

proposals the contractor is asked to state the lowest cash price for which he is prepared to lay between the Dominion of Canada and the Australian Colonies a cable which shall be owned and controlled by Government and worked under Government authority. According to another set, tenderers are asked to fix the subsidy for which a company—engaging to charge no higher rate than 3s. a word for ordinary telegrams and 1s. 6d. for Press telegrams—would be prepared to establish the cable at their own risk and cost, and according to a third set, they are asked to name the guarantee of gross revenue under which a company bound by the same maximum rate of charge, but receiving no Government subsidy, would undertake the work. Between a subsidy and a guarantee the difference is one rather of detail than of principle. The real issue is between the establishment of the cable as a commercial undertaking by an assisted company, or as a public work by the Governments concerned. Mr Sandford Fleming, whose right to form an opinion upon the matter will not be contested, strongly urges the advantage of the latter course, and it is understood that the majority of the delegates who attended the Conference share his views.

Eight routes for the course of the intended cable are offered to the choice of manufacturing contractors, and an estimate for laying the cable over one of these has already been submitted to the Canadian Government. Mr Alexander Siemens, the head of the well-known firm which has just completed the laying of a seventh cable in the Atlantic, has put forward a statement of the cost of laying and working a Pacific cable from Ahipara Bay, in New Zealand, *via* Fiji, the Phoenix Islands, and Necker Island, to Vancouver. His estimate fixes the capital outlay required for the establishment of the line at £2,000,000, assuming that three years be allowed for the completion of the work. With a further expenditure of £30,000, to cover the cost of a second large cable-steamer, the time might be shortened to two years. An important feature of Mr Siemens's proposal is that he disputes the necessity for any further preliminary survey of the course, and considers that, with the improved instruments now available for the purpose, the existing general knowledge of the soundings is quite sufficient to justify the immediate commencement of the work. In 1887 great technical difficulty attached to the laying of a cable in uncertain depths. Since that time Mr Siemens's firm has had considerable experience in the laying of Atlantic cables, and, by a contrivance which Mr Siemens claims to have used with perfect success in depths of over 3,000 fathoms, means have been found to indicate continuously the percentage of slack with which the cable is paid out. The principal difficulty in connection with the necessary adjustment of brake-power has thus been surmounted, and Mr Siemens's proposals include an authoritative statement that the cable can be laid as soon as the financial question has been settled. It is difficult to suppose that such a statement would have been issued at the present moment without very careful consideration. We are given to understand that an accident of time alone prevented Mr Siemens from laying his scheme before the Conference. If we are right in assuming that it is to be taken as a practical proposal of what the firm which he represents is, prepared to do, the question of the Pacific cable is evidently entering upon a stage in which the Governments concerned will have to decide upon the part they mean to take.

The discussion which has taken place has served to define the question of expense. A first outlay of £2,000,000 with a return calculated to yield a profitable percentage within ten years, is far removed from the fabulous estimate of cost with which it was the habit only a few years ago to associate the scheme of a Pacific cable. It has been already shown that, as a matter of fact, the construction of the cable is likely to cost considerably less than the establishment of the new line of steamers which is regarded as being well within the limits of private enterprise. Possibly the tenders for which the Canadian Government has called will establish this fact still more clearly, and, if no other end were served, this alone would be a useful result. But the question opens wider issues. The interests concerned are not wholly of a financial order, and thus cannot be decided upon purely financial grounds. The main consideration is one of public utility. If the Pacific cable is needed, the time seems to be at hand in which it should be made. The field of the Pacific is growing daily more important. The Canadian and Australasian Colonies have realised this fact, and they are naturally desirous that the ports which belong to them upon its shores should play a leading part in the development of the commercial future. They see also that, as foreign influence increases upon an ocean which separates them from one another, it will become necessary for them to develop their means of inter-communication. The nation which lays the first Pacific cable and puts the first good line of steamships on the Pacific Ocean may reasonably expect to hold a commanding position on its waters, and in the efforts which the British Colonies are making to secure this position for Great Britain they are simply obeying the dictates of their own advantage. This is the form of self-interest upon which the principle of Imperial unity is based. In the action which the colonies show themselves disposed to take, we reap the fruit of the liberal system of self-government under which they have been encouraged to develop. It is perhaps both just and wise to leave the initiative in this matter to the communities which are most immediately concerned; but, in estimating the advantages of cheaper submarine telegraphy which must inevitably result from the successful establishment of a Pacific cable, especially if it be established under Government control, we should be less than just if we were to underestimate the benefits to be derived by British trade. Nor ought we to permit ourselves to forget that, in every political advantage which results from the strengthening of British ties, and the development of communication throughout the Empire, a large share must of necessity be ours. For these reasons we are disposed to urge that, when the time is ripe for action, the proposals which have the most practical merit to recommend them may be entertained with an open mind. The possession of one line of cable would not necessarily commit the Government to the wider scheme of the purchase of the whole existing system. On the contrary, the experience of owning one alone for a term of years might possibly be of great value in determining opinion upon the general policy to be hereafter adopted; and, unless the estimates of experts are very widely mistaken, there should be little difficulty in disposing of the line to a private company, if, on the termination of the experiment, such a course were deemed to be desirable.