

pointed out, the policy initiated by Rowland Hill was even better adapted for the telegraph service than the mail service. The year before the transfer to the Post Office Department, 7,000,000 messages were transmitted by the companies. With a greatly reduced tariff, the business increased fifty per cent the first year, and continued to increase immensely, from year to year. The total business in the twentieth year reached 94,000,000 messages. In the Post-Master General's Report for 1895, it is pointed out, that without including the purchase money of the original lines, the receipts exceeded the expenditure by a total sum of £1,795,000, equal to an average annual surplus of £71,800.

The principle of a uniform low rate for all distances in connection with the mail service of the Dominion has now been well tested. For the small charge of two cents, a letter can be sent to, and delivered in, any inhabited part of Canada. The expenditure in reaching the outlying sections, such as the Yukon and Athlin Districts, is considerable, but notwithstanding that fact the general returns of the Post Office are most satisfactory. The Report of the Post-Master General for 1906 shows a surplus of more than a million dollars (\$1,011,765.35) in the year's operations. Moreover, the outlook for the present year is believed to be very much better. Such being the case, there need be no hesitation in applying the principle of Rowland Hill's great reform to the telegraph service of Canada.

There is every reason for the reform. There is no necessity for adopting a higher tariff of charges than that which has given so much satisfaction in the Mother Country. The equivalent in Canada would be a uniform charge of *one cent a word for all distances*, and the minimum message may consist of any number of words, from ten to twenty-five, which may be determined. In view of the geographical conditions of the Dominion, there is no country on the face of the globe where the peculiarities of the electric telegraph and its high value as a means of instantaneous communication between points widely separated by distance, can be turned to better account than in Canada.

No less important is the proposal, which has frequently been considered, to establish a state-owned Atlantic Cable. It is understood that there is evidence in possession of the Canadian Government as to its cost, its working expenses, its probable traffic and all other particulars. The evidence which has for some time been accumulating, goes to show beyond all question that, if placed under the control of the Canadian Post Office the traffic which could immediately be counted on, reckoned at the small charge of five cents a word, would be sufficient to cover all working expenses, interest on cost and sinking fund to replace capital.

Such being the case, it is obvious that an Atlantic Cable under the control of the Canadian Post Office Department, and able to transmit messages at so low a rate would be an immense advantage to all commercial men. If, however, it should be deemed inexpedient, for any reason, to commence by lowering charges to five cents a word, a beginning might be made at ten cents a word, a rate sixty per cent lower than the present tariff which is twenty-five cents a word. A reduction to ten cents or even twelve cents (six pence), would tend greatly to increase freedom of telegraphic intercourse and be of incalculable advantage to Canada and the Mother Country, and indeed as will presently be shown to the whole Empire.