

Canadian Pacific Railway Company to transmit messages between the Australian Colonies and England at considerably less than one-half, possibly at one-third, the present charges, and between the Colonies and all the important cities in the United States and Canada at one-quarter the rates now exacted.

It is proposed, immediately on the Pacific cable being laid, to lower the charges on ordinary messages between Australia and England from ten shillings and tenpence to four shillings per word. This reduction will bring the cost of an average message from £5 13s. 9d. down to £2, and without doubt will give a very great impetus to telegraph business. It is not easy to estimate with any approach to accuracy what increase would result from this cause—men of experience in such matters are of opinion that the business would probably be doubled; but even if we limit our expectations to its ascertained normal growth, and base our calculations on a steady increase of traffic of only $12\frac{1}{2}$ per cent. per annum, we shall see that the advantage of the new line to the Colonies will be immense.

The latest returns with $12\frac{1}{2}$ per cent. per annum added give 85,000 messages for 1889. Assuming that the new cable would then be laid and the Canadian route in operation throughout, the estimate for a series of years would be as follows:—

	No. of Messages based on an annual growth of $12\frac{1}{2}$ per cent.			Saving effected, being the difference between £5 13s. 9d. and £2, or £3 13s. 9d. per Message.	
1889	...	...	85,000	...	£313,400
1890	...	...	95,000	...	350,275
1891	...	...	107,000	...	392,550
1892	...	...	119,000	...	438,800
1893	...	...	133,000	...	490,420
1894	...	...	148,000	...	542,050
1895	...	...	166,000	...	612,125
1896	...	...	186,000	...	685,875
1897	...	...	208,000	...	767,000
1898	...	...	234,000	...	862,000
Total	...	...	1,481,000	...	£5,456,497