

1861-2.

VICTORIA.

R E P O R T

OF THE

GENERAL SUPERINTENDENT

OF

ELECTRIC TELEGRAPH,

ON THE

ADVANCEMENT AND CONDITION OF HIS DEPARTMENT,
FOR THE YEAR ENDING 31st DECEMBER, 1861.

PRESENTED TO BOTH HOUSES OF PARLIAMENT BY HIS EXCELLENCY'S COMMAND

By Authority :

JOHN FERRES, GOVERNMENT PRINTER, MELBOURNE.

Department of Electric Telegraph,
Office of the General Superintendent,
Melbourne, 10th February, 1862.

SIR,

I have the honor to forward herewith my Report, relative to the advancement and present condition of my Department, for the year ending 31st December, 1861.

I have the honor to be,

Sir,

Your obedient Servant,

SAM. W. MCGOWAN.

The Honorable

The Postmaster-General,

&c., &c., &c.

REPORT.

Department of Electric Telegraph,
Office of the General Superintendent,
Melbourne, 30th January, 1862.

SINCE submitting my Report as to the general condition of the Electric Telegraph Department at the conclusion of the year 1860, little has been done towards the extension of the lines in any direction, the requirements of other divisions of the Public Works of the Colony having rendered it necessary that the items proposed to be introduced on the Estimates for the extension of the Electric Telegraph during 1861 should be materially reduced.

Provision was therefore only retained for such improvements and repairs to the existing lines (£3000) as might be necessary, and for short branch lines to Stawell and Inglewood respectively (£2400).

I have had much cause to regret the withdrawal of the amount proposed for a second or intercolonial line, as the absence of a special wire for the despatch of the large and increasing correspondence passing between the four colonies (South Australia, Victoria, New South Wales, and Queensland,) has occasioned such a pressure upon the local single wire line only available, as sometimes to have created not only a considerable amount of actual loss of revenue to the department, but also to produce a large amount of inconvenience to the public generally, more particularly at the intermediate stations, where, owing to the cause before mentioned, the communication was, and unfortunately is still, liable to be virtually suspended for several hours consecutively, on occasions when there may be an unusual pressure of *through* correspondence requiring immediate despatch.

I feel great pleasure, however, in being able to announce that the much-required and long-deferred provision of a second intercolonial wire has now been definitely determined upon, and the necessary provision has been set down on the Estimates of Expenditure for the current year. It may therefore be expected that within the ensuing six months the work will be proceeded with, and that it will be rendered available as expeditiously as possible.

OFFICES OPENED DURING 1861.

During the past year communication has been extended to the following places, and offices were opened thereat on the dates undermentioned :—

Cape Schanck, 6th September,
Snapper Point, 22nd March,
Wahgunyah, 8th February,
Chiltern, 28th March,
Yackandandah, 28th February,
Hamilton, 23rd March,
Taradale, 30th November,

Woodend, 23rd October,
Spencer-street Station, 28th October,
Inglewood, 25th October,
Stawell, 7th October,
Carisbrook, 6th March,
Clunes, 8th February.

LINES PROPOSED TO BE CONSTRUCTED DURING 1862.

The extensions intended to be carried out during the present year are as follows :—

Removal to and re-erection of lines along the route of the railway between Geelong and Ballaarat, and between Melbourne and Sandhurst (including special provision of a distinct wire for railway service); a second wire between Albury and Mount Gambier (including the extension of telegraphic communication to Colac and Camperdown); a line from Ballaarat to Smythesdale (*vid* Brown's); a line from Avoca to Redbank; a line from Inglewood to Swan Hill.

