

lower rates. It is proposed that Government messages be transmitted free of charge to the full amount of the subsidy, and to take precedence of all other business.

BATT'S HOTEL, Dover Street,
LONDON, 1st July, 1886.

IV.—8.

(Appended to Letter dated London, 10th July, 1886.)

CANADIAN AND AUSTRALIAN CABLE.

MEMORANDUM submitted to the Canadian Government by Mr. Sandford Fleming.

OTTAWA, 6th April, 1886.

A few years back attention was directed by the undersigned to the importance and practicability of connecting Great Britain telegraphically with China, India, Japan, and the Australian Colonies, by a line passing through Canada, and by one or more cables laid in the Pacific Ocean.

The subject was reverted to last year in a letter dated 20th October, 1885, addressed to the Premier, the Right Honorable Sir John A. Macdonald.

Since these dates the Canadian Pacific Railway Company has completed a line of telegraph from the Atlantic to the Pacific, thus establishing an important section of the original scheme, leaving to be completed only the cable across the Pacific.

The Australian Colonies are already connected telegraphically with England by way of Port Darwin, Singapore, Penang, Madras, Bombay, Aden, Alexandria, and through the Mediterranean Sea. The charges for messages are, however, very high, and there is always danger of interruption to business when political events assume a threatening attitude in Egypt or in Europe.

A cable from the Australian Colonies, via Fiji and the Sandwich Islands to Vancouver, the western terminus of the Canadian Pacific Railway, would connect them telegraphically with England by a line which would have the great advantage to every British interest of being entirely removed from all European complications. Moreover, a very large aggregate saving in the cost of transmission would be effected.

The Australian Colonies were first connected with England in November, 1872, consequently the following year (1873) was the first year the international line was in operation. The business in 1873 consisted of 8,952 messages to and from the colonies. The last returns are for 1884, when the messages sent and received reached 48,896; showing an extraordinary development in 11 years, averaging an annual increase of 40 per cent. This increase may, however, be abnormal, and as the last three years of the period show a more moderate growth, it will be safe to take the latter as a basis on which to estimate future business.

The number and cost of messages between the Australian Colonies and Europe, for the three years referred to, was as follows:—

	No. of Messages.	Cost.
1882.....	39,175	£ 225,567
1883.....	43,334	251,277
1884.....	48,896	270,766

These results give a fair indication of the steady growth of the business under the present high tariff.

The annual increase in the number of messages is equal to 12½ per cent., and the average cost of each message sent during the three years 1882, 1883 and 1884, is £5 13s. 9d.; the charge of ordinary messages per word (between Sydney and London) being 10s. 10d., Government messages 8s. and press messages 6s. 7d.

The undersigned has brought the question of a cable from Vancouver to Australia before the Board of Directors of the Canadian Pacific Railway, and has succeeded in