

1908.
NEW ZEALAND.

TELEGRAPH CABLES, LISBON INTERNATIONAL TELEGRAPH CONFERENCE, AND WIRELESS TELEGRAPHY.

(FURTHER PAPERS RELATING TO).

[In continuation of Paper F.—8, presented on the 2nd August, 1907.]

Presented to both Houses of the General Assembly by Command of His Excellency.

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EASTERN EXTENSION CABLE.

No. 1.

The SUPERINTENDENT, Eastern Extension Company, Wakapuaka, to the SECRETARY, General Post Office, Wellington.

(Telegram.)
Cocos-BATAVIA cable was completed yesterday evening.

[E.E. Misc. 08/61.]

Wakapuaka, 13th April, 1908.

No. 2.

The SECRETARY, General Post Office, Wellington, to the SUPERINTENDENT, Eastern Extension Company, Wakapuaka.

(Telegram.)
ACKNOWLEDGE receipt of your service of 13th instant, notifying Cocos-Batavia cable had been completed previous evening. Congratulate you on continued expansion of your company's functions.

[E.E. Misc. 08/61.]

Wellington, 16th April, 1908.

No. 3.

[News extract, 26th May, 1908.]

TASMANIAN CABLES.

(Telegram.)
THE Postmaster-General has decided to accept the tender of Siemens Brothers for the construction and laying of two new cables to Tasmania for £49,000.

[Hist., Vol. II, p. 96.]

Melbourne, 25th May, 1908.

PACIFIC CABLE.

BUILDINGS, DEPOT, FINANCE, ETC.

No. 4.

Messrs. J. J. CRAIG (LIMITED), Auckland, to the DISTRICT ENGINEER, Public Works Department, Auckland.

SIR,—

•Queen Street, Auckland, 25th October, 1906.

In reply to your letter [not printed], I have much pleasure in offering the 8 acres, Stanley Point, for the sum of £6,000. The situation is unique, and is well worthy of the earnest consideration of the Government, as such a site is not to be obtained very often, being close to Calliope Dock.

I have, &c.,

J. J. CRAIG.

C. R. Vickerman, Esq., District Engineer, Public Works Department.

[P.C. Stns. 07/1.]

No. 5.

The DISTRICT ENGINEER, Public Works Department, Auckland, to the UNDER-SECRETARY, Public Works Department, Wellington.

(Memorandum.)

Public Works Office, Auckland, 6th November, 1906.

Wharf for Cable-steamer "Iris," and Mr. Craig's Offer, Stanley Point.

In reply to your telegram of the 5th instant [not printed], I endeavoured to give all the information obtainable about the site offered, and do not quite know what more I can say, as I am unaware what lines are guiding you in your selection.

But there would be no comparison between the long narrow landing-stage and store (with the vessel anchored off some distance, as now proposed, near the dock, where everything would have to be sent by boat both ways) and the convenience and result you would get with a deep-water jetty at Craig's land at Stanley Point, where the vessel could be tied up to the wharf, and could land and ship any stores or cargo with the greatest ease and utmost despatch.

No doubt this latter place will cost considerably more to develop and get into working-order than the former, and if only the present accommodation of the "Iris" is in question the Stanley Point proposal may be premature.

It is, however, a much larger question than just her wants, and the site would provide a naval base for the future which could not be improved upon.

You would never get this 8 acres of land with a deep-water frontage offered to you at the same rate again, because now it is unoccupied and not built on, and there are no improvements to pay for.

But the owner intends to cut the land up at once, I believe, if his offer is declined; and after that it may become even more expensive to buy than Mr. Watson's has been at the North Head, where there is no depth of water.

The position is worth some consideration, I think. Probably it would be well to consult Captain Sharp on his return—that is, if Mr. Craig will wait. At any rate, if you bought the land you would have no difficulty in disposing of it, if a small landing was put there at which a ferry-boat could call.

CHAS. R. VICKERMAN,
District Engineer.

The Under-Secretary, Public Works Department, Wellington.
[P.W. 06/6863.]

No. 6.

The UNDER-SECRETARY, Public Works Department, Wellington, to Mr. J. J. CRAIG, Auckland.
Public Works Department, Wellington, 3rd January, 1907.

SIR,—

Offer of Land, Auckland Harbour.

The Right Hon. the Premier has referred to this Department your letter of the 29th August last [not printed], offering to sell to the Government 8 acres of land at Stanley Point, with deep-water frontage, for the purposes of a wharf and store for the cable-steamer "Iris"; also your letter of the 17th ultimo [not printed] on the same subject; and, in reply, I am directed by the Minister for Public Works to state that, after careful consideration, it has been decided to construct the wharf and store on the site originally selected, near the Calliope Dock, and consequently the site offered by you will not be required.

I have, &c.,
H. J. H. BLOW, Under-Secretary

J. J. Craig, Esq., Auckland.
[P.W. 06/7965.]

No. 7.

The HIGH COMMISSIONER to the Right Hon. the PRIME MINISTER.
Westminster Chambers, 13 Victoria Street, London, 2nd August, 1907.

SIR,—

Pacific Cable Board.

