

rates thus rendered possible would give a wonderful impetus to telegraphy and as a consequence to business, it is believed, would so greatly increase as to admit of revenue meeting fully every proper charge against it. This will be the more apparent when it is considered that at no time would revenue be chargeable with dividends or bonuses which the shareholders of all private companies mainly look for.

After the discussion at the Conference it can no longer be held that the existence of the Eastern Extension Company must preclude the establishment of the new line of communication across the Pacific; a line demanded not simply by colonial growth and general commercial progress, but in a still greater degree by the exigencies of the Empire. That it is vitally expedient to secure the new line as a measure of defence, can be judged by the magnitude of the consequences, which at any time may result from neglect in establishing it. This has been emphatically recognized by the highest authorities in England and likewise acknowledged by members of Her Majesty's Government and by the representatives of all the colonies at the Conference.

It is claimed that the scheme set forth meets all the objections which have been raised and goes far to harmonize every interest; it would undoubtedly establish the new line of communication at the least possible cost and enable the principal self-governing colonies to co-operate with the Home Government in carrying out a project of very great Imperial importance.

SANDFORD FLEMING.

Appendix to the above Letter.

Estimated value of the cables of the Eastern Extension Telegraph Company calculated on the data furnished by Mr. John Pender, Chairman of the Company, viz.:—Original cost per mile £184 and life of cable 20 years. The lengths of cable laid are taken from the official documents of the company.

Miles Laid.	When Laid,	Years Submerged.	Value in 1887.
180	1869	18	£ 3,312
2,409	1870	17	66,488
2,721	1871	16	100,243
1,283	1876	11	106,232
864	1877	10	79,488
2,444	1879	8	269,818
529	1880	7	83,269
920	1883	4	163,024
502	1884	3	78,513
180	1885	2	29,808
12,035			960,195

Similarly the value of the property in the three following years has been ascertained to be as follows:—

12,035 miles of cable.	Value in 1888.....	£349,473
12,035 do	do 1889.....	738,751
11,855 do	do 1890.....	<u>629,685</u>

V.—23.

Str H. Holland to Lord Lansdowne.

DOWNING STREET, 4th October, 1887.

MY LORD,—I have the honor to acknowledge the receipt of your Lordship's despatch, No. 347, of the 8th ultimo, enclosing a Minute of the Privy Council