appears by the enclosed Estimate. The Promoters ask that an annual Subsidy of fifty thousand pounds (£50,000) be granted to them to raise this amount of capital. This Subsidy has been calculated on the basis already adopted in the Resolutions passed by the Legislatures of New South Wales and Victoria in 1860. They ask that the Subsidy shall run for thirty years instead of twenty-one years ; and that the surplus net profits over fifteen per cent. instead of over ten per cent. as stated in those Resolutions, shall belong to the contributing Governments. In return for these additional advantages, they now offer to transmit the messages of the Colonial and Home Governments without payment, to the extent of the Subsidy ; and in case the Home Government does not contribute, to place the tariff value of their messages to the credit of the Subsidy, the Colonies only paying the difference. This was not stipulated for in the Resolutions. We estimate the additional business which the subsidised Line will bring upon the Telegraphs in Australia at 40,000 messages of 20 words each per annum. This will prove a considerable source of revenue towards covering the Subsidy. With these and a few minor alterations which explain themselves, the Resolutions already alluded to would stand as follows, leaving the contributions of the Home Government, if required, to be settled by negotiation.

- 1st. That the Governments of Victoria and New South Wales shall grant to a Company of approved stability in such proportions as they may agree upon, an annual Subsidy not exceeding in the whole Fifty thousand pounds (£50,000), for a period of thirty years, to induce such Company to construct and maintain a line of Telegraph between Java and Brisbane, or Broad Sound, in case the Government of Queensland undertakes to extend its Telegraphs to that point by the end of 1864.
- 2nd. That such Company shall, within two and a-half years after a Contract has been entered into, construct such line of Telegraph, unless prevented by war or the dangers or accidents of the seas, and afterwards maintain it in good working order at its own expense.
- 3rd. That the proposed Subsidy shall be proportionably payable on the capital of the Company actually paid up and expended, and shall not exceed five per cent. on such capital ; and the Contract for the manufacture and laying of the Cable shall be open to public tender, and the lowest tender accepted, the satisfactory nature of which competent Electricians in England shall determine.
- 4th. That no payment of such Subsidy shall be made until the line of Telegraph to be constructed has been in working order for three consecutive months, and such payments shall be made rateably only for the period during which the line so constructed is open for the transmission of messages, unless any interruption shall take place in consequence of war. A period of ninety days is, however, to be granted in every three years for executing repairs, without any deduction being made from the Subsidy.
- 5th. If such line shall be closed, unless by reason of war, or shall not be in a state of efficiency for the transmission of messages for any consecutive eighteen months, then the Contract with such Company shall be void.
- 6th. That a tariff of charges for the transmission of messages over such line shall be agreed to by the several contracting Governments and the Company before any Contract is entered into, and such tariff shall not afterwards be altered without the consent of the Governments. The tariff to be charged on the first opening of the line is not to exceed Two shillings and sixpence for every one hundred nautical miles, or any portion of such distance in respect of messages containing altogether twenty words.
- 7th. That in the event of the nett profits of the Company exceeding in any year the rate of fifteen per cent. per annum, whether derived from Subsidy or other sources, such excess shall be rateably applied to reduce the respective contributions of the contracting Governments.
- 8th. That an agreement be entered into between the Australian Governments (to which the Company shall not be a party), providing that each of the parties thereto shall contribute annually towards the whole Subsidy that is to be paid to the Company, in the proportion that the tariff value of their respective messages shall bear in every year to the total tariff, all the messages transmitted through the subsidised line in the same year.
- 9th. That the Company shall transmit all the messages of the Colonial and Home Governments

without payment to the full extent of the Subsidy in each year, calculated at the tariff rates, but are to be paid for such messages as are not covered by the Subsidy. Should the Home Government not contribute to the Subsidy, the tariff messages sent by them will be placed to the credit of the Subsidy, and the difference only will have to be paid by the Colonies.

The substitution of Broad Sound for Brisbane will save 350 miles of sea line, but will not reduce the number of stations or the total working expenses. It will reduce the actual outlay by £70,000, which will bring it under £100,000 (*vide* Estimate), and will effect a saving in the Subsidy under the terms of the 3rd Resolution.

It is impossible to attract capital for investment in long Submarine lines without the expectation of large dividends, and I trust, Sir, that the terms asked for will not be altered. The names of the promoters are a sufficient guarantee that the best opinions have been taken.

They will select a Board of Directors out of their number so soon as they are informed that their proposition is entertained, and will raise the capital and be in a condition to let the Contract for the work within say two months of their obtaining the Subsidy. It will be made a condition with the contractors that the work be completed within two years.

When I was out in Australia the necessity for appointing a Colonial Agent in England to act in this matter seemed to be well understood. It is, indeed, evident that his services will be useful to obtain the concurrence of the Home Government, if that is required; also to carry out the precise intentions of the Colonies in the agreement with the Company, and to act on the Company's Board, at least until the work is completed, as the Official Director representing the Colonial interest.

I would beg to suggest, in conclusion, that such Agent have power to conclude the agreement with the Company without waiting for the concurrence of the Home Government, or in case of refusal, having to refer that refusal back to Australia. Only one-fifth of the line, the section between Java and Timor, will be outside Australian waters, and Her Majesty's Government has undertaken to complete the lines as far as Singapore. Her Majesty's Government will, no doubt, assist with ships to take additional soundings, and to pilot the Cable expedition.

The whole subject of Telegraphic communication with England was thoroughly discussed in all its bearings for a whole year during my visit to Australia, and I feel it is unnecessary for me to enter more fully into the subject.

I will, from time to time, inform you of the progress of our measures to lay a Cable between India and Singapore, and a new one thence to Java.

I have, &c.,

F. GIBBORNE.

His Excellency Sir George Grey, K.C.B.

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Enclosure 1 to No. 1.

ANGLO-AUSTRALIAN AND CHINA TELEGRAPH.

STATEMENT OF THE PROMOTERS.

The object of the promoters, who represent forty Banks and firms trading with China and Australia, are to establish telegraphic communication between India and Australia and between India and China, the effect of which will be to bring Australia and China into nearly instantaneous communication with India and with each other, and within, say, sixteen days of Great Britain, besides converting the communication, which is now once a month only to Australia and once a fortnight to China, into a weekly one to each country. When telegraphic communication is re-established between Egypt, or Turkey in Asia, and India, the communication between Great Britain, China, and Australia will be further reduced from sixteen days to about as many hours.

To carry out these objects it will be necessary to construct three lines of Telegraph.

1. To lay a submarine cable to connect Singapore with the telegraph system of India at Rangoon, the present terminus of that system, over a distance of 1,200 sea miles, with intermediate stations at Amherst (Moulmein), King Island and Penang.
2. To extend the cable from Singapore to Hong-Kong (Canton), via Sarawak, Labuan, and Manilla, a distance of 2,080 miles, or *vid* the French settlement of Saigon, a distance of 1,678 miles.
2. To extend the Dutch lines which connect Singapore with Batavia and the east end of Java, from that point to the terminus of the telegraph system of Australia, which at present is at Brisbane, on the eastern coast, but which is likely to be soon carried farther northward.

The distance from Java to Brisbane, *vid* Timor and the Northern Coast of Australia, is 3,024 miles.

Soundings have been taken between Rangoon, Singapore, and Hong Kong, also between Java and Brisbane, and they show that the different cables can be laid on a soft and uniform sea bottom, seldom exceeding fifty fathoms in depth.

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

revived public confidence in those undertakings. It is now proposed to lay a cable three and a half times the weight of that laid in the Red Sea, and moreover, protected against corrosion by a hard bituminous outer-covering which has been successfully applied to cables in the English and Irish Channels.

To lay this heavier cable, it will be necessary to increase the capital to £1,100,000. The subsidy would thus be raised to £50,000 per annum, on the basis already adopted in the Resolutions passed by the Legislatures of New South Wales and Victoria, in 1860.

The subsidy is to run for thirty years. The promoters offer to transmit the messages of the Colonial and Home Governments without payment to the extent of the subsidy, and in case the Home Government does not contribute, to place the tariff value of their messages to the credit of the subsidy, so that the difference only should be paid by the Colonies. It is estimated that 40,000 additional messages will be brought annually upon the telegraphs in Australia by the subsidised line, which will be a considerable source of revenue towards covering the subsidy.

The promoters ask that Victoria and New South Wales shall render themselves liable to the Company for the whole subsidy. This liability will be equitably redistributed by means of an inter-colonial agreement, basing the contribution of each colony towards the whole subsidy on the use it shall make of the subsidised line. Thus if Victoria sends and receives half of the whole number of messages transmitted through that line in a year it would pay the half of the subsidy. The payment of the subsidy is to be contingent upon the successful working of the cable. Should the Government of Queensland extend its telegraphs to a point north of Brisbane, for instance, to Broad Sound, the Company's Cable might be made to terminate at such point, but any such extension must be completed by the end of 1864, and will not diminish the number of stations or the total working expenses, though it will save 350 miles of sea line.

The Cable between Java and Brisbane, could be laid in about two years after the letting of the contract.

It is proposed to give the Colonies an efficient control over the tariff. Under existing arrangements no tariff can be established anywhere between Malta and Java, without the assent of the British Government.

As regards the contribution of the Home Government, it should be borne in mind that Her Majesty's Government has bound itself to complete the telegraph lines as far as Singapore, and will, no doubt assist the telegraph to Australia, by lending ships to take additional soundings, and to pilot the Cable expedition. It should also be remembered that only one-fifth of the line, the section, namely, between Java and Timor, is out of Australian waters.