The cost of the above works is estimated not to exceed £33,000. It would, however, have been more gratifying, I think in every way, had my reference to the importance of providing telegraphic communication to Sale and Port Albert, in Gipps Land (*vide* page 6 of my last Report), been favorably considered, and that an additional sum had been set down for a line to one or both of those places. When it is remembered that the rising and important portion of the colony embraced under the denomination of Gipps Land is as yet without any electro-telegraphic communication, either within its recognised limit or between its principal seaport and the metropolis of the colony, while branch lines are yearly being extended to comparatively unimportant localities in the northern districts, it can scarcely be questioned that a certain amount of injustice is being inflicted on the more distant and really important locality to which I allude, and I venture to hope that the present session of Parliament may not be allowed to pass over without some action being taken on the part of yourself and colleagues in relation to the extension of telegraphic communication to at least one of the two principal places in Gipps Land—Sale and Port Albert.

The removal of the lines from the ordinary traffic roads to the routes of the two trunk railways of the colony will afford largely increased means for protecting and maintaining the communication, besides enabling provision to be made for securing the numerous, and indeed absolutely necessary, facilities presented by the electric telegraph in working the railways satisfactorily and economically.

I have before alluded to the importance and utility of the second wire on the local (and intercolonial) line between Albury and Mount Gambier, and now consider it merely necessary to add, that on the route of a portion of this line stations at Colac and Camperdown will be brought into communication, thus affording to the rising and important district in which those places are situated the obvious advantages of a telegraphic connection with Geelong and Melbourne.

The branch lines proposed for construction between Ballaarat and Smythesdale, and Avoca and Red Bank, have been granted principally on account of strong petitions presented to Government from the residents of the places most interested, it being impossible to expect that the probable receipts of the branches alluded to will even approximately cover working expenses.

The extension of a main line to Swan Hill (*vid* Inglewood) will prove to be a most acceptable boon to the settlers and others in the extreme northern portion of the colony, and will, I have no doubt, tend to increase the inducements for opening up the country in that direction on both sides of the Murray.

I cherish the hope that the Swan Hill line may eventually be extended still northwards, to the most favorable sections of the available country discovered through the late

Burke and Wills expedition ; and should the Government of this colony at any future time be empowered to exercise territorial jurisdiction over the portion of country to which I allude, I shall be prepared to submit, I think, a feasible and reasonable proposition for the extension of telegraphic communication to a point on the shores of the Gulf of Carpentaria, without requiring that the cost of the work should be a serious, if indeed any, tax on the general revenue of the colony.

TASMANIA (INTERCOLONIAL) COMMUNICATION.

The interruption to this line has, I regret to say, continued since my previous Report, the efforts of the repairing party at Sea Elephant Bay, King Island, having, after several weeks' trial under very adverse circumstances, been unsuccessful. Owing to this cause, and the presence of additional interruptions on the sections near Cape Wickham and at Low Head, the working of the line has been virtually abandoned for nearly seven (7) months past, no decided action with reference to the restoration of the communication having been taken by either of the Governments interested, although, as I have before expressed myself, I fully and sincerely believe that the telegraphic connection between the two colonies might be again placed in a perfect and reliable condition for a moderate additional outlay.

It is not necessary, I consider, that I should here repeat the observations I have previously made relative to the great importance of the Bass Strait telegraphic connection, even on the ground of its value as a work of defence and protection from aggression, apart from its incalculable value in a mercantile and commercial point of view, but I nevertheless feel that it is not altogether creditable to the energy and enterprise of the two colonies directly interested, that this important work should be allowed to remain as it now is, temporarily interrupted through causes which could not reasonably have been foreseen or provided for, and which might now readily be counteracted or entirely removed.

On the 30th April last I addressed to your office a report on the subject generally, a copy of which document I now beg to transmit in the form of an Appendix (A.) to this Report, but up to the present period I have not been made acquainted with the views or intentions of the Government with reference to the subject of that communication.

It is unnecessary for me to remind you that in the meantime the property is deteriorating in value, and that there is, in my opinion, a positive necessity for some decision being arrived at with the least possible delay.

COMBINATION OF THE OFFICE OF MANAGER OF THE ELECTRIC TELEGRAPH WITH THE DUTIES OF POSTMASTER AT COUNTRY STATIONS.

