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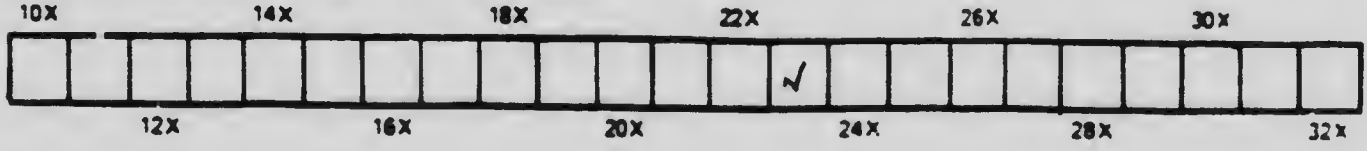
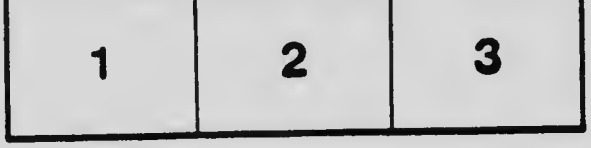
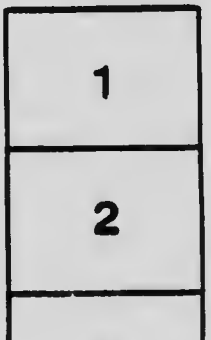
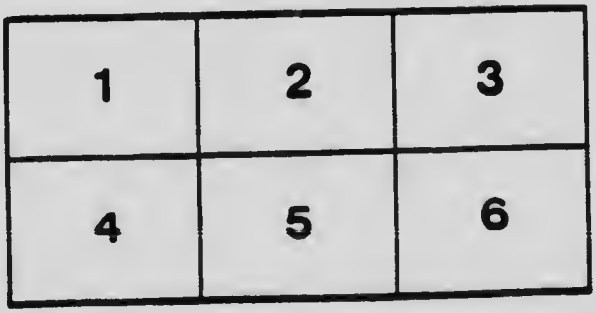


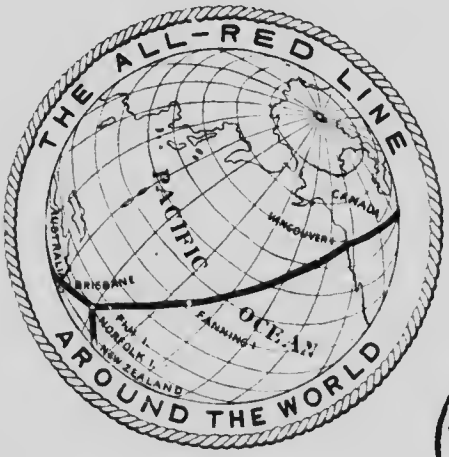






OTTAWA BOARD OF TRADE PAPERS

AN ADDRESS TO
HIS EXCELLENCY EARL GREY
GOVERNOR-GENERAL OF CANADA



WITH

HIS EXCELLENCY'S REPLY

AND OTHER DOCUMENTS BEARING ON THE PROPOSED

IMPERIAL CABLE SERVICE TO

GIRDLE THE GLOBE

CONTENTS.

TO THE CITIZENS OF THE EMPIRE.

Fifty years ago the Board of Trade of the City of Ottawa was constituted by an Act of Incorporation. For half a century the President and Council, in the name and on behalf of the Board, have faithfully endeavoured to carry out the duties intrusted to them.

At a meeting of the Board, held on November 14th, when the attendance of members was perhaps larger than on any previous occasion, the following resolution was unanimously passed:—

> "That this Board heartily commends and approves the action taken "by the Council in connection with the proposed chain of Empire Cables, and "expresses the wish that every effort be continued to advance the movement "to cheapen Telegraphy, by land and sea, throughout the Empire."

For some time back the President and Council, under instructions from the Board, have in every way promoted the movement to establish a girdle of state-owned cables around the globe, so as to afford each of the self-governing British communities the freest, the speediest and the cheapest means of mutually exchanging intelligence.

The President and Council were recently granted an opportunity of formally addressing His Excellency the Governor-General of Canada, on this important subject. His Excellency in reply heartily favoured the action taken and the views expressed by the Council on behalf of the Board, and, satisfied that the best results would follow, urged that the work of forming public opinion in respect thereto be vigorously prosecuted throughout the Empire.

Encouraged by so high authority it is now resol' ' to i.sue and widely circulate the address of the Council to His Excellency, .ith His Excellency's reply thereto, together with such documents and explanations as may appear desirable in order to elucidate the subject.

As the Board was organized and incorporated in the year 1857, the President and Council feel that they cannot better commemorate the semi-centennial of this Association than by publishing in the Mother Country and in all the sister Dominions, the documents which follow on a subject of the highest Imperial importance.

The Council is indebted to Sir Sandford Fleming, a member of the Board, for the prefatory remarks which follow and other documents appended.

On behalf of the Board of Trade of the City of Ottawa,

JAMES W. WOODS,
PRESIDENT.

CECIL BETHUNE,
SECRETARY.

OTTAWA, Nov. 15TH, 1907.

INTRODUCTORY REMARKS AND EXPLANATIONS

By Sir Sandford Fleming.

When the delegation of the Board of Trade waited on His Excellency recently, at Government House, the President in his address alluded to the far-reaching importance of the resolution adopted by the assembled Prime Ministers at the final meeting of the Imperial Conference, last summer, in London and pointed out that there could be no more fitting corollary to the concluding act of the Conference than the establishment of a complete globe-girdling circle of telegraph cables such as the Board advocates.

His Excellency replied in a sympathetic and extremely encouraging manner. My own efforts, as a member of the Board were alluded to by His Excellency most kindly, and if I may, with due respect, venture to say so, perhaps in too flattering terms. It is true that my life to a large extent has been spent in furthering the establishment of national works of inter-communication, and thus promoting by practical means the consolidation of the Empire; but I can lay no claim to be more than an admirer, in some respects possibly a very humble imitator, of such far-seeing men as Rowland Hill, who gave to the United Kingdom the inestimable boon of a cheap and efficient postal service, and of Henniker Heaton, who has laboured so long and so assiduously, and who, among other things, has been so largely instrumental in extending the benefits of penny postage to the whole Empire. Moreover, I cannot too strongly emphasize the fact that the credit of what has been accomplished through the instrumentality of Canada is very largely due to the warm co-operation and constant interest of the Board of Trade of the City of Ottawa.

Since His Excellency received the delegation from the Board of Trade, Rudyard Kipling has been amongst us and has got very near to the hearts of all true Canadians. He has inspired us with a broader sense of kinship to the thousands and millions of our fellow-citizens the world over, who like ourselves are consciously or unconsciously building up a great twentieth century Empire. This seer, with vision sweeping the Empire's bounds, and with supreme faith in the future, told us that the young communities of British motherhood, the young nations separated only by the seas, and of which Canada is regarded as the foremost, must ever look forward, keeping always in sight the proper path to follow and holding in memory the best traditions of their race.

The Bishop of London has likewise visited us. He told us that he had charge of the heart of the Empire, and he brought us the message that those in the heart of the Empire are proud of the Dominions over-seas. He reminded us, however, that great things are expected of us, as members of the family of British nations developing into a new Empire of peace; and that if we are true to our heritage, this new and greater British Empire would prove a beneficient gift to the world.

These two great men can see as it is given to few men to see. They look as it were from a neutral standpoint in history, the past within their grasp and the future spread out before them. They urge us to rise to the level of our splendid opportunities, lest the moment pass beyond recall; and they warn us that we will be called to judgement for failure to work out our proper destiny, the destiny which centuries have been preparing for us, the destiny already looming in sight.

In the developement of a mighty Empire, different in so many ways from any political organization of the past, all may not be plain sailing. Difficulties doubtless will arise, much as they arose in the less extended field of our Canadian confederation. The greatest difficulty that had to be overcome in the unification of Canada was the mutual ignorance of one another that obtained in the several scattered colonies. In time that difficulty was happily conquered; the Dominion came into being; and, forty years afterwards, we do not find a man from ocean to ocean who is not proud of the achievement, proud of the progress we are making, and hopeful of our destiny as a leading member of the British family of Nations.

In the case of the larger union, the development of the whole Empire and the affiliation of all its parts we have precisely similar difficulties, but the mutual want of knowledge is on an infinitely larger scale. This fact has been recognized by the Board of Trade of the City of Ottawa, and, as explained in the address to His Excellency, the Board has placed itself in correspondence with many persons and associations in all parts of the world, with the view of determining the most effective means by and through which mutual information might be freely exchanged and friendly relations fostered between all duly constituted British communities.