I beg to transmit herewith a copy of the Treasury letter dated the 27th July, appointing Sir Henry W. Primrose, K.C.B., C.S.I., to succeed the late Sir Spencer Walpole in the Chairmanship of the Board.

I have, &c.,
W. P. REEVES.

The Right Hon. the Prime Minister, Wellington.
[P.C. Misc. 07/45.]

Enclosure in No. 7.

The SECRETARY, Lords Commissioners of His Majesty's Treasury, London, to the SECRETARY, Pacific Cable Board, London.

SIR,—

Treasury Chambers, London, 27th July, 1907.

I am directed by the Lords Commissioners of His Majesty's Treasury to state that they have appointed Sir Henry W. Primrose, K.C.B., C.S.I., &c., Chairman of the Board of Inland Revenue, to be one of the representatives of His Majesty's Government on the Pacific Cable Board in the place of the late Sir Spencer Walpole, K.C.B.

My Lords are also pleased to appoint Sir Henry W. Primrose to be Chairman of the Pacific Cable Board (without remuneration) in succession to the late Sir Spencer Walpole.

I have, &c.,
R. CHALMERS.

The Secretary to the Pacific Cable Board, Queen Anne's Chambers, S.W.

No. 8.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR.
My LORD,—

Downing Street, 8th August, 1907.

I have the honour to request that your Ministers may be informed that the Lords Commissioners of the Treasury have appointed Sir Henry W. Primrose, K.C.B., C.S.I., I.S.O., Chairman of the Board of Inland Revenue, to be one of the representatives of His Majesty's Government on the Pacific Cable Board, in the room of the late Sir Spencer Walpole, K.C.B.

2. Their Lordships have also appointed Sir Henry Primrose to be Chairman of the Pacific Cable Board in succession to the late Sir Spencer Walpole.

3. Sir Henry Primrose, who entered the Treasury in 1869, has had a long and distinguished public career, during which he was Private Secretary to the Viceroy of India (the Marquess of Ripon) from 1880 to 1884, and to Mr. Gladstone in 1886. He was appointed Secretary to the Office of Works in 1886; Chairman of the Board of Customs in 1895; and Chairman of the Board of Inland Revenue in 1899.

4. Sir Henry Primrose will not for the present draw the salary attached to the office of Chairman. I understand, however, that he proposes to retire from the Civil Service at an early date.

I have, &c.,
ELGIN.

Governor the Right Honourable Lord Plunket, K.C.M.G., K.C.V.O., &c.
[P.C. Misc. 07/53.]

No. 9.

The Hon. the POSTMASTER-GENERAL, Wellington, to the CHAIRMAN, Pacific Cable Board, London.
DEAR SIR HENRY PRIMROSE,—

General Post Office, Wellington, 14th August, 1907.

I offer you my hearty congratulations on your appointment to the Chairmanship of the Pacific Cable Board.

Your reputation in these seas assures us of the continued expansion of the business of the Board so far as energetic and prudent management can secure it.

I have, &c.,
J. G. WARD.

Sir Henry Primrose, K.C.B., Chairman, Pacific Cable Board, London.
[P.C. Misc. 07/42.]

No. 10.

The SUPERINTENDENT, Pacific Cable Station, Doubtless Bay, to the SECRETARY, General Post Office, Wellington.

SIR,—

Pacific Cable Station, Doubtless Bay, 20th August, 1907.

I have been instructed by the General Manager, the Pacific Cable Board, London, to forward you the attached account, amounting to £738 18s. 8d., which represents the New Zealand Government's share of the cost of working the Doubtless Bay Station for the year ended 31st March, 1907.

The General Manager writes, "The total amount of capital expenditure has been increased by the addition to the staff quarters and the cost of the gymnasium. The salaries are higher than last year owing to increments and also to the fact that a fourth officer is being paid for by the New Zealand Government."

Would you kindly cause the amount claimed to be paid to the Board's London account with the Bank of New Zealand, Auckland.

I have, &c.,
C. L. HERTSLET, Superintendent.

The Secretary, General Post Office, Wellington.
[P.C. Stas. 07/17.]

Enclosure in No. 10.

5th July, 1907.

The NEW ZEALAND GOVERNMENT, Dr. to the PACIFIC CABLE BOARD.

	£	s.	d.
Rent for twelve months, as per statement enclosed	249	13	1
Salaries of operators for twelve months, as per statement enclosed [not printed]	489	5	7
	£738	18	8

Fred. J. Adye, Secretary.

C. H. REYNOLDS,
General Manager.

Sub-enclosure to Enclosure in No. 10.

THE PACIFIC CABLE BOARD.—STATEMENT showing the CAPITAL EXPENDITURE on the Doubtless Bay Station, on which the Amount payable by the New Zealand Government for Rent is calculated.

	£	s.	d.
Capital expenditure to 31st March, 1906	10,519	18	3
Added during the year 1906-7	190	1	10
	10,710	0	
Less capital expenditure on cable instruments, &c.	2,388	3	5
	£8,321	16	8
6 per cent. on half the above figure from 1st April, 1906, to 31st March, 1907 ...	£249	13	1

No. 11.

The SECRETARY, General Post Office, Wellington, to the GENERAL MANAGER, Pacific Cable Board, London.

SIR,—

General Post Office, Wellington, 21st August, 1907.