The combined services are now conducted at twenty-nine (29) stations, viz :—Belfast, Warrnambool, Hexham, Streatham, Stawell, Beaufort, Creswick, Daylesford, Clunes, Talbot (Back Creek), Carisbrook, Avoca, Maldon, Dunolly, Tarnagulla, Inglewood, Echuca, Kyneton, Gisborne, Sandridge, Snapper Point, Heathcote, Longwood, Benalla, Wangaratta, Belvoir, Yackandandah, Chiltern, Wahgunyah ; and it is proposed that during the current year a similar combination shall be effected at Portland, Kilmore, and Taradale.

I have in previous reports expressed my opinion as to the combination of postal and telegraphic duty at places where the former may be heavy and engrossing, and subsequent experience has strengthened my belief, that at several of the offices named, the services of the two departments would be much more satisfactorily rendered, both to the public individually and to the Government also, had the offices been allowed to

remain as they originally were, under distinct management. At many of the important stations on the main lines it is frequently necessary that the officer in charge should devote his constant and undivided attention to the working of the apparatus for several consecutive hours; when therefore he is obliged to withdraw himself from the instruments for some probably equally important duty in connection with his other responsibilities, it cannot reasonably be expected that he should continue to maintain that expertness and ability as a telegraphist, which is so highly desirable in all officers having the charge of principal stations; but, on the other hand, it is quite competent for officers stationed at less important places to perform the combined duties allotted to them, without inconvenience or detriment to either service, for the reason that the demands upon their time, experience, and abilities as telegraphists are less exacting, and a more equitable division of attention may therefore be afforded for the additional services required on account of another department.

WORKING OF THE LINES.

The working of the several lines has been satisfactory; but it was found necessary, owing to imperfections in the western line, to effect extensive repairs on the sections between Warrnambool, Hexham, and Streatham, the contract for which has recently been completed. The whole of the sections named have been entirely re-insulated with porcelain, and new posts have been provided where requisite. A similar contract is now in progress on the line between Melbourne, Williamstown, Geelong, and Queenscliff.

The return (Appendix B.) taken from the records kept at the central office, Melbourne, exhibits in detail particulars of the interruptions on all the lines in this colony, together with a statement as to the locality, &c., of interruptions to the intercolonial communication in other colonies during the past year.

It will be seen that the interruptions on the local lines amounted in the total to thirty-six (36), involving a loss of fourteen (14) full days, and a total loss at various times of one hundred (100) hours.

The interruptions to the intercolonial communication (beyond the boundaries of this colony) numbered thirty-two (32), (thirteen on South Australian side, and nineteen on the New South Wales division,) and resulted in a loss of eleven (11) full days and 124½ hours at broken intervals; (six (6) days and 43 hours on the South Australian division, and 5 days 81½ hours on the New South Wales division).

Considering that the foregoing analysis of interruptions during 1861 extends over nearly 2000 miles of lines, carried for the most part through a comparatively new and sparsely inhabited country, and totally unprotected for at least several hundreds of miles of their course, by even a roadside fence, I do not consider that either the frequency or the nature of the interruptions can be viewed as other than reasonable, bearing in mind the variety and great number of casualties to which all lines of telegraph are necessarily liable in remote and thinly settled districts. As the colonies increase in population and general advancement, it may however be anticipated that the electric telegraph will acquire a greater freedom from accidental injury, and that the perfect working of the several lines will attain a much higher degree of reliability than is at present observable.

STATEMENT showing the Amount chargeable for Government Business and the Working Expenses of each Office in the Department during the Year 1861.

