

through the cable to and fro at Port Darwin, and not upon the basis of population. They also consider that the sinking fund should be vested in the hands of trustees appointed by the several colonies, and that the expenses of the renewal or repair of the duplicate cable should be paid out of such fund, the balance at the end of the twenty-two years to be distributed amongst the several contributing Governments according to their proportion of contribution; or it might, perhaps, be better to devote such balance towards forming the nucleus of a fund for procuring another cable. It also suggests itself to this Government that, in the event of the present cable being interrupted, either the Eastern Extension Australasia and China Company should pay for the right of sending through the new cable whilst the repairs were in progress, or that the subsidy on the duplicate cable should cease during such period of repairs.

This Government are of opinion, taking into consideration the importance that uninterrupted telegraphic communication must be to the mother-country, that the Imperial authorities may be fairly asked to contribute a proportion of the subsidy and sinking fund.—I have, &c., G. S. WHITMORE.

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No. 8.

The PRESIDENT of CABLE CONFERENCE, Melbourne, to the COLONIAL SECRETARY, Wellington. 20th May, 1878.

THE Conference has agreed to certain resolutions, of which the following is a summary:—That New South Wales and Victoria make a contract with the existing Company for a second cable from Singapore to Banjoewangie, and thence to Port Darwin direct, for not exceeding £32,400 annual subsidy for twenty years, payable by all the Australasian Colonies rateably in proportion to population on 31st December, 1876, and subject to readjustment quinquennially. Subsidy not to be payable till a second cable is also laid between Singapore and Penang at Company's cost. In consideration thereof the Company is to reduce the charges for *bonâ fide* Press messages 75 per cent., and for governmental messages 50 per cent. Power is to be reserved in the contract for purchase of the second cable at any time, determining currency of subsidy. As regards land line, after mature deliberation and much attention given to conflicting requirements, it was resolved (Queensland dissenting) to allow South Australia a reasonable period to introduce certain improvements which it is maintained will greatly reduce the interruptions on the Port Darwin line. If these representations are not realized, the colonies have expressly reserved power, South Australia not objecting, to take confederate action with the view to establishing a connecting line between Port Darwin and the Queensland telegraph system. There were certain other matters of minor interest considered by the Conference, and its resolutions thereon will be forwarded to you by first post. The resolutions regarding cable were not agreed to unanimously, Tasmania dissenting, and Queensland not concurring in some matter of detail; but generally I may say that the conclusions arrived at appear to be regarded as fair and satisfactory, and, if carried out, are likely to give us what we all unite in desiring—a reliable means of telegraphic communication with Europe at an early date, and at the least cost compatible with efficiency. Your letter was received, and obtained from the Conference all the consideration it deserved as representing the views of so important a member of the Australasian group. All the evidence elicited tended to show that at present the profits are too small to justify any expectation of an early reduction being probable in the cost of private messages to and from Europe.—GRAHAM BERRY.

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No. 9.

The PRESIDENT of the CABLE CONFERENCE, Melbourne, to the COLONIAL SECRETARY, Wellington. 8th June, 1878.

PURSUANT to resolution of Conference, Mr. Burns and myself prepared draft agreement for contract with the Eastern Extension Telegraph Company, which the Company's representative here telegraphed Home, and he has now received their consent, without material alteration, to it. Can we therefore include New Zealand as one of the contracting colonies? With her co-operation the matter can almost be regarded as settled. Should you desire copy of proposed agreement, I will telegraph it if Mr. Burns consents to my doing so, which I have no doubt he will.—GRAHAM BERRY.

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No. 10.

The COMMISSIONER of TELEGRAPHS, Wellington, to the CHIEF SECRETARY, Melbourne. 13th June, 1878.

RESOLVED in Cabinet, "That the Government of New Zealand object to join in the proposed contract with the Eastern Extension Telegraph Company on the terms agreed to by the majority of the members of the late Cable Conference, because, the New Zealand cable not having been made part of the general scheme, the Government of this colony are unwilling at *present* to enter into any new arrangements."—J. T. FISHER.

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No. 11.

MEMORANDUM relative to DUPLICATION of CABLE. Wellington, 11th July, 1878.

WE are of opinion—(1.) That the duplication of the cable, as proposed by the Cable Conference should, under all the circumstances, be agreed to by New Zealand, in conjunction with Victoria, New South Wales, and South Australia, and such other of the colonies as may become parties to the contract with the Eastern Telegraph Extension Company. (2.) That the reduction in the charges for the transmission of messages between Port Darwin and London by 75 per cent. for Press messages, and 50 per cent. for governmental messages, without additional subsidy, is very liberal, and may, in the discretion of Messrs. Berry and Burns, be modified to the extent proposed by the Company, if its directors cannot obtain the like concession for its use of the Dutch and Indian lines. (3.) That it is unnecessary to keep a steamer constantly at a port in New Zealand or Australia specially for the New Zealand cable; and that the Company should be relieved from this obligation without prejudice to the other conditions of the articles of agreement, which we think are sufficiently stringent to insure the maintenance of communication by cable between New South Wales and New Zealand. (4.) That