

Atlantic was considered by most persons as *Quixotic*. There were many conditions in our charter, one of which was, that we should build a road across the island, about 400 miles long, with bridges, &c. The Government guaranteed interest on 50,000*l.* sterling, of the bonds of the Company for twenty years, at five per cent. The interest on these bonds was always promptly paid by the Company, and the principal at maturity, the Government of Newfoundland never paying one farthing of the principal or interest. We had several hundred men at work in Newfoundland, building the land line and roads and bridges in the years 1854, 1855, and 1856. In the fall of 1854 I went to England and ordered a cable, and during the summer of 1855 we attempted to lay it across the Gulf of St. Lawrence, to connect Newfoundland with Cape Breton. It was unfortunately lost in a gale of wind, and in the fall of 1855 I again went to England and ordered another cable, and during the summer of 1856 it was successfully laid, and also one in Prince Edward Island and New Brunswick, and a telegraph line constructed between Prince Edward Island and New Brunswick in 1855 and 1856. We also, under our agreement with the Nova Scotia Telegraph Company, to land our cable in Cape Breton, built a road about 100 miles in that island, and completed a telegraph line from Cape North to Port Hood, Cape Breton. The telegraph communication between St. John's, Newfoundland, and Nova Scotia, and the other British North American colonies and the United States having been completed, I proceeded to Washington and induced the United States Government to send a steamer to sound across the Atlantic. I returned to New York and sailed for London, and after my arrival there obtained from the English Government a steamer to verify the soundings of the American vessel between Ireland and Newfoundland, and made the arrangement with the Imperial Government for ships to assist in laying the cable and for a guarantee of four per cent. on 350,000*l.*, the amount then considered necessary to lay an experimental cable from Ireland to Newfoundland. This guarantee being conditional upon the successful laying of the cable, and only during the working of the same, was of little or no value, and the Government never paid one farthing on it; for if the cable was successfully laid and working, it would certainly earn more than four per cent. At this period (the fall of 1856), it was proposed to