NAMES OF STATIONS.	Total Cash Revenue.		Value of Messages on Public Service.		Number of Messages.		Total Number of Messages Transmitted.	Amount Paid for Squares and Wages.		Contingencies.	Total Cost for Maintenance of each Station.								
	£	s.	d.	£	s.	d.		Private.	O. H. M. S.		£	s.	d.	£	s.	d.			
General supervision...	...	...	...	...	...	...	...	...	1,501	15	6	290	0	0	1,791	15	6	
Melbourne ...	11,704	14	3	1,868	19	10	50,850	12,572	63,422	3,704	13	2	923	13	2	4,628	6	4	
Geelong ...	1,309	6	9	387	6	0	10,673	1,888	12,561	1,119	4	9	180	9	5	1,299	14	2	
Ballaarat ...	1,823	19	0	389	10	7	11,802	1,699	13,501	885	0	0	195	11	10	1,078	11	10	
Sandhurst ...	1,363	13	5	355	13	3	8,447	941	9,388	804	13	7	124	17	6	929	11	1	
Castlemaine ...	870	9	0	531	6	9	6,824	2,023	8,847	653	18	1	120	13	1	774	11	2	
Beochworth ...	684	16	0	493	9	9	4,211	1,849	6,060	800	15	0	200	4	0	1,000	19	0	
Portland ...	503	9	1	269	0	11	2,565	964	3,529	528	0	0	232	9	3	760	9	3	
Warrnambool ...	449	12	1	341	11	6	2,749	985	3,734	378	0	0	59	0	11	437	0	11	
Maryborough ...	426	13	5	250	15	6	3,221	1,098	4,319	499	8	10	70	17	8	570	6	6	
Belfast ...	345	9	6	238	5	9	2,375	807	3,082	553	0	0	205	19	4	758	19	4	
Back Creek ...	304	11	7	160	0	3	2,402	602	3,004	353	0	0	52	9	1	405	9	1	
Ararat ...	287	5	6	90	5	0	1,602	601	2,303	528	0	0	110	4	3	638	4	3	
Maldon ...	263	5	7	71	0	10	2,043	290	2,333	353	0	0	78	4	9	431	4	9	
Chiltern ...	258	14	6	92	19	6	1,859	436	2,295	339	18	10	245	5	11	585	4	9	
Daylesford ...	258	13	3	53	3	3	1,910	241	2,151	417	0	1	74	5	10	491	5	11	
Kyneton ...	277	1	0	58	16	7	2,190	287	2,477	378	0	0	89	1	9	467	1	9	
Hamilton ...	238	7	10	24	7	4	1,522	175	1,697	303	5	5	193	11	10	496	17	3	
Creswick ...	229	11	3	83	7	2	2,096	256	2,352	353	0	0	74	17	3	427	17	3	
Wangaratta ...	227	18	8	130	2	2	1,663	487	2,150	419	2	5	84	12	10	503	15	3	
Wahgunyah ...	204	14	4	57	12	9	911	228	1,139	384	4	6	60	9	9	384	14	3	
Dunolly ...	203	17	2	297	17	7	1,749	611	2,360	528	0	0	128	8	2	656	8	2	
Tarnagulla ...	182	12	10	131	13	8	1,750	389	2,139	338	0	0	39	17	9	367	17	9	
Williamstown ...	176	5	6	276	15	3	1,746	2,560	4,306	379	0	0	161	15	1	540	15	1	
Arcoa ...	172	7	1	271	3	1	1,184	563	1,747	475	0	0	68	12	9	543	12	9	
Clunes ...	151	4	2	38	11	11	1,475	143	1,618	425	0	0	157	7	11	382	7	11	
Queenscliff ...	143	5	1	383	9	1	4,115	2,852	6,967	528	0	0	93	5	11	621	5	11	
Kilmore ...	117	6	5	355	13	4	1,020	691	1,711	425	0	0	135	6	0	580	6	0	
Heathcote ...	114	18	5	189	11	9	747	305	1,052	475	0	0	93	19	10	527	19	10	
Echuca ...	114	1	7	62	9	9	610	185	795	437	10	0	138	17	1	576	7	1	
Sandriago ...	99	17	2	9	13	7	742	101	843	175	0	0	38	10	11	213	10	11	
Baglan ...	96	4	6	17	4	10	752	97	849	450	0	0	102	14	0	552	14	0	
Yackandandah ...	95	18	7	70	13	9	840	304	1,144	288	0	9	135	0	7	423	1	4	
Hexham ...	82	19	6	17	13	4	439	65	504	425	0	0	281	1	3	706	1	3	
Gisborne ...	77	15	4	21	19	5	785	152	937	425	0	0	55	19	7	480	19	7	
Benalla ...	76	7	8	175	18	1	539	564	1,103	425	0	0	60	10	10	485	10	10	
Carisbrook ...	76	5	9	68	2	0	764	294	1,058	224	7	4	141	3	10	365	11	2	
Inglewood ...	62	3	8	58	7	10	531	155	686	19	10	0	65	13	11	85	3	11	
Longwood ...	55	14	8	45	2	3	369	139	508	425	0	0	125	17	8	550	17	8	
Streatham ...	55	10	3	2	8	1	325	12	337	338	0	0	58	1	0	386	1	0	
Woodend ...	43	3	4	17	13	7	475	186	661	45	0	0	77	4	0	122	4	0	
Belvoir ...	41	3	6	75	12	0	349	312	661	353	0	0	82	10	5	435	10	5	
Stawell ...	36	12	3	6	8	5	248	53	301	64	10	0	58	18	1	123	8	1	
Snapper Point ...	30	3	4	7	2	3	336	27	363	244	15	4	150	2	1	394	17	5	
Spencer-street Station ...	7	8	9	15	3	10	77	166	243	37	10	0	65	2	7	102	12	7	
Taradale ...	6	7	9	1	8	11	65	9	74	39	19	4	90	5	5	123	4	9	
Cape Schanck ...	3	15	2	1	2	8	33	14	47	166	13	4	176	9	1	343	2	5	
Point Lonsdale* ...	...	...	...	...	...	...	...	...	...	18	10	0	58	14	2	77	4	2
Cape Otway† ...	...	...	...	72	0	0	...	1,440	1,440	772	18	3	380	10	6	1,153	8	9
King Island ...	...	...	...	...	...	...	...	...	...	87	10	0	136	5	0	243	15	0
Albury‡ ...	...	...	...	...	...	...	...	...	...	450	0	0	38	18	1	488	18	1
Mount Gambier‡ ...	...	...	...	...	...	...	...	...	...	450	0	0	60	8	10	510	8	10
Total ...	£	24,361	15	5	8,566	13	11	143,870	40,818	184,688	25,105	14	6	7,101	11	11	32,207	6	5

