

by the Ottawa Board of Trade. Again, the subject is considered in a memorandum included with the proceedings of the Conference of Premiers in 1902 (page 146), presented to the Imperial Parliament by command of His Majesty.

To all these I would wish to direct attention in order to make plain the position of the Companies and their relation to the present proposal respecting the establishment of the Empire Cables.

ESTIMATE OF COST.

The capital required to establish the Globe-encircling Imperial Telegraph System now proposed is estimated to be within £5,000,000. This sum does not include the Pacific Cable (which may be regarded as a section of the whole system), extending from Canada to New Zealand and Australia, already established. As pointed out in my letter to Lord Elgin, the sum named includes a national cable across the Atlantic and a nationalised land line through Canada. These, together with the Pacific Cable, will connect London with Australasia by a continuous line of telegraph directly under State control. The estimate includes an expenditure of £1,750,000 to establish Empire Cables in the Indian Ocean as the means of connecting India and South Africa with Australia and the Pacific Cable. It includes also £2,250,000 to establish Cables in the Atlantic Ocean for the purpose of connecting South Africa with England by way of the West Indies and Bermuda, thus completing the Empire-girdling State-owned Telegraph System.

Since my arrival in London I have had the estimate examined by capable experts, whose calculations go to show that £5,000,000 is ample.

CABLES IN TIME OF WAR.

With respect to the cutting of cables in time of War. During the last two great wars we have had little evidence of