

decrease of cost; and the result would consequently be a loss to the Company. At the recent Convention at St. Petersburg it was the unanimous opinion of all Submarine Companies that the expansion of communication was very disappointing, and that at the existing rates the business was not remunerative.

It appears to the Company that the shortest route for the new cable would be the best, as requiring the least expenditure of capital, and therefore the most advantageous to the colonies.

There are two routes which in this view suggest themselves—the one going from Port Darwin, and following the line of the present cable to Banjoewangie; and the other starting from North-west Cape, in Western Australia, and going to the same point. Whichever of these schemes may be adopted, the Company would propose to carry on the communication to Singapore by a cable laid direct between there and Banjoewangie, in place of taking the messages over the lines of the Java Government.

In case of the cable from Port Darwin to Singapore touching at Banjoewangie, the distance would be 2,151 miles, and its cost £540,000; in case of the cable going from North-west Cape also touching at Banjoewangie, the distance would be 1,973 miles, costing about £500,000.

The Company would require a subsidy of 6 per cent. on these sums, according to whichever route may be adopted. This amount is necessary in order to pay the interest on the capital that would have to be raised in the open market. In addition to this, the Company would require a sum of 3 per cent. to be laid by as a reserve to meet any repairs that might be necessary to the cable, and also to provide a sum for replacing it as it may become worn out. This sum would have to be guaranteed for a term of twenty-two years, in which time it is calculated that, if 3 per cent. on any sum is laid by annually and invested at 4 per cent., the original capital will be reproduced. The sums therefore required would be: if the cable went from Port Darwin, £48,600; or, if from North-west Cape, £45,000 per annum.—JOHN PENDEB, Chairman Eastern Extension Australasia and China Telegraph Company.

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No. 4.

The CHIEF SECRETARY, Adelaide, to the COLONIAL SECRETARY, Wellington. 20th March, 1878. COLONEL GLOVER, the Managing Director of the Eastern Extension Telegraph Company, having arrived in Australia with a view of negotiating with the colonies' Governments for duplicate cable, we would suggest an Intercolonial Conference being held at Melbourne, to meet on Thursday, the 25th April, at which it is hoped a representative of your Government will be present.—WILLIAM MORGAN.

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No. 5.

The COLONIAL SECRETARY, Wellington, to the CHIEF SECRETARY, Adelaide. 30th March, 1878. GOVERNMENT will be much obliged by being informed as to who are expected to attend Conference on duplicate cables. Will colonies be represented by Ministers or Telegraph Superintendents?—COLONIAL SECRETARY.

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No. 6.

The CHIEF SECRETARY, Adelaide, to the COLONIAL SECRETARY, Wellington. 1st April, 1878. THIS colony will be represented by Ministers, and it is believed the other colonies will also. Our delegates not yet appointed.—WILLIAM MORGAN.

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No. 7.

The COLONIAL SECRETARY, Wellington, to the CHIEF SECRETARY, Melbourne. Wellington, 1st May, 1878.

SIR,—The Government of New Zealand having found it out of their power at the present moment to send one of the Cabinet to represent this colony at the Conference of representatives of the Australasian Colonies, about to meet to consider the question of laying down a duplicate telegraphic cable between Australia and Singapore, I have the honor to request that you will do me the favour of handing to the Chairman of the Conference the accompanying letter, embodying the views of this Government on certain points connected with the project which we consider of some importance.—I have, &c., G. S. WHITMORE.

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Enclosure.

The COLONIAL SECRETARY, Wellington, to the CHAIRMAN of the CONFERENCE on Duplication of SIR,— Electric Cable, Melbourne. Wellington, 1st May, 1878.

I HAVE the honor to inform you that, owing to the near approach of the session of Parliament, and the consequent number of important matters occupying the attention of Ministers, this Government exceedingly regret being unable to send a representative to the Cable Conference; and they accordingly desire to take this opportunity of placing before the other members of the Conference their views as to the proposed duplication.

It appears to this Government that the question resolves itself into the three following heads:—First, as to the route the cable should follow; second, as to the basis upon which the subsidy shall be distributed; third, as to what proportion of the subsidy the Imperial Government should be called upon to contribute.

As regards the route, we are of opinion that a survey of both routes—viz., that from Port Darwin to Singapore, touching at Banjoewangie, and that from North-west Cape to Singapore, also touching at Banjoewangie, should be made before the choice of either can be decided upon finally. The New Zealand Government will be willing to contribute their share towards such survey.

This Government has gone carefully into the question of subsidy proposed by the Eastern Extension Company for the duplication of the cable by either of the above routes, as also the proposal as to the sinking fund; and beg to express their views as follows: The Government think that the payment of the subsidy by the several colonies should be assessed on the money value of the telegrams passing