

of the cable between Singapore, Labuan and Hong Kong, by giving twelve months' notice and paying the Company £300,000.

My letter of December last to Sir Wilfrid Laurier (copy enclosed) sets forth the position and the attitude, to Canada and the Australasian Colonies, of the Eastern Extension Telegraph Company. The proposal now submitted would undoubtedly interfere with the rich monopoly which that company enjoys, and to some extent, and for some time, diminish its profits; but I venture to hold that no private company, however rich and influential, should be allowed to stand in the way when great Imperial interests are at stake. It must be borne in mind, too, that telegraphy is one of the most astonishing results of science, and that the facilities which it offers, if not shackled by hindrances, may be rendered of greater and greater value to the human race.

The advantages of cable connections and low charges increase with distance in an accelerated ratio. It is impossible, therefore, to set a limit to the commercial, social and political benefits which would result to the Empire from a State-controlled cable service reaching every British possession. In the following remarks I point out that the Pacific Cable, established as now proposed, will prove to be the key to such a service, and practically its forerunner.

BRITISH EMPIRE CABLE SERVICE.

The action recently taken in London in adopting the principle of cheap Imperial postage suggests that the time has arrived when the expediency of establishing a complete telegraph cable system throughout the Empire may be considered on its merits. The advantages which will inevitably follow the adoption of universal penny postage appear to be generally recognized, and I venture to think the public mind will be prepared to entertain favourably another proposal not less important. It is not necessary in the least to undervalue cheap postage or detract from its immense importance, in order to show