London, July, 1862.

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LONDON, MALTA, AND ALEXANDRIA TELEGRAPH.

Messages for transmission by the Malta and Alexandria line can now be forwarded from any of the Offices of the Submarine, the Electric and International, or the British or Irish Magnetic Telegraph Companies in the United Kingdom at Uniform Rates.

The following are the charges for Telegrams of 20 words, including names and addresses, and all instructions for forwarding them on, viz :—

From London to Alexandria	...	...	£2 6 9
„ Provincial Stations to Alexandria	...	...	2 7 9
„ London to Tripoli	...	...	1 6 9
„ Provincial Stations to Tripoli	...	...	1 7 9
„ London to Bengazi	...	...	1 16 9
„ Provincial Stations to Bengazi	...	...	1 17 9

Half-rates being charged for every additional 10 or fraction of 10 words above 20.

The charge for postage to places beyond Alexandria is 2s. extra.

Telegrams intended to be sent by post from Alexandria should be addressed to “Gibbs, Alexandria,” the receiver's name and address being written at the beginning of the body of the Telegram—thus, for instance :—

FROM _____ (Sender's name.) London (or original Station).	TO Gibbs, Alexandria.
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\_\_\_\_\_ (Receiver's name) Shanghae (or destination).

Firms already having agents of their own at Point de Galle, or Bombay, can address their Telegrams thus :—

FROM _____ (Sender's name.) London (or original Station).	TO Gibbs, Alexandria.
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\_\_\_\_\_ (Agent's name) Galle (or Bombay), for \_\_\_\_\_ (Receiver's name) Calcutta (or elsewhere, as the case may be), or they can address them direct to their agents at Bombay or Galle, as at present.

Messages can also be forwarded beyond Alexandria by the Telegraph to India Company's line

to Suez or Jubal Island in the Red Sea. Firms desirous of availing themselves of the new line are referred to the printed circulars of the Telegraph to India Company.

Deposits (of not less than £30) will be received by the Bank of Egypt in London, to be applied to the payment of Telegrams addressed to Alexandria from India, China, Australia, &c., to be telegraphed to the United Kingdom; and arrangements have been made by which such deposits shall, when desired, be used to cover the charges for the transmission of Messages by the Telegraph to India Company's line in the Red Sea.

*The Outward Mail Packets arrive at Alexandria on or about the under-mentioned Dates*

Months, 1862.	For China, Australia, Calcutta.	For Bombay.	For China and Calcutta.	For Bombay.
May ... ..	4th	11th	18th	27th
June ... ..	3rd	11th	18th	26th
July ... ..	4th	11th	18th	26th
August ... ..	3rd	12th	19th	26th
September ... ..	3rd	11th	18th	26th
October ... ..	4th	11th	18th	26th
November ... ..	4th	11th	18th	26th
December ... ..	4th	11th	18th	26th

Telegrams should for the present be sent from England not later than two days before the dates of arrival of the Steamers at Alexandria.

*Tariff for Local Telegrams of Twenty Words.*

Distance—1,300 Nautical Miles.

From Malta to Alexandria	... ..	£1 10 0
" " to Tripoli	... ..	0 10 0
" Tripoli to Bengazi...	... ..	0 10 0
" Bengazi to Alexandria	... ..	1 0 0
" Alexandria to Cairo	... ..	0 4 2
" " Suez	... ..	0 8 4
" " any port in India, China, Australia, &c. (by Telegraph to Jubal and thence by Post to destination)	... ..	0 18 0
" " Inland Stations in India (by Telegraph to Jubal, Post to Bombay, and thence by Telegraph to destination)	... ..	1 4 0
" " Ditto by Telegraph from Galle	... ..	1 6 6

Half the above rates for every additional ten words or fraction of ten words.

English clerks have been placed at the principal Italian offices (under a convention signed by the Italian Government) for the express purpose of facilitating the through transmissions. Telegrams should in preference be written in the English language.

May, 1862.

Enclosure 2 to No. 1.

London, 3rd March, 1862.

The undersigned will use their best efforts to carry out, through the medium of a private Company, a line of Telegraph between Rangoon, the present terminus of the Indian Telegraphs, and Singapore, in the event of Her Majesty's Government granting an annual subsidy calculated to pay for the working and maintenance expenses of the line.

The payment of the subsidy to be contingent upon the successful working of the Cable.

Signed as follows, the description in brackets have been added :—

The Peninsular and Oriental Steam Company, (per C. W. Howell, Secretary).

James Edward Coleman, (Public Accountant to the Bank of England).

George G. Nicol, (Chairman Chartered Mercantile Bank of India London and China).

George May, (of May, Mathewson, and Co.)

H. W. Eaton, (33, Old Broad-street).

Charles E. Mangles, (Chairman of the Royal Mail Steam Packet Company, and Director of the Union Bank of Australia).

R. Campbell, (Director of the Union Bank of Australia).

D. Q. Henriques, (Director of the Bank of Australasia).



Charles Morris, (Director of the Bank of Australasia).  
 James J. Cummins, (Chairman of the Union Bank of Australia).  
 F. H. Dutton, (45, Dover-street).  
 H. A. Hankey, (Lane, Hankey, and Co.)  
 W. W. Cargill, (Director of the Oriental Bank Corporation).  
 Peek Brothers and Co., (20 and 21, East Cheap).  
 W. N. de Mattos, (27, Leadenhall-street).  
 Richard R. Wade, (Director of the National Provincial Bank of England).  
 Daniel Cooper, (Director of the Bank of New South Wales).  
 William Fane de Salis, (Chairman London Chartered Bank of Australia).  
 J. B. Elin, (Director of the Union Bank of Australia).  
 David Salomons, M.P., (Alderman, and Chairman of London and Westminster Bank).  
 H. G. Gordon, (Chairman of Oriental Bank Corporation).  
 T. M. Mackay and Co., (Shipowners, 1, Leadenhall-street).  
 Ashton and Co., (39, Lombard-street).  
 G. U. Adams, (for the Chartered Bank of India, Australia, and China).  
 Halliday, Fox, and Co., (4, Cullum-street).  
 John O'Kell, (46, Fenchurch-street).  
 Robert Smith and Co., (St. Michael's Alley, Cornhill).  
 J. L. Fraser and Co., (39, Nicholas Lane).  
 Scott, Bell, and Co., (2, Alderman's Walk, Old Broad-street).  
 Kay, Finlay, and Co., (2, King William-street).  
 T. D. Findlay and Co., (Glasgow).  
 Thomas Bouhote and Co., (150, Leadenhall-street).  
 Ogle and Co., (24 and 25, Fenchurch-street, Agents to the Burmah Company, limited).  
 Knight, Coleman, and Co., (Brokers to the Indian Telegraph Company).  
 How Brothers and Co., (4, Cullum-street).  
 The Borneo Company, limited, (John Harvey, Managing Director).  
 S. D. Sassoon, (8, Leadenhall-street).  
 James Wiseman and Co., (Glasgow).  
 A. Middleton, (Liverpool).  
 Grindlay and Co., (55, Parliament-street).

F. GISBORNE.

### Enclosure 3 to No. 1.

MESSRS. FORDE AND FLEMING JENKIN TO MR. F. GISBORNE.

6 Duke Street, Adelphi,

July 14th, 1862.

DEAR SIR,—

We enclose you an Estimate of the first cost and maintenance expenses of the proposed Cable between Java and Brisbane.

You will see by the Specification that we recommend the adoption of a heavy and somewhat expensive Cable. Small and cheap Cables have seldom proved permanently successful, and we think it bad policy to spare money on this part of the expenditure. The Core will transmit, with the usual Morse instruments, from seven to eight words per minute between the proposed Stations.

With new and improved instruments this number could be doubled.

The outer covering of heavy iron wires is suitable to the depth of water along the proposed route. These wires are, moreover, to be protected against corrosion by a hard bituminous outer coating. We believe that the sum named as the cost of this Cable, free on board in England, will agree well with the Tenders to be obtained from first class makers by public competition.

Contractors have hitherto been generally employed for the transport and submerging of Cables, but we think that in a line like the present where there is really no risk of failure, the large sums usually paid under this head can be saved; and we have framed the Estimates on the supposition that the Company will transport and lay the Cable by means of its own officers.

A large saving will thus be effected, and the Company's officers will have a thorough control over the execution of this part of the work, which has hitherto frequently not been the case.

The proposed arrangement will also enable a large number of Firms to tender for the outer covering.

We propose to use Sailing Vessels for the conveyance of the Cable, in wrought iron water-tight tanks, from England to Australia.

The adoption of this plan without any sensible increase of risk or delay still further diminishes the Estimate below the sum which would be required if the Cable were to be carried (as formerly estimated) in Steamers specially built or chartered for the purpose.

The proposed plan entails the purchase of two large and powerful Steamers, which would, however, in all probability be used to lay the Rangoon—Singapore, the Singapore—Hong Kong, and a new efficient Singapore—Batavia Cable. In any case, these Steamers would be sold and replaced by one or two smaller and less expensive boats, for repairs. One boat would be sufficient for the Java Brisbane section, but two would be required for the whole Eastern System. The Java—Brisbane section is at the end of the Estimate credited with a portion of the purchase-money of the large

Steamers, either on account of their sale or as part of their first cost, which would be charged against the other sections.

