

not simply on account of the connection which it would establish between Canada and the great colonies on the opposite shore of the Pacific, but likewise from the influence it would exercise in the consolidation of the Empire. On this ground it has always been considered that the co-operation of the Imperial Government may with confidence be claimed. The representatives of Canada at the Conference endeavoured succinctly to represent the favourable results which would follow the construction of this direct line of communication, and the representatives of all the other colonies freely gave expression to their views, confidently dwelling on the hopes and aspirations they entertained.

“ I will not, my Lord, in this communication repeat the arguments brought forward at the Conference to justify our expectations that the colonies will obtain the sympathy of the Imperial Government in this effort. It may, however be said that this new line of communication will promote the cultivation of intercourse and more intimate relationship, and cannot fail to establish a more perfect bond of union and identity of interest nationally and commercially between Australia, Canada, and England to exercise the happiest influences. Moreover, the whole route from England to Australia runs through British territory or through waters removed from the risk of communications being tampered with, as might happen on passing through foreign soil, or in the shallow seas around the shores of foreign countries. The work is indeed a national undertaking of importance to the common interests in time of peace, and of greater value in time of war, in view of the common safety and the maintenance of the integrity of the Empire. It was in view of these considerations that the representatives of the colonies asked, upwards of a year back, that every doubt as to the practicability of the undertaking should without delay be set at rest.

“ I beg leave to refer your Excellency to the extracts from the letter of the Admiralty appended. It is stated that if the telegraph survey was made the primary and only object of the expedition, the means now being employed would scarcely complete the examination in three years, but it is obvious from the instructions issued that the work of obtaining the information is made incidental and subsidiary to other duties, as of secondary importance. Such being the case, it is difficult to forecast an estimate of the number of years, under the orders conveyed in the Admiralty letter, within which the cable surveys will be completed. It may, indeed, extend over a dozen or more years.

“ I respectfully direct your Excellency’s attention to the strong feeling entertained that no such delay should take place. It will not be overlooked that any doubt of the practicability of the project has not been raised by the outer provinces of the Empire, it has in no way been advanced by those who represent the Australian Colonies, New Zealand, or the Dominion, it was suggested by the witnesses brought forward by the Home Government. Naturally the colonies look to the Home Government to set the question at rest as soon as possible.

“ Until this question be settled it can scarcely be expected that much progress can be made in providing the funds for carrying out the enterprise. It will be no ordinary matter for the Governments of nine or ten countries, some of them separated by half the earth’s circumference, to come to an agreement on the general details of a financial scheme, and it will be perfectly futile for them to do so if the survey should show that the undertaking is not practicable. On the other hand, should the work be pronounced feasible, the circumstances which call for the consummation of the project will in one form or another assure its construction. I respectfully submit to your Excellency that the people in the colonies will fail to recognise that it is necessary, reasonable, or just to expect that the funds should be provided, or that the mode of raising the capital should be arranged, previous to orders being given for the survey to be perseveringly and systematically carried on.

“ At a meeting of the Conference on the 20th April, 1887 at which the Pacific cable was considered, the Imperial Postmaster-General, Mr Raikes, explained the position of the Home Government. His remarks are so important that I feel it my duty to ask your Excellency’s attention to them as they appear in the proceedings. The following is an extract ‘ When we are told by Mr Fleming that it may be possible to transmit words at the rate of about 2s. per word *viâ* Canada and the Pacific’ (9s. 4d. per word being the lowest charge by the existing line), ‘ we see at once the perfect revolution in the communications between the Australian Colonies and the Mother-country which would be effected if such an arrangement could be carried out. But I think the Conference will feel that, while appreciating the importance of this, and largely sympathizing with what I believe to be the most beneficial change of any of the changes which can come out of this Conference, it would be a matter of extreme difficulty, I think without precedent, for the English Government itself to become interested in such a scheme in such a way as to constitute itself a competitor with an existing commercial enterprise carried on by citizens of the British Empire.’

“ The enterprise alluded to by Mr. Raikes is the ‘ Eastern Extension Telegraph Company,’ whose lines extend from India to Australia.

“ I will not attempt to disguise the conviction generally felt, and which I fully entertain, that the new line of telegraph *viâ* Canada would make it impossible for that company to continue to realise the profits it has hitherto enjoyed.

“ There is really only one mode of carrying out the project, realizing any admitted benefits which it will create, and satisfactorily overcoming the difficulty explained by Mr Raikes. It is to constitute the undertaking an Imperial-Intercolonial work, taking over the property of the existing company and placing the whole under one management. This proposal is considered in a memorandum dated the 26th September, 1887 (page 148 of the accompanying return), to which I beg leave to refer your Excellency.

“ While there should be the strongest desire to respect established rights and honourably recognise existing interests, on the other hand we must bear in mind the well-known principle that no private company, whatever its profitable operations, can be allowed to impede the general