

I will now add the highest existing authority on that question, Sir John Pender, at the meeting of the Brazilian Telegraph Company on the 2nd of this month, said :—" As you are aware, one of these cables is twenty years old ; and therefore it is at all events approaching a period of age which causes us to be careful in providing for its renewal."

You say : "Then again your description of the existing system as a ' monopoly ' cannot be justified."

I do not know what you call a monopoly, but I have under my hand the report made to the Government of Canada by Mr. Sandford Fleming (who was one of the Canadian delegates to the Colonial Conference, held in London in 1887). In that report, speaking of the discussion upon this cable question, he says :—

" The Postmaster-General (Mr. Raikes) stated very forcibly that it would be absolutely impossible for the English people or for her Majesty's Government to recognise the monopoly which the company seemed to claim."

With the evidence before me that active efforts are now in operation to promote the construction of a Pacific cable under the control of a foreign Government, I cannot share your doubts as to its probability, nor can I agree with you as to the strategic value of a British Pacific cable, concurring, as I do, with the opinion expressed by the *Globe* of the 19th ult., which in an article very friendly to the existing lines, says :—

" In the first place, there can be no question at all that a cable across the Pacific would be of the very highest strategical importance to us. Not only would it furnish us with a duplicate medium of communication with our furthest colonial possessions, but it would also have the advantage of standing less chance of being cut by our enemy in time of war. The eastward-bound cables, by means of which we communicate with Australia at present, touch far too many places *en route* to be strategically safe. Moreover, if an enemy should succeed in cutting the cable, it would probably be somewhere between Aden and England, in which case India would be completely cut off from telegraphic communication. The proposed Pacific cable, however, would then enable us to transmit our messages by an alternative western route."

I do not propose to discuss the question of traffic, or the normal increase that may reasonably be expected, further than to say that I have reason to believe that no difficulty will be experienced in securing the construction and operation of the cable upon the lines