A year ago that most influential organization in England, the "Eighty Club," issued a pamphlet setting forth the advantages to result from the Empire Cables and the establishment through such means of a great Imperial intelligence union. The pamphlets were circulated with effect in the United Kingdom, Australia, New Zealand, South Africa, Canada and India.

Public interest has been further awakened by the circulation, in all the countries mentioned of Canadian Parliamentary papers, especially sessional papers 67 and 67a, (1906), in which are given the views of many of our foremost men on this subject, including Lieut.-Governors, Judges, Statesmen, Scholars and Clergymen of all denominations. Other documents have been published, all bearing on the point that the several portions of the Empire should be made more fully acquainted with one another, and brought into sympathetic touch. By this means the opinion steadily gains ground that while each government should be left with the freedom now enjoyed, every effort should be made to cultivate the most friendly relations between the several communities which go to make up the Empire.

It is now coming to be recognized, as a direct and effective means to the desired end, that an Imperial electric girdle of state-owned cables and telegraphs must be regarded as a vital object of Imperial statesmanship.

Some progress has already been made. Under a unique partnership between the Government of the Mother Country, and Canada, New Zealand, New South Wales, Victoria, and Queensland, the Pacific Cable has been established. After long negotiations it was at length agreed that these six Governments should co-operate and share in the cost in the following proportion, viz:—New Zealand, New South Wales, Victoria and Queensland, each 1·9th, Canada and the Mother Country, each half the remaining 5·9ths. The whole capital amounting to £2,000,000 was found by the Imperial Treasury, and the six co-operating Governments arranged to make good each their share, by terminable annuities which, including sinking fund and interest, amounted to £77,545. To this yearly payment was added £35,000 to form a Reserve Fund to provide for the replacement of the Cable, when necessary, at some future time. This financial arrangement designed to pay off the original Capital debt incurred, and eventually leave a new Cable without debt, was regarded as a favorable one for each partner. There is a misapprehension, however, in many quarters. When the annuities are called for and paid to the British Treasury, they are spoken of as deficits in cable earnings and generally regarded as losses sustained in working the Pacific Cable. That is in no sense the case. The scheme of annuities is the means which was taken by which it was believed the partners could best and most easily meet their share of the capital required to establish the undertaking and place it on a good footing. If the returns be examined it will be found that there never has been any loss in working the Cable. The working expenses include all salaries and all outlay at the Head Office in London, and at the several Cable stations between London and Australia, also a Cable Ship and a provident fund for the benefit of employees, indeed every charge except that covered by the terminable annuities mentioned. On that basis the following table is prepared for the four whole years the Cable has been in operation.

	1903–4	1904–5	1905–6	1906–7
Receipts from traffic	£80,118	£87,447	£91,952	£113,516
Working Expenses	54,824	50,752	52,964	57,895
Excess of earnings over working expenses	25,294	36,695	38,988	55,621

This information furnished by the Parliamentary Returns of the United Kingdom, thus show that the Pacific Cable is not the losing concern which many have supposed. Last year the net earnings over and above actual working expenses amounted to about $275,000, and the table shows that there is a steady advance in surplus earnings year by year.

We have the further testimony of the Auditor-General of Canada, that the Pacific Cable is not only self-sustaining, but that its earnings are employed in part to pay off the original capital expenditure. The two sums mentioned £77,545. and £35,000, together amounting to £112,545 represent the total aggregate annual

sum arranged to be paid by all the contributing Governments. The Auditor-General affirms the fact that the amount of this annuity has been diminished by the receipts on Cable Traffic in each year as follows:—

In 1903–4, annuity of	£113,545,	was reduced to	.....	£87,751	4s. 5d.
In 1904–5	"	"	"	 75,849	18s. 6d.
In 1905-6	"	"	"	 72,856	1s. 10d.
In 1906-7	"	"	"	 54,923	12s. 2d.

Here we have obvious proof that this highly-important joint State undertaking is in a prosperous condition. We find that the revenue from traffic not only meets all current expenses, but yields a surplus which in the past year, discharged half the annuity, designed to pay off in fifty years the whole original capital of £2,000,000, and at the same time to provide a reserve fund sufficient to replace the cable itself when found necessary. These facts are most encouraging, and but for the loss of earnings from removable causes, hereafter referred to, the revenue from this Imperial undertaking would prove far more than ample for every purpose.

The establishment of the Pacific Cable, the most important section of the world encircling chain, by six governments co-operating as a unit, is a great step forward, and its value can scarcely be over-estimated. In connection with State-owned Canadian land lines and an Atlantic Cable, it would complete the Imperial system between England and Australia, but a serious difficulty is presented which inevitably must soon be faced. While it cannot be forgotten that the Canadian route is absolutely the only route by which the globe may be girdled by a chain of British Cables, none will be more surprised than Canadians themselves to learn that the most serious obstacle to the consummation of this great Imperial telegraph project is found in Canada.

There is no denying the fact that Canada is the only country within the wide range of the British Empire where the telegraph system is not, like the postal system, a service of the state. Since the Pacific Cable was completed five years ago the mass of messages which have passed between Australia, New Zealand and England, through the Dominion, has been transmitted by the wires of the Canadian Pacific Railway Company. Considering all the conditions, the transmission by this means has been effected with a commendable degree of accuracy and speed. But complaint continually comes from Australia that provoking delays in the transmission of messages are frequent. This is owing to interruptions in the Dominion, and it is scarcely surprising that an outcry is raised, and the question asked, why is the Canadian telegraph system not nationalized, and all cause of complaint removed?

It is urged with good reason in Australia and elsewhere, that Canada as a partner in the Pacific Cable is interested in its financial success and cannot be indifferent to the loss of traffic which interruptions entail. In Australia competition between the Canadian and the Eastern cable route to Europe is so severe that the stoppages and delays referred to call forth many regrettable difficulties, and the loss of a great many customers is the consequence. The evidence goes to show that even the most prominent cable users whose sympathies are with

the Canadian route have been compelled to transfer their patronage to the rival route. For these reasons a large share of the telegraphic traffic is lost to the Pacific Cable, and obviously a remedy is called for.

I append two documents which I trust will be found instructive. (1) An explanatory Note (page 13), referring to various points bearing on the address of the Board of Trade submitted to His Excellency. (2) A memorandum on the Empire Cables (page 21), and the benefits to result from nationalizing the Canadian inland telegraph system and establishing an Atlantic Cable under the control of the Canadian Post Office Department.

Time will be required for the consideration of these proposals before a satisfactory final determination can be reached. Meanwhile it is desirable that as little time as possible be lost in taking steps to diminish the delays in the transmission of Pacific Cable traffic through Canada, and the loss of revenue which is thereby caused.

The gravity of the matter will be understood from the following statement compiled from a detailed list of stoppages in the transmission of the traffic of the Pacific Cable across the Dominion in four consecutive years:—

In 1903 there were	33	interruptions,	aggregating	about	166 hours.
In 1904 " "	27	"	"	"	97 hours.
In 1905 " "	22	"	"	"	42 hours.
In 1906 " "	50	"	"	"	183 hours.

The cable itself from Australia and New Zealand, across the Pacific to British Columbia, is reported to have been in perfect order in all respects. The stoppages to the transmission of messages have all arisen in Canada. In 1903 there were three interruptions of 22, 31, and 55 hours respectively, but the most serious interruptions were last year, 1906. There were 50 stoppages in all, and they caused an aggregate delay of 183 hours, 41 minutes. On one occasion, between 11 p.m. on Dec. 6th, and 3.15 p.m., on Dec. 10th, all transmission of messages was stopped, for 82 hours and 20 min., that is to say, for nearly three and a half days.

These interruptions were chiefly between Bamfield, the terminus of the Pacific Cable on the outer coast of Vancouver Island, and the City of Vancouver, the terminus of the Canadian Pacific Railway on the mainland of British Columbia; and here it may be remarked that there is undoubtedly a great practical advantage in having the telegraph wires hung along a line of Railway where they are continually under inspection, and in a position where repairs can most easily be effected.

To overcome the present difficulty two courses are open:—(1) The Pacific Cable Board may extend the cable by a branch from Bamfield to Vancouver, or (2) arrange with the C. P. R. authorities to make good the connection in some efficient manner. In a few years the second transcontinental railway, the Grand Trunk Pacific, will be completed, and by laying a connecting cable from Bamfield to Prince Rupert there will be another channel available for transmitting telegraph business across the continent. Again, the Canadian Northern Railway,

already well advanced, may be counted on, and on all three transcontinental routes it will be possible and desirable to arrange to place copper wires for the special use of the Empire Cable service, a service which I am satisfied will grow to large proportions demanding multiple means of transmission by land and by sea.