The total cost of each of the four Sections if carried out with the same Steamers and Staff within three and a half years, would be as follows :—

Rangoon-Singapore	...	...	...	£450,000
Singapore-Batavia	...	...	...	170,000
Java-Brisbane	...	...	...	1100,000
Singapore-Hong Kong	...	...	...	530,000
Total	...	...	...	<u>£2,250,000</u>

You will perceive that while nothing has been spared to secure a strong and efficient Cable, the utmost possible economy has been studied in the plans for carrying out the work, and the Estimates are consequently very little higher than those laid by you before the Australian Legislatures for a Cable of less than one-third the weight of that now proposed.

The cost of working and maintenance may appear high, but we are convinced by experience that it is desirable to have a very ample Staff of first class men for the superintendence of a Submarine Line; and that, moreover, it is desirable to use a very superior class of Telegraph Clerks to those employed on Land Lines.

We also consider it absolutely necessary to provide an efficient Steamer to be maintained constantly on the Line in readiness to effect any necessary repairs. Interruptions which need not have lasted more than a few days have on some lines been prolonged for months for want of such a Steamer. This boat will also visit the Stations periodically.

The Estimate for Home Management and Engineering is reasonable, and the sum put down for the Sinking Fund is small, but we believe it to be sufficient; £15,000 per annum is allowed for the repairing Steamer. This sum, with the 320 knots of spare Cable provided at the outset, will meet all the expenses of repairs during say the first fifteen years. At the end of that time, the Sinking Fund of £12,000, at four per cent. compound interest, will amount to over £240,000, which, with the Reserve of £100,000, will make an available fund of £340,000 for the complete renewal of any Section, or for the extension of the Lines.

The duration of the Cable has hitherto depended on the time during which the outer iron wires remain sound. In some seas iron decays very slowly, in others more rapidly; but it is believed that the bituminous covering will ensure the permanency of the Cable. We therefore are far from anticipating that any Section will require renewal at the end of fifteen years; but it is certainly desirable that a considerable Sinking Fund should be provided to meet emergencies.

The Malta-Alexandria Cable, only 1,300 knots long, and situated near England, cost the Imperial Government nearly £500,000. This fact alone will show that our Estimate of £1,100,000 for a stronger Cable 3,024 knots long, to be laid in Australian waters, is framed in the most economical manner. This Estimate is, however, the result of careful consideration; and we are convinced that the work can be efficiently carried out for the above sum in from two to two and a half years.

We enclose a small map of the proposed Lines.

We have, &c.,

FORDE & FLEEMING JENKIN.

F. Gisborne, Esq., 6 Duke Street, Adelphi.

## INDIA, AUSTRALIA, AND CHINA TELEGRAPH.

### ABSTRACT OF SPECIFICATION FOR A CABLE BETWEEN JAVA AND BRISBANE.

#### Main Cable,—

7 Copper Wires in a strand, weighing per knot	150 lbs.	
3 Coverings of Gutta Percha, and 3 of Chatterton's Compound	230 lbs.	
Total weight of Core	380 lbs.	3·40 cwt.
Jute and Tar		4·20 "
10 Best selected Charcoal Iron Wires, No. 6, B.W.G.		52·40 "
Outer protection—Latimer Clark's patent		14·00 "
Total weight per knot of Main Cable		<u>74·00 cwt.</u>

#### Shore Ends,—

Core as above		3·40 cwt.
Jute and Tar		9·50 "
10 Best selected Charcoal Iron Wires, No. 1, B.W.G.		121·10 "
Outer protection—Latimer Clark's patent		20·00 "
Total weight per knot of Shore end		<u>154·00 cwt.</u>

# TELEGRAPHIC COMMUNICATION.

## LENGTH OF CABLE REQUIRED.

Cape Sedans (East Java) to Coepang (Timor) . . . . .	590 knots
Coepang to Port Essington . . . . .	525 "
Port Essington to Cape York . . . . .	635 "
Cape York to Cape Cleveland . . . . .	619 "
Cape Cleveland to Moreton Bay . . . . .	655 "
Total direct distance . . . . .	3,024 knots
5 per cent. slack probably used . . . . .	151 "
10 per cent spare Cable for subsequent repairs . . . . .	3,175 knots
	317 "
Total Cable required . . . . .	3,492 knots
Of which, Main Cable . . . . .	2,970 knots
Shore ends . . . . .	522 "
	3,492 knots

## ESTIMATED COST OF LINE, TO BE CARRIED OUT IN TWO YEARS FROM THE SIGNING OF THE CONTRACTS.

2,970 knots of Main Cable at £151 per knot . . . . .	£448,470
522 knots Shore ends at £244 . . . . .	127,368
Insurance 5 per cent. on £575,838 . . . . .	28,792
Total cost of Cable free on board in England . . . . .	£604,630
13,000 tons of Cable conveyed to Melbourne in sailing vessels specially chartered and fitted with a wrought-iron water-tight cable, tanks, pumps, &c. . . . .	98,450
* Two steamers for laying the Cable, each 1,800 tons gross register, fitted with large water-tight cable tanks, with picking up and paying out machinery . . . . .	70,000
Coals for the two ships during the outward voyage and laying the Cable—in all 600 days at 25 tons per day, 15,000 tons at an average of 50s. . . . .	37,500
Wages, stores, provisions, insurance, special stores, and contingencies . . . . .	59,920
Total first cost and working expenses of steamers . . . . .	167,420
Six stations, with furniture, instruments, land line, and salaries of clerks during construction of line . . . . .	43,780
Engineering and Electrical Staff employed to superintend the manufacture in England, and to lay the Cable in Australia . . . . .	39,866
Expenses of management in England . . . . .	13,750
Total—stations, salaries, and management . . . . .	97,396
Interest during construction . . . . .	62,500
Reserve Fund . . . . .	100,000
Total cost of line . . . . .	£1,130,396
Credit by part of first cost of steamers charged to other sections, or by sale of steamers . . . . .	30,396
Total capital required . . . . .	£1,100,000

## MAINTENANCE, PER ANNUM.

Six stations, including general superintendence . . . . .	£18,000
Annual cost of steamer and stores . . . . .	15,000
Direction and Home expense with Engineer . . . . .	5,500
Renewal Fund . . . . .	12,000
Total . . . . .	£50,500

\* These steamers will take out 2,000 tons Cable.

## PAPERS RELATING TO

No. 2.

THE UNDER-SECRETARY TO MR. F. GISBORNE.

Colonial Secretary's Office,  
Auckland, 4th November, 1862.

SIR,—

I have the honor, by direction of Mr. Dillon Bell (in the absence of Mr. Domett), to acknowledge the receipt of your letter to His Excellency the Governor, dated 15th July last, containing a proposal for uniting Australia with England by Electric Telegraph, and in expressing to you his thanks for that communication, to state that the Government will be glad to receive further communication from you as promised.

I have, &amp;c.,

W. GISBORNE,  
Under-Secretary.

F. Gisborne, Esq., 6, Duke-street, Adelphi, London.

No. 3.

MR. F. GISBORNE TO GOVERNOR SIR GEORGE GREY, K.C.B.

6, Duke-street, Adelphi, London,  
October 25th, 1862.

SIR,—

I have the pleasure to state for your information, that the Netherlands Government entered into a contract with the promoters of the Anglo-Australian and China Telegraph on the 19th ultimo, engaging to pay them an annual subsidy of £8,500, so soon as they shall lay a new cable between Batavia and Singapore. I think it unnecessary to communicate to you the text of the contract, as the conditions are the same as those proposed for the laying of the Telegraph between Java and Queensland. The subsidy namely amounts to 5 per cent. upon the estimated cost of £170,000; it is to run for thirty years. The payment of it is contingent upon the successful working of the cable, except during thirty days in each year, which are allowed for effecting repairs; Government messages are to be sent free to the extent of the subsidy; the tariff between Singapore and the East end of Java is to be settled by the Government in conjunction with the Company, and a separate wire is to be put by the Government through Java, if necessary. State messages are to have priority over private messages; the excess of nett Revenue over 15 per cent. is to belong to the Government to repay it any advances on account of subsidy, and the Government are to be officially represented on the Company's Board. The Singapore and Batavia cable is to be laid coterminously with the laying of the India, Singapore, and Java-Queensland Telegraphs.

The Netherlands Government have also ordered detailed soundings to be taken between Cape Sedano (Java) and Coepang in Timor.

The Government of India have determined to establish Telegraphic communication between England and India, *vid* Asiatic Turkey. The Telegraph will be a land line as far as Bussorah, near the Persian Gulf, and thence by sea for 1,000 sea miles to within 350 miles of Kurrachee in India. The manufacture of the Persian Gulf cable is to commence on the 1st proximo, and the whole communication is expected to be completed by the end of next year. This will no doubt increase the anxiety of the Australian Colonies to connect themselves telegraphically with India. The Malta and Alexandria cable continues perfect, and has never been interrupted.

It only remains for me to express a hope that the proposition I sent out last July will be accepted by the Colonial Legislatures.

I have, &amp;c.,

F. GISBORNE.

Governor Sir George Grey, K.C.B.

No. 4.

THE UNDER-SECRETARY, NEW ZEALAND, TO MR. F. GISBORNE.

Colonial Secretary's Office,  
Auckland, 4th February, 1863.

SIR,—

I have the honor, by the direction of Mr. Domett, the Colonial Secretary of New Zealand, to acknowledge the receipt of your letter of the 25th October last, to His Excellency the Governor,

stating that the Netherlands Government had entered into a contract with the Promoters of the Anglo-Australian and China Telegraph, engaging to pay them an annual Subsidy of eight thousand five hundred pounds, as soon as they shall lay a new Cable between Batavia and Singapore.

