

shown somewhat serious deterioration, due to climatic influences, and it has been found necessary to undertake repairs and renewals on a comprehensive and systematic scale. The process is an expensive one, and during the next year or two, during which the old condensers will be renewed or replaced, an extra expenditure of some £250 per annum will be entailed.

#### *Land Lines.*

9. *Canada*.—The arrangements for transferring to the Board's management the service over the section of the Canadian land lines between Montreal and Bamfield were completed in September last, and from 1st October were brought into full operation. The results have been entirely satisfactory. As regards times of transmission, the records show that in the three months October to December of last year the average time per message between the United Kingdom and Sydney was reduced by fifteen minutes, as compared with the three months June to August, and between the United Kingdom and Melbourne by eighteen minutes. In the matter of accuracy there has also been a marked improvement. Excluding Government and Press messages, which are mainly in plain language and therefore less liable to error, the applications for repetition of words on account of mistakes of all kinds (mistakes made by the senders as well as mistakes made in transmission) in "ordinary" or public messages represented 1 in every 196 words signalled during the three months immediately following the transfer of the service, as against 1 in every 144 words in the three months preceding the transfer. These figures are significant of a very distinct improvement in the service by the Pacific cable. But they are drawn from a short period of time, during which the staff employed was new to the special features of the work, and many of the arrangements were necessarily more or less tentative and experimental. There is, therefore, every reason to expect that longer experience will show even more satisfactory results.

10. *Australia*.—The service on the Australian section of the system showed some improvement during the year, as the result of additional facilities provided by the Commonwealth Government. Since the close of the year the exclusive use of a copper wire, to which reference was made in my report of last year, has been conceded to the Board.

11. *New Zealand*.—Overland communication in New Zealand between Doubtless Bay and Auckland has continued, as in previous years, to be satisfactorily maintained.

#### *Repairing-ship "Iris."*

12. The ship has been maintained in first-class order, and the discipline and efficiency of the permanent officers and crew has left nothing to be desired.

In addition to the two special repairing voyages mentioned in paragraph 4, the "Iris" undertook a voyage of inspection to Norfolk Island, Fiji, and Fanning Island during the months of September and October, during which her behaviour at sea, and the working of her machinery, were altogether satisfactory. The voyage was, however, marked by one untoward incident in the illness (Bright's disease) and death of Mr. Young, who had held the office of purser from the time when the ship was first commissioned. He had discharged the duties of the post with high integrity and marked efficiency, and his loss is deeply deplored by the Board.

It will be noticed that on three separate occasions during the year the "Iris" had to be ordered to sea. On no one of these was there found to be any difficulty or undue delay in completing her complement, or in getting her ready for sea; and the experience of the year has fully satisfied the Board as to the policy of maintaining only a skeleton crew during the times when the vessel is not actively engaged.

#### *Staff.*

13. The health of the staff during the year has given no cause for anxiety, and the zeal and efficiency which have from the first characterized their service have been fully maintained. The additional house for a married officer at Bamfield, to which reference was made in my report of 1910, has been provided by the purchase of a cottage that the Board was able to obtain at a price much less than it would have cost to erect a new one.

During the year some minor alterations have been made in the conditions of service, particularly in the matter of granting some relaxation of the restraints on marriage.

#### *Rates.*

14. Following the reductions in Press rates to which reference was made in paragraph 16 of my last year's report the Board authorized a reduction from 3½d. per word to 2¾d. per word in the rate for Press messages between Bamfield and Fiji. At the same time they reduced from 1d. to ¾d. per word the charge on Press messages to Australia that are "dropped" at Fiji. These changes came into operation on the 1st September last, and constituted the only actual change made in rates during the year. But a prospective change of general and great importance—viz., the establishment of a system of allowing messages not of immediate urgency to be sent at reduced rates—has been the subject of prolonged consideration and negotiation, which now gives every promise of producing a satisfactory outcome.

The subject is one that has for long engaged the attention of the Board, and in May, 1910, they drew up a scheme for giving effect to this principle in the case of traffic passing over the Pacific cable. The Postmaster-General, on being communicated with as regards the adoption of the principle in the service between the United Kingdom and Australasia, considered that the advantages of the proposal were such as to make it desirable to secure its adoption throughout the cable service of the Empire, and, so far as might be possible, in the extra-European services between the British dominions and external States. In order to facilitate this it was thought