I have the honour to forward herewith, for your information, copy of correspondence between the Auckland Harbour Board and the Public Works Department respecting the decision of the Harbour Board to provide, on the wharf now being constructed by Government at Auckland for the use of H.M.C.S. "Iris," water-pipes, meters, hydrants, &c., in connection with the supply of water to vessels which may use the wharf. As you will observe, the Harbour Board wishes it to be clearly understood that, although the necessary pipes and appliances will be furnished at its own cost, the rates and charges for the supply of water to shipping will be levied for all water taken from the wharf.

I have written your Superintendent at Doubtless Bay to the foregoing effect.

I have, &c.,

The General Manager, Pacific Cable Board, London.

D. ROBERTSON, Secretary.

[A similar letter and enclosures sent to the Superintendent, Pacific Cable Station, Doubtless Bay, on the same date.]

[P.C. Stns. 07/12.]

Enclosure 1 in No. 11.

The SECRETARY, Auckland Harbour Board, Auckland, to the Hon. the MINISTER FOR PUBLIC WORKS, Wellington.

SIR,—

Auckland, 16th July, 1907.

I have the honour to inform you that this Board has now undertaken the sole supply of water to shipping on both sides of the harbour, and as your Department has now under construction on the north side of the harbour a wharf for use of H.M.C.S. "Iris," I am directed to state that this Board will lay down the water-pipes on the wharf in question and provide the necessary meters, hydrants, &c. (free of cost) for supply of water to H.M.C.S. "Iris" or any other vessel that may be using the wharf in question.

I have, &c.,

J. M. BRIGHAM, Secretary.

The Hon. the Minister for Public Works, Wellington.

Enclosure 2 in No. 11.

The UNDER-SECRETARY, Public Works Department, Wellington, to the SECRETARY, Auckland Harbour Board, Auckland.

Wellington, 29th July, 1907.

SIR,—

Wharf for H.M.C.S. "Iris."

I am directed by the Minister for Public Works to acknowledge the receipt of your letter of the 16th instant, intimating that the Harbour Board will lay down water-pipes and provide, free of cost, the necessary meters, hydrants, &c., for supplying water to vessels which may use the above wharf in Auckland Harbour now under construction by this Department, and to express the Minister's thanks for your Board's action in the matter.

I have, &c.,

H. J. H. BLOW, Under-Secretary.

The Secretary, Auckland Harbour Board, Auckland.

Enclosure 3 in No. 11.

The SECRETARY, Auckland Harbour Board, Auckland, to the UNDER-SECRETARY, Public Works Department, Wellington.

SIR,—

Auckland, 7th August, 1907.

I have the honour to acknowledge the receipt of your letter of the 29th ultimo, in reference to the laying-down of water-pipes, meters, hydrants, &c., on wharf erected for H.M.C.S.

“Iris,” and expressing the Minister’s thanks for the Board’s action in the matter. In reply, I beg to inform you that your letter was read at a meeting of the Board held yesterday, when it was resolved, “That the Engineer be instructed to lay down water-pipes and appliances on wharf erected for H.M.C.S. ‘Iris.’” It is, of course, to be clearly and distinctly understood that, although the Board provide, free of cost, the necessary pipes, meters, hdyrants, &c., for the supplying of water to vessels which may use the wharf in question, the rates and charges for the supplying of water to shipping will, of course, be levied for all water that may be taken from this wharf.

I have, &c.,
J. M. BRIGHAM, Secretary.

The Under-Secretary, Public Works Department, Wellington.

No. 12.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR.
MY LORD,—
Downing Street, 22nd August, 1907.
I have the honour to state for the information of your Ministers that a letter has been addressed to the High Commissioner for New Zealand requesting that the sum of £6,102 12s. 5d. may be paid over to the Imperial Government, that being the amount due from your Government in respect of the expenses of the Pacific cable for the year ended the 31st March, 1907.

- 2. I enclose a copy of the printed Account of the Board as presented to Parliament.
- I have, &c.,
ELGIN.

Governor the Right Honourable Lord Plunket, K.C.M.G., K.C.V.O., &c.
[P.C. Fin. 07/20.]

Enclosure in No. 12.

PACIFIC CABLE BOARD (1 EDWARD VII, C. 31).—ACCOUNT FOR THE PERIOD ENDED 31ST MARCH, 1907.

I.—STATEMENT showing the Sum issued out of the Consolidated Fund and the Expenditure.

—	Year in which issued.	Amount.	—	Amount.
		£ s. d.		£ s. d.
Sum issued (out of an authorised issue of £2,000,000)	1901-2	1,060,935 0 0	Expenditure in the period ended 31st March, 1906	1,997,707 18 6
Sum issued (out of an authorised issue of £2,000,000)	1902-3	939,065 0 0	Expenditure in the year ended 31st March, 1907	753 0 1
				1,998,460 18 7
			Balance in hand	1,539 1 5
		2,000,000 0 0		2,000,000 0 0

II.—STATEMENT showing the Money borrowed and Securities created.

—	Amount.	Money borrowed.	Securities created.
	£ s. d.		£ s. d.
Sum issued as above	2,000,000 0 0	In the period to 31st March, 1902	784,600 0 0
		In the year to 31st March, 1903	1,215,400 0 0
	2,000,000 0 0		2,000,000 0 0

Annunity of £77,544 18s.
First payment, 1st December, 1903.
Last payment, 1st December, 1952.