A little reflection will satisfy any person that there are great possibilities in telegraphy throughout the Empire in the near future. To-day, thanks to Rowland Hill, Henniker Heaton, already named, and several others connected with the Post Office who have distinguished themselves, any person may send letters from any part of the Dominion to England, Ireland, Scotland, India, New Zealand, Australia, South Africa, and the West Indies, for two cents, (one penny), each letter weighing an ounce; precisely the same small postage as that required to convey a letter of the same weight to the nearest village. In the appended documents it is demonstrated that the principle of a low uniform charge for all distances is even more applicable to telegraphy than to the postal service. Such being actually the case, is it not reasonable to anticipate that on the completion of the circle of cables advocated by the Ottawa Board of Trade, there will immediately follow an enormous reduction in long distance telegraph charges, and that in consequence, correspondence, both social and commercial, between all points within the influence of the Empire Cables, will be completely revolutionized?

With the evidence of facts before us, can we doubt the possibility of gaining a counterpart or a parallel service to Penny Postage in Telegraphy by the Empire Cables? Remembering the increasing demand for the freest means of mutual information should we not welcome such an outcome? Could anything but good follow such an acquisition in the great interests of the Empire and all its parts? Could anything so fully promote inter-Imperial commerce, friendship, intimacy, alliance and unity? Are we not warranted in the opinion that there is probably no single net in which the several Governments might combine, which so speedily and so effectively would lead to the development of that educated public opinion upon which in so large a degree must rest, the future of the British family of nations?

S. F.

ADDRESS TO HIS EXCELLENCY, EARL GREY, GOVERNOR GENERAL OF CANADA.

MAY IT PLEASE YOUR EXCELLENCY:—

The members of the Council, the present delegation from the Board of Trade of the City of Ottawa, desire to welcome Your Excellency back from England. They do so most cordially and they trust they may be allowed to express the high gratification which your return to our midst gives to all classes of the community.

On behalf of the Board we ask Your Excellency to allow us to take advantage of this, the very earliest opportunity, to refer to some of the results of the Imperial Conference recently held in London. We desire especially to refer to the resolution adopted on May 14th, which reads as follows:—

> "That, in the opinion of this Conference, the interests of the Empire "demand that, in so far as practicable, its different portions should be con- "nected by the best possible means of mail communication, travel, and "transportation, and that to this end it is advisable that Great Britain "should be connected with Canada, and through Canada, with Australia and "New Zealand, by the best service available within reasonable cost; that "for the purpose of carrying the above project into effect, such financial "support as may be necessary should be contributed by Great Britain, "Canada, Australia, and New Zealand, in equitable proportions."

This resolution was considered at the last sitting of the Conference. its adoption was practically the concluding act of the assembled Prime Ministers, and this fact we think is of the highest importance in view of the far reaching policy which the resolution may be taken to affirm. The resulotion only mentions mail communications, but it is possible that the same wise policy may be regarded as applicable to other means of connecting the outlying portions of the Empire.

Modern communications between distant points on the surface of the Globe are effected by the employment of two sister agencies, steam and electricity. The resolution of the Imperial Conference applies more particularly to the use of the first of these twin agencies, but the employment of the second is in no way antagonistic to that of the first; it may, indeed, be regarded in some cases as a consequence necessarily resulting from the use of the first. In the present instance, as both have the same end in view, every reason obtains why both should be employed in order the more speedily to accomplish an object so immensely important as the consolidation of the Empire and the well being of the whole British people.

The proposition particularly referred to in the resolution is the establishment of a fast mail and passenger service between England and Australasia, via Canada. The Board of Trade of the City of Ottawa, and we may add, every Canadian, would rejoice to see this service carried out. As has elsewhere been truly said, it would benefit every Province in the Dominion, and no one can doubt that it would tend in an important degree to knit together in friendship and in trade, the several countries proposed to be connected.

Your Excellency is in part familiar with the labours of the Board of Trade of the City of Ottawa and its members. In 1901, they entered upon an enquiry of the greatest importance; they opened correspondence with every known organized body representing the interests of British trade in all parts of the world. From time to time, they forwarded communications containing useful information, having reference to the most effective means of fostering trade, stimulating commercial activity, and creating an electric bond of unity between the parts of the Empire separated by the oceans. They invited and received replies to the correspondence, and by such means they came into possession of the views of a large number of persons associated with British trade throughout the world.

One of the earliest expressions of opinion came from Australia. The General Council of the Australian Chambers of Commerce affirmed "the unspeakable importance of a system of state-owned Telegraph and Cable lines connecting all the several portions of His Majesty's Dominions." The subject was brought up for discussion at the Fifth Congress of the Chambers of Commerce of the Empire, held in Montreal, in 1903, when the following formal resulotion was adopted,—

> "That in the opinion of this Congress all the self-governing British "Communities around the globe should be united by a continuous chain "of State-owned telegraphs. That such an Inter-Imperial line of com- "munication would, under Government control, put an end to the difficulty "which has been caused in Australia by the allied Cable Companies, and "remove all friction which has arisen between the partners in the Pacific "Cable; That it would lower charges to a minimum on over-sea messages "passing between New Zealand, Australia, India, South Africa, the West "Indies, Newfoundland, Canada and the Mother Country: That it would "provide a double means of communication, at low uniform rates, between "the Mother Country, or any one British State, and all self-governing British "States: That it would constitute the most effective means by which the "several Governmental units of the Empire may hold communion with each "other, whenever they desire, and that while it would be of the highest "importance to the commercial and social interests of the British people "around the world, it would, by the subtle force of electricity at once promote "the consolidation of the Empire and prove an indispensable factor in "Imperial Unity."

(This deliverance was re-affirmed by the Sixth Congress, held in London, in 1906, with complete unanimity.)

Having obtained similar expressions of opinion from many centres of political and commercial influence in both hemispheres, the Board of Trade of the City of Ottawa, in 1904, issued a circular letter in which was submitted a scheme of Empire Cables in complete harmony with the views of the Chambers of Commerce and the frequently expressed opinions of the British Empire Leagues in Canada and Australia, and other bodies. The scheme submitted was in outline as follows:—

"It is proposed to establish a system of Empire-girdling, state-owned "Cable-telegraphs in an unbroken chain around the globe. These cables "are designed to connect, telegraphically, in the most complete manner, the "several groups of self-governing British communities in Europe, America, "Australasia, Asia and Africa: It is held that the Empire cables should "be state-owned for the following and other reasons, viz:—

1. "In order that they may be wholly removed from the control of "companies, whose chief object is to make profits by maintaining as high "rates as possible on messages.

2. "In order that the cost of telegraphing throughout the Empire may "be reduced to a minimum.

3. "In order that the British people, geographically separated by the "oceans, may be brought within touch by a means of intercourse as free "and unrestricted as possible.

4. "In order that the Governments of all the self-governing British "peoples within the Empire may be enabled to confer with each other at "all times, with the greatest facility, on matters of mutual concern.

5. "In order that no portion of these great lines of communication may "come under foreign influence, or be used to the detriment of British interests.

"The Empire Cables are, for greater security and effectiveness, designed "to be laid in deep water, and to touch, or traverse only British Territory.

"This new Imperial service, forming an unbroken chain around the "globe, under one control, would provide a double means of telegraphing, "that is to say, easterly as well as westerly, between any one British state "and any other British state. By the removal of every restriction possible, "it would stimulate commercial, social and political intercourse between "the several parts and tend in every way to strengthen the Empire.

"This electric bond of Empire may be described as consisting of four "divisions, viz:—

1. "From the United Kingdom to the Pacific, embracing a cable across "the Atlantic and land lines through Canada.

2. "A cable across the Pacific from Canada to New Zealand and Aus- "tralia, with land lines through Australia to the Indian Ocean.

3. "A cable from Australia across the Indian Ocean to South Africa, "with a branch from Cocos Island to India.

4. "A cable from Cape Town to the United Kingdom, via Ascension, "the West Indies and Bermuda, with a branch to Canada.

"The proposal to establish the first of these four divisions has for some "time been before the Canadian public, and we feel warranted in saying that "it is regarded with much favour. The Canadian Press Association has, "with the greatest unanimity passed resolutions in its support, and it cannot "be doubted that in the event of the Canadian Government proceeding to "nationalize the telegraph service between London and Vancouver, it would "be accepted with general satisfaction throughout the Dominion.

"The second division is an established fact, having been successfully "carried out under a partnership arrangement between six British Govern- "ments, viz: the Home Government, the Canadian Government, the govern- "ments of New Zealand, New South Wales, Victoria and Queensland.

"There remain divisions three and four to complete the whole series "of Empire Cables. The principle of state ownership and state partnership "having been adopted in respect to the Pacific, the extension of the principle "to this second half of the globe-girdling system would seem to follow "naturally.

