

the survey to be defrayed by Great Britain, Canada, and Australasia. In reply Lord Knutsford said that the Egeria was about to survey the islands between New Zealand and Vancouver, and could be instructed to take, in the course of her three years' work, soundings which would give some idea of the suitability of the sea-bottom for the laying of a cable. With the view of expediting the survey, Mr Sandford Fleming addressed a memorandum to Lord Stanley, Governor-General of Canada, who forwarded it to the Imperial Government, but without result.

A month or two later the total interruption of the two cables from Java to Port Darwin caused Australia to be cut off for ten days from telegraphic communication with the rest of the world. These two cables being in the vicinity of volcanic disturbances were liable to frequent rupture, and between 1880 and 1888 there had been no less than forty-one days of total interruption. The outcry which followed induced Sir John Pender to announce his intention of adding a third cable between Java and Australia. It was laid in the spring of 1890, but in July of the same year all three cables broke down; and as the rate to England still stood at 9s. 4d. per word instead of 3s. 3d. which the Pacific cable would afford, the agitation for the latter was once more renewed.

To do away with one of the arguments in favour of the rival route, Sir John Pender offered to reduce the rate to 4s. if Australasia would guarantee to the Eastern Extension Company half the loss to be incurred by the reduction. The Australian Colonies, including Tasmania, were already paying to this company an annual subsidy of £36,600, and Sir John Pender's

proposal made them liable to a further £60,000. This sum alone would pay the interest on the capital required for a Pacific cable; but the prospect of its construction still seemed far distant, and Australasia, in her desire for immediate relief, was compelled to accept the terms. In May 1891 the tariff was reduced from 9s. 4d. per word to 4s., but the loss incurred by the Colonies during the first year was found to be so heavy that in January 1893 it was raised to 4s. 9d. By this politic reduction the supporters of the Eastern Extension Company calculated that they had laid the ghost of the Pacific cable for at least a dozen years.

The fact of the shelving of the English scheme may have given a stimulus to the American one, for the Albatross and Thetis, U.S.N., were commissioned in 1891 and 1892 to survey the route between Honolulu and San Francisco. The report of their work showed an excellent bottom, barely exceeding in any part 3000 fathoms, but beyond furnishing useful information for the proposed British cable, nothing practical resulted from their survey.

About this time another competitor, the French Pacific Company, appeared on the scene, and in the early part of 1893 actually laid the first section of their cable from Queensland to New Caledonia, the Queensland and New South Wales Governments agreeing to pay a subsidy of £2000 each for a period of thirty years. As the cable was also subsidised by France, and completely under her control, the action of these two colonies was adversely criticised by the Home Government as well as by the rest of Australasia.