

Corporation. These short cables belonged to the New York Company, and were used by the Anglo Company on payment of certain stipulated rates.

18. The pretensions of the Anglo Company to maintain these short cables on the coast of Nova Scotia are based upon the supposed rights of the New York and Newfoundland Company to occupy that shore.

The Situation in Nova Scotia.

19. The landing of any cable from one country upon the seashore of another would require the sanction of the sovereign authority of the latter country before it could become lawful, inasmuch as, besides the occupation of part of the coast itself, it involves the exercise of a franchise, which can emanate only from that authority.

20. The New York and Newfoundland Company has uniformly proceeded upon the distinct recognition of this principle. It was Incorporated by an Act of Newfoundland on the 15th April, 1854, and obtained for 20 years, an absolute exclusion of all other Companies from the Island, or the waters within its jurisdiction. On the 10th of May, 1854, it obtained similar exclusive rights from the Legislature of Prince Edward Island. In March, 1855, a Bill, seeking similar rights, was introduced into the Legislature of New Brunswick, but the House of Assembly negatived it.

21. In March, 1855, the Legislature of Nova Scotia passed an Act to confer the like exclusive privileges on this Company, but this Act was disallowed by Her Majesty as questionable in principle. (See Despatch, 2nd August, 1856, Colonial Secretary to Lieutenant Governor, Journals of Nova Scotia, 1857; appendix No. 4, p. 17.) In the Session of 1857 the Nova Scotia Legislature passed a second Act in favor of this Company, but reducing the period of the exclusion from 50 to 25 years, and making the exclusive privileges conditional on the cable not being extended by the Company to Canada, New Brunswick or Prince Edward Island, or to the United States direct. This Act was also disallowed by Her Majesty. The Despatch of the Colonial Secretary, dated 18th January, 1858, (Nova Scotia Journals 1858, appendix 277,) states the reasons for disallowance, which are so opposed to any sanction of monopoly privileges that it should be quoted. The despatch is as follows:—

“DOWNING STREET,
18th January, 1858.

SIR,

Her Majesty's Government have had under their consideration an Act passed by the Legislature of Nova Scotia, in the month of May last, entitled, &c. This Act purports to give the New York, Newfoundland, and London Telegraph Company (subject to their performance of certain conditions, and to the conclusion of the agreement specified in section 6,) the exclusive right to furnish the Province with the means of telegraphic communication for a period of twenty-five years. I wish to refer you to the despatch addressed to you by Sir George Grey, holding the seals of this Department on this subject, under the date of 22nd March, 1855. Her Majesty's Government see no reason to modify the views expressed in that despatch and its enclosures, which have