As the second division has been established at the expense of the six governments mentioned, we have the means of ascertaining with a near approach to accuracy, the cost of the three remaining divisions. Based on this data, a liberal estimate goes to show that an additional sum of £5,000,000 would establish and completely equip the whole circle of Empire Cables.

The Board of Trade of the City of Ottawa does not stand alone in the efforts which it has made or in the conclusions which it has reached. Besides the many Chambers of Commerce in Canada, the United Kingdom, New Zealand, Australia, India, South Africa, the West Indies and elsewhere, which have placed themselves on record in a manner which cannot be misunderstood, a long array of men of eminence and learning have declared themselves strongly in favor of the proposal.* Moreover, the Board of Trade of the City of Ottawa, has much satisfaction in welcoming a new ally in the endeavour to awaken attention to the matter and in educating the public mind concerning it. One of the most influential associations in England—the "Eighty Club"—issued a few months ago, a pamphlet of thirty pages, the object of which was to impart to the people of the three Kingdoms a true perception of the necessity for action, and the immense advantage to result from the application of the principle of connecting the several units of the great British Family of Nations, by the best possible means of communication; a principle now endorsed by the Conference of Premiers of the Empire.†

The most remarkable testimony in favor of the proposal is brought forward by a member of the Board of Trade of the City of Ottawa, in a communication to the Colonial Secretary. It appears in Sessional paper No. 67 (1906), presented to Parliament by the Canadian Government. It is doubtful if it would be possible to find higher testimony in favour of any proposition. It consists of the individual testimony of over fifty well known eminent Canadians, embracing Lieutenant Governors of Provinces, Presidents of Universities, Judges of Supreme Courts, statesmen and clergymen of every denomination. In this particular matter they are in remarkable agreement, and it might indeed be difficult to find any other subject on which they would be so cordially and emphatically agreed. This half hundred of some of the foremost men in Canada, are substantially of one

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*Vide communication to the Right Honorable the Earl of Elgin, Secretary of State for the Colonies—Canadian Sessional Paper No. 67 and 67a, 1906.

†The establishment of a great Imperial Intelligence Union as a means of promoting the consolidation of the Empire, an address delivered by Sir Sanford Fleming before the "Eighty Club" on July 2 9th, 1906.

mind with respect to the establishment of a great channel of communication, linking together in an electric girdle the self-governing British communities. In the concluding words of the communication, they appear to think that it is of transcendent importance to inaugurate an Imperial Cable Service, which, while satistying in the highest degree the needs of commerce, would at the same time perform the functions of a continuous spinal cord encircling the globe, hy and through which would freely flow every national aspiration, every sympathetie impulse of the British people in every longitude and latitude.

Much evidence has been accumulated to establish, that, the system of Empire Cables advocated by the Board, would cheapen over-sea telegraphy hetween every one of the great British possessions around the globe to an extent now little dreamed of *

If the policy be adopted of making the transmission charges on ordinary messages, just sufficient to pay working expenses, and if a uniform rate, irrespecti of distance transmitted, be charged, as in the case of Imperial penny postage, a complete revolution would follow, which would undoubtedly lead up to a wonderful advance in the consolidation of the Empire. Every British Citizen within range of the globe encircling Empire Cables, would practically be brought into one neighborhood telegraphically, Every person in the Motherland, in Canada, in the East and West Indies, in South Africa, in Australia, and in New Zealand, would be free to exchange thoughts, one with the other, as readily and almost as cheaply as we do by telegraph at present with friends in neighboring cities.

In these few words we have endeavored to indicate to Your Excellency the great ideal in constructive Imperialism which we have set before us, and we venture to think that there can be no more fitting corollary to the concluding act of the Imperial Conference. We therefore make free to suggest that a system of State Cables encircling the globe may be regarded as a supplementary Imperial necessity.

On hehalf of the Board of Trade of the City of Ottawa, we respectfully express the hope that Your Excellency will be pleased to bring the subject to the attention of the several Governments.

We have the honour to be,

Your Excellency's

Obedient Servants,

JAS. W. WOODS,
President

CECIL BETHUNE,
Sec'y-Treas.

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* See memorandum on cheap Telegraphy by the All-Red Line, page 21.

REPLY OF HIS EXCELLENCY, EARL GREY, GOVERNOR GENERAL OF CANADA.

You, gentlemen, representing the Ottawa Board of Trade, have asked that I should receive you for the purpose of enabling you to explain the measures which you think should be adopted in the interests of Canada and the Empire with regard to the establishment of what is known as the All-Red Line, and to enable you to give expression to your desire that I should bring the subject of your hopes before the attention of the Crown.

The Ottawa Board of Trade already enjoys throughout the Empire an honorable reputation as an organization which is animated by a spirit of lofty and far-seeing Imperialism, and any request coming from you would naturally call from me the friendliest and most sympathetic consideration, but the fact that Sir Sandford Fleming is the member of the Board of Trade through whom the request for this interview has reached me, invests it with an exceptional urgency. The admiration I feel for him and the sympathy I have for the objects with which his name is so closely and honorably connected, would make it difficult, almost impossible, for me to refuse your request.

For upwards of twenty-five years, Sir Sandford Fleming has devoted his energies to the task of securing for Great and Greater Britain, the advantages of cheapened telegraphic service. The bare recital of his efforts in this direction almost suggest the missionary fervor of St. Paul. He has without hope of personal gain, visited five continents; he has traversed all the great oceans, the Atlantic many times; he has given himself, his time, and his substance ungrudgingly and without stint to the service of the Empire, and in the realization of his hopes, which I trust is not far off, and in the general recognition that the life of Britons all the world over will have been made the happier by his efforts, he will find at the appointed time, his well-merited reward.

Referring to the address you have presented, I thank you for the welcome which you have given me on my return from England. The chief reason that caused me to absent myself from my happy home in the Dominion for a space of less than a month was my desire to support Sir Wilfrid Laurier in his endeavour to impress upon the members of the Imperial Government the importance of establishing a fast trans-Atlantic service between Canada and England, and of thus making Canada not only the natural and God-appointed but the accepted mail and passenger route between Great Britain and the Orient and those great British Dominions in the southern seas of New Zealand and Australia.

You have referred to the concluding act of the Imperial Conference which has pledged the Empire to quicken the connections between Canada and the United Kingdom on the one hand, and Australia and New Zealand on the other.

I congratulate you that through the action of your representative at the Imperial Conference, Sir Wilfrid Laurier, the representatives of the Empire in conference assembled resolved that the time had come for the establishment of a mail and passenger service between Great Britain and Canada equal to the best supplied New York. The time is not far off when Canada will reap the great advantage of the geographical position with which nature has endowed her, by the establishment of a service which will stop our British letters travelling over two sides of a triangle via New York, and when the merchant in New York, to whom time is a consideration, will travel to and from and communicate by post with the United Kingdom through Canada.

Gentlemen, the object of your requesting me to give you this interview is to provide you with an opportunity for bringing once more before the attention of the public the desirability of supplementing the establishment of the All-Red route with an All-Red Empire owned cable, "by and through which will freely interflow between every portion of His Majesty's dominions every national aspiration and every sympathetic impulse of the British people in every portion of the globe."

The adoption of this policy has long been advocated by your Board of Trade, and when the day comes, (as come it will), when peoples living within range of the All-Red cables will be able to exchange thought with every other people similarly situated at a low and uniform rate making telegraphic intercourse between various parts of the British Empire as easy and almost as cheap as that which exists between Ottawa and Vancouver to-day, then when that day comes, thanks in a large measure to your efforts, nothing will be able to deprive the Ottawa Board of Trade, and Sir Sandford Fleming especially, of the halo of glory which will for all time belong to you.

As one of those who believe with Sir Sandford Fleming that the establishment of a State owned All-Red Line will be a service of hardly less importance to the Empire than the establishment of the All-Red route, I shall have much pleasure in forwarding to Lord Elgin, the Colonial Secretary, with a request that he shall communicate its contents to the King, and with the approval of His Majesty, to the other Governments of the Empire, the address to which I have listened with so much interest.

I have never forgotten the words of Mr. Hoffmeyer, the famous South African, when Sir Sandford Fleming's scheme was explained to him, "If I were

still a young man," he is reported to have said, "with the same optimistic feelings as those of 1887, I would make the adoption of such a scheme as Sir Sandford Fleming's the main object of my life, and carry it, too."

That the Ottawa Board of Trade, under the inspiring leadership of Sir Sandford Fleming, may continue to make the adoption of the All-Red cable the main object of its existence is not only my hope, but my expectation, and if you do make it the main object of your existence, I feel with Mr. Hoffmeyer, that you will carry it.

