

believe my hon. friend [Mr. Miller] was perfectly sincere in his advocacy of that bill. I will do him that justice; and I think he will say that I opposed it from equally conscientious motives. Nor will I say one word to show to this House that what I then predicted has since taken place. He has appealed to the hon. mover of this resolution to state on what ground he believes there is a substantial amalgamation of the two companies. Having been in London for the last four or five months, I saw it stated in the columns of the *Times* and the *Daily News* that there was a working arrangement of tariff between these two companies, and that statement was uncontradicted by either. This substantiates what I heard my hon. friend from Lunenburg state. This legislation was presented to us as a measure for the purpose of insuring to the country cheap ocean telegraphy, and it was on this account those who would otherwise have opposed it were content to accept the bill. If there has been any understanding between the two companies since then, and instead of a 50 cent tariff they are having 75 cents, and at one time as high as a dollar, the Government has been defrauded. This is one of the possibilities that were suggested might occur. What was the fact? It is quite true, as my hon. friend the Secretary of State has stated, that the moment the Direct Cable was cut, that moment the rates sprung up; and why was that? We must do justice to all people. The reason why the rates were put up is perfectly natural and plain. The Anglo American Company had reduced their tariff to 50 cents.

Hon. Mr. WILMOT—And why?

Hon. Mr. DICKEY—Because they had gone on reducing it from year to year, from twenty shillings until they brought it down to four a word. They then reduced it to two shillings. My hon. friend (Mr. Wilmot) says they did it for fear of competition; but I think when this question of confining the limit to two shillings was under discussion, the opposition came, not from the Anglo-Company, who were willing to accede to it, but from the other Company, and no wonder my hon. friend's suspicion was aroused when he saw the Direct Company, with a tariff of 25 cents in their prospectus, refusing to accept a 50 cent tariff as their limit. The Anglo-American Company very naturally said, if we have got to fight this thing out, we are forced into it, and we must fight it out to the bitter end. The

moment the Direct Cable Company reduced their rate to 25 cents per word, they reduced also; and the moment the Direct Cable was broken, they put their rate up to 50 cents. The point of the thing is this: it is perfectly understood in London, that some three months ago these parties were working under an arrangement for a uniform tariff, which was to give us, instead of a 50 cent, a 75 cent rate. I do not wish to go into the matter with a view to create any discussion, but simply to make an explanation with regard to that point. As to the other point, my hon. friend has pressed so much, I can only say that the legislation itself, we must all admit, has not been a success. I am not, therefore, surprised that this resolution has been seconded by an hon. member [Mr. McFarlane] who voted for that bill. The legislation has not been a success, and I am sorry to say more, I am afraid it has done no good to the credit of this country abroad. I am obliged from my own experience to know and state that it has done injury to similar undertakings in this country, and I fear it will be very difficult to float any undertaking that comes from a private source on the London market. I am not here to raise the ghost of a past discussion, but simply to state melancholy facts; at the same time, I trust that the correspondence that has been moved for will show that the Government, at least, has endeavoured to take care of the interests of the country, and that it is not their fault if the legislation has failed, and produced a combination of the two companies.

Hon. Mr. WARK—It was fully explained to us on the Committee, that when one of the Anglo American Company's own lines broke, they were forced to raise their tariff, not with the view to increase their income, but with the view to shut out a class of correspondence not of pre-eminent importance, and give accommodation for business messages. This is the reason given to me—a very satisfactory reason—why, on one occasion, when there was no competition, it was in the interest of the business men of both continents that the tariff should be raised to relieve the cables of important correspondence.

Hon. Mr. WILMOT—I think that the reason given by my hon. friend from Cape Breton is conclusive to my mind, and it causes me to change my opinion from that which I expressed in the Committee, that there was a prospect of consequential damages being charged against