

on which interruption and delays have always been only too frequent, it will improve the service to an extent that can hardly fail to influence favourably the attractions and the popularity of the Board's route between Australia and New Zealand.

11. After careful study by the Board's manager in the Pacific, Mr. Milward, it was eventually decided to adopt as the landing-places for the new cable in Australia and New Zealand respectively points in Bondi Bay, New South Wales, and Muriwai Creek, on the west coast of the North Island of New Zealand, the distance between the two being about one thousand two hundred miles. From the landing-points, connection with Sydney and Auckland respectively will be made by trenched lines, with a section of submarine line across the waters of Auckland Harbour at the New Zealand end. In addition to these works, a new length of submarine cable will be laid between the present New Zealand cable-station at Doubtless Bay and Auckland, so as to allow of conveyance of traffic direct to Auckland, without retransmission at Doubtless Bay—at the same time avoiding the more precarious overland route between Doubtless Bay and Auckland. In framing their plans the Board have throughout kept in close consultation with the Commonwealth and the New Zealand Governments, and to both their warm acknowledgments are due for much cordial co-operation and generous assistance. To the Government of New Zealand they are especially indebted for the provision, free of cost, of very ample and commodious office accommodation in the new Auckland Post-office, and also for their ready acquiescence in a proposal that the work of constructing the trench lines from Muriwai Creek should be carried out on the Board's behalf by the postal staff of the Dominion.

12. The contracts for the Bondi-Muriwai and the Doubtless Bay - Auckland cables have been placed with the Indiarubber, Guttapercha, and Telegraph Works Company (Limited), of Silvertown; that for the Bondi Bay - Sydney connection and for the trench cables on the New Zealand land line, with Messrs. Siemens Bros. and Co. (Limited); and various minor contracts have been entered into with other firms for the supply of instruments and apparatus. The only items of expenditure of which the amounts have not yet been determined are the cost of trenching the New Zealand land-line connection, and of constructing cable-houses at Bondi and Muriwai Creek. But, allowing a liberal estimate for these, it may be said with confidence that the total cost of the new extension will be under £175,000. Some delay in the completion of the cables under construction is to be apprehended as a result of the transport workers' strike in the Port of London. But, so far as can at present be judged, there is every reason to hope that the cables may be laid and brought into operation well before the close of the present calendar year. [Direct cable Sydney-Auckland opened 31st December, 1912.]

Land Lines.

13. *Canada.*—The further experience gained of the system of working the land line between Montreal and Bamfield by means of a staff employed directly by the Board amply confirms the favourable anticipations which were expressed in last year's report, the improvement in speed and accuracy having been fully maintained. The year has been, too, a fortunate one in the absence of serious interruptions due to the special climatic conditions with which the Canadian telegraph-lines have to contend. On the Montreal-Canso section, which connects with the Commercial Cable Company's cables, the service was found not to be as satisfactory as it should be, and representations on the subject were made to Mr. George Ward, the vice-president and general manager of that company. He at once took the matter in hand, and at his instance the Canadian Pacific Railway have now provided a copper wire for the section. Arrangements are also in contemplation for substituting Wheatstone automatic signalling for the present system, and the necessary staff for the purpose is being engaged by the companies. When these have been completed there is every reason to feel confident that the service on the section, already much improved, will be no less satisfactory than that of the competing line which conveys the messages of the Anglo-American Telegraph Company (Limited).

14. *Australia.*—Though better than it has been in the past, the service on the Government line between Sydney and Southport has still left much to be desired. But after the close of this year, when the new cable between Australia and New Zealand has been brought into operation, this section of the system will cease to be of first-rate importance.

15. *New Zealand.*—This section of the route has been free from serious interruption, and, as in previous years, the service over it has been maintained at a high level of efficiency.

Repairing-ship "Iris."

16. The Board are again able to record complete satisfaction with the condition in which the ship has been maintained and with the discipline and efficiency of the officers and crew. The amount of time spent at sea during the year was less than usual, having been limited to the period 6th January to 5th February, during which she was engaged in surveying the proposed line for the new cable between Muriwai Creek and Bondi. This work was carried out with great thoroughness and efficiency, in spite of very boisterous weather, and the report made has earned high compliments from the Board's consulting engineers to whom it was referred.

Staff and Stations.

17. The general health of the staff has continued satisfactory during the year, and the Board have pleasure in again being able to acknowledge the uniform zeal and efficiency that has characterized their service, tested as it has been by an increase of business which at times has imposed upon them very heavy pressure. In recognition of this the Board authorized increases of £20 in the maximum pay of operators (*i.e.*, from £200 to £220 per annum), and in both the minimum and maximum rates of pay of clerks-in-charge and supervisors, as from 1st June, 1911.