

securing an improved news service is a state-owned cable.

I have pointed out that this principle of state competition with private owned monopoly is the key to the situation in every one of the great public franchises. In Ontario we have found how effective it is in connection with the distribution of electrical energy, in fact it has been found effective wherever it has been tried. I would like to see it tried, I do not want any commission to gather information for me, all I want is to see the thing put in operation. If a state-owned cable were put in operation between Canada and Great Britain to-day I venture to say that all the companies would reduce their prices and be prepared to sell out to the state at a reasonable rate. Let us have immediately a state-owned Canadian and British cable. If we say we want it the mother country cannot refuse to assume one-half the cost, so important would it be in the interests of the empire, of commerce and journalism. As yet we have not come to that view of the situation and that aggressive enterprise which says: In the interest of our country and of the empire we want a state-owned cable between here and the motherland. The Pacific cable which is a state-owned proposition is proving a great success, it is binding Australia to Canada and to the mother country and has proved that a state-owned cable for a long distance and in a zone where there is less business than on the Atlantic can be made to pay its way. The Atlantic zone has such an immense business and is so profitable that if we had one cable to-morrow, we would have to install another before three months.

Mr. PUGSLEY. How do the rates on the Pacific compare with those on the Atlantic?

Mr. MACLEAN (South York). Comparatively, they are cheaper.

Mr. LEMIEUX. They are actually higher, but in proportion to the distance they are lower.

Mr. MACLEAN (South York). For the distance and they are taxed the big end of the earnings for the Atlantic section.

Mr. LEMIEUX. It is a question of average. They are cheaper when you compare the distance.

Mr. PUGSLEY. You could not take the proportion of distance because when a cable is once laid under the ocean, the only charge is the interest on the capital expenditure.

Mr. MACLEAN (South York). The business is not to be compared with the Atlantic zone. There is so much business there, that if we started one cable we would have to have half-a-dozen in a short time

Mr. MACLEAN (South York).

and the result would be, that the undertaking would be an immense success. There is no state that does not control its own cables, except Canada, the United States, and one or two others. All the progressive countries of Europe, and they are away ahead of us in progressiveness, own their telephone and telegraph services and some of them have their cable services under the ocean, and they would not depart from that principle, it would be treason to propose in Germany that the land lines or cables should pass out of state control. So with other countries in Europe the efficacy of state ownership has been proved. They talk about cheap telephones in Ontario, but look at the services in Denmark, in Germany, even in Russia. In all European countries there is a good service which is allied with the post office, the centre of communications of all kinds. In that way, the public are saved, they control the whole thing, and the secrecy of the telegraph is maintained. That is an important feature. It is risky for the Empire of Great Britain to be subject to the United States in cabling, to have their messages come under the control of Americans.

If they are told: if you do not do it, Canada will do it, then we will have a state-owned cable and we will get control of our own lines. Two Canadian telegraph lines are in alliance against the Canadian people with this great American monopoly, and the telegraph rates in this country to-day are enormous, and unnecessary, and will be continued as long as we submit to them. The Canadian Pacific railway telegraph charges are twice what they should be, and they are twice in the west what they are in the east and yet the wires are loaded with business. The Railway Commission may bring about some reform, but the only way to bring about a radical cure is to go into competition with them. Let me tell hon. gentlemen what the force of good example does. Immediately after the discussion we had in this House on the parcel post system, the 'New York Tribune' and other papers said: Here, you legislators at Washington, what are you doing; you are making no headway with the parcel post, Canada has declared in her parliament in favour of a parcel post system connected with the postal department and you had better wake up. Well, since that motion was carried in this parliament, they have become active in the United States; fright has seized the express companies and they are offering to reduce their rates or to sell out. The United States despatches to-day say that a measure has been introduced into Congress to buy out all the express companies in the United States for their actual valuation of thirty-nine million dollars. And, in addition to these physical assets of thirty-nine mil-