

the Pacific-cable route, which was unanimously recommended by the delegates to the Colonial Conference held in London in 1887, and which is not yet completed. The Hydrographer (Admiral Sir W. J. Wharton) has in his report dated the 28th February, 1887, ten years ago! (figures corrected to 1892) expressed himself as follows: "My general conclusion is that if the Government is to aid in a substantial manner any scheme for multiplying the lines of communication to Australia, it should be in the direction of triplicating, by means of sea-cables, those portions of the existing route which are now duplicated by foreign land-lines."

In view of such an opinion it is not surprising to find that the survey recommended by the Colonial Conference is of slow accomplishment. We may say here that when the Hydrographical Department of the United States undertook the survey for the American cable, soon to be laid from San Francisco to Honolulu, the work (about a third of that required for the Pacific-cable scheme) was very fully carried out in three months.

Besides these serious stumbling-blocks in the way of the Pacific cable, we must remember that in some of the Conferences held, some of the representatives had no special or technical knowledge of the subject; thus we find that in the Colonial Conference in Ottawa in 1894, the Hon. Thomas Playford, representing South Australia, emphatically asserts (and this after having been corrected?) that no soundings from San Francisco to Honolulu had been taken since 1887, which proved that he was quite uninformed of the very complete series of soundings taken by the United States Government in 1892-93 for the San Francisco-Hawaii cable, a matter vitally affecting the subject on which he was supposed to speak with intelligence.

Added to such misconceptions, arising from insufficient or incorrect information, we should not omit to say that the Australian Colonies have from time to time been quite satisfied with the reductions of rates which they have received, by using the leverage of proposing to support the Pacific cable; but that after each reduction they have ceased to interest themselves in the project. That the reductions were quite justifiable is proved by the steady increase of the revenue of the company concerned. For information regarding the financial position, revenue, &c., of the Eastern Extension Company, we refer our readers to an analysis made by Sir Sanford Fleming, which we published last week. In conclusion, we would express a hope that the allied companies will not be permitted in any way to close the doors on the progress of telegraph enterprise. Besides the large revenues derived from traffic, these companies, together with others in which they are interested, have already received in subsidies, guarantees, &c., a sum in excess of £3,000,000, and it would be extremely unwise to still further strengthen against competition the position of these "spoon-fed" monopolists.

REDUCTION OF CABLE RATES TO AUSTRALIA.

The following extract from a Sydney paper, the *Daily Telegraph*, just to hand, shows the present position as regards the proposed reduction of rates: "The subsidy paid by the Australian Colonies, with the exception of Queensland, to the Eastern Extension Company amounts to £32,000 per annum. The contract expires before the end of the year. At the Hobart Conference the question of a reduction in the rates came up for consideration, and it was decided that efforts should be made to secure this end. From the correspondence published below, and which has been furnished by the Postmaster-General (Mr. Cook), it will be seen that the company decline to discuss the question excepting on the basis of the colonies subsidising the new Cape cable. The reduction asked for is from 4s. 9d. per word to 4s., but an intimation has been received that the company are waiting before entertaining the proposal for the Governments of the Australian Colonies to definitely decline to consider the proposals with regard to the Cape route. Mr. Cook states that so far as he knows the Governments have already decided on that point, and against the proposal. This was at the Premiers' Conference in Melbourne. Under these circumstances the attitude of the company appears to the Postmaster-General to be, as he describes it, somewhat extraordinary. At the same time, he wishes the public to understand that every effort has been made to secure a reduction in the cable rates, irrespective of the Cape-cable project, but, so far, without success. The following is the correspondence referred to:—

"Postal and Electric Telegraph Department, General Post Office, Sydney, 14th April, 1898. —Sir,—Referring to the understanding at Hobart last week that you would communicate further with your company in England regarding the question of a new agreement and reduction of cable rate between Australia and Great Britain, I am directed by the Postmaster-General to inquire whether the company is prepared to make any fresh proposals, irrespective, of course, of those in connection with the projected South African route.—I have, &c., S. H. LAMBTON, Deputy Postmaster-General.—W. Warren, Esq., Manager in Australasia, E.E.A. and C. Telegraph Company (Limited), Melbourne.

"The Eastern Extension, Australasia, and China Telegraph Company (Limited), Melbourne, 20th April, 1898.—Sir,—In acknowledging the receipt of your letter of the 14th instant, I have the honour to state that I made no promise to the Hon. the Postmaster-General to communicate further with the company regarding the question of a new agreement and reduction of the cable rate. In reply to his inquiry, I am directed to say that the company have no further proposals to make other than those already submitted to the respective colonies for an alternate route *via* the Cape, and now await their decision respecting the same.—I have, &c., W. WARREN, Manager in Australasia.—S. H. Lambton, Esq., Deputy Postmaster-General, Post Office, Sydney."

In reply to further representations by Mr. Cook, Mr. Warren wrote on June 9th as follows:—

"Sir,—I have the honour to acknowledge the receipt of your letter, No. B2/98—2222, of the 8th instant, and in reply to state that my company cannot offer any opinion or advice respecting the proposal for reducing the tariff to 4s. until the Australian Governments definitely decide whether they will, or will not, take part in the Cape-cable scheme. Should they definitely decide in the