In reply, I am to inform you that the Government of New Zealand learn with much pleasure that this great undertaking is progressing satisfactorily, but that they have nothing to add to the letter to you of the 4th November last, which crossed your letter, except that there is little doubt that the New Zealand Legislature will contribute a sum proportionate to the sums paid by the Australian Colonies, when the advance of the work is such as to justify that payment. This proportion will, of course, be comparatively very small until the line is extended to New Zealand.

I have, &c.,

W. GISBORNE,  
Under-Secretary.

F. Gisborne, Esq., 6, Duke Street, Adelphi.

### No. 5.

MR. F. GISBORN, TO GOVERNOR SIR GEORGE GREY, K.C.B.

6, Duke-street, Adelphi, London,  
26th January, 1863.

SIR,—

I have the honor to annex copy of a letter, dated this day, I have addressed to His Excellency the Governor of Queensland, agreeing on the part of the promoters of the Anglo-Australian and China Telegraph, to adopt Van Diemen's Inlet in the South Eastern portion of Gulf Carpentaria as the terminus of the cable from Java, upon certain conditions as to the maintenance of the land line to Brisbane, which are stated in that letter. This will reduce the length of the sub-marine line to 1,865 nautical miles of distance, the total capital to £710,000, and the annual subsidy to £35,500.

You will observe, Sir, that that was the amount of subsidy agreed to in 1860, and I trust that no delay will now be interposed in carrying out the work. The Persian Gulf cable is being manufactured at the rate of fifty miles per week.

I have, &c.,

F. GISBORNE.

His Excellency Sir George Grey, K.C.B.,  
Governor and Commander-in-Chief,  
New Zealand.

### Enclosure to No. 5.

MR. F. GISBORNE TO GOVERNOR SIR GEORGE F. BOWEN, QUEENSLAND.

6, Duke-street, Adelphi, London,  
26th January, 1863.

SIR,—

I have the honor to acknowledge the receipt of your letter of the 13th November last, enclosing a minute of the Executive Council of Queensland, dated the 28th October last, relating to the establishment of Telegraphic Communication between Australia and England *via* Java and India.

The Company proposed to lay a Cable between Java and Broad Sound or Brisbane, but the minute in question very strongly insists upon "the economy, safety, and certainty of communication" to be obtained, by substituting an Overland Telegraph between Brisbane and Gulf Carpentaria for the portion of the Submarine Line south of Cape York.

I have the pleasure to inform you that, after mature deliberation, the promoters have determined to accede to the wishes of the Government of Queensland, in favour of the Overland communication, and will be ready to fix the terminus of the Cable at, say Van Diemen's Inlet, in the south-eastern portion of Gulf Carpentaria.

The length of the submarine line will thus be reduced to 1,856 nautical miles of distance, and the total capital to £710,000; the subsidy will thus be also reduced to £35,500 per annum.

In coming to this decision I have to state that the promoters cannot themselves undertake the construction of the overland line, and must secure the shareholders against loss in the contingency of this portion of the work not being completed contemporaneously with the laying of the Cable, or not being afterwards efficiently maintained. In either of these contingencies it is evident that not only would the capital invested in the submarine portion of the work remain unproductive, but great discredit would be thrown upon the whole communication, and public confidence be seriously

shaken. It must also be borne in mind that the English public are not in a position to judge of the possibility of constructing, within a specified time, or of afterwards efficiently maintaining, the proposed Overland Telegraph.

It is, therefore, absolutely necessary that the Queensland Government should accede to a condition which is the counterpart of the condition which deprives the Company of a rateable portion of the subsidy when their Cable is not in working order.

The new condition proposed is as follows :—

“That the Government of Queensland shall construct and maintain an Overland Telegraph between Brisbane and Van Diemen’s Inlet, in Gulf Carpentaria, within one and a half years from the date of the Contract granting the subsidy for the Cable between Java and the said Inlet.

“That for every day beyond the said one and a half years, which shall elapse without Telegraphic communication being completed, and after its completion for every day that such Telegraphic communication shall be interrupted between Brisbane and Van Diemen’s Inlet, the Government of Queensland engages to pay to the Company at the rate of 10 per cent. per annum upon the cost of the said submarine line.”

You will observe that the 10 per cent. would have to go to pay the working expenses as well as a dividend.

It will be evident to you, Sir, that no progress will be made in this matter until the Colonies agree among themselves upon a common basis of action, and I trust that the interest which you have constantly evinced in this great question, has already caused you to take practical steps to secure such an agreement. I can see no difficulty in the way of this if the intention exists.

I have, &c.,

F. GISBORNE.

Governor Sir Geo. F. Bowen, Queensland.

### No. 6.

SECRETARY TO THE POSTMASTER-GENERAL TO MR. F. GISBORNE,

General Post Office,  
Auckland, 21st May, 1863.

SIR,—

I am directed by Mr. Reader Wood, in the absence of the Postmaster-General, to acknowledge the receipt of your communication of the 26th January, 1863, addressed to His Excellency Sir George Grey, on the subject of Telegraphic communication between the United Kingdom and Australia, *via* Java and India, and to convey to you the thanks of the Government for the same.

I have, &c.,

G. ELLIOTT ELLIOTT,  
Secretary.

F. Gisborne, Esq., 6, Duke-street, Adelphi, London.

### No. 7.

MR. F. GISBORNE TO GOVERNOR SIR GEORGE GREY, K.C.B.

6, Duke-street, Adelphi, London,  
19th March, 1863.

SIR,—

I have the honor to enclose copy of a letter addressed by Sir Charles Nicholson, on the 6th instant, to the Chancellor of the Exchequer, on behalf of the promoters of the Anglo-Australian and China Telegraph, asking for Imperial assistance to the Java-Queensland section; also an Estimate of the cost of that line, dated the 5th instant. An influential deputation waited on the Chancellor of the Exchequer on the 27th ultimo, and the above letter was written at his request, and will fully explain itself.

I think it unnecessary to enclose the documents referred to in it, some of which are already in your possession.

There is no doubt that Her Majesty’s Government now attach far more importance to the question of Telegraphic communication with their Eastern possessions and Colonies than they did last year, and I believe the present application will meet with success.

The distinction which is now beginning to be appreciated between deep sea and shallow sea Telegraphs, and the consideration that the whole Telegraphic system proposed by the promoters belongs to the latter category, is no doubt one of the main causes which has induced this change of feeling.

It is now recognised that cables laid in a depth, varying from 30 to 100 fathoms, are seldom broken, and can be easily repaired; the processes of insulating, covering, shipping, and laying cables have, moreover, made immense progress, and the importance of detailed sounding is now fully recognised. All this has been strikingly exemplified by the success of the Malta and Alexandria cable.

The manufacture of the Persian Gulf cable is proceeding rapidly, and the communication between England and India is expected to be completed by the end of this year.

As you are aware, the promoters have adopted the Overland Telegraph between Brisbane and the South Eastern portion of Gulf Carpentaria; thus reducing the length of the sea line from East Java to that point to 1,830 nautical miles, the total capital required to £710,000, and the subsidy to £35,500 per annum.

You are also aware that many persons in South Australia desire to see the terminus of the sea line fixed at Cambridge Gulf on the Northern Coast, thereby reducing the length of the sea line to 1,030 nautical miles; but necessitating the construction of a land line between Cambridge Gulf and Spencer Gulf on the Southern Coast. The land line proposed by Queensland will traverse a direct distance of 1,060 statute miles; that advocated in South Australia, a direct distance of 1,413 statute miles. The actual mileage of wire will of course be immensely in excess of length in each case, but I take direct distances for the convenience of comparison.

The land line, therefore, advocated in South Australia, will be nearly half as long again as that adopted by the promoters; moreover the latter will traverse a country in which there are already settlements to within less than 300 miles of Gulf Carpentaria, whilst in South Australia the cattle stations do not extend beyond Cooper's Creek, which is 1,250 miles in a direct line from Cambridge Gulf.

I will here observe that neither in South Australia nor in Queensland is it contemplated that New South Wales, Victoria, Tasmania, and the other contributing Colonies shall be spared any outlay by shortening the sea line, and reducing the annual subsidy to the Company; since, I find that the Governments of both the former Colonies claim the co-operation of the others in constructing and maintaining a considerable portion at least of the land lines.

As the cables can be laid between India and Australia in less than two years from the granting of the subsidies, the promoters must of course see that the land line that is adopted can be constructed within that time, and can be afterwards efficiently maintained.

So important a communication as that in question cannot be left to depend upon an insecure line.

It is to be regretted that so many persons are attempting to make the Telegraph the vehicle for preparing the country they are interested in for pastoral occupation, to the detriment of the direct object. I think it my duty to make these general observations; but I must add, that so far as my late communications with the Government of South Australia have proceeded, they completely satisfy me that the Executive of that Colony are prepared to adopt the land line which the majority of the Colonies agree in, and not unduly to insist upon their own; and it may be that, in pointing out the superiority of the line through Queensland, I am only stating what will meet with universal assent.

I trust, Sir, that you will see that this most important question is making rapid progress, and that the time has arrived for giving definite instructions and powers to the agents representing the Colonial interest in England, to treat with those who are quite prepared to carry out the work on receiving certain definite assistance.

I have, &c.,

F. GISBORNE.

Governor Sir George Grey, K.C.B.

