

I do not propose to take up the time of the House in going over the details of the agreement entered into about a year ago between the Australian colonies, the Imperial government and the Canadian government, for the construction of the Pacific cable. That the cable should be constructed, is a matter upon which, I think, every member of the House is agreed. I only want to remind the House that the principle which was sanctioned, when the scheme was entered into, was the principle of state ownership, in reference to a certain portion of the cable, and I think, looking also to state ownership ultimately in reference to all cables laid between British possessions. Since that agreement was entered into a great many delays have occurred, and a great many obstacles have been thrown in the way of completing the scheme. These obstacles have been occasioned largely through the opposition of a monopoly called the Eastern Extension Telegraph Company. It would seem that matters are now getting to a serious pass, so far as the principle of the state ownership of this cable is concerned. The success of the project is seriously impaired, if not imperilled, by certain negotiations that are now going on between the Eastern Extension Telegraph Company and certain Australian colonies. I want to read to the House an article which appears in the *Nhill Mail*, of the date of May 5, a paper published in Australia. It is as follows :

We desire to specially call our readers' attention to an appeal 'To the British People in the Australasian Colonies,' sent by the last Canadian mail by the eminent engineer, Sir Sandford Fleming, to our worthy townsman, Mr. J. C. Lockley, with a request that the same should be made public. The appeal, which is published in another column, should go so straight to the heart of every true Britisher that anything further urged in its favour hardly requires to be put forth. The British people own one flag and should have all interests in common, and in furtherance of this most noble sentiment, which we know the people of Australia most heartily reciprocate, the Canadians have asked us to join with them and with Great Britain in a practical connection by telegraph cables which will bring all together, and within a few hours' speech of one another. To assure such being an integral part of the flag somewhat in the same way as the British navy is, and, in fact, to act in conjunction with the navy, it was proposed to make these telegraph cables, with their stations, British in every sense of the word—that is to say, to be owned and controlled by the self-governing British states of the empire. The adoption of the first part of such a laudable project, the Pacific cable, was agreed to by Great Britain, Canada, and nearly the whole of the Australian colonies, inclusive of New Zealand. This work should have been accomplished to-day, and we have no hesitation in saying would have been accomplished had it not been for outside influence of a most powerful nature permeating in every direction in which such influence has been of use to the monopolists who control the greater portion of the world's submarine telegraph cables. The monopolists do not like the idea of any state-owned cables. In such a case their large dividends would disappear, for they know only too well

that the self-governing states of the British Empire, with Great Britain, can obtain capital at a very low interest, and since these cables would be laid for the good of the British people in the development of commerce and its protection, a low tariff would only be required to assure a sufficient revenue for payment of interest, sinking funds and maintenance, and this is fully proved by the postscript to Sir Sandford Fleming's appeal. To nip such a project in the bud the cable monopolists have agreed to forego a subsidy of £32,000 per annum for twenty years, which they at first required, and to lay a cable via the Cape of Good Hope, provided the Australian governments will give them certain concessions, viz., permit them to open their own offices in the Australian capitals. Prior to the proposal of a state-owned Pacific cable, they did not ask for such a concession, and it is doubtful if they would have accepted the same had it been offered to them by the governments. On the face of it, the concession seems very innocent, but it empowers its holders to make secret contracts with clients for a term of years, allowing rebates on published prices.

The only fair way to deal with this problem is for the governments to fix a tariff, to collect all messages as at present, and to leave the question of route entirely with the sender of a message, and any objection to such a system can only mean that the objectors are to be looked at askance. Again, for such a concession given to the present monopolists the Australian colonies were given to understand they would obtain a new all-British cable via the Cape and the islands of St. Helena and Ascension. Did they receive it, or are they likely to do so? From published reports, we are informed that the cable actually laid goes to the island of St. Vincent, which is Portuguese territory. This certainly does not convince us that the new cable will be all-British. Certainly there is a West African costal cable which may be called all-British, but if we are correct this was submerged and in operation long before the promise of a new all-British line via St. Helena and Ascension was made in return for the concessions asked. In conclusion, we would most strongly urge all true British people in the Australasian colonies to see that they are not put off by any compromises with private companies that would tend to even delay the practical realization of the Pacific cable as the first link in a system of all-British state-owned cables connecting all the larger British possessions in the world into one great Imperial whole.

I find that the *Melbourne Argus* in its issue of the 5th of May contains a despatch which must necessarily give alarm to those who are anxious to see the construction of the Pacific cable at the earliest possible date. I wish to point out that Victoria and New South Wales are two of the colonies which are parties to the agreement entered into about a year ago for the construction of the cable. It will be apparent from the following quotation, that these colonies have entered into negotiations with the Eastern Telegraph Company to grant that company concessions which cannot be exercised if state ownership is to be preserved.

#### The Cable Schemes.

When the Postmasters General of Victoria and New South Wales completed their conference in respect to the Cape cable scheme of the Eastern