The fact that the Eighty Club, of which I had the honour to be the founder, but from which a disagreement in Imperial politics caused me subsequently to sever my connection, has declared itself to be in favour of this most important bit of constructive Imperialism confirms my belief that if you persevere you will succeed.

Explanatory Note

The following remarks are submitted in explanation of some points alluded to in the address which the President and Council of the Ottawa Board of Trade had the honour to present to His Excellency Earl Grey, on June 21st, 1907.

The address had special reference to the British Empire and the acceleration of its satisfactory development through the most perfect means of inter-communication by the twin agencies of civilization—steam and electricity.

In course of past years, vast over-sea possessions have come under the British flag, and each of these possessions has to some extent become populated through immigration and other causes. The British Parliament in its wisdom granted self-government to the several over-sea possessions, and they are now steadily increasing in population and rapidly becoming prosperous. Possessing, as they do, representative institutions modelled after those of the Mother Country, these communities are each developing into autonomous British States. They all retain allegiance to the one sovereign, and the flag of the Mother Country continues to float over them.

The circumstances thus briefly outlined differ from anything previously known in the history of the world, and obviously give rise to a problem as yet unsolved. While the outcome is beyond our limited vision, we may rest satisfied that if it be the will of the Great Ruler of Nations, like many another problem, it will find its solution as time rolls on. We have only to look back over our Canadian development to be assured on this point. The evidence goes to show that the practical solution of the great Imperial problem has, unconscious to ourselves, been in progress for many years. Evidence of the fact can now be traced to a period in our history, long anterior to the birth of Imperial Federation Leagues and like schemes. A few words of explanation will make this plain.

Consulting historical facts, we find that not long since, Canada consisted of two provinces only—Upper and Lower Canada. Forty years ago the settlements of the united provinces were confined to the country lying east of Lake Huron on the one side, and along the banks of the river St. Lawrence on the other. At that period, a vast wilderness of fertile soil in the interior of North America was lying waste or occupied only by a few bands of Indians at war with the buffalo. The whole half continent west of Lake Huron, embracing boundless plains and nearly impassable mountains, was claimed as the hunting ground of the Hudson's Bay Company. A small English settlement had been formed on the Pacific coast, which had received the name of British Columbia, and this settlement was the most distant colony of the Mother Country. It was reached by a long sea voyage round Cape Horn, and was practically far more remote than New Zealand at the antipodes of England.

Thirty-six years ago British Columbia became part of Canada, a fact which, judging from recent events, may now be regarded as a turning-point in the Empire's history.

So soon as the limits of Canada were extended westward and British Columbia included in the Dominion, steps were taken to connect the Atlantic sea-board by Railway with the Pacific. After fourteen years of arduous labour, a train from the Port of M[illegible]eal steamed alongside of the tidal waters of the Western ocean, on November 8th, 1885. That train had traversed great Canadian forests and still greater prairies; it had pierced the Rocky Mountains; it had passed from the Altantic to the Pacific on British soil!—it had performed a remarkable achievement pregnant with possibilities which no man then living could foretell.

The arrival of the pioneer trans-continental train in British Columbia was the harbinger of great Imperial developments in future years, and it rendered possible the concluding act of the Imperial Conference, a few weeks ago in London. Moreover, it is indisputable that there is no portion of the coast of America from Cape Horn to Behring Straits, other than British Columbia, to which the wise and far-reaching policy inaugurated by the Premiers of the Empire, could by any possibility be made applicable.

A leading object of the Ottawa Board of Trade in approaching His Excellency, was to seek an opportunity of bringing once more before the attention of the governments and the people of each self-governing portion of the Empire, the desirability of supplementing the Imperial Mail Service by the completion of a great circle of Imperial telegraph cables to form a perfect electrical connection between the over-sea dominions and the Mother Country. The proposal was first made nine years ago by a member of the Ottawa Board of Trade, and as pointed out in the address to His Excellency, in every succeeding year its merits have been confirmed by irrefragable testimony.

Such being the case, the following explanatory paragraphs from the original proposal are reproduced It is deemed proper after the lapse of nine years, to reiterate the reasons and arguments then given. They are held to be as instructive to-day as when first written.

"The time has arrived when the expediency of establishing a complete telegraph cable system throughout the Empire may be considered on its merits. The advantages which will inevitably follow the adoption of universal penny postage appear to be generally recognized, and I venture to think the public mind will be prepared to entertain favourably another proposal not less important. It is not necessary in the least to undervalue cheap postage or detract from its immense importance, in order to show that a cheap telegraph service on a comprehensive scale is easily attainable, and that it would prove an effective means of speedy communication for an Empire such as ours.

The transmission of letters has always been a function of the Government; indeed, it has been wisely held throughout the civilized world that the postal service should be controlled by the State. The electric telegraph is a comparatively modern introduction. In the Mother Country private companies were the first to establish lines of telegraph, but in 1868 it was found to be in the public interest to have them taken over by the State and placed under the Post Office Department.

The transfer was effected in 1870. Changes and improvements were immediately made; the telegraph service, previously confined to lines connecting great cities where business was lucrative, was extended to many towns and districts previously neglected, and, notwithstanding the fact that the charges on messages were greatly reduced, the business developed to such an extent that the receipts progressively increased. Before the transfer it cost about six shillings to send an ordinary message from London to Scotland or Ireland. The rate was reduced to a shilling, and subsequently to six pence (the rate at present charged), and for that sum a telegram can be sent from any one station to any other station within the limits of the United Kingdom, without regard to distance.

It was early recognized by every country in Europe that so efficient a servant to trade and commerce, so important an aid to the State itself, should become a national institution. France, Austria, Prussia, Russia, Sardinia, Italy, Spain, Portugal, and Belgium each established a State telegraph system, and, as in Great Britain, experience has shown that they have done this not only with advantage to the various administrative necessities, but with benefit to the public at large.

Such being the unanimous conclusion, is not the application of the principle of State ownership on a larger scale than hitherto attempted a fit subject for inquiry? Is it not desirable and expedient that the whole British Empire should have a State-controlled telegraph system?

The conditions of the Empire are totally different to what they were some years back. When Her Majesty ascended the throne there was not a single mile of electric telegraph anywhere. There was not an iron ship of any class afloat, and mail steamships were practically unknown. From that period the conditions have been continually changing, and the process of growth and development still goes on. True, change has met with resistance from individuals and companies and classes, but resist it who may, the law of development follows its steady course, and continually makes demands on science and skill to meet the ever-changing conditions. We are living in an age of transformation; the spirit of discovery and enterprise, of invention and achievement, has extended and expanded the British Empire from the small islands on the coast of Europe, to new territories, continental in extent, in both hemispheres. The development of the mercantile marine has carried the flag of our country over every mile of sea to meridians far distant from the Mother Land. In these distant territories, communities have established themselves under the protection of that flag. They have drawn riches from the forest, the soil and the mine. They have caused noble cities to spring up, rivalling in the splendour of their streets and buildings the finest cities of the old world. These young nations, full of hope and vigour, have made progress in every direction; they are imbued with lofty aspirations, and their most ardent desire is to give their energy and strength to the building up of a greater British Empire, on the firm foundation of common interest and common sentiment.

At an earlier period of the world's history, it would have been difficult to conceive the possibility of any lasting political union between countries so widely separated by intervening seas. The problem is, however, being solved, not by

old methods, but by the application of wise principles of government, aided
a wonderful way by the highest resources of modern science. Steam has ma
the separating oceans no longer barriers, but the general medium of unio
Electricity has furnished the means by which the British people in all parts of t
globe may exchange thought as freely as those within speaking distance. The
twin agencies of civilization are pregnant with stupendous possibilities. Alread
the one, as the prime factor in sea-carriage, has rendered universal penny posta
possible. The other has made it equally possible to bring the British people,
widely sundered geographically, within the same neighborhood telegraphically.

Imperial penny postage will have far-reaching consequences; it is undoubted
ly a great onward movement in the career of civilization, and in the developmen
of wider national sympathy and sentiment. But great as are the benefits t
follow the adoption of universal cheap postage, the first result, and not the leas
will be to make plain that a postal service, however cheap and comprehensive
is in itself insufficient for the increasing daily needs of the now widely-distributed
British peoples. It will be seen that in addition to an ocean penny postal service
the circumstances of our world-wide Empire demand a cheap ocean cable service
extending to every self-governing British possession.

The carriage of letters at any known speed consumes time, and the lengt
of time consumed depends on the distance traversed. The telegraph, on the
other hand, practically annihilates space, and in this one respect has immeasurably
the advantage over the ordinary postal service, especially in the case of corres
pondents who are separated by the greatest distances.

