

rates very much higher than Marconi himself seemed at one time to consider necessary. This is, of course, merely the conclusion I have arrived at after learning the terms stipulated by the company in the arrangement with the Government. Instead of the very low rate expected, the Marconi Company claims 10 cents per word for the transmission of ordinary messages.

Taken by itself, a reduction from 25 cents to 10 cents per word is a great step in the right direction, and the arrangement entered into by the Government, to effect, if possible, the desired end, may be regarded as to a large extent satisfactory and wise. A reduction of 60 per cent. on present charges, assuming that the experiments and trials, soon to be undertaken, succeed, will prove a great public benefit, and its influence for good will be felt in many ways.

I confess, however, to a feeling of disappointment that the Marconi Company has not seen its way to make the rate considerably lower. In my letter to the Postmaster-General of January last I pointed out that by establishing a direct State-owned cable ordinary transatlantic messages could be transmitted for 5 cents a word, and that there would be the prospect of a further reduction as traffic increased. Under these circumstances it seems to me more than likely that, unless the Marconi Company can perform the service for half, or less than half, the rate stipulated, it will not be possible for it to give to the Canadian public permanent satisfaction. Our requirements demand the speediest and cheapest means of communication such as a self-supporting State-owned cable could give.

Atlantic Cable Service.

As judgment has to be suspended in the matter of the Marconi system, it may not meanwhile be without profit to consider the alternative. In doing so I shall not tax your patience by repeating the arguments I advanced in my letter to Mr. Mulock in respect to the establishment of a State-owned transatlantic cable. I furnished evidence to prove that such a cable, if employed only about two hours a day, would, at the existing tariff of charges, be self-supporting. I showed that there is practically within sight business to keep it going for twelve hours a day at the rate of 5 cents per word, and I pointed out that, if employed up to its maximum limit, the earnings would be sufficient to meet interest on cost, sinking fund to replace capital, maintenance, and all operating expenses if no higher rate be levied on messages than 2 cents per word. I do not recommend beginning with the extremely low rate of 2 cents, but I can see no reason why a 5-cent tariff should not be the standard for ordinary messages from the first. All such messages would be despatched in the order in which they would be received. Urgent messages for which a preference in delivery is desired would be subject to an extra charge for that privilege. Obviously a reduction from 25 cents a word to a standard rate of 5 cents for ordinary messages would popularise transatlantic correspondence, and render it available for purposes for which it has not hitherto been used. Possibly a fair price for Press despatches would be half-rate—that is to say, 2½ cents a word.

The proposal has been generally well received in Great Britain as well as in Canada. True, one or two anonymous letters have appeared in the *Times* and other London papers, written obviously in the interests of the cable companies, but my arguments in favour of the proposal remain unanswered. An Atlantic cable under Government control would, by lowering charges 80 per cent., interfere more or less with the existing cables. That interference would, however, be merely an incident, as the objects to be achieved by the establishment of the new cable are not competitive, but purely national. Should the effect be to lower generally transatlantic rates, the augmentation of business which certainly would follow in a few years would prevent revenue suffering to any great extent.

In order that the companies' business may be interfered with as little as possible, it may be advisable to introduce the reduced charges by a gradual process. For example, the average length of an ordinary message is probably six or seven words, costing for transmission 6s. or 7s. If by arrangement the minimum price of a message be placed in the first instance at 4s. (or \$1) by all cables, both old and new lines would transmit dollar messages; the only difference would be in the number of words transmitted—in the one case it would be six words, in the other twenty. Either way, there would be manifest advantages to the public. By some such arrangement a Canadian cable may be established across the Atlantic with a minimum of interference with existing cable-lines.

State Control of Land Lines.

To nationalise the land telegraphs of the Dominion is, probably, of the two questions, the one which concerns us in Canada most intimately. I shall therefore, with permission, submit some remarks on the criticisms relating to the proposal which have appeared in the Canadian Press. I have always pointed to the postal telegraph system of the United Kingdom as a model to be imitated in its essential features, for the reason that it is a remarkable public service, unparalleled in any part of the world. The telegraph-lines were owned in the first place by railway and other private companies. They were expropriated on the authority of an Act of Parliament, and have since then been controlled and extended for a period of over thirty years by the Government. By means of the State-owned telegraph system any person in the three kingdoms can send to any other person, however remote, a message of twelve words for 6d., and each additional word for ½d. Almost every post-office is a telegraph-station, and if the person to whom the message is addressed lives three miles away from an office the telegram is sent to him without extra charge, and the messenger instructed to receive a reply if one be required. Personal experience satisfies me that there is nothing to excel the British postal telegraph service for cheapness, accuracy, utility, and despatch. The proposal is to have the system, as far as practicable and applicable, introduced in Canada—of course, with such modifications as experience has proved to be advisable, and the conditions of the country suggest to be expedient.

Some of our newspapers in noticing the proposal suggest, very properly, that caution should be observed, and no irrevocable step be taken until its wisdom be well assured. The sugges-