III.—STATEMENT showing the aggregate Amount of Capital Expenditure.

Details of Expenditure.	In the Period ended 31st March, 1906.	In the Year ended 31st March, 1907.	Total to 31st March, 1907.
	£ s. d.	£ s. d.	£ s. d.
(1.) Head office (furniture, &c.)	417 1 10	12 5 10	429 7 8
(2.) Stations—			
Buildings	66,005 18 6	739 0 5	66,744 18 11
Accessories	18,456 5 2	46 13 10	18,502 19 0
(3.) Cable—			
Contract	1,790,687 15 6	45 0 0	1,790,642 15 6
Accessories	335 15 0	..	335 15 0
(4.) Instruments	28,788 4 10	..	28,788 4 10
(5.) Ship—			
Contract	65,910 0 0	..	65,910 0 0
Accessories	6,971 8 1	..	6,971 8 1
(6.) Engineers' fees and expenses	20,135 9 7	..	20,135 9 7
	1,997,707 18 6	753 0 1	1,998,460 18 7

IV.—STATEMENT showing the Expenses of the Cable in the Year ended 31st March, 1907.

Details of Receipts.	Parliamentary Grant.	Revenue.	Details of Expenditure.	Annuity for the Replacement of Capital.	Working-expenses.
	£ s. d.			£ s. d.	
Balance on 31st March, 1906	25,481 3 5	..	Fourth annuity payment..	77,544 18 0	..
Received from H.M. Treasury out of the parliamentary grant-in-aid	74,006 12 5	..	Head office (salaries and expenses)	..	5,172 0 3
Traffic receipts (less £3,401 13s. 2d. paid out to the Canadian Pacific Railway and the Atlantic Companies for the insertion of date and time and for duplicate copies of messages)	..	113,000 0 1	Head office (advertising and canvassing, engineers' fees, royalties, and cost of remitting money Home)	..	2,024 19 11
Interest on money placed on deposit	..	516 7 1	Cable-stations (salaries and expenses)	..	34,380 18 1
			Cable-ship (salaries and expenses)	..	14,891 8 4
			Provident Fund—contribution to (Statement V)	..	1,425 14 9
			Transferred to Cable Repair—Reserve and General Renewal Fund (Statement VI)	..	33,000 0 0
					90,895 1 4
					77,544 18 0
		113,516 7 2			168,439 19 4
		99,487 15 10	Balance on 31st March, 1907	..	44,564 3 8
		213,004 3 0			213,004 3 0

V.—STATEMENT showing (a) the Securities purchased and sold, and (b) the Sums received and expended on account of the Provident Fund in the Year ended 31st March, 1907.

	Securities purchased. (For Details see below.)	Cash Receipts.		Securities sold. (For Details see below.)	Cash Payments.
	£ s. d.	£ s. d.			£ s. d.
Balance on 31st March, 1906	8,300 0 0	1,237 19 4	Invested in securities, viz. :—	..	774 0 0
Transferred from the account of annual expenses (Statement IV)	..	1,425 14 9	£800 Metropolitan Water Board, 3-per-cent. B. Stock at 96½	..	537 1 0
Contributions of employees..	..	1,425 14 9	£600 London County Council 3-per-cent. Consolidated Stock at 89½	..	881 6 0
Interest on securities ..	..	284 0 11	£1,000 New South Wales 3-per-cent. Stock at 87½	..	417 5 5
Securities purchased (as per contra)	2,400 0 0	..	Payment to employees on cessation of services	..	10 0 0
			Auditor's fee	..	2,619 12 5
			Balance on 31st March, 1907	10,700 0 0	1,753 17 4
	10,700 0 0	4,373 9 9		10,700 0 0	4,373 9 9

Details of Securities.	Balance on 31st March, 1906.	Securities purchased during Period of Account.	Total.	Securities sold during Period of Account.	Balance on 31st March, 1907.	Value at Market Price on 31st March, 1907.
	£ s. d.	£ s. d.	£ s. d.		£ s. d.	£ s. d.
London County Council 3-per-cent. stock	4,100 0 0	600 0 0	4,700 0 0	..	4,700 0 0	87 4,089 0 0
London, Brighton, and South Coast Railway 4-per-cent. debenture stock	1,800 0 0	..	1,800 0 0	..	1,800 0 0	115 2,070 0 0
Metropolitan Water Board 3-per-cent. B. stock	1,400 0 0	800 0 0	2,200 0 0	..	2,200 0 0	89½ 1,969 0 0
Canadian Northern Railway 3-per-cent. debenture stock (guaranteed by Canadian Government)	1,000 0 0	..	1,000 0 0	..	1,000 0 0	88 880 0 0
New South Wales 3-per-cent. Stock	..	1,000 0 0	1,000 0 0	..	1,000 0 0	87 870 0 0
	8,300 0 0	2,400 0 0	10,700 0 0	..	10,700 0 0	9,878 0 0

VI.—STATEMENT showing (a) the Securities purchased and sold, and (b) the Sums received and expended on account of the Cable Repair—Reserve and General Renewal Fund for the Year ended the 31st March, 1907.

