

had any legal right to land their cable on the shores of the Dominion. They merely asserted that having possessed the right for twenty years their privilege of exercising that right should not now be interfered with by any legislation of the Dominion. That ground, of course, the Government did not admit, and besides the stock of the company was chiefly held, and the greater portion of the value of the property was owned by those who never did possess even the limited monopoly that he had referred to, and had only acquired the rights they now possessed by the amalgamation effected nearly two years ago. In the controversy that had arisen and in the allegations made last year chiefly before the Senate Committee, but also to some extent before the Committee of this House, it was assumed that about seven millions sterling, the capital that this company possessed, was the amount of property that this Bill affected; but we now know from the opinion of the highest legal authorities in England that it only affected the property that was comprised within the terms of the Act of 1854, meaning the shore privileges and the minor cables across the straits. They had the opinions of Sir RICHARD BAGGALLAY and Sir HENRY JAMES to this effect; and they had even more than that in the recent despatch of Lord CARNARVON to the Governor of Newfoundland of the 17th November, 1874. In that despatch he stated:—

“But having regard to the conflicting legal opinions to which you refer in your despatch, I have thought it desirable, in the interests of your Government, to consult the Law Officers of the Crown as to the subject-matter comprised within the power to purchase conferred upon the Newfoundland Government by section 15 of the Act above referred to; that is to say, whether that Government could claim to buy out the whole interest of the Company for the actual appraised value of the telegraph lines, wires, cables, apparatus, vessels and all other appliances connected therewith; or whether any further claim could be made by the Company for compensation for the loss of the monopoly which would be terminated by such purchase, or for any other right or interest conveyed by the Act, and further as to the course which it might be advisable that the Government of Newfoundland should take with a view to determine its power to purchase.

“I am accordingly advised that the expressions, ‘other property’ and ‘all other property connected therewith,’ used in the 15th section of the Act of 1854, were intended to comprise merely property of the same nature as the property mentioned in the parts of the section im-

mediately preceding those expressions, and therefore that upon payment of the amount awarded as the value of the telegraph lines, wires, &c., under the provisions of the above mentioned section, the undertaking of the Telegraph Company will become vested in Her Majesty, and that the Telegraph Company will not be able to insist upon the arbitrators or umpire awarding an amount of compensation for the good will of the concern, or the loss of the monopoly.”

This clearly established the fact that in the opinion of the Law Officers of the Crown in England past and present, the entire amount that the Government of Newfoundland, if they gave notice as they might do to terminate the monopoly, would be responsible for was that which was provided for in the Act of 1854, and that they had nothing whatever to do with the value of the cable across the Atlantic. That was a matter entirely apart from the Act of 1854, as it was never constructed by this company. That being the state of the case at present, the Dominion Government conceived that the proper time had arrived to pass an Act which would regulate for the future the operations of any cable company intending to do business in the Dominion, and the present Bill accordingly provided for such regulations. He might say that since the House met he had received intelligence from Newfoundland that the Government had actually given the cable company notice of their intention to purchase, as they might do at any time before May, of this year. There was a substantial reason why this notice should be given at the present time. On the amalgamation of the Companies in May or June, 1873, the Anglo-American Company distribute stock according to the agreement entered into by the shareholders of the Amalgamated Company, but there was the sum of £135,000 sterling in round numbers reserved, which would only be distributed in the event of the Newfoundland Government not assuming the lines under the Act on or before the 1st day of May, 1875, so that the Island Government had a direct interest in terminating the monopoly by pre-emption at the present time; and the parties chiefly interested—CYRUS FIELD principally, who conducted, he believed, the opposition to this Bill in this quarter—had a direct interest in desiring the prolongation of their monopoly because this £135,000 would not be distributed if the