We can as yet but faintly appreciate the extent to which the telegraph may
be employed, because its use heretofore has been restricted, on long-distance
messages, by almost prohibitory charges. If messages be exchanged between
places not far apart, let us say between London and Edinburgh, or Toronto and
Montreal, the gain in time by the use of the telegraph is inconsiderable. But if
the points of connection be far separated, such as London and Melbourne, or
Ottawa and Cape Town, the comparison between a postal and a telegraph service
brings out the distinct value of the latter. In either of the cases last mentioned,
while it would require the lapse of eight or ten weeks to obtain an answer to a
letter by post, if the telegraph be employed, a reply may be returned the next
day, or even the same day.

Existing long-distance cables are little used by the general public; it may
be said, not at all, except in emergencies. They are used in connection with
commerce, the growing needs of which demand more and more the employment
of the telegraph, but owing to the high charges exacted, its use is limited to
business which would suffer by delay. These cables are in the hands of private
companies, striving chiefly to earn large dividends, and who adopt the policy
of charging high rates, in consequence of which trade and commerce are unduly
taxed, and their free development retarded. Were the cables owned by the
State, large profits would not be the main object, and precisely as in the case of
the land lines of the United Kingdom, it would be possible greatly to lower
rates, and thus remove restrictions, and bring the telegraph service within reach
of many now debarred from using it.

When the Government assumed control of the inland telegraphs of the United Kingdom, it was found possible greatly to reduce charges. In 1869, the year before the transfer, less than seven million messages were carried. At the transfer the rate was reduced to one shilling per message; the traffic immediately increased nearly 50 per cent., and continued increasing, until, in the tenth year twenty-nine million messages were transmitted, with a surplus of revenue over expenditure of £354,060. In another decade, the total annual business equalled ninety-four millions, the operations still resulting in a surplus of £251,807, although the charge for a message had been meanwhile reduced from one shilling to six pence. It is indisputable that high charges restrict the utility of sea cables as well as land lines, while low charges have the opposite effect. A few years ago the tariff of charges between Australia and London was nine shillings and four pence per word. The proposal to establish the Pacific Cable, and the discussion which followed, led to the cheapening of the rate to four shillings and nine pence per word. In 1890, the year before the rates were lowered, the gross business consisted of 827,278 words. In (1897) it had increased to 2,340,901 words. In 1890, with high charges, the revenue was £331,468. In 1897, with reduced charges, the revenue was £567,852, or £236,384 in excess of 1890, when the highest rates were exacted.

The utility of the telegraph may be measured by the time gained over the post, and the success of the telegraph service of the United Kingdom must be accepted as convincing evidence of its utility and value, for the gain in time is, in this case, measured by hours only. Its striking success in this instance may be largely owing to State control, but whatever the cause, it is obvious that if, under similar conditions, weeks were gained instead of hours, the utility of the telegraph would be proportionately increased, and its value as a means of communication correspondingly enhanced. There is another immense advantage, not generally known to the public, which can be claimed for telegraphy; it is the fact that, within certain limitations, the actual cost of transmission is but little affected by distance. While the cost of carrying letters is in proportion to the distance traversed, the same rule does not apply to the electric wire. With a properly equipped telegraph system, the actual expenditure incurred in transmitting a message a thousand miles is practically no greater than in sending it ten miles. Obviously, therefore, the principle of "penny postage," that is to say, a low uniform charge for all distances, is applicable more fully to ocean telegraphy than to the Imperial postal service. With these considerations before us, a moment's reflection leads to the conviction that this wonderful agency—the electric wire—places within our reach, if we have the wisdom to accept it, an ideal means of communication for the world-wide British Empire.

Thirty years ago the British Parliament, for reasons the soundness of which experience has fully confirmed, determined that the State should assume control of the inland telegraph system of the United Kingdom. To-day there are incomparably stronger reasons for State control being exercised over a cable system for the whole Empire

The Ottawa Board of Trade on June 20th, 1901, addressed the followi
circular letter to various bodies representing trade and commeree throughc
the British world:—

"The President and Council have the honour to submit the followi
"remarks together with the appendices thereto, on the movement to secu
"the eheapest, the speediest, the freest, and the most effective means
"intercourse between all the King's subjects throughout his vast Empire.

"Representing trade and commerce in the capital of Canada, the Ottav
"Board of Trade feel it a public duty, incumbent on them to take this mea
"of expressing the conviction they have reached that the British possessio
"throughout the world should be directly connected by State-owned tel. a
"cables under the control of the Post Office.

"Such a scheme is regarded by members of the Board as an effecti
"means of fostering trade and stimulating commerci ivity, at the sar
"time constituting a bond of Imperial unity of inestimable value.

"The proposal requires that not only the connecting transmarine cabl
"should be under Government control, but likewise that the land telegrap
"of the several British possessions should be State-owned. The land tel
"graphs of the United Kingdom, New Zealand, the Australian States, Ind
"and South Africa, are already nationalized and administered by the Po
"Office. Canada is the only exception; but the transfer of the Canadia
"telegraph lines to the Post Office, together with the laying of a State-owne
"cable across the Atlantic, is, we are informed, under the consideration of t
"Government, and it may be assumed that Canada will not long remain th
"only country within the Empire where the telegraph system is not, in th
"public interests, controlled by the State.

"More than a year ago the scheme of world-encircling telegraphs w
"earnestly considered by this Board, and resolutions were then passed poin
"ing out the necessity for establishing the Pacific Cable as the initial link
"such a system of State-owned cables.

"It is a matter of great gratification to the Board to know that th
"Pacific Cable is now being established, under a joint agreement between th
"Home Government and the Governments of Canada, New South Wale
"Victoria, Queensland, and New Zealand, and that there is every prospe
"of Canada being connected with the United Kingdom at an early date by
"State-owned trans-Atlantic Cable. With these works completed, and the
"Canadian land lines nationalized, the whole distance from England to th
"shores of the Indian Ocean, say at Perth, the Capital of Western Australi
"will be covered by a series of cables and land telegraphs under State contro
"Perth is near the 116th meridian east, while it is 244 degrees of longitud
"westerly from London. Reckoning by meridians of longitude, therefor
"two-thirds of the globe will be girdled by a State-owned telegraph servic
"so soon as the Pacific Cable and Canadian lines associated therewith a
"established as nationa' works.

"The necessity for connecting India and other British possessions in "Asia with the Imperial system of telegraphy must, however, be recognized. "On reference to the papers appended, it will be found that the Imperial "scheme of cables to traverse the Indian and Atlantic Oceans between Perth "and London, embraces the following works, viz:—

1. "Cable from Western Australia via Cocos Island and Mauritius to "South Africa, with branches to India and Singapore—9,100 miles."

2. "Cable from South Africa via Ascension and Barbadoes to Bermuda, "thence to Canada and the United Kingdom—6,669 miles.

"These two sections together make 15,700 nautical miles, while the "distance from London to Perth by the Canadian route is about the same, "the actual distance being a few hundred miles less. Thus, it will be seen "that taking into account branch cables to connect all the British possessions, "half the work is already ,or will shortly be, accomplished.

"The papers appended set forth the scheme in detail and furnish ample "explanations on all essential points. These documents contain the matured "judgment of Sir Sandford Fleming, a member of the Board, who has given "more attention to the subject than any other man, and in whose views this "Board entirely concurs. In one of these appendices it is pointed out that "it was largely owing to the action and influence of the Chambers of Commerce "of the United Kingdom that the Postal Telegraph Service was introduced "thirty years ago in the Mother Country. Similarly we believe it to be in "the power of the various bodies representing trade and commerce through-"out the Empire to influence the universal adoption of the Imperial Postal "Cable Service. It is with that object in view that this appeal is made. We "respectfully and earnestly invite the aid and co-operation of all such bodies "in bringing to completion, the crowning development of the British Post "Office."

Since 1901, correspondence has been maintained by the Board, and evidence has year by year been accumulating to make clear beyond all question that the scheme of Empire Cables merits general support. Two recent publications on the subject are mentioned in the address to His Excellency, (1) a Sessional Paper of the Canadian Parliament (No. 67, 1906), of 63 pages, and (2) a pamphlet of 30 pages circulated in England by the Eighty Club. Both deal with the establishment of a great Imperial Intelligence Service in connection with the system of Empire Cables as a means of benefiting the British people in all climes. As an agency for the diffusion of mutual knowledge, as an aid to co-operation in matters of joint concern, and as a means of cultivating friendship and mutual sympathy, nothing more effective could well be conceived. Both publications dwell on the need of some comprehensive means of dispelling public ignorance and establishing mutual relationship between each separate British community. It is strongly felt that if closer unity of the Empire be the desired object, it can only be obtained with the will of each of the autonomous States, and as these again can only act with the people's consent, the necessity for rightly enlightening the people must be apparent. Hence the educational value of the proposal should be regarded as of the first importance.