	Securities purchased. (For Details see below.)	Cash Receipts.		Securities sold. (For Details see below.)	Cash Payments.
	£ s. d.	£ s. d.			£ s. d.
Balance on 31st March, 1906	89,500 0 0	2,750 12 6	Invested in securities, viz. :—		
Transferred from the account of annual expenses (Statement IV)	..	33,000 0 0	£2,500 Victoria 3-per-cent. stock at 90 $\frac{3}{4}$	..	2,265 13 6
Interest on securities	..	3,700 11 10	£4,250 Victoria 3-per-cent. stock at 88 $\frac{1}{2}$	..	3,755 19 9
Securities purchased (as per contra)	34,350 0 0	..	£1,100 guaranteed 2 $\frac{1}{2}$ -per-cent. stock at 89	..	979 0 0
			£1,500 Bank of New Zealand 4-per-cent. guaranteed stock at 102 $\frac{5}{8}$	..	1,555 0 0
			£3,000 New Zealand 4-per-cent. debenture stock at 102	..	3,060 0 0
			£10,000 New Zealand 4-per-cent. debenture stock at 101 $\frac{1}{2}$	..	10,150 0 0
			12,000 India 3-per-cent. stock at 88 $\frac{3}{4}$	..	10,665 1 0
			Balance on 31st March, 1907	123,850 0 0	32,430 14 3
					7,020 10 1
	123,850 0 0	39,451 4 4		123,850 0 0	39,451 4 4

Details of Securities.	Balance on 31st March, 1906.	Securities purchased during Period of Account.	Total.	Securities sold during Period of Account.	Balance on 31st March, 1907.	Value at Market Price on 31st March, 1907.
	£ s. d.	£ s. d.	£ s. d.		£ s. d.	£ s. d.
Bank of England stock	11,500 0 0	..	11,500 0 0	..	11,500 0 0	271 $\frac{1}{2}$ 31,222 10 0
Victoria 3-per-cent. stock	4,000 0 0	6,750 0 0	10,750 0 0	..	10,750 0 0	87 9,352 10 0
Victoria 3 $\frac{1}{2}$ -per-cent. stock	1,000 0 0	..	1,000 0 0	..	1,000 0 0	99 990 0 0
New South Wales 3-per-cent. stock	5,000 0 0	..	5,000 0 0	..	5,000 0 0	86 $\frac{1}{2}$ 4,325 0 0
New South Wales 4-per-cent. Treasury bills	8,500 0 0	..	8,500 0 0	..	8,500 0 0	99 $\frac{3}{4}$ 8,478 15 0
Queensland 3-per-cent. stock	7,500 0 0	..	7,500 0 0	..	7,500 0 0	86 $\frac{1}{8}$ 6,459 7 6
New Zealand 3-per-cent. stock	1,000 0 0	..	1,000 0 0	..	1,000 0 0	86 860 0 0
New Zealand 3 $\frac{1}{2}$ -per-cent. stock	4,000 0 0	..	4,000 0 0	..	4,000 0 0	99 $\frac{3}{4}$ 3,990 0 0
New Zealand 4-per-cent. debenture stock	1,000 0 0	13,000 0 0	14,000 0 0	..	14,000 0 0	par 14,000 0 0
New Zealand 4-per-cent. Treasury bills	4,000 0 0	..	4,000 0 0	..	4,000 0 0	99 $\frac{3}{4}$ 3,990 0 0
Bank of New Zealand 4-per-cent. guaranteed stock	..	1,500 0 0	1,500 0 0	..	1,500 0 0	102 1,530 0 0
Canadian 3-per-cent. stock	20,000 0 0	..	20,000 0 0	..	20,000 0 0	98 19,600 0 0
Canadian Northern Railway 3-per-cent. debenture stock (guaranteed by the Canadian Government)	6,000 0 0	..	6,000 0 0	..	6,000 0 0	88 5,280 0 0
Metropolitan Water Board 3-per-cent. stock	2,000 0 0	..	2,000 0 0	..	2,000 0 0	89 $\frac{1}{4}$ 1,795 0 0
Local loans 3-per-cent. stock	14,000 0 0	..	14,000 0 0	..	14,000 0 0	96 $\frac{3}{8}$ 13,492 10 0
Guaranteed 2 $\frac{3}{4}$ -per-cent. stock	..	1,100 0 0	1,100 0 0	..	1,100 0 0	85 $\frac{1}{2}$ 940 10 0
India 3-per-cent. stock	..	12,000 0 0	12,000 0 0	..	12,000 0 0	89 $\frac{7}{8}$ 10,785 0 0
	89,500 0 0	34,350 0 0	123,850 0 0	..	123,850 0 0	.. 137,091 2 6

S. WALPOLE, Chairman.

Examined and found correct.—G. H. HUNT, Auditor.
Pacific Cable Board, 25th June, 1907.

SIR,— Queen Anne's Chambers, Tothill Street, Westminster, London, 26th June, 1907.