* Look-out Shipping Station } No revenue collected.
 † Boundary Reporting Station }

The revenue collections of the department for 1861 show an amount of £24,361 15s. 5d. in cash, £855 9s. 11d. due from other colonies, and £8,566 13s. 11d. charges on account of messages on the Government service. It is necessary to explain here that a regulation was established at the beginning of April authorising the imposition of a charge on Government messages, but at a greatly reduced rate; no money was however actually paid or received thereon. The charges up to the 1st April are of course at the ordinary rate, but the charges for the subsequent months are based on the reduced rate above mentioned, *i. e.*, a uniform scale of one shilling each upon all telegrams (irrespective of distance or destination) and one penny for each additional word over the limit (10).

The very noticeable proportion between the amount incurred at the ordinary rate during the first quarter of the year, and the sum actually chargeable for the remaining nine months at the reduced scale is, I think, conclusive evidence as to the positive value of the communication to the administrative branches of the Government, more especially when it is remembered that the number of Government messages transmitted during 1861 was reduced by 9100 as compared with the returns for 1860, a result which has probably been occasioned by the strenuous efforts made by the heads of the various departments to restrain the use of the electric telegraph to occasions of positive necessity, in accordance with instructions issued to that effect.

The total amount to be brought to cash account for the year 1861, £25,217 5s. 4d., exhibits an increase of £261 7s. 3d. on the transactions of 1860, and with the charges for Government messages produces a sum of £33,783 19s. 3d. as representing the work performed by the department during the past twelve months, which, when compared with the total expenditure for working and maintenance, £32,207 6s. 5d., leaves a balance to profit and loss of £1576 12s. 10d.