To effect an object of so much importance, the arguments submitted in the two publications go to show that all traffic passing over the Empire Cables should be transmitted at the lowest rates possible. It is regarded as undesirable that the electric nerves of the Empire should be called upon to earn large profits by levying toll on the intercourse of the people who are separated by distance. It is held that the better policy is to remove all unnecessary tax by making the rates for transmission so low that the gross earnings will merely suffice to cover all working expenses. Again it is placed beyond cavil that at the principle of a uniform charge for all distances, as in "penny postage," is peculiarly applicable to telegraphy, and therefore its adoption in the chain of Empire Cables is certain to be fully vindicated. There is indeed every reason why we should adopt means to reduce the rates for transmission by the Empire-girdling telegraph system to a moderate uniform tariff, and seek to make it similar to the Imperial Penny Postage System.

In both publications last mentioned, it is authoritatively stated that the cost of completing and fully equipping the whole circle of Empire Cables would not exceed £5,000,000, to be contributed in equitable proportions by each of the autonomous units of the Empire. The whole expenditure required must be regarded as quite insignificent compared with the incalculable gain resulting from a State-controlled telegraph system girdling the globe and bringing all the outlying self-governing British communities into instantaneous touch with each other, and with the Imperial centre. There are the best grounds for the belief, that nothing would better aid in welding together the Empire,—that nothing would prove more effective as an instrument of civilization.

THE EMPIRE CABLES.

CHEAPENING OF TELEGRAPHY BY THE ALL-RED LINE.

The design of the Empire Cables is to promote by a threefold means the well-being of the British people and aid in the steady development of the great political organism of the new century.

FIRST.—By uniting all the autonomous British possessions, separated by the oceans, by an electric globe-encircling Imperial girdle.

SECOND.—By providing all the peoples, so widely sundered, with a practical and effective system for the interchange of information, for the purposes of trade, for the cultivation of friendly relations and generally to aid the several communities within the Empire in becoming better acquainted with each other.

THIRD.—By securing, with the maximum of speed and efficiency, the minimum of cost in transmitting intelligence from any one point to any other point in the Imperial circle of telegraph cables.

The first and second objects have been alluded to in the address to His Excellency, Earl Grey, and in the preceding explanatory note; the third object—the cheapening of telegraphy, will now be considered.

It is a common error to imagine that the cost of transmitting by telegraph is in proportion to the number of miles the messages are transmitted. An ordinary letter has a definite weight, and it cannot be carried a mile without an expenditure of effort, or a hundred miles without a proportionately increased expenditure A million letters may weigh twenty or thirty tons, and to transport a consignment of twenty or thirty tons involves the expenditure of fuel, oil, wear and tear of machinery by railway or by steamship, always regularly increasing in proportion to the distance carried. A telegraph message, on the other hand, has no weight, no material substance is conveyed,—merely a number of signals are transmitted,—a million of such wire-conducted signals have no weight, they may be transmitted by means of a well appointed telegraph system a thousand miles as readily as a hundred miles or ten miles. There is no wear and tear, no fuel is consumed or any such expenditure be the distance long or short.

We are, of course, pre-supposing that, in both cases, the means employed, whether it be by railway, by steamship or by telegraph line, are each in perfect order and fully equipped with every necessary accompaniment, including a full staff of operators and men of the several classes in each case.

By thus analyzing and contrasting the two systems, it is made plain that an exceedingly important distinction must be drawn between the carriage of letters and the transmission of correspondence by telegraph. This feature will hereafter be noticed as an additional reason for adopting a low rate, uniform for all distances, for transmitting telegraphic matter. Meanwhile, it may be mentioned that the telegraph has come so much into favor that it has been made a service of the state in every civilized country in the world with only two exceptions, and Canada is one of these two.

At the present day, Canada is in this particular matter behind every nation in Europe and every part of the British Empire. The telegraph lines of the Mother Country were, at first, and for a number of years, owned and controlled by Companies, but in the public interests a change was made by authority of Parliament. The Government expropriated all the telegraph lines and paid the companies their full value. They were placed under the control of the Post Office Department. Under that Department they became, and have long been, a remarkably efficient and successful public service. No better model for imitation by the Dominion can be found. Take a single illustration,—any person in any part of the Three Kingdoms may send to, or receive from, any other person, however remote, a message of twelve words at the small cost of six pence, that is at the rate of a half penny a word, each additional word being charged one half penny. This privilege is enjoyed and much used by the forty millions of people between "Lands End and John O'Groat's House."

In the Dominion, we have not yet followed the example set us by the Mother Country, and until we do we shall simply be denying ourselves the advantages which every European Nation and all parts of the Empire other than Canada have gained.

More than seventy years ago, a far-seeing, patriotic Englishman discovered the true policy to follow in connection with the conveyance of correspondence and transmission of intelligence. Before the good Queen Victoria ascended the throne the postal service of England was complicated and costly. The inland postage on letters varied from four pence to one shilling and eight pence per letter, and still higher rates for long distances such as from London to Scotland and Ireland. In 1835, Rowland Hill, after much study, initiated a bold reform, which by all officialdom was at once denounced as ruinous, and ridiculed as visionary. His chief proposal was to reduce the postage to one penny a letter, and to make that rate uniform for all distances within the limits of the three Kingdoms. After some hesitation by the public, the arguments and reasons advanced by him were found to be so sound that some two thousand petitions in favor of uniform penny postage poured into Parliament. Eventually a Bill was passed, and in 1840, the great Postal Reform went into operation throughout England, Ireland and Scotland. For a few years afterwards, dire predictions of failure were still heard, but the experience of two-thirds of a century has now amply vindicated the wisdom of the postal reformer, and the reform, which was ushered in with the opening years of the reign of our late beloved Queen, has now been crowned by its extension, in principle, to the world wide Empire.

Some few years after the adoption of uniform penny postage in the Mother Country, electric telegraphy was, as stated, introduced by private Companies. The telegraph lines remained in the hands of the companies for about twenty years, when at length the public interests demanded that they should be taken over by the Government. In 1870, they were placed under the Post Office Department, and naturally and fortunately the policy initiated thirty years earlier with respect to the mail service was applied to the telegraph service,—that is to say, the charges on telegraph messages were reduced to a low uniform rate for all distances. It was impossible for that policy to fail of success seeing that it had proved so eminently successful with the mail service, and as already

pointed out, the policy initiated by Rowland Hill was even better adapted for the telegraph service than the mail service. The year before the transfer to the Post Office Department, 7,000,000 messages were transmitted by the companies. With a greatly reduced tariff, the business increased fifty per cent the first year, and continued to increase immensely, from year to year. The total business in the twentieth year reached 94,000,000 messages. In the Post-Master General's Report for 1895, it is pointed out, that without including the purchase money of the original lines, the receipts exceeded the expenditure by a total sum of £1,795,000, equal to an average annual surplus of £71,800.

The principle of a uniform low rate for all distances in connection with the mail service of the Dominion has now been well tested. For the small charge of two cents, a letter can be sent to, and delivered in, any inhabited part of Canada. The expenditure in reaching the outlying sections, such as the Yukon and Atlin Districts, is considerable, but notwithstanding that fact the general returns of the Post Office are most satisfactory. The Report of the Post-Master General for 1906 shows a surplus of more than a million dollars ($1,011,765.35) in the year's operations. Moreover, the outlook for the present year is believed to be very much better. Such being the case, there need be no hesitation in applying the principle of Rowland Hill's great reform to the telegraph service of Canada.

There is every reason for the reform. There is no necessity for adopting a higher tariff of charges than that which has given so much satisfaction in the Mother Country. The equivalent in Canada would be a uniform charge of *one cent a word for all distances*, and the minimum message may consist of any number of words, from ten to twenty-five, which may be determined. In view of the geographical conditions of the Dominion, there is no country on the face of the globe where the peculiarities of the electric telegraph and its high value as a means of instantaneous communication between points widely separated by distance, can be turned to better account than in Canada.

No less important is the proposal, which has frequently been considered, to establish a state-owned Atlantic Cable. It is understood that there is evidence in possession of the Canadian Government as to its cost, its working expenses, its probable traffic and all other particulars. The evidence which has for some time been accumulating, goes to show beyond all question that, if placed under the control of the Canadian Post Office the traffic which could immediately be counted on, reckoned at the small charge of five cents a word, would be sufficient to cover all working expenses, interest on cost and sinking fund to replace capital.