In transmitting to you the accounts of this Board showing (i) the sum issued out of the Consolidated Fund, and the expenditure of the Board on Capital Account; (ii) the money borrowed and the securities created; (iii) the aggregate amount of capital expenditure up to the 31st March, 1907; (iv) the expenses of the cable in the year ended 31st March, 1907; (v) the account of the Provident Fund; and (vi) the account of the Reserve and General Renewal Fund, I have the honour, on behalf of the Pacific Cable Board, to make the following observations:—

1. Throughout the year 1906–7 the cable was maintained and continued in efficient working-order. The only repair effected was the replacement in February, 1907, at Norfolk Island, of a part of the shore end of the Suva cable, which had suffered from chafing at a point close to the shore where the waves break heavily. The work did not interfere with the service of the cable, and was successfully carried out by the repairing-ship. No interruptions of any kind occurred on any of the sections of the cable. The Board's ship, buildings, electrical apparatus, and plant at all stations are in good order.

2. The gross message revenue received during the year amounted to £116,401 13s. 3d., against £94,456 9s. 6d. in the previous year. From the gross revenue, however, £3,401 13s. 2d. has to be deducted on account of payments made to the Atlantic and Canadian Pacific Telegraph Companies for transmitting between Vancouver and Europe, or *vice versa*, the date and time of filing of all messages between Australasia and the United Kingdom, the Continent, &c., and for delivering messages in duplicate in London and some other large centres in the United Kingdom, these payments being necessary to give to the customers of the Pacific cable the same facilities that are afforded by the Eastern Company's route. With this deduction the net message revenue amounted to £113,000 0s. 1d., against £91,814 8s. 11d., and, including a small sum received as interest on balances, the entire revenue reached £113,516 7s. 2d., against £91,952 13s. 3d. in the preceding year. The failure for some weeks in April and May, 1906, of both the cables of the Eastern Extension Company between Australia and New Zealand, the San Francisco earthquake, the general prosperity of trade, and the conditions referred to in paragraph 10 below all contributed to the marked increase in the receipts.

3. The message revenue shown above again includes the receipts in Australia for thirteen months. During the previous year the Government of the Commonwealth transferred the receipts for thirteen months up to the 31st December, 1905; the present year's accounts include the receipts in Australia from the 1st January, 1906, to the 31st January, 1907, another period of thirteen months.

4. The actual expenditure of the Board on the service of the cable during the twelve months ending the 31st March, 1907, including a sum of £33,000 set aside for the renewal account, amounted to £90,895 1s. 4d., against £86,963 17s. in the previous year, and, subtracting this sum from the amount of the revenue, there remains a surplus of £22,621 5s. 10d. The Board, however, had to provide a sum of £77,544 18s. for interest and Sinking Fund. This Sinking Fund will extinguish in fifty years from its institution the entire capital expenditure. Adding this payment to the expenditure, the deficiency on the year's operations amounts to £54,923 12s. 2d., against £72,556 1s. 9d. in the previous year. This deficiency has to be made good by the contributing Governments. The increase in the expenditure is due to the opening of an office in Sydney and the extension of the Board's operations in Australia generally.

The financial results of the year 1906–7 are set forth in the following statement:—

<i>Receipts.</i>						
	£	s.	d.	£	s.	d.
Traffic receipts	116,401	13	3			
Less "date and time," &c., payments	3,401	13	2			
				113,000	0	1
Interest on deposits				516	7	1
Deficiency recoverable in the following proportions:—						
England	15,256	11	2			
Canada	15,256	11	2			
Australia	18,307	17	5			
New Zealand	6,102	12	5			
				54,923	12	2
				£168,439	19	4
<i>Expenditure.</i>						
Fourth annuity payment				77,544	18	0
Head office (salaries and expenses)				5,172	0	3
Head office (advertising, canvassing, engineer's fees, royalties, and cost of remitting money Home)				2,024	19	11
Stations (salaries and expenses)				34,380	18	1
Ship (salaries and expenses)				14,891	8	4
Provident Fund				1,425	14	9
Renewal Account				33,000	0	0
				£168,439	19	4

5. The total contributions to the Renewal Fund, including interest, amounted on the 31st March last to £161,858 14s. 11d., £12,500 of this sum being held in spare cable. The amount of £142,338 4s. 10d. was invested in Home and colonial securities as shown in Statement VI, while a balance of £7,020 10s. 1d. was in hand, and has since been invested. All interest earned on the investments is added annually to the Fund, and is not treated as part of the revenue of the year.

6. The Board's forecast of its probable revenue and expenditure during the year 1907-8, as submitted to their Lordships on the 4th December last, is as follows:—

Traffic revenue	£	103,000	Fifth annuity	£	77,545
Estimated deficit...		69,368	Renewal Fund		32,000
			Working-expenses		62,823
		£172,368			£172,368

7. The land-line services in Australia and New Zealand, in connection with the cable, have been generally well maintained by the Governments concerned. The Atlantic companies have afforded uninterrupted cable communication throughout the year, and a rapid and efficient service. In Canada, the winter has been exceptionally severe, and the lines of the Canadian Pacific Railway, both in Vancouver Island and elsewhere, suffered considerable interruption. The most severe storm occurred in Vancouver Island early in December, and disorganized the traffic for some days. The greater security of the lines between Vancouver City and the cable station at Bamfield is a matter of some anxiety to the Board, which is in constant communication with the railway authorities on the subject. It is hoped that the extension of railway communication to Alberni on the west coast of the island will secure a safer route for the telegraph-wires across the island than by the present road.