PERMANENT EXPENDITURE ACCOUNT.

The charges under this head are as follows:—

	£	s.	d.
Total expenditure for Lines, Stations, &c., up to 31st December, 1860	163,475	14	8
EXPENDITURE DURING 1861:—			
	£	s.	d.
Extensions	1,458	7	1
Repairs, Additions, &c.	3,000	0	0
Twelve months' Rent of Offices in Exchange Building	450	0	0
	<hr/>		
	4,908	7	1
	<hr/>		
	£168,384	1	9
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REVIEW OF FINANCIAL STATEMENT.

The general statement of account current would obviously have shown a much more favorable return had the transmission of Government messages been placed, as I have previously urged, on precisely the same footing as that of private telegrams; and I am still of opinion that until such an arrangement be conceded, the true financial position of the department will always remain comparatively undetermined.

The principle on which telegrams on the service of the Government, (40,818) numbering considerably less than one-fourth of the total number of messages (184,688) transmitted during the year should only be rateable at about one-fourth of the ordinary

or authorised scale of charges for private telegrams, is not to me apparent, and on whatever basis the existing regulation was framed, I cannot believe that the real merits of the case were fully considered, as the actual service rendered by the department is precisely the same in either case, similar conditions being involved. I therefore do not clearly understand why the one should be rated, pecuniarily, at about three-fourths less than the other.

The total number of messages transmitted during 1861 (184,688) shows an increase of 16,816 over the number (167,872) transmitted during 1860; but while this increase may be considered as satisfactory, it is observable that at several of the stations the amounts of the collections and general business for the two years undermentioned have been fluctuating, as may be seen by the following comparative table:—

STATION.	YEAR 1860.			YEAR 1861.		
	Total Cash Revenue.	Total No. of Messages transmitted.	Total Cost for Maintenance.	Total Cash Revenue.	Total No. of Messages transmitted.	Total Cost for Maintenance.
	£ s. d.		£ s. d.	£ s. d.		£ s. d.
Melbourne ...	12,459 2 5	119,957	4,272 5 9	11,704 14 3	63,422	4,628 6 4
Geelong ...	1,598 10 3	4,191	1,598 15 3	1,309 6 9	12,561	1,299 14 2
Ballaarat ...	1,540 9 1	5,040	1,040 9 6	1,828 19 0	12,501	1,078 11 10
Sandhurst ...	1,509 2 9	3,640	824 12 10	1,363 13 5	9,388	929 11 1
Castlemaine ...	1,076 10 9	3,188	841 9 5	870 9 0	8,847	774 11 2
Beechworth ...	842 8 5	1,376	935 14 10	684 16 0	6,060	1,000 19 0
Portland ...	626 16 1	1,940	749 5 7	503 9 1	3,529	760 9 3
Warrnambool ...	595 0 5	1,819	426 8 7	449 12 1	3,734	437 0 11
Maryborough ...	484 9 10	1,710	710 0 4	426 13 5	3,319	570 6 6
Belfast ...	349 10 8	1,251	605 5 1	345 9 6	3,082	758 19 4
Ararat ...	347 16 1	1,527	633 7 4	287 5 6	2,203	638 4 3
Maldon ...	274 0 5	1,218	383 0 5	263 5 7	2,333	431 4 9
Daylesford...	149 1 4	803	486 10 0	258 13 3	2,151	491 5 11
Creswick ...	246 16 3	1,572	441 12 9	229 11 3	2,352	427 17 3
Dunolly ...	218 12 8	909	655 13 1	203 17 2	2,360	656 8 2
Kilmore ...	154 2 2	467	582 16 4	117 6 5	1,711	560 6 0
Williamstown ...	129 0 7	3,165	478 0 2	176 5 6	4,306	540 15 1
Queenscliff...	122 14 3	3,747	679 19 4	143 5 1	6,967	621 5 11
Heathcote ...	175 17 3	631	507 8 1	114 18 5	1,052	527 19 10
Echuca ...	187 18 7	1,599	551 2 6	114 1 7	795	576 7 1
Benalla ...	100 0 1	658	497 17 0	76 7 8	1,103	485 10 10