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### Enclosure to No. 7.

SIR CHARLES NICHOLSON TO THE RIGHT HONORABLE THE CHANCELLOR OF THE EXCHEQUER.

5, Cleveland Row, St. James, S.W.,  
6th March, 1863.

SIR,—

The Deputation connected with the Anglo-Australian and China Telegraph, which had the honor of waiting upon you on the 27th ultimo, with the special object of ascertaining whether Her Majesty's Government would co-operate with the several Australian Governments in carrying out the Java-Queensland Section, as part of the Line between India and Australia, were invited by you to state in writing the result of previous negotiations on the subject, and the amount and nature of the assistance which Her Majesty's Government is expected to give.

I have, therefore, the honor to recapitulate that, as regards the first Section of this Telegraphic System, viz., the Line between Rangoon and Singapore, the Promoters have been informed by the Secretary of State for India that he cannot entertain any proposition for its execution until the Treasury shall assist in carrying out the extension to Australia.

The next link in the chain, viz., the Line between Singapore and Java, has lately been subsidized by the Netherlands Government, but it is on condition that it shall only be carried out contemporaneously with the Rangoon-Singapore Telegraph.

As regards the last section, that, namely, between Java and Queensland, action was taken upon it in 1860 by the Colonial Governments, as follows :—

The Legislature of New South Wales authorized its Government to subsidize the line to the extent of £9,625 per annum.

The Legislature of Victoria gave a similar authorization to the extent of £13,000 per annum ; and all the other Colonial Governments, except that of South Australia, promised proportionate contributions.

To the contribution of Victoria was annexed a condition that the Home Government should contribute something. The Victorian Government then offered to find half of the whole annual Subsidy that might be required, provided that Her Majesty's Government found the other moiety.

It would appear from a Minute of the Postmaster-General of Victoria, dated 16th day of June, 1860, that the Government of Victoria contemplated reducing its quota by the contributions of South Australia, Tasmania, and West Australia, which would leave the contribution of the Home Government to be reduced by the contributions of New South Wales (which had not required the co-operation of the Home Government), Queensland, and New Zealand.

The Government of South Australia refused to contribute, because it wanted the terminus of the Sea Line to be fixed at Cambridge Gulf, on the Northern Coast of Australia, instead of in Queensland.

Practically, however, the contribution of the Home Government was reduced to one-fifth of the whole subsidy.

The failure of the Red Sea Line prevented any further action being taken about the subsidies ; but on the 15th of last July the Promoters again applied to the Governments of Australia to revive them.

The Government of Queensland has since then expressed its willingness to contribute ; and that of South Australia now views the proposition favourably.

It is confidently expected that the next few mails will bring favorable answers from the other Colonies, and that the whole assistance required of them will be granted.

The length of the Submarine Line from the East Point of Java to the South-eastern Point of the Gulf Carpentaria will be 1,830 nautical miles, from that Point the Queensland Government will undertake the Land Line to Brisbane.

It would appear from the Admiralty Charts that the Cable can be laid in a depth of about fifty fathoms for nearly the whole distance.

The estimated Capital required to lay the Submarine Line is £710,000, and the Colonies are expected to pay an annual subsidy of five per cent. on four-fifths of that sum, or £28,400 per annum for thirty years from the completion and during the working of the Cable in return for the gratuitous transmission of State messages to that extent in each year, and with the right of fixing the tariff of State and private messages in conjunction with the Company, which amounts to a veto subject to arbitration.

As regards the remaining fifth of the Capital which Her Majesty's Government have been asked to deal with, the Promoters originally proposed that Her Majesty's Government should grant a subsidy of five per cent. per annum upon such fifth, upon the same conditions, *mutatis mutandis*, as the Colonial subsidies depend upon.

The result of the interview has, however, left an impression on the minds of the Promoters that Her Majesty's Government are indisposed to meet that proposal, but might not be unwilling to subscribe a portion of the Capital above mentioned.

The Promoters would regard such an arrangement as equally calculated to further their views.

They therefore desire respectfully to submit to Her Majesty's Government their readiness to give effect to the undertaking, provided the latter shall see fit to subscribe a sum equal to one-fifth of the Capital above mentioned, Her Majesty's Government receiving a proportionate share of the profits of the undertaking, but not participating in the Colonial subsidies, the sole object of which is to enable the remainder of the Capital to be raised. Should the late rapid rise in the price of Gutta Percha be maintained, the cost of the Cable may have to be increased by some £20,000.

The reasons which exist for asking Her Majesty's Government to contribute to the Java-Queensland Telegraph, some of which may be termed inducements, are shortly as follows ;—

1st. Victoria made such a contribution a condition to granting its proportion of the subsidy.

2nd. The Secretary of State for India has made the same condition to aiding or constructing the Rangoon-Singapore Telegraph, which is necessarily the first section of the proposed Telegraphic system.

3rd. The Australian Governments will require the assistance of Her Majesty's Government, which cannot be of any value without responsibility, in making the preliminary arrangements, and during the progress of the work.

4th. Her Majesty's Government will, by taking a share in the undertaking, acquire a right of control which will be of the greatest importance in all questions affecting the political interests of the Empire in the Southern and Eastern Hemispheres.

In the event of Her Majesty's Government subscribing a portion of the capital (say one-fifth of the whole), it would be conceded that they should appoint one-fifth of the Directors. And as a protection to public interests, there would be no objection to giving them extraordinary powers in time of war, as well as a veto upon the tariff of State and private messages, subject to arbitration, in conjunction with the other contributing Governments ; nor would there be any objection to giving the contributing Governments a compulsory power of purchasing the line, at say thirty years purchase of the nett average receipt for the three years immediately preceding the purchase.



It is as unnecessary to dwell upon, as it is impossible to exaggerate, the importance of this great undertaking, which I venture to believe will meet with your entire sympathy.

A submarine line of Telegraph, extending between India, China, and Australia, would give the British Government the practical control and command at all times of all the Telegraphic communications between the French, Dutch, and Spanish Settlements of the East, with the respective States to which they belong.

The promoters will feel greatly indebted if you will give the present application your early consideration, as the negotiations with the various Governments concerned cannot be matured until Her Majesty's Government have signified the extent of their co-operation.

Should that decision be favourable to the views of the promoters, they will register themselves as a Company, under "The Companies Act, 1862," in the expectation that the pending arrangement with the other Governments will then be brought to a speedy and successful termination, upon the attainment of which result they will be prepared to carry out co-temporaneously the various sections of the India-Australia Telegraph.

I have, &c.,

CHARLES NICHOLSON.

The Right Honorable W. E. Gladstone, M.P.,  
Chancellor of the Exchequer.

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MESSRS. FORDE AND FLEEMING JENKIN TO MR. F. GISBORNE.

6, Duke-street, Adelphi, London,

5th March, 1863.

DEAR SIR,—

We enclose you an Estimate of the first cost and maintenance expenses of the proposed Cable between Java and the South Eastern portion of the Gulf of Carpentaria.

You will see by the Specification that we recommend the adoption of a heavy and somewhat expensive Cable, small and cheap Cables have seldom proved permanently successful, and we think it bad policy to spare money on this part of the expenditure. The core will transmit, with the usual Morse instruments, from seven to eight words per minute between the proposed stations, the longest section being 590 knots.

With new improved instruments this number of words could be doubled.

The outer covering of heavy iron wires is suitable to the depth of water along the proposed route. These wires are, moreover, to be protected against corrosion by a hard bituminous outer coating.

We believe that the sum named as the cost of this Cable, free on board in England, will agree with the tenders to be obtained from first class makers by public competition.

Contractors have hitherto been generally employed for the transport and submerging of Cables, but we think that in a line like the present, where there is really no risk of failure, the large sums usually paid under this head can be saved; and we have framed the Estimates on the supposition that the Company will transport and lay the Cable by means of its own Officers.

A large saving will thus be effected, and the Company's Officers will have a thorough control over the execution of this portion of the work, which has hitherto frequently not been the case.

The proposed arrangement will also enable a large number of firms to tender for the outer covering.

We propose to use sailing vessels for the conveyance of the Cable in wrought iron water tight tanks, from England to its destination.

The adoption of this plan, without any sensible increase of risk or delay, still further diminishes the estimate below the sum which would be required if the Cable were to be carried (as formerly estimated) in steamers specially built or chartered for the purpose.

The proposed plan entails the purchase of one large and powerful steamer.

The total cost of each of the three sections between India, Rangoon, and Australia, if carried out at the same time and with the same Staff, but with an additional steamer, would be as follows, and the work could be completed in two and a half years.

Rangoon-Singapore	...	...	...	£450,000
Singapore-Batavia	...	...	...	170,000
Java-Gulf Carpentaria	...	...	...	725,000
			Total	£1,345,000

You will perceive that, while nothing has been spared to secure a strong and efficient Cable, the utmost possible economy has been studied in the plans for carrying out the work, and the Estimates are consequently very little higher than those laid by you before the Australian Legislatures, for a Cable of less than one third the weight of that now proposed.

The cost of working and maintenance may appear high, but we are convinced by experience that it is desirable to have a very ample staff of first class men for the superintendence of a submarine line, and that, moreover, it is desirable to use a very superior class of Telegraph clerks to those employed on land lines.

We also consider it absolutely necessary to provide an efficient steamer to be maintained constantly on the line, in readiness to effect any necessary repairs. Interruptions which need not have lasted more than a few days, have, on some lines been prolonged for months for want of such a steamer. This boat will also visit the stations periodically.

