

STATE OWNERSHIP OF TELEGRAPHS.

The Ottawa Board of Trade on the 3rd inst. had the draft of a circular letter submitted by the Council relating to the telegraph systems of the Empire being taken into the hands of the State. The circular reads:

"The proposal requires not only that the connecting trans-marine cables should be under government control, but likewise that the land telegraphs of the several British possessions should be state-owned. The land telegraphs of the United Kingdom, New Zealand, the Australian States, India and South Africa are already nationalized and administered by the Post Office. Canada is the only exception, but the transfer of the Canadian telegraph lines to the Post Office, together with the laying of a state-owned cable across the Atlantic, is, we are informed, under the consideration of the Government, and it may be assumed that Canada will not long remain the only country within the Empire where the telegraph system is not in the public interests controlled by the state."

After alluding to the action of the Board over a year ago in favour of establishing a Pacific cable, the circular goes on to say:—

"It is a matter of great gratification to the board to know that the Pacific cable is now being established under a joint agreement between the home government and the governments of Canada, N. S. Wales, Victoria, Queensland and New Zealand, and that there is every prospect of Canada being connected with the United Kingdom at an early date by a state-owned transatlantic cable. With these works completed and the Canadian land lines nationalized, the whole distance from England to the Indian ocean, to Perth, the capital of Western Australia, will be covered by a series of cables and land telegraph under state control."

In relation to above a resolution was passed by Board of Trade, Ottawa, empowering the President and Council to invite the co-operation of similar bodies and otherwise to promote this movement to bring all the telegraphs of the Empire "under control of the Post Office."

The above proposal is eminently a case in which "much may be said on both sides." Were no land telegraph or ocean cable system in existence, and their establishment were proposed, the argument in favour of such services being centralized under State control would be very powerful, as it would be strengthened by the splendid success of the postal service. This however is not the situation. There have grown up a large variety of private interests in connection with telegraph and cable services which present formidable obstacles to the movement to bring all of them under State control. There are not only a number of private companies whose capital is engaged in telegraph enterprises, but there are railway companies who own telegraph lines and operate them as a section of their business for its conveni-

ence as well as profit. To buy out all these interests, to induce railway companies to abandon control of their telegraph lines, to bring every "ticker" throughout the Empire under State control, would be a work of prodigious magnitude and involve negotiations that would be continued for years, during which time other interests would be created and old ones become so consolidated as to render the work of arranging for their transference to the State well nigh impracticable. As the telegraphs proposed to be put under State control are established under separate, independent governments, no one Act of Parliament would have any power to expropriate them or to carry out any legal arrangements. The Parliaments of Great Britain, Canada, the Commonwealth of Australia, Cape Colony and New Zealand would have to legislate concurrently and harmoniously. With such Colonies as Newfoundland, the Straits settlements, the West Indies, Ceylon, India, Hong-Kong, the new ones in South Africa, there would be no great difficulties in regard to an Imperial cable system, but even there the land telegraphs would present an awkward problem. If then the whole position that would have to be created, which would involve the absolute agreement of all the governmental and private interests now engaged in telegraph and cable enterprises, the likelihood of the proposed scheme for bringing them all under State control is not a promising prospect. The term "State control" sounds well, but it conceals in a large generality a very complicated mass of difficult problems. What "State" is meant? Presumably, of course, the Imperial Government is referred to as represented by the Imperial post office authorities, for, in the above proposal, as expressed in the circular of the Ottawa Board of Trade, the control is sometimes urged to be given to the "State," and sometimes to the "Post Office." Would the people of Canada, Australia, New Zealand, Jamaica, Newfoundland, South Africa, be willing to have the whole of their land telegraph system operated by the Post office staff in London, England?

The above considerations manifestly point to there being grave difficulties in the path of the movement to have all the telegraph and cable systems of the Empire brought under control of the State.

**LONDON AND LANCASHIRE FIRE
INSURANCE COMPANY.**

On a later page will be found the report presented at the 39th annual meeting of the above company held at Liverpool on 25th April last, also a copy of the Balance Sheet as on 31st December, 1900. The net premiums, after deducting reinsurances, amounted last year to \$,773,529, and net fire losses, \$,417,069, which, in these days of heavy losses, is