8. The Board is glad to be able to acknowledge the generally good and loyal service rendered by their staff throughout the year. In starting competition in Australia, and also on the occasions of the San Francisco earthquake and the lamented death of Mr. Seddon, a great deal of heavy work had to be dealt with, and the Board is pleased to be able to mention the indefatigable services rendered by Mr. Milward, and by the staff acting under his direction. The health of the staff has been satisfactory, and no serious illness has occurred, but the Board regrets to report the death suddenly, by an accident on the 28th October, 1906, of Mr. Hugh Latham, who had been Secretary for over five years, and had rendered excellent service.

9. The efficiency of the Board's repairing-vessel, and the discipline of the ship's company, have been well maintained. The Norfolk Island stokers who replaced the Chinese at the close of last year, though at first raw and untrained, and requiring considerable supervision, are becoming seasoned, and have proved a well-behaved set of men. The employment afforded by the cable-ship to the natives of Norfolk Island has contributed very materially to the prosperity of this small and interesting community.

10. In paragraph 10 of last year's report reference was made to the arrangements which were being carried out to give effect to the recommendation of the Pacific Cable Conference, that active competition for business, on equal terms with the Eastern route, should be instituted in Australia. The Board instructed their General Manager, Mr. Reynolds, to proceed to Australia to give effect to this decision. Under his direction an office was opened for international business by the Board at 40 Hunter Street, Sydney, on the 18th June, 1906, connected by special wire with the Board's cable station at Southport, Queensland. The office has proved a great convenience to the public, and transacts a large amount of business. Pending the erection by the Commonwealth Government of an additional wire between the Sydney and Brisbane Post-offices, the Government has found it convenient, as a temporary measure, to utilise the Board's office in Sydney for the transmission of New Zealand traffic. In Melbourne, where both cables conduct their business with the public through the Post Office only, the Board has appointed a travelling agent with headquarters in that city, and Mr. J. Milward has been appointed as the Board's representative in Australia, with headquarters at Sydney. The Board considers that the results so far obtained are eminently satisfactory, and they desire to acknowledge the great service which has been rendered to them by the General Manager in this matter. After completing all arrangements in Australia and New Zealand, Mr. Reynolds made a tour of inspection of all the cable stations, returning to England in November *via* Canada, where he personally brought the requirements of the Pacific cable service to the notice of the Canadian Pacific Railway authorities.

11. Owing to litigation between the various part proprietors of Fanning Island, the sale of the island by auction in April, 1906, was ordered by the Chief Court at Suva of His Majesty's High Commissioner for the Western Pacific. In order to protect the rights of the Crown over this island and Washington Island, and of the Pacific Cable Board as lessee of the Crown for the land required for the cable station at Fanning, a Royal Proclamation was issued by the High Commissioner on the 15th March, 1906, to the effect that any sale or lease of the islands was subject to the rights of the Crown in these matters. These conditions were duly added to the decree ordering the sale of the islands, with the consent of all parties to the suit. Eventually the sale was withdrawn, and an arrangement came to between the parties interested.

12. The following statement may be of interest as showing the progress of the international traffic since the opening of the cable:—

Number of International Messages and Words.

Year.	Messages.				Words.				Remarks.
	Ordinary.	Government.	Press.	Total.	Ordinary.	Government.	Press.	Total.	
1902-3	18,494	915	35	19,444	202,313	24,210	1,831	228,354	Cable opened 8th Dec., 1902.
1903-4	64,595	3,128	890*	68,613	744,034	83,116	37,819*	864,969	*Cricket.
1904-5	67,677	3,018	387	71,082	781,028	71,575	19,110	871,713	
1905-6	77,331	3,109	259	80,699	834,778	74,763	13,225	922,766	
1906-7 (approximate)	...	...	...	96,783	...	...	...	1,126,940	

In addition to the above, a very considerable intercolonial traffic is carried between Australia, New Zealand, and the Fijis, keeping the southern sections of the cable fully occupied during business hours.

I have, &c.,

S. WALPOLE, Chairman.

The Secretary, His Majesty's Treasury, Whitehall, S.W.

No. 13.

The UNDER-SECRETARY, Public Works Department, to the SECRETARY, General Post Office, Wellington.

(Memorandum.)

Public Works Department, Wellington, 22nd August, 1907.

IN his estimates for the current year our District Engineer at Auckland provides an item of £2,000 for moorings and buoys for the cable-steamer "Iris," in addition to the cost of a wharf which is now in course of erection. Will you kindly let me know if the Government has to provide moorings and buoys, and, if so, whether you wish provision made in public-works estimates for the amount mentioned.

H. J. H. BLOW, Under-Secretary.

The Secretary, Post and Telegraph Department.

[P.C. Stns. 07/14.]

No. 14.

The SECRETARY, General Post Office, Wellington, to the UNDER-SECRETARY, Public Works Department, Wellington.

(Memorandum.)

General Post Office, Wellington, 26th August, 1907.

Public-works Estimates: Moorings and Buoys for H.M.C.S. "Iris."