The Estimate for home management and engineering is reasonable, and the sum put down for the Sinking Fund is small ; but we believe it to be sufficient. £15,000 per annum is allowed for the repairing steamer, but one half of this cost would be borne by the first two sections, if all carried out under one Company ; this sum, with about 180 knots of spare Cable provided at the outset, will meet all the expenses of repairs during, say, the first fifteen years. At the end of that time the Sinking Fund, of £10,000 per annum, at four per cent. compound interest, will amount to over £200,000, which, with the reserve of £60,000, will make an available fund of £260,000 for the complete renewal of about one half the line, or for the extension of the lines.

The duration of Cables has hitherto depended in a measure on the time during which the outer iron wires remained sound. In some seas iron decays very slowly, in others rapidly ; but it is believed that the bituminous covering will ensure the permanency of the Cable. We therefore are far from anticipating that any section will require renewal at the end of fifteen years, but it is certainly desirable that a considerable sinking fund should be provided to meet emergencies.

The Malta Alexandria Cable, 1,300 knots long, and situated near England, cost the Imperial Government nearly £500,000. This fact alone will shew that our Estimate of £725,000 for a stronger Cable, 1,830 knots long, to be laid in Australian waters, is framed in the most economical manner. This Estimate is, however, the result of careful consideration, and we are convinced that the work can be efficiently carried out in less than two years.

We enclose a small Map of the proposed lines.

F. Gisborne, Esq., London.

We have, &c.,

FORDE AND FLEEMING JENKIN.

P.S.—The difference between our present Estimate and our original Estimate of £710,000, is due to the sudden rise in the price of gutta percha.

ANGLO-AUSTRALIAN AND CHINA TELEGRAPH.

ABSTRACT OF SPECIFICATION FOR A CABLE BETWEEN JAVA AND THE SOUTH-EAST END OF GULF CARPENTARIA.

Main Cable,—

7' Copper Wires in a strand, weighing per knot . . . . .	150 lbs.
3 Coverings of Gutta Percha, and 3 of Chatterton's Compound . . . . .	230 lbs.
<b>Total weight of Core . . . . .</b>	<b>380 lbs.</b>
Jute and Tar . . . . .	3.40 cwt.
10 Best Iron Wires, No. 6, B.W.G. . . . .	4.20 "
Outer protection, Clark's patent . . . . .	52.40 "
Outer protection, Clark's patent . . . . .	14.00 "
<b>Total weight per knot of Main Cable . . . . .</b>	<b>74.00 cwt.</b>

Shore Ends,—

Core as above . . . . .	3.40 cwt.
Jute and Tar . . . . .	9.50 "
10 Best Iron Wires, No. 1, B.W.G. . . . .	121.10 "
Outer protection, Clark's patent . . . . .	20.00 "
<b>Total weight per knot of Shore ends . . . . .</b>	<b>154.00 cwt.</b>

LENGTH OF CABLE REQUIRED.

Cape Sedano (East Java) to Coepang (Timor) . . . . .	590 knots
Coepang to Port Essington . . . . .	525 "
Port Essington to Cumberland Straits . . . . .	285 "
Cumberland Straits to Gulf Carpentaria . . . . .	430 "
<b>Total direct distance . . . . .</b>	<b>1,830 knots</b>
Slack, probably used, 5 per cent. = . . . . .	92 knots
Spare Cable for Subsequent Repairs—say 10 per cent. = . . . . .	183 "
<b>Total for Slack and Spare Cable . . . . .</b>	<b>275 knots</b>
<b>Total Cable required . . . . .</b>	<b>2,105 knots</b>
Of which Main Cable . . . . .	1,855 knots
Shore Ends . . . . .	250 "
<b>Total . . . . .</b>	<b>2,105 knots</b>

## ESTIMATE COST OF LINE TO BE CARRIED OUT IN TWO YEARS FROM THE SIGNING OF THE CONTRACT.

1,855 knots of Main Cable, at £157 10s. per knots	£292,162
250 knots of Shore Ends, at £252 per knot	63,000
Insurance, 5 per cent. on £355,162	17,758
<hr/>	
Total Cost of Cable free on board in England, including Insurance during the voyage	£372,920
8,000 tons of Cable conveyed to its destination in sailing vessels specially chartered and fitted with Wrought Iron Watertight Cable Tanks, Pumps, &c.	62,975
* One Steamer, 1,600 tons gross register, fitted with large Watertight Cable Tanks, with picking-up and paying-out Machinery	40,000
Coals.—345 days at 25 tons per day = 8,625 tons, at an average of 50s. per ton	21,563
Wages, Stores, Provisions, Insurance, Special Stores, and Contingencies	39,134
<hr/>	
Total Cost and Working Expenses of Steamer	100,697
Five Stations, with Furniture, Instruments, Land Line, and Salaries of Clerks during construction of Line	43,130
Engineering and Electrical Staff employed to superintend the manufacture in England, and to lay the Cable	34,217
Expenses of Management in England	10,000
<hr/>	
Total Stations, Salaries, and Management	87,347
Interest during Construction	37,500
Reserve Fund	60,000
<hr/>	
Total Cost of Line	721,439
<hr/>	
Say—Total Capital	£725,000

\* This Steamer will take out 1,000 tons Cable; Coals during the outward voyage and laying the cable, in all, 345 days at 25 tons per day = 8,625 tons, at an average of 50s. per ton.

NOTE.—The above estimate is £15,000 in excess of that furnished you on 22nd November last. The excess is due to the late rise in the price of Gutta Percha, which, however, may not be maintained.

## MAINTENANCE PER ANNUM.

5 Stations, including general Superintendence	£15,000
* Annual cost of Steamer and Stores	7,500
Direction and Home Expenses, with Engineer	5,500
Removal Fund	10,000
<hr/>	
Total	£38,000

FORDE AND FLEEMING JENKIN.

6, Duke-street, Adelphi, London, 5th March, 1863.

\* This amount of £7,500 is only one-half the total cost of keeping a Steamer on the Station. The remaining half of the cost is chargeable to the Rangoon-Singapore and Singapore-Batavia Sections.

## No. 8.

MR. F. GISBORNE TO GOVERNOR SIR GEORGE GREY, K.C.B.

6, Duke Street, Adelphi, London,  
25th March, 1863.

SIR,—

Since writing to you on the 19th instant, the enclosed letter, dated on that day, has been received by Sir Charles Nicholson from the Lords Commissioners of the Treasury. You will observe that the Treasury undertake to deal with the question at once.

I have been asked why the Queensland land line to Gulf Carpentaria, if adopted, should not be carried on to Port Essington, making that the terminus of the sea line. My answer has been that the intermediate country is not settled, and that so important a communication as that between Australia, India, China, and Europe cannot be left to depend upon a line of Telegraph which would

undoubtedly be liable to perpetual interruption. Moreover, that such a line would replace the safest portion of the sea line, Gulf Carpentaria being one vast bed of mud about thirty fathoms in depth, and with no currents; that it is well known that for through communication between distant points a sea line laid in a moderate depth offers far greater advantages than the most secure land line.

The absence of intermediate stations with local business, and the more constant and uniform action of a cable, which is not influenced by changes of temperature and weather, and is not liable to the numberless small accidents to which a land line is exposed, are among the principal causes.

I have, &c.,

F. GISBORNE.

Governor Sir George Grey, K.C.B.

### Enclosure to No. 8.

THE RIGHT HON. F. PEEL TO SIR CHARLES NICHOLSON, BART.

Treasury Chambers,  
19th March, 1863.

SIR,—

I am commanded by the Lords Commissioners of Her Majesty's Treasury to acknowledge the receipt of your letter of the 6th instant, with reference to the proposed Anglo-Australian and China Telegraph, and I am to state that my Lords will lose no time in dealing with the subject so soon as they have received another communication on the same subject, the immediate or very early arrival of which they are given to understand may be expected.

I have, &c.,

F. PEEL.

Sir Charles Nicholson, Bart.

### No. 9.

MESSES. FORDE AND FLEEMING JENKIN TO GOVERNOR SIR GEORGE GREY, K.C.B.

6, Duke Street, Adelphi, London, W.C.,  
27th July, 1863.

SIR,—

In the absence of Mr. F. Gisborne in Iceland, we think we ought not, as the Engineers who have advised him throughout, to leave you uninformed of a very important accession of strength to the promoters of the India, Australia, and China Telegraph, represented by Mr. Gisborne.

The eminent engineers, Sir C. Bright and Mr. Latimer Clark lately formed a powerful party in the object of carrying out the above undertaking by a separate company.

This opposition threw needless difficulties in the way of the undertaking, and as there was little or no difference between the Engineers in the proposed method of executing the work, Messrs. Bright and Clark offered to combine their efforts with those of Mr. Gisborne's party, and their proposal has been accepted.

The combination thus formed of capitalists and scientific men will greatly advance the undertaking, especially as it has taken place without any modification of the proposals contained in Mr. Gisborne's late letters; it need, therefore, cause no delay in any action to be taken in Australia in those proposals.

We are, &c.,

FORDE AND FLEEMING JENKIN.

Governor Sir George Grey, K.C.B.

### No. 10.

MR. ROBERT MACINTYRE, DUNEDIN, TO THE HONORABLE THE COLONIAL SECRETARY.

Dunedin, 20th June, 1863.

