

tions on which this estimate is based will be found in memoranda submitted to the Conference, and in the discussions thereupon

I need not dwell upon the fact that any considerable cheapening of telegraphic rates would immediately react upon commercial prosperity and activity. How much importance is attached to this aspect of the question is proved by the willingness of the various Australian Governments to give the guarantees which insured the reductions made in 1891. Actual results confirm this view. The report of the Eastern Extension Telegraph Company, dated April 21st, 1892, conveys the information that the reduction in rates effected last year has already increased the volume of business 48 per cent. over that of 1890, and 60 per cent. over that of 1889.

These observations have hitherto borne mainly on the development of trade. I may now turn to the consideration of another equally important aspect of the question. The defence of trade is as well worthy discussion by Chambers of Commerce as are its development and prosecution. A large proportion of the national thought, a very large part of the national expense, are given to providing means for protecting trade in any great national emergency. In this connection our subject assumes a new importance.

The highest naval authorities are agreed that in time of war the use of the telegraph would furnish one of the most effective means of giving security to the vast commerce of the Empire. Telegraphic orders sent out confidentially by the Admiralty from time to time would indicate to merchant ships the precise course which they should take on both outward and inward voyages. By this means the protecting naval force could be disposed with complete knowledge of the whereabouts of the commerce to be defended, while an enemy would have no such knowledge. It is believed that by making at intervals changes in the routes indicated, greater security could be obtained.

In alluding to this branch of the subject, I cannot do better than quote from an excellent authority, Captain R. W. Craigie (Naval Prize Essay 1892) "The protection of our commerce on the outbreak of war can only be secured by compelling it to follow certain fixed routes. These should be laid down beforehand, and called A, B, C, &c., and all shipowners and masters should be acquainted with these routes. On the outbreak of war, all steamers would proceed by the route telegraphed out confidentially from the Admiralty, and the route changed by telegraph when necessary, for instance, one route might pass fifty miles to the eastward of St. Helena, another one hundred miles, and so on; by this means our cruisers would know where to find our commerce, but the enemy would not.

"All sailing-ships should be stopped, and laid up at the same time.

"If these precautions were adopted, our commerce ought not to suffer very severely, and there ought to be no panic."

To no part of the commerce of the Empire would such a device for protection be so serviceable as to that of Australia. Without taking into account the new route by way of Canada, which in emergency might be used for commercial purposes, if we take into consideration the alternative routes open around Cape Horn and the Cape of Good Hope, and the vast ocean spaces to be traversed, it will be seen that this system might give to Australasian trade an almost complete immunity from attack, except in the immediate neighbourhood of European waters, where the strongest force would be available for its defence. Merchants and shippers will readily understand that among other advantages there would result an enormous money-saving from reduced risks and insurance charges.

But the execution of any such plan manifestly depends upon the completeness and security of a national telegraph service around the globe. A glance at a telegraphic map of the world shows that at present we have no such complete and secure service. England has four possible main lines of connection with the East and Australasia. One goes by way of Gibraltar, Malta, Egypt, and the Red Sea. Another, passing through France, Italy, and Greece, also goes on to the Red Sea. A third traverses Germany, Austria, Turkey, Russia, and Persia. A fourth crosses Russia to the Pacific, whence it connects to the south with Chinese and Indian lines. Perhaps the new route now completed around Africa should be mentioned as a fifth alternative. But, with all these lines, it is for national purposes in time of war a fatal defect that they pass through possibly hostile countries, where they would be useless to us, or through shallow seas where the cables could be easily fished up and destroyed. For issuing instructions, such as have been mentioned, to the merchant ships of our Southern colonies and our Eastern dependencies, not one of these eastern lines could in time of war be depended upon for a single day.

A line across the Pacific, on the other hand, would not only be far removed from the political storm-centres of the European Continent, but would have two other great advantages. First, it would pass entirely over British soil, and second, it would pass chiefly through deep seas, where it could only be destroyed with great difficulty. It would complete the circle of communication around the Empire. From a strategic point of view, then, the value of such a line in time of war would be immeasurable. So striking seems the necessity for its construction, that we may fairly argue that even if the line were for a time commercially unprofitable, the Governments of the Mother-land and the colonies would be fully justified in bearing a portion of the expense for the sake of the added guarantee of national security which it would give.

The importance attached to the question of a Pacific cable by the Colonial Conference of 1887 led to the following minute being unanimously assented to, and recorded in the proceedings:—

"1. That the connection recently formed through Canada from the Atlantic to the Pacific, by railway and telegraph, opens a new alternative line of Imperial communication over the high seas and through British possessions, which promises to be of great value alike in naval, military, commercial and political aspects.

"2. That the connection of Canada with Australia, by direct submarine telegraph across the Pacific, is a project of high importance to the Empire, and every doubt as to its practicability should, without delay, be set at rest by a thorough and exhaustive survey."