If the positive value of telegraphic communication with various localities in the colony could be determined with any moderate degree of accuracy I would feel less regret, on account of the great preponderance of non-remunerative or non-productive offices in this service, but so long as the absolute requirements of distant localities necessitate the presence of telegraph stations, irrespective of the probable amount of pecuniary support likely to be afforded to the establishment, it cannot be anticipated that highly satisfactory results, in a commercial point of view, can be attainable. That this will continue to be the case until the population and general advancement of the colony may have become considerably increased, and the various resources of the country more fully developed, may naturally be expected, but I am clearly of opinion that the support of this service generally need never at any future time prove a burden to the state to a materially greater extent than is at present the case.

As an illustration of the utility of the telegraph to the police service of the colony, I take the liberty of quoting an extract from a letter recently addressed to me by the

Chief Commissioner of Police (Captain Standish), in reply to an enquiry from myself as to the number of instances in which the use of the electric telegraph had led, directly or indirectly, to the detection and arrest of offenders:—

“I fear that any (even approximate) return of the number of cases in which the electric telegraph has led to the apprehension of criminals, would necessitate an amount of research in our records for which we could scarcely find time. The advantage of such prompt communication must, however, be so obvious to everyone that I do not think any record of cases, in which offenders have been brought to justice through its instrumentality, would tend to make the utility of your department more apparent than it is already.

“One fact however I would wish to place on record, which is, that I have it from unmistakeable sources that the knowledge of the aid rendered to the police by the electric telegraph *acts as a preventative to crime.*

“Almost all reports of crime (compiled on a document which we call a criminal offence form) are circulated by means of the electric telegraph through all parts of the colony to which there is a likelihood of the offender having proceeded.

“I have no doubt you could easily compile (from your own records) a return of the number of cases that have been so circulated through the length and breadth of the land; such a return would speak for itself.

“The detection of nearly all important crimes is materially facilitated by this rapid mode of communication, but seldom *directly*, as fugitives from justice generally avoid the danger of being anticipated in their flight by telegram.

“The agency of the telegraph is however invaluable in all cases when the offenders have been traced on board ships plying between Melbourne, Sydney, Adelaide, and other intermediate ports.”

In conducting the performance of important contracts for extensive works in many parts of the interior, and as a material aid in the administration of laws relating to the gold fields, the electric telegraph also affords large and highly appreciable facilities.

In considering the current expenses of working, it will be necessary to take account of the yearly savings effected on the expenditure of the postal department for salaries at the twenty-nine (29) offices where the services have been combined. In 1860, these amounted to £1386. In 1861, £917 2s. 8d. additional. In 1862 it is proposed to effect a further saving of £937 17s., which will amount in all to a total average saving of £1086 19s. 10d. per annum.

The expenses of working and maintaining the two coast look-out stations at Cape Schanck, and Point Lonsdale (and indeed, the whole cost of maintaining the Cape Schanck line) should also be deducted from the general expense account, those branches having been established as one portion of the works for the defence of the colony, recommended by the military authorities when the whole subject was under discussion in 1859.

The expenditure on account of the offices recently opened at Spencer-street Station, and Woodend, for railway service is for the present charged to this department; but on and after the 1st January, 1862, a distinct account will be kept of all expenditure on account of offices opened for the use of the railway management, and a separate account of all revenue derived through such stations will be recorded; an annual balance to be struck, and the amount on either side to be credited or debited to railway account. The deficiency, if any, accruing to my department, should, I consider, be made good by the railway department, for whose special benefit the communication will be provided.

GRATUITOUS TRANSMISSION OF SHIPPING NEWS.