SIR,—

My Correspondents Sir Charles Bright and Latimer Clark, Electricians, (Engineers of the Atlantic, Indian, and other great Telegraph undertakings), desire me to call your attention to the subject of Telegraphic communication for this Colony.

These gentleman are now laying down a Line to Calcutta, which is expected to be finished by the beginning of next year, when Mr. Clark intends to proceed to Calcutta to inspect the work, and he informed the writer that he would most probably visit Australia at the same time, for the purpose of calling attention to the subject of Telegraphic communication with England.

In these circumstances, I have been requested by my Correspondent to make inquiries in New Zealand whether it is probable, were Telegraphic communication resolved upon by our neighbours, that the Government here would undertake connecting this Colony with Australia, and thus with England, India, &c.

As to the cost of forming such a connection between this and the neighbouring Colony of Australia, a correct Estimate could not be given until the route was agreed on and a survey made; but in round figures it would cost £30,000 to lay the Cable, and the Cable would cost about £150 per mile, in England, and say that one thousand miles would be required, the total cost of the undertaking would be, in round figures, £180,000.

The Engineers would, I believe, guarantee any Cable they lay to work for thirty years.

I may mention that I understand there would be no difficulty in raising the money for the undertaking in England, provided six per cent. per annum were guaranteed by the Colony.

My Correspondents are also in a good position to undertake to connect all the Provinces in New Zealand together by Telegraph wires, which could be done at a trifling cost. I need scarcely say that were the order to do so put in the hands of Sir Charles Bright and Latimer Clark, their great experience in connection with Telegraph, and high position, would prove a sufficient guarantee that the work would be properly and speedily performed.

The cost of Land Telegraph, Moss' system, f.o.b., at London, is about £16 10s. per mile, if long stretches are taken, and every Station costs £20 to £25. These prices do not include posts or labor. The labor costs in England £6 to £7 per mile, erecting posts, &c.

If, however, the Government here preferred making Telegraph connections themselves, my Correspondents will be happy to buy all necessary material and instruments, and test them properly and ship them, for a small commission.

This Country is peculiarly well adapted for Telegraphic operations, being in a great measure free from electric and magnetic attraction.

Should you wish further information in reference to this matter, I beg to refer you to Sir Charles Bright and Latimer Clark, 1, Victoria Street, Westminster, London.

Soliciting the favor of an early reply,

I have, &c.,

ROBERT MACINTYRE.

The Honorable the Colonial Secretary, Auckland.

### No. 11.

SECRETARY TO THE POSTMASTER-GENERAL TO MR. MACINTYRE.

General Post Office,

Auckland, 6th July, 1863.

SIR,—

I am directed to acknowledge the receipt of your communication of the 20th ultimo, in reference to Telegraphic communication for this Colony, and to inform you in reply that it is intended to bring this matter before the General Assembly of New Zealand in its next Session.

I have, &c.,

G. ELLIOTT ELLIOTT,

Secretary.

R. H. Macintyre, Esq., at Morrison, Law, and Co.'s,  
Merchants, Dunedin.

### No. 12.

COPY OF DESPATCH FROM HIS GRACE THE DUKE OF NEWCASTLE, K.G., TO GOVERNOR SIR GEORGE GREY, K.C.B.

Downing-street,

16th July, 1863.

Circular.  
New Zealand.

SIR,—

I have the honour to transmit to you copies of communications which have been addressed to this Department by Mr. G. S. Walters, the Agent-General for South Australia in this country respecting the establishment of Telegraphic communication with the Australian Continent.

I also enclose for your information copy of a letter from the Board of Treasury in reply to the reference which was made on the subject to that Department, and, in conformity with their Lordships' suggestions, I have to instruct you to consult with your Responsible Advisers as to the expediency of Representatives being appointed by the different Governments concerned to meet together and discuss the question in all its bearings.

I have, &c.,

NEWCASTLE.

Governor Sir George Grey, K.C.B.

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Enclosures to No. 12.

MR. WALTERS TO HIS GRACE THE DUKE OF NEWCASTLE, K.G.

Office of Agent-General for South Australia,  
5, Copthall Court, London, E.C., 24th February, 1863.

MY LORD,—

I have understood that application is likely to be made to Her Majesty's Government to give a guarantee for a Telegraph Cable to be laid down from East Java to Queensland.

In consequence of the recent explorations to the North Coast of the Australian Continent by South Australian explorers, the views of the Government and people of South Australia appear to be already extending themselves across the Continent, as will be better shown by the copy of a letter from the Treasury at Adelaide addressed to me under date 26th December, 1862, which I have now the honour to inclose for your Grace's perusal.

I infer from this despatch that the local Government of South Australia is not prepared to subscribe to any plan to be submitted to Her Majesty's Government through Queensland, if any such should be offered, inasmuch as the expense of communication would be immensely reduced by a simple overland telegraph wire across the Continent to meet a much shorter cable wire at the point most convenient, or contiguous to Java.

Inquiries are already set in movement by the telegraph authorities at Adelaide with reference to iron pillars for supporting the wire *en route*, from which I apprehend they consider that any difficulties which might be supposed to arise from any of the aborigines, if such there be, could be easily overcome.

I thus place the matter so far as it happens to have come to my knowledge under your Grace's view in case it should form an interesting element of consideration.

I may also add, that I do not think Her Majesty's Government of South Australia will allow themselves to be drawn into any unnecessary extravagant expenditure for the benefit of speculators.

If I err in addressing your Grace I have no doubt you will pardon me.

I have, &c.,

G. S. WALTERS.

His Grace the Duke of Newcastle, K.G.

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MR. BLYTH TO MR. WALTERS.

Treasury Offices, Adelaide, 26th December, 1862.

SIR,—

I have the pleasure to announce that Mr. John McDouall Stuart has recently returned to Adelaide from his third attempt to reach the Indian Ocean overland, a feat at last happily accomplished at a point a little to the eastward of Cape Hotham in Van Diemen's Gulf.

A copy of his journal and map describing his course of travel to and from the Northern Coast of this Continent are posted to you herewith; and you will be gratified to learn that the northern region passed through by Mr. Stuart is eminently adapted for settlement, and that efforts will be made to secure its addition to South (or more properly Central) Australia.

Under any circumstances, Van Diemen's Gulf will doubtless prove an important outlet for disposing of the surplus Stock of this Province in the Indian and Chinese markets. Perhaps too, the telegraph wire may connect Adelaide with Europe and Asia, at no very distant day, by Mr. Stuart's route.

I have, &c.,

ARTHUR BLYTH,  
Treasurer.

G. S. Walters, Esq., S. A. Agent-General, London.

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MR. WALTERS TO HIS GRACE THE DUKE OF NEWCASTLE, K.G.

Office of Agent-General for South Australia,  
5, Copthall Court, London, 26th February, 1863.

MY LORD,—

I had the honor of addressing your Grace on the 24th instant, on the subject of the scheme for laying down the Telegraph wire to the Australasian Colonies, which I understand is to be propounded to the Treasury.

Since then I have made some hasty inquiries, and the result, which at present is somewhat crude, is embodied in the enclosed letter from a practical telegraphist, Mr. Passmore, to myself.

Her Majesty's Government will, I doubt not, open the line to public competition; and it is to be hoped that the Dutch Government will not mar such a proceeding by granting to any person the exclusive permission to land submarine cables on their Island.

I have no desire to appear further in this matter, or to trouble your Grace upon it.

I have, &c.,

G. S. WALTERS,  
Agent General.

His Grace the Duke of Newcastle, K.G.

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MR. PASSMORE TO MR. WALTERS.

90, Cannon-street, London,

26th February, 1863.

DEAR SIR,—

With reference to our conversation of this morning, I think it is highly important that the Government should well consider the various routes before committing itself to any scheme for telegraphic communication with the Australian Colonies.

Mr. Gisborne's scheme is for a submarine line from East Java to Moreton Bay, a distance of 3,024 knots, at an estimated outlay of £1,000,000.

Since that scheme was originated, Mr. Stuart has crossed the continent three times, planting a flag on the north coast, near Cambridge Gulf, and he reports most favourably of the major part of the country, which he has now traversed three years consecutively.

The country is being speedily occupied, and everything tends to prove the practicability of a land-line across the continent, with a submarine line to East Java.

What I should suggest as a proposal to be made (without going into detail) would stand thus, viz. :—

Submarine Cable from North Coast to East Java . .	940 miles.
Land Section . . . . .	1,480 miles.
Total . .	<u>2,420 miles.</u>

A report and estimate of the cost of this cable and land-line has been prepared, and it may be relied on, I think, that it could be completed for under £500,000, or for one half the cost of Mr. Gisborne's scheme, with a saving of 1,000 miles in the length of sea-line.

It should be suggested to the Dutch Government to grant no exclusive concession for the landing of cables in the Island of Java.

I have, &c.,

WM. B. PASSMORE.

G. S. Walters, Esq., Agent-General for South Australia.

P.S.—If Mr. Gisborne alters his plan, and proposes to carry his submarine cable from East Java to the Gulf of Carpentaria only, being a distance of 1855 miles, at the diminished cost of £710,000, then I would suggest, as against this proposal, that the cable be carried to a nearer point on the north Coast, distance only 940 miles, and at a cost of £235,000, thus saving 915 miles of sea-line and £475,000 of money.

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MR. WALTERS TO SIR F. ROGERS, BART.

Office of Agent-General for South Australia,  
5, Copthall Court, 19th March, 1863.

SIR,—

I have the honor to acknowledge your letter of the 16th instant.

