

units of the Empire—the island continent in the South Pacific and British North America—should possess the means of instantaneous communication one with the other?

The proposition of the Eastern Extension Company submitted to the Conference of Premiers has no such purpose in view. Its object is, indeed, the very opposite. While the consolidation of the Empire demands that the Queen's subjects in Canada and Australasia shall possess all the advantages which the closest telegraphic connection can effect, the policy which animates that company would cause these communities to remain severed. Is such a policy to be commended? Does not the Eastern Extension Company, when persistently exercising its manifold and widely ramified influence to keep Canada and Australia disunited, assume an attitude of hostility to both countries and to Imperial unity?

In the interests of the Eastern Extension Company the Pacific cable has been declared to be impracticable; its cost has been greatly exaggerated; it has been denounced as a work which could not be maintained without burdensome subsidies; it has been stigmatized as inimical to telegraphy and trade; and it has been decried and misrepresented in every possible manner. The explanation is to be found in the fact that the company is unwilling to relinquish its monopoly, and to rest satisfied in the future with a reasonable return for capital invested. On this point the writer is tempted to quote a single paragraph from his address at the Colonial Conference of 1894, as given in the proceedings (page 85): "The progress and well-being of Canada, Australasia, and the Empire cannot be retarded in order that the lucrative business of a private company may remain without change. Even if the chairman of the Eastern Extension Company succeeded in converting us to his commercial ethics, that the profits of the monopoly he represents must be maintained inviolate, it does not follow that the project of a Pacific cable would not be carried out in some form, even if Canada and Australasia abandon it. There are, indeed, unmistakable signs that a Pacific cable may shortly be carried out by France and the United States. We all know that France has already completed a section of 800 miles at the southern end, and the United States has recently expended \$25,000 in making an elaborate survey of about one-third the whole distance from San Francisco (to the Hawaiian Islands). With a rival line in foreign hands, it is easy to see that the Eastern Extension would gain nothing, while the Empire would lose much."

With respect to the objections raised by the Eastern Extension Company, they have been completely refuted. The very best evidence shows beyond all question that the project is perfectly feasible, that the cable should be established as a State work, that so established the revenue from business obtainable will be ample to meet every charge, including working-expenses, maintenance, renewal, interest on cost, and sinking fund to replace capital; that, in fact, the cable can be established in the most satisfactory manner, and that all its advantages can be attained without any 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 Government 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 farther 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 to 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?"

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