DOMINION TELEGRAPH COMPANY.

CAPITAL STOCK In 10 000 Shares at \$50 each,

President. HON WM, CAYLEY.

Treasurer, HOM. J. MCMURRICH.

Secretary, H. B. REEVE.

Counsel.

MESSUS. CAMERON & MCMICHAEL.

General Superintendent, MARTIN RYAN.

HON J. MCHURBICH-Bryce, McMurrich & Co.,

Toronto

A R McMASTER, Esq. —A. R. McMaster & Brother,

Toronto M C. CAMERON,—Provincial Socretary, To-

HOM M C. CAMERON, Frontier Secretary, 2 route.

JAMES MICHIE, Esq.—Fulton, Michie & Co., and George Michie & Co., Toronto.

HOM. WM. CAYLEY, Toronto.

A. M. SMITH, Esq.—A. M. Smith & Co. Toronto.

L. MOFFATT, Esq.,—Modatt, Murray & Co., Toronto.

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H. B. REEVE, Esq.—Toronto,
MAPTIN HYAN, Esq.—Toronto.

PROSPECTUS.

The Dominion Tolegraph Company has been organized under the Act respecting Telegraph Companies, chapter 67 of the consolidated Statutes of Cauada. Its object is to cover the Dominion of Canada with a complete net-work of Telegraph lines.

THE CAPITAL STOCK IS \$500,000.

Divided into 10,000 shares of \$50 each, 5 per cent. to be paid at the time of subscribing, the balance to be paid by instalments, not exceeding 10 per cent. per menth—said instalments to be called in as the works progress. The liability of a subscribor is limited to the amount of his subscription.

The business affairs of the Company are under the management of a Board of Directors annually elected by the shareholders, in conformity with the Charter and By-laws of the Company.

The Directors are of opinion that it would be to the interests of the Stockholders generally to obtain subscriptions from all quarters of Canada, and with this view they propose to divide the Stock amongst the different towns and cities throughout the Dominion, in allotment shifted to the population and business occupations of the different localities and the interest which they may be supposed to take in such an energipties. cerprise.

CONTRACTS OF CONNECTIONS.

A contract, granting permanent connection and extraordinary advantages has already been executed between this Company and the Atlantic and Pacific Company of Now York; thus, at the very commencement, as the Lines of this Company are constructed from the Surpension Bridge, at Clifton, (the point of connection) to ary point in the Bominion, all the chief cities and places in the States, touched by the Lines of the Atlantic and Pacific Telegraph Company, are brought in immediate connection therewith.

A permanent connection has also been secured with the Great Western Telegraph Company of Chicago, whereby this Company will be brought into close con-nection with all the Lake Ports and other places through the North Western States, and through to California.

Caniornia.

All classes of Society are interested in extending the use of the Telegraph, at Low Rates, and the Directors are satisfied that the adoption of a scale of charges considerably below the rates now exacted in Canada, will, by encouraging a much more extended use of this medium of communication, not only prove a real and substantial benefit to the public generally but will also ensure a safe and profitable return to the Investor. Investor.

On the 25th day of June, A D 1863, the DOMINION TELEGRAPH COMPANY was duly CHARTERED according to Law

The admitted importance and value of Telegraphy, would in the opinion of the Directors, have rendered any introduction of the Dominion Telegraph Company to the Canadian Public unnecessary, had it not been that previous attempts to establish Telegraph companies in Canada, to share the business with the Montreal Telegraph Company, had been allowed to fall through.

The success of a Telegraph Company will mainly depend on its ability to meet the demands of the Public, and consequently it should possess, at least, equal facilities with any other Company, of access to all quarters with which its customers may desire to have communication.

This Important requisite has not been until now, within the reach of an, Company entering the deld as a competitor with the Montreat Company in consequence of the closs and exclusive connection formed between that Company and the Western Union Company of the United States, the latter by virtue of certain patents, having, until within these two years, monopolized nearly the whole of the telegraph business in the neighbouring Republic.

The business relations between these two Companies continue in full force, but the patents having run out,

the monopoly so long enjoyed by the Western Union has ceased to exist.

has ceased to exist.

The Atlantic and Pacific, the Great Western and other American Companies, have invaded the field, and have become successful competitors for the public patronage and support. These Companies, acting on the cheap postage principle, have forced the old monopolist to a reduction of rates which has resulted in a more widely extended use of this means of communication, and much to the surprise of the Western Union itself, has increased its profits, whilst sharing its field of operations.

With these new Companies the Dominion Telegraph

its field of operations.

With these new Companies the Dominion Telegraph Company of Canada bave entered into most satisfactory business relations, and confident of the soundness of the principle which led to the adoption of the penny-postage system in Great Britain, the voluntary reduction from \$100 to \$16 65 per ton word message by the Ocean Cable Company, and the successful operations of the Companies recently established in United States, invite the business and mercantile community of Ganada to join them in the promotion of an enterprise, based on the principle of moderate rates and extended business, which, while injuring no one, they confidently expect will result in securing a large return to the investor, and prove a vast benefit to the community.

Allusion has been made to the voluntary reduction

Allusion has been made to the voluntary reduction of rates by the Atlantic Cable Company A Chicago paper, writing on the subject of the growing use of the Telegraph, gives the following return, as obtained directly from Cyrus W. Field, showing very conclusively the benefit both to the public and the Company of the reduction of rates.

