

about a large increase of traffic. Taking this increase as an additional 25 per cent. on the estimated number of words passing over this cable between Australasia and Europe the amount would come to £81,250. As, however, the tariff for the Canadian and American traffic to and from Australia would be cheaper by the Pacific than by the existing routes (by about 1s. per word), this traffic would certainly pass through the Pacific cable. Besides, the traffic from and between the islands at which a Pacific cable touched should be added. Estimating the traffic from these sources at £15,000 for the first year, a total traffic of £96,250 may reasonably be looked for in the first year's working.

Mr. Sandford Fleming states that the normal increase of traffic under the old 9s. 4d. rate between Europe and Australia was 14 per cent. per annum; but taking it only as $12\frac{1}{2}$ per cent., we have for the second year the amount of £108,280, and so on progressively in each succeeding year, as long as the rate of increase of traffic remains the same.

It is therefore obvious that the protest against the proposed cable is largely based upon fallacies. If the reasons urged by those who have so long enjoyed a monopoly should result in her Majesty's Government not giving the assistance required, the competition dreaded would not be prevented but transferred to a company under the control of a foreign Power, and England will have lost her opportunity.

In conclusion, permit me to say that Australasia and Canada make no "demand" upon the taxpayers of this country, but on the contrary propose to unite with her Majesty's Government in providing an alternative line of steam and cable communication between England and Australasia and Canada, uniting those great possessions of the Crown more closely to each other and to the Mother Country, and furnishing in the best manner possible the means of expanding the trade and strengthening the unity and defence of the Empire.

EXTRACTS FROM DISCUSSION.

The Hon. DUNCAN GILLIES,—It struck me, as I read the Paper, that that Paper had been written with a set purpose. You will remember that in 1887 there was in London a Conference representing all the Colonies of the Empire and India. That Conference did a great work. Among the subjects dealt with were the two subjects brought before our notice this evening, and although no