Such being the case, it is obvious that an Atlantic Cable under the control of the Canadian Post Office Department, and able to transmit messages at so low a rate would be an immense advantage to all commercial men. If, however, it should be deemed inexpedient, for any reason, to commence by lowering charges to five cents a word, a beginning might be made at ten cents a word, a rate sixty per cent lower than the present tariff which is twenty-five cents a word. A reduction to ten cents or even twelve cents (six pence), would tend greatly to increase freedom of telegraphic intercourse and be of incalculable advantage to Canada and the Mother Country, and indeed as will presently be shown to the whole Empire.

His Excellency, Earl Grey, in replying to the address of the Ottawa Board of Trade, alluded to the remarkable geographical position of Canada, stretching as it does between the two oceans. There is in truth no part of the twin continents north or south of the equator, other than the Dominion, which commands "an Imperial route between Great Britain and the Orient and those great British Dominions in the Southern Seas of New Zealand and Australia."

This one geographical circumstance greatly elevates the character of the questions discussed in the foregoing pages; it much widens our horizon, and the subjects considered become more than domestic questions relating to Canada alone; we find ourselves on the predestined route of a great highway of the world; we occupy the gateway between the East and the West, the only passage for the All-Red Line through the longitudinal axis of America from the Straits of Magellan to the Arctic Ocean.

Viewing the subject from the higher standpoint, the importance of the land telegraph across Canada, from ocean to ocean, and the Atlantic Cable from Canada to England, as links in the Imperial chain, at once becomes obvious. It will be manifest too, that while both would be of the highest advantage to the Dominion, these two links would prove to be a splendid contribution by Canada to the whole Empire. Added to the Pacific Cable already laid, they would complete no less than half the circle of State-cable telegraphs around the globe.

Let Canada establish these two links in the great Imperial chain and the remaining links to complete the circle will speedily follow. Then, the policy discovered by Rowland Hill, 70 years ago, which we find to be so admirably suited for long-distance telegraphy, may with striking advantages, be applied to the globe-girdling system. Under that policy, and partly owing to the power of sending messages in either direction, it will be possible to reduce greatly the charges for transmission.

We may rest satisfied that eventually the day must come, when, precisely as we now have Imperial Penny Postage, we will have one uniform telegraph rate for all distances within the circle of the Empire cables. Meanwhile, until the general plan suggested takes shape, and the volume of traffic be more fully developed, if it be thought advisable to introduce the change step by step; that course can be followed.

The circle of contemplated Empire cables traverses four oceans, and may (merely for tariff purposes,) be divided into four sections as follows:—

1. The North Atlantic Section—connecting the United Kingdom and Canada.
2. The Pacific Section—connecting Canada with New Zealand and Australia.
3. The Indian Ocean Section—connecting Australia and South Africa.
4. The South Atlantic Section—connecting South Africa with the United Kingdom.

It has already been pointed out that the tariff of charges in the North Atlantic section may easily be reduced to a uniform rate of a penny a letter,—that is a charge of six pence, per average word of six letters, on all ordinary messages transmitted between any telegraph station in the United Kingdom and any telegraph station in Canada. By ordinary messages is meant, messages made up of ordinary words used in their ordinary sense. A practice has grown up of

sending code messages, that is, messages in words which are not English or French or are not employed in their ordinary sense, and are intelligible only to the sender and receiver. The transmission of such messages is attended with practical difficulty, and delay often results. It is proper therefore, that the rate for code messages should be higher than for ordinary messages.

Messages transmitted within the second, the third and the fourth sections, would be subject to the same rules and the same tariff as described for the North Atlantic section. For example, ordinary messages passing between New Zealand or Australia and Canada, on the one side, and between New Zealand or Australia and South Africa on the other side, would be charged at the rate of a penny a letter. In the case of messages transmitted through two sections, that is under two oceans, the rates would be doubled. Take for example messages transmitted from Australia or New Zealand to England, whether they go by way of Canada, or by way of South Africa, the charge would be two pence per letter, or one shilling per word of six letters. As under ordinary circumstances, messages would never require to be transmitted across more than two oceans, the rate of two pence per letter would be the maximum charge for transmitting ordinary messages from any one point to any other point in the circle of Empire Cables.

Press messages are generally transmitted at considerably lower rates than ordinary messages. In the United Kingdom, in India, in Natal and other British possessions, the rate for press messages is about one fourth the charge for ordinary messages. The present charge for press messages between Australia or New Zealand and England, is one shilling per word, being one third the rate for ordinary messages, which is three shillings per word.

Charges for telegraphy have heretofore been reckoned on the number of words transmitted, but there are objections to that practice, as words in common use vary in length. One word will have two letters, another ten or more letters. There are excellent reasons ,especially in long distance telegraphy why charges should be reckoned by letters rather than by words. The number of letters in messages however long, can easily and accurately be ascertained by a simple mechanical method. As to the cost of transmission, let us take an instance at random? Let us take, say, the last sentence in the immediately preceeding paragraph beginning—"The present charge, etc." That sentence contains 157 letters, and it is divided into 32 words. If sent from Australia to England as an ordinary message, the charges would be:—

(1) Under the suggested Empire Cable Tariff—
157 letters at 2 pence per letter. . . . . 26 shillings, 2 pence, ($6.28).

(2) Under present tariff—
32 words at 3 shillings per word. . . . . 96 shillings, (24.00).

For the same sentence if transmitted as a press message the charges would be:—

(1) Under the Empire Cable Tariff—
157 letters at ¾ of a penny per letter. . . . 8 shillings, 9 pence, ($2.19).

(2) Under present tariff—
32 words at 1 shilling. . . . . 32 shillings, ($8.00).

The same words telegraphed between Canada and Australia, or New Zealand, as an ordinary message, would be charged:—

(1) Under the Empire Cable Tariff—

157 letters at 1 penny.....13 shillings, 1 penny. ($3.14).

(2) Under the present tariff,—

32 words at 2 shillings, 4 pence.....74 shillings, 8 pence ($18.67).

The same sentence transmitted between Australia or New Zealand and Canada as a press message, would be charged:—

(1) Under the Empire Cable Tariff

157 letters at ½ of a penny. . ....4 shillings, 4½ pence. ($1.09).

(2) Under present tariff—

32 words at 9 pence.....24 shillings. ($6.00).

Without departing from the policy of maintaining transmission charges by the Empire Cables, sufficiently high to cover all working expenses, we have in these calculations a distinct indication of the very marked cheapening in over-sea telegraphy which is quite possible in the near future.

At the present day the cost of cabling is much too great for the majority of people. It is practically prohibitive to emigrants, as well as to many others; and those who are forced to use the wire in extreme cases, resort to it as seldom as possible. Owing to geographical circumstances, cheap over-sea telegraphy equally with cheap land telegraphy, concerns the British in various parts of the world, more than any other people, and they cannot have cheap telegraphy too soon. A stage has been reached in the history of the world, when their wishes and their wants, their aims and their aspirations, seek the freest and speediest means of expression.

While it may be difficult at first sight, to grasp the full significance of some of the foregoing statements, it may at least be averred that they are made with the utmost confidence in their soundness. There is reason to hope and believe that time will make them plain, and reveal the inestimable value to be attached to an unbroken chain of state-owned cables connecting the self governing British communities in both hemispheres. It is believed most thoroughly that the proposal will eventually be consummated, and that by bringing the several governmental units, now separated by great oceans, into one friendly neighborhood, electrically and telegraphically, results will follow of the most satisfactory character,—commerce will be quickened, the ties of sympathy will be made more effective, the bonds of sentiment will become more enduring, and by this means, unity, strength and permanence will be assured to the family of nations constituting the new Empire.

S. F.

CONCLUDING NOTE

This Jubilee appeal of the Board of Trade of the City of Ott va has direct reference to the co-operation of His Majesty's Government in the Mother Country, with His Governments of the self-governing Dominions beyond the seas, in a common object. As an educational medium. this appeal is designed to familiarize the public mind with the proposal to institute an Empire girdle of State-owned Cables as an indispensible means of commercial and political unity.

The reader of the pamphlet will be struck with three points of high importance which are clearly brought out:—

(1) It is demonstrated that a low uniform charge for transmitting correspondence, irrespective of distance sent, is far more applicable to a State Telegraph Service than to a State Postal Service.

(2) As Penny Postage has already become the rule throughout the Empire, it may reasonably be anticipated that a similar low uniform charge for all distances by the girdle of Empire Cables will become the final goal of State-telegraphy.

(3) Thus, by the tremendous force of energy and sympathy induced by and through the slender electric nerve-wire, the co-operating sister communities will gain the possession of a potent agency in the developement of the great Empire of friendship and peace.

THIS JUBILEE APPEAL

IS ISSUED WITH THE COMPLIMENTS OF

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CANADA

TO THE CITIZENS OF THE EMPIRE