The kind expressions of his Grace the Duke of Newcastle, embolden me to bring to a conclusion what I am desirous of saying with respect to Telegraph communication with the Australasian Colonies, after having made further inquiry.

1. Let me restate that I was impelled to address his Grace from the urgency of the moment, as I perceived that a number of respected colonists had consented to accompany Mr. Gisborne to the Chancellor of the Exchequer, the object of Mr. Gisborne being, as I believed, to promote one or other of his two schemes, both of which appeared to me most undesirable in the interests of Her Majesty's Government, and of every one of the colonies.

2. And for the following reasons :—That on the 1st scheme of 3,000 miles (nautical) to cost about a million sterling, no less than 2,000 miles might be saved.

That on the 2nd scheme of about 2,000 nautical miles of cable to cost about £710,000, 1,000 miles might be saved ;

That on the calculated price of about £380 per nautical mile, about £150 more or less might be saved ;

That the amount of saving in both cases might reach an enormous sum, say almost half-a-million in round numbers in either case, if the alternative were adopted of landing the cable at the nearest point from Timor, and carrying thence a land-line to about the same latitude as Moreton Bay.

3. This prospect appeared to me to require a pause in the proceedings, since assuredly it would be to the interest of Her Majesty's Government and of all the Colonies to direct an investigation to be made by competent persons. On public grounds alone, and in the urgency of the moment, I deemed it my duty to address the Duke.

4. It is reported that at the interview with Mr. Gisborne and the gentlemen who accompanied him, the Chancellor of the Exchequer hinted, that the payment of money for the cable in lieu of guaranteeing might be a preferable course. If so, and the Colonies adopt the same view, I am firmly persuaded, bearing in recollection the unfortunate results of the Red Sea cable, that such in effect would be the right course, and the most economical, for the contract could then be made direct with responsible manufacturers, upon the true and equitable footing, and save the absorption by any intermediate persons of so large a sum as £150 (more or less) per nautical mile in the price of the cable.

5. As the results of my further inquiry, I beg permission to enclose copies of a more complete letter from Mr Passmore, the telegraph contractor, and of an additional letter from Mr. C. F. Varley, the engineer and electrician, whose authority as a man of great practical experience and of high scientific standing in the Electrical World is sufficiently notorious.

The character of both gentlemen for integrity and honor is of no slight moment in considering their evidence. Mr. Varley has under his charge the whole of the electric and international telegraphic system, comprising some 35,000 miles of land wire, 1,800 miles of sea cable wire, all working in perfect order with hundreds of thousands of messages. These copies I have had printed for transmission to the Colonies.

6. In connection with the feasibility of land wires across the Australasian Continent, and the truthfulness of the descriptions of Stuart, the South Australian explorer, and his well known companions, I may refer to the annexed extracts of private letters, by the mail just arrived, shewing the confidence of the South Australian colonists in both, and "they know not how to discover, but how to occupy," as their journals say.

The colonists of South Australia are losing no time in sending sheep and cattle upon Stuart's route, and even are agitating the propriety of sending a superintendent and staff to the Northern sea board for the maintenance of order.

7. Perhaps it might be suggested that the time is arrived, or nearly so, when all the Australasian Colonies should depute, say the chiefs of their respective telegraph systems, to form a congress and determine:—

- a. The best point on the Northern Coast for laying the cable.
- b. The most convenient point for all, to which the land line should be directed from the Coast, so as to enable each Colony to derive from this latter land line point, the communications for each Colony.
- c. The best mode of purchasing the cable, &c., &c., and maintenance &c.
- d. The division of costs, (including New Zealand, Tasmania, and Western Australia).

8. When this has all been settled, then the approbation and co-operation of Her Majesty's Imperial Government might be solicited.

Finally in all that I have stated, I hope not to be misunderstood (whatever my own convictions may be), as being desirous of excluding any schemes from due consideration, as I frankly confess, what indeed must be very evident, that I am a very incompetent person to offer any technical opinion, although it may be said in illustration that it is not necessary to be an astronomer to be able to see the moon.

All that I desire to submit, in opposition possibly to my fellow colonists before alluded to, is that before any hasty decision is taken on the subject, competent persons in the Colonies and at home, should well weigh and investigate it, and recommend the course that may be best and most economical for all interests, and to this purpose I have endeavoured to show cause.

I have, &c.,

G. S. WALTERS,  
Agent-General for South Australia.

Sir F. Rogers, Bart.

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MR. WALTERS TO SIR F. ROGERS, BART.

Office of Agent-General for South Australia,  
5, Copthall Court, London, 26th March, 1863.

SIR,—

I was in hopes that after I had the honor of addressing you on the 19th instant for the consideration of his Grace the Duke of Newcastle, I should have had no further occasion to tresspass on your invaluable time.

The question of Telegraphic communication is, however, of such deep interest to all the Australasian Colonies, as well as to Her Majesty's Government, that with all my repugnance to place myself so repeatedly before you, I feel it a duty to enclose a copy of my letter addressed this day to the Government of South Australia.



It involves the consideration of a contract proposed by Mr. Passmore at an enormous saving to all the Governments concerned, without exception.

The stability or sufficient guarantee of parties, who will concur in the operation.

And finally, the new difficulty before unknown to me, that the cable laid down by Mr. Gisborne between Java and Singapore, that was relied upon for the connection between Australasia and India, has failed.

With a thousand apologies for my repeated intrusion, which I trust may not again occur.

I have, &c.,

G. S. WALTERS,

Agent-General for Her Majesty's Colony of South Australia.

Sir F. Rogers, Bart.

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MR. WALTERS TO COLONIAL TREASURER, SOUTH AUSTRALIA.

5, Copthall Court, London,  
26th March, 1863.

SIR,—

I have the honor to lay before you the copy of a letter from Mr. Passmore, dated yesterday. You will perceive his desire that I should send to you the copy of this proposal to the Chancellor of the Exchequer which he encloses for that purpose; and I accordingly comply with his wish and now forward it. You will perceive that he tenders to make the line from East Java to Timor, and thence to land the cable on the nearest point on the north coast of Australasia; also to carry the wire further by land 1,100 miles to the point that may be determined upon by the Australasian Governments, this central agreed point being that from which each Government can connect its own system and receive the telegrams simultaneously.

This Mr. Passmore proposes to do for the sum of £412,000 named in his correspondence with me already sent to you (in printed copies). I inquired of Mr. Passmore how he was situated with respect to affording some responsible guarantee for so large an undertaking (?) and in satisfaction of my inquiry he states that he is backed by responsible parties.

You will also notice possibly with something of the same surprise that I have felt the present condition of Mr. Gisborne's cable between Java and Singapore described by Mr. Passmore as broken down. Those seas are dangerous.

I have, &c.,

G. S. WALTERS,

Agent-General for South Australia.

The Honorable the Treasurer of South Australia.

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MR. PASSMORE TO MR. WALTERS.

90, Cannon-street, E.C., 25th March, 1863.

SIR,—

I beg to hand you herewith copy of my proposal to the Right Honourable the Chancellor of the Exchequer of the 24th instant, stating my readiness to contract for the sea cable from East Java to the nearest point on the north coast, carrying a land-line from thence 1,100 miles to a point to be determined on by the various Colonial Governments for the sum of £412,000 as named in my correspondence with you.

From the point so suggested each Colony might adopt its own line of communication, receiving their telegrams at the same moment of time.

I must, however, warn you that my proposition will not place Australia in communication with Singapore, inasmuch as Mr. Gisborne's cable between Java and Singapore is not at work, having been broken down for some weeks. If not made good I think it is worthy of consideration, whether the cable should not cross the Straits of Sunda at the shortest point, and be carried along the Island of Sumatra by land, crossing the Straits of Malacca at the nearest point to Singapore.

I have, &c.,

WM. B. PASSMORE.

P.S.—Would you oblige me by sending to the South Australian Government the copy of my proposal.

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THE RIGHT HON. F. PEEL TO SIR FREDERIC ROGERS, BART.

Treasury Chambers, 24th June, 1863.

SIR,—

With reference to your letters of 16th March and 4th April last, transmitting copies of letters and of their inclosures from Mr. Walters, the Agent-General from South Australia, respecting the establishment of telegraphic communication with the continent of Australia, I am commanded by the

Lords Commissioners of Her Majesty's Treasury to acquaint you that my Lords have had brought under their notice, with a view of obtaining the assistance of Her Majesty's Government, several schemes for the purpose in question.

There is no doubt that the establishment of telegraphic communication with the Australian Colonies would be in all respects of great advantage, and no one could view otherwise than with much satisfaction the accomplishment of so desirable an object. My Lords however, from the information at present before them, are unable to arrive clearly at a conclusion as to what, in the collective opinions of the Australian Colonies, would be the scheme of telegraphic communication which upon the whole would be the best, nor whether they would be justified, on behalf of this country, in granting aid out of Imperial funds.

It therefore appears to my Lords that, before they come to any decision on the matter and on every ground of comparative knowledge and interest, it would be expedient to adopt the suggestion contained in the letter from the Agent-General of South Australia, of 19th March last, addressed to you, viz. :—That representatives should be deputed by the various Colonies to meet together and discuss the subject in all its bearings. And they would suggest that the Duke of Newcastle, unless he sees any objection to so doing, should cause a communication, conveying suggestions to the above effect, and embracing the matters proposed in Mr. Walter's letter, to be made to the Governments of the respective Colonies concerned.

I am, &c.,

F. PEEL.

Sir F. Rogers, Bart.

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