Reports of the arrivals and departures of all vessels at or from the various ports in this and the adjoining colonies were formerly transmitted free of charge to all stations throughout the colony. On the 1st April last I was officially authorised to discontinue the practice; this was accordingly done, but representations on the subject having subsequently been made to the Government by various residents in Melbourne, it was ultimately determined to modify the change by causing the shipping news to be issued gratuitously as formerly, but to confine the practice to certain stations, and to effect the transmission of the intelligence at stated hours. In consequence of this decision, directions were issued on the 30th September last, authorising shipping lists to be exhibited at the Melbourne, Williamstown, Geelong, Queenscliff, Portland, Belfast, Warrnambool, Ballarat, Sandhurst, Castlemaine, Beechworth, and Creswick stations at the hours of 9 a.m., 1 p.m., and 4 p.m. daily. Intercolonial shipping news to be interchanged and exhibited daily at 2 p.m. These arrangements are now in practice, and, so far as I am aware, are satisfactory to the public generally.

I do not consider it necessary here to reiterate my observations already made on the subject of the gratuitous transmission of telegrams generally (not referring to cases of wreck, disaster, or loss, or jeopardy of human life), but I would take occasion to remark that the facts mentioned in the concluding paragraph on the 14th page of my last Annual Report are still in every way applicable under existing circumstances, and as the business of the department continues to increase, I think it will be found that the importance of the matter was not over estimated.

LINES IN OTHER COLONIES.

Since the date (15th March, 1861,) of Mr. Todd's interesting report on the condition of the electric telegraph department in South Australia to 31st December, 1860, I am not in receipt of any information as to the further extension of the lines in that colony. No new lines had at that time been determined on, but several very considerable extensions had been under consideration, most of which will no doubt be carried out at an early day.

In New South Wales an important extension has been made to the northern boundary of the colony to meet a line from Brisbane, communication with that place having been opened on the 9th of November last, with intermediate offices at Ipswich, Gatton, Lytton, Toowoomba, Drayton, and Warwick.

An extension of the Deniliquin line to Gundagai, *via* Wagga Wagga, having an intermediate office at Urana, was opened on the 15th August last.

The latter line affords greatly increased facilities for maintaining a reliable telegraphic connection with Sydney, as in the event of interruption on the direct line, messages are despatched *via* Deniliquin, and *vice versa*.

TELEGRAPHIC COMMUNICATION WITH ENGLAND.

I have no practical advancement to report under this head, except to state that by recent advices from a correspondent in England I have been informed that it has been decided to endeavor to restore the Red Sea communication, and that such precautions as to the form of cable, route, &c., are to be adopted as will, it is confidently anticipated, lead to a permanent and reliable renewal of the line. Should this be accomplished, the colonies will again obtain the boon which they formerly enjoyed of having nine (9) days later communication with Europe and England than is afforded by ordinary course of mail; and one step at least will be re-advanced towards a direct telegraphic connection

between the mother country and Australia. I fear, however, that the gratifying prospect, at one time so apparently clearly in view, for securing a complete communication with England by means of the electric telegraph, is destined to be clouded, through the failures and disappointments already experienced by the sanguine and enterprising promoters of electro-telegraphic progress in Europe and America, and that we must be content, at least for a reasonable period, to wait the result of further efforts in the older countries to develop some principle applicable practically to the science of submarine telegraphy, which shall give to its existence such an effective permanence as has really yet never been positively attained.

In the meantime, I feel fully convinced that our nearest telegraphic approach to Great Britain will be found *viâ* Adelaide and King George's Sound; and I would beg to urge that the subject should receive the earnest consideration of the Government at an early day.

The question would, I consider, eventually resolve itself into one of expense; and, as the colony of South Australia would doubtless be prepared to bear a fair proportion of the expenditure, any difficulty of a financial nature might, I think, with proper pre-arrangement, be readily overcome.

LINEs AND STATIONS AT PRESENT IN OPERATION.

The Return (Appendix C.) attached hereto exhibits a correct statement of the extent of the various lines and the names of the several stations now in working order in this colony.

I have the honor to be, Sir,

Your obedient Servant,

SAM. W. MCGOWAN.

The Honorable

The Postmaster General,

&c., &c., &c.