

The interruption to No. 4 L.B. cable was first reported on the 30th April, 1927. At that time it existed as an "earth fault," but a few weeks later the cable parted, the break being located at a point about two and a quarter nautical miles from Lyall Bay. Later in the year it was found that a second break had developed in the cable, and this one was located at a point 11.4 nautical miles from Lyall Bay. While the ship was engaged on repair work this cable was found to be in very bad condition throughout its whole length from Lyall Bay to the outer break, and it was necessary, therefore, to lay 11.848 nautical miles of new cable. This total includes a length of 2.544 nautical miles of heavy shore-end cable, which was laid from the auxiliary scow "Wanderer" with the assistance of the "Janie Seddon."

For the repairs to Nos. 3 and 4 L.B. cables, the "Iris" was under charter by the Department for a period of twenty-four days. The vessel sailed from Auckland on the 23rd February, 1929, and returned to that port on the 19th March, 1929.

MISCELLANEOUS.

A single-core cable 3.766 nautical miles in length was laid between Maraetai (mainland) and Awaroa (Waiheke Island) in November, 1928. The cable will be utilized as an additional telephone circuit between Waiheke Island and the mainland.

A break in the Motuihi Island - Waiheke Island cable was reported and repaired in October, 1928.

CABLE SERVICES.

IMPERIAL WIRELESS AND CABLES CONFERENCE.

The Conference of representatives of the British Government, the British Dominions, colonies, and protectorates, which was set up to examine the situation that has arisen as the result of the competition of beam wireless with cable services, formulated certain recommendations for the consideration of the Governments concerned.

These recommendations were briefly as under :—

- (1) That a merger company be formed to acquire all the ordinary shares of the Eastern Extension and Western Telegraph Companies, and all the ordinary and preference shares and debentures of the Marconi Wireless Telegraph Company.
- (2) That a Communications Company be formed to which the cable and Marconi companies would sell their assets in exchange for shares.
- (3) The Communications Company to take over the Pacific Cable Board's cables, the West Indian cable and wireless system worked by the Pacific Cable Board, the Imperial Atlantic cables, and the lease of the British Post Office beam services.
- (4) The Communications Company to meet the annual service of the outstanding debt on the Pacific Cable Board, and to pay in addition a capital sum of £517,000 for the Pacific cable, £300,000 for the West Indian cable, and £450,000 for the Imperial cables.
- (5) A standard net revenue of £1,865,000 to be allowed to the Communications Company, and any excess over that revenue to be allotted, 50 per cent. to the company and 50 per cent. to the disposal of an advisory committee comprising representatives of the Governments concerned.
- (6) This committee to consist of representatives of the Governments concerned, and to be consulted by the Communications Company upon matters of policy and rates.
- (7) British control of all companies to be guaranteed, and Governments to assume control of cable and wireless systems in war-time or national emergency.

The recommendations of the Conference have since received the approval of the British Government and other Governments concerned. With the consummation of these highly important proposals the purely proprietary interest of New Zealand in the Pacific cable will come to an end.

Briefly, the Pacific cable had its genesis in the vision and imagination of Sir Sandford Fleming, of Canada, who first conceived the Imperial importance of a cable system connecting Great Britain and His Majesty's Dominions in the Pacific without touching foreign soil. The idea developed in the minds of statesmen in Great Britain and the dominions concerned, and in the year 1902 the cable was laid. The share of New Zealand in the undertaking was one-ninth. The other countries concerned were Great Britain, Canada, and Australia. The capital cost of the cable was borrowed from the Government of Great Britain, the amount being repayable by annuities spread over fifty years. Up to the year 1915 there was a deficiency on the working of the cable, but since that date there has been a surplus upon the operation.

Since the opening of the beam wireless system between Great Britain, Canada, and Australia competition for traffic has become a serious matter. In view of the great success of the beam system it is not unreasonable to conclude that serious inroads will continue to be made into the revenue of cable administrations. As a partner in the Pacific cable, New Zealand is obliged to give serious consideration to any scheme which offers a solution of the problem attached to the future of the cable services. The recommendations as outlined are considered to meet the position, and their adoption will ensure the continuance of cable services enjoyed by this country and will prevent foreign interests gaining a control of the communication systems with which this country is concerned.

INTERNATIONAL MONEY-ORDER TELEGRAMS: SUPPLEMENTARY TELEGRAPH FEE.

From the 1st May, 1928, a supplementary telegraph fee of 1s. is charged on all international money-order telegrams. This charge was instituted to meet the cost of the work at Auckland in transferring such messages to the cable administration.