AVERAGE DAILY RECEIPTS.

From \$100 per message of ton words... \$2,525 50 25 41 2895 ...

An advertisement has recently appeared announcing to the public that the rates from 1st September, proxime, will be further reduced to \$18,65 per ten words.

The following table shows the reduction which has been effected in rates in the neighbouring States arising out of the construction of competing lines:—

	Former	Present
From New York to	Rate.	Rate.
Boston	\$ 60	\$ 30
Bangor	1 20	65
Portland	90	50
Philadelphia	40	25
Baitimoro	70	50 25 33
Washington	75	40
Augusts, Mo	. 120	60
Cincinnati	1.90	1 00
Buffalo		60
Clureland	1 95	1.00
Pitteburg	1.16	45
Louisville	1.96	1.00

This reduction took place in November, 1867. A comparison of the receipts of the Western Union since that period with the corresponding months of the previous year gives the following results:

Gross Roceipts for—December, 1805, \$551,971.40; December, 1867, \$576,185.19; increase, \$24,163.79; January, February, March, 1867, \$1,594,624,96; January, February, march, 1868, \$1,727,939.55; increase, \$133,231.69; April, May, June, 1867, 81,559,773.79; April, May, June, 1867, 81,559,773.79; \$22,75.

While these beneficial results were flowing to the Western Union Company from the reduction of rates, the new Companies had created a business more than sufficient to fill their wires. In proof of this the following extract is taken from the report of the Atlantic and Pacific Company, made July 23th, 1883:

"In April last we reached the maximum capacity of our wires, and have since been compelled to reinso business daily. The Committee, therefore, have reached the conclusion from the actual experience of building and working the present lines—that

"Telegraphic business is growing faster than Tele-graphic facilities."

As further proof on this point, the low rates have so pressed the wires of both Companies with business through the day, that posters have been placed in all the main offices preclaiming that double the number of words would be telegraphed at night at the same price as half the number of words by day.

In support of the observations quoted above, the telegraphic business is growing faster than telegraphic facilities, the tollowing statement exhibiting the wonderful increase in the use of the wire, within the lassix years, cannot be without interest to our readers. The gross earnings of all telegraph lines in the United States for the following years were:—

1846	.S 4,223,77
1849	63,333,93
1853	. 103,860.84
1862	
1863	8,209,442.66
1864	8,792,245.40
1865	4.420.203.83
1866	5.024.601.20
1867	. 7,611,552 47

Showing an average increase of a million a year for the last five years.

A comparison of the number of messages sent, and persons using the wire in Canada and the States, furnishes a further proof of the advantage to the public and corresponding benefit to the Companies arising out of a reduction of rates.

The published returns for 1207, show that 000,767 messages were sent in Canada, while the messages in

the United States for the same period exceeded 20,000,000, the fermer being less than one message to every
six persons, the latter, two to every three. From
these returns and results it may be reasonably inferred
that a reduction of rates to a tariff at which the wires
of both Companies can be filled, will secure a fair
field and good prospects to the Dominion Company,
without in any way prejudicing the interests of the
Company now monopolizing the ground.

The particulars submitted above are sufficient in
the opinion of the Directors to establish the facts
that low rates, by encouraging a more general use of
the telegraph, are more profitable than high. It is
not however solely in the light of a safe and good investment that the Directors desire that this enterprise
should be viewed. They feel that their object will be
but indifferently attained unless they can satisfy the
public, the business and commercial men, that ALL
who use the telegraph as a medium of rapid communication, are interested in the establishment of
what may be called a competing Line. As in the administration of public affairs, a strong, watchful opposition, is the best security for good and careful
government; so in commercial matters an honest
rivalry in the various pursuits and branches of trade
jurnishes the best security that the public shall be
well served.

To apply the argument to the purpose in hand, the

well served.

To apply the argument to the purpose in hand, the following table showing the inconsistencies, and, the following table showing the inconsistencies, and, the many instances, the excessive rates now charged on messages passing between the cities and towns of Onstarlo, Quebeo, and the United States, will, it is believed, convince the reder that an honest competition is needed, not only for the reduction and adjustment of rates, but also to ensure that attention and care which would of necessity be enforced on the Companies competing for public favor, and thus tend greatly to promote the general interests of the community.

EXAMPLE OF PRESENT TARIFF RATES WITH DISTANCES.

		Miles	Canada Money
om?	Coronto 1	to Suspension Bridge 82	40c
44	••	Montreal 333	SOc.
"	**	Mitchell, Seaforth, Bothwell, Alisa Craig, Caledonia, Chatham. Dunville, Nowbury. Port Burwell, Port Colborne and many other places	400
**	**	Kingston	250
**	**	Ouebec	60c

Example of present tariff rates to Buffalo, and from thence to the following places, in U. S. currency, which reduced to Canada money, at 45 per cent premium, makes the actual cost, as the second column:

Subscription Books are now open at the office of the Company. S3 King Street East, Toronto, and No. 6 Indian Chambers, Hospital Street, Montreal.

H. B REEVE Secretary.

W. G. BEACH, Agent. Montreal, 12th October, 1998,