

cost whatever to the taxpayer. That the prospects are of this character is attributable to these facts, viz. : (1.) As a State work the capital employed would be obtained at the lowest possible rate of interest. (2.) The capital would be limited to the necessities of actual expenditure in establishing the work; there would be no possibility of enlarging the capital account by adding "promotion expenses," "or by "watering stock," in any form. (3.) No dividend would require to be declared, or bonus paid. Revenue would only have to meet ordinary charges, including interest on the actual cost at a low rate, possibly $2\frac{1}{2}$ per cent. (4.) Remunerative traffic, which would be controlled by the Australasian Governments, already exists. (5.) Such traffic is continually growing, and it is difficult to assign a limit to its growth. (6.) The facilities created and the reduced charges would open up a new and profitable business across the Pacific, which would be subject to the new line.

Such being the case, the question may be asked, Is there any reason other than the opposition of the Eastern Extension Company why the establishment of this important national work should be further delayed? It must be admitted that the Pacific cable in operation would put an end to the monopoly of the Eastern Extension Company and diminish the immense profits it enjoys. As, however, less than half the whole traffic would prove remunerative to the Pacific cable, there would remain ample business to the company to yield a good return for the capital invested.

In the memorandum laid before the House of Commons last July by the Secretary of State for the Colonies it is distinctly indicated that, while the Home Government is willing to co-operate with Canada and the Australian Colonies, the Imperial authorities are unable to see the way to take the initiative, and that they "now await definite proposals from the colonies interested before proceeding further in the matter." It unfortunately happens that the Australasian Colonies remain under the disadvantage of being disunited politically, and they are not all equally in favour of the Pacific cable, Western Australia and South Australia being somewhat in sympathy with the Eastern Extension Company. New Zealand, New South Wales, Queensland, and Victoria desire to have the cable laid on the Canadian route. As the traffic to make it a profitable undertaking would have its source chiefly in these colonies, and, moreover, the land-lines within each colony are owned by each respective Government, they have it in their power to control the trans-Pacific telegraphic traffic to the extent required to make the cable a profitable undertaking.

At this distance it is not easy to understand why these four colonies do not agree to take some definite line of action. It is now close on six months since the Premiers met in London, and, as far as known, they have not seen their way to agree on any joint proposal, owing doubtless to unexplained local difficulties.

Under these circumstances it is not improper to consider if there be any duty or obligation resting on us in Canada. The Dominion is now looked up to as the elder brother in the British family of kindred nationalities. If as Canadians we have faith in our destiny as no inconsiderable element of the great Empire, are we not called upon again to take the initiative? The Mother-country awaits a proposal. It cannot well come from disunited Australasia. If we are to be brought within speaking-distance of the kindred communities in the southern seas the first impulse must come from ourselves. Shall the opportunity which circumstances have presented be seized and another proof given to the world that "the Canadian Government and people are determined in all ways to promote Imperial unity?"

SANDFORD FLEMING.

No. 17.

The SECRETARY, Dunedin Chamber of Commerce, to the Hon. the POSTMASTER-GENERAL.

SIR,—

Dunedin Chamber of Commerce, Dunedin, 11th March, 1898.

I have the honour, by direction of my committee, to address you on the subject of the establishment of cable communication with Great Britain *via* the Pacific and Canada. This Chamber has some time since expressed its opinion in favour of such a movement, and my committee desire now to reaffirm that opinion, and, further, that the time has now come for some definite action in the direction indicated. The reasons for the general desire for this cable on the part of the mercantile communities of the colonies have been so often stated that they need not be repeated, but the proposals for another cable service *via* the Cape of Good Hope and Mauritius, which are now being made, render it important that action as to the Pacific route should be pressed forward.

I have, &c.,

S. C. LEARY, Secretary.

The Hon. the Postmaster-General, Wellington.

No. 20.

The Hon. the PREMIER, Adelaide, to the Hon. the PREMIER, Wellington.

(Telegram.)

Adelaide, 28th March, 1898.

HAVE received the following cablegram from our Agent-General: "Have received official letter from Chairman of Cape Committee stating he authorised by Chancellor Exchequer to inform me it is not the intention of Her Majesty's Government to take any part in any scheme for laying a cable across the Pacific. After this clear intimation will Eastern colonies subsidise the Cape route, or must I inform committee they still decline to co-operate in the Cape project, which strategic advocates of British Government consider of great importance for defence of Empire? Reply as soon as you can.—PLAYFORD."