APPARENTLY Government will have to provide the moorings and buoys. I attach copy of a letter from the late Right Hon. Mr. Seddon to the General Manager of the Pacific Cable Board on the subject.

D. ROBERTSON, Secretary.

The Under-Secretary, Public Works Department, Wellington.

[P.C. Stns 07/16.]

Enclosure in No. 14.

The Right Hon. the PRIME MINISTER, Wellington, to the GENERAL MANAGER, Pacific Cable Board, London (at Wellington).

SIR,—

Prime Minister's Office, Wellington, 28th September, 1903.

Referring to our conversation respecting site and wharf for cable purposes at Auckland: Should it be decided to change from Fiji, I have the honour to inform you that if the company decides to make Auckland its depot the New Zealand Government would be prepared to furnish a site there and provide the necessary equipments, and in making any recommendations to your Board you may state that such an offer has been made by this Government.

I have, &c.,

The General Manager, Pacific Cable Board, Wellington.

R. J. SEDDON.

No. 15.

The SUPERINTENDENT, Pacific Cable Station, Doubtless Bay, to the SECRETARY, General Post Office, Wellington.

SIR,—

Pacific Cable Station, Doubtless Bay, 3rd September, 1907.

I beg to acknowledge, with thanks, the receipt of your letter dated the 21st ultimo, conveying copy of correspondence between the Auckland Harbour Board and the Public Works Depart-

ment, respecting the decision of the former *in re* charging for water supplied to H.M.C.S. "Iris" while berthed at the new wharf.

I think that the Harbour Board has been very generous to place the pipes, meters, and hydrants in position free of charge.

I note that you have written to the Board's General Manager on the subject.

I am, &c.,

C. L. HERTSLET, Superintendent.

The Secretary, General Post Office, Wellington.

[P.C. Stns. 07/20.]

No. 16.

The SUPERINTENDENT, Pacific Cable Station, Doubtless Bay, to the SECRETARY, General Post Office, Wellington.

Doubtless Bay, N.Z., Station, 17th September, 1907.

SIR,—

The Pacific Cable Board.

Referring to our telegraphic correspondence dated the 14th instant [No. 71, F.-6, 1908] *in re* the missing steamer "Monowai," I beg to inform you that the Board's stations at Norfolk Island, Southport, and Sydney remain open continuously. Doubtless Bay is the only Pacific station that closes on Sundays, holidays, and after midnight on week-days. It therefore follows that the only additional attendance required to give New Zealand a temporary continuous service is to open this office.

I feel assured that the Board desires that the continuous service of the State cable should be placed at the disposal of the public during circumstances which give rise to public anxiety, such as national calamities, or when passenger steamers are seriously overdue. I do not anticipate that the Board will expect payment for any such extended service, but will be satisfied with the revenue which may result from handling traffic during the extra attendance.

I have, &c.,

C. L. HERTSLET, Superintendent.

The Secretary, General Post Office, Wellington.

[Acknowledged on the 27th September, 1907.]

[P.C. Misc. 07/47.]

No. 17.

The HIGH COMMISSIONER to the Right Hon. the PRIME MINISTER.

Westminster Chambers, 13 Victoria Street, London, S.W.,

25th September, 1907.

SIR,—

Pacific Cable.

I beg to enclose herein copy of a letter from the Colonial Office, covering a communication from the Imperial Treasury showing the amounts recoverable from the colonial Governments in respect of the expenses of the Pacific cable for the year ended 31st March last. It will be seen that the amount due from New Zealand was £6,102 12s. 5d., which, after obtaining a bank order by cable from the New Zealand Treasury, I have paid by cheque on the Foreign Imprest Account, and the voucher is No. 14 in the account dated 10th September to 1st October, 1907, going to the Treasury by next week's mail.

A copy of the accounts of the Pacific cable as presented to the House of Commons is also enclosed [Enclosure in No. 12].

I have, &c.,

W. P. REEVES.

The Right Hon. the Prime Minister, Wellington.

[Acknowledged 14th November, 1907.]

[P.C. Fin. 07/37.]

Enclosure in No. 17.

The UNDER-SECRETARY, Colonial Office, to the HIGH COMMISSIONER FOR NEW ZEALAND.

SIR,—

Colonial Office, London, S.W., 23rd August, 1907.

I am directed by the Earl of Elgin to transmit to you a copy of a letter from the Treasury [Treasury, 16th August] on the subject of the amounts recoverable from the colonial Governments in respect of the expenses of the Pacific cable for the year ended 31st March, 1907, and to inquire whether you can arrange to pay over to the Imperial Treasury the sum of £6,102 12s. 5d., that being the amount due from the Government of New Zealand.

I have, &c.,

H. BERTRAM COX.

The High Commissioner for New Zealand.

Sub-enclosure 1 to Enclosure in No. 17.

The FINANCIAL PERMANENT SECRETARY TO THE TREASURY to the UNDER-SECRETARY OF STATE FOR THE COLONIES.

SIR,—

Treasury Chambers, London, 16th August, 1907.

I am directed by the Lords Commissioners of His Majesty's Treasury to acquaint you, for the information of the Earl of Elgin, that the Pacific Cable Board's account of the expenses of the cable for the year ended 31st March last has now been audited. A copy of the auditor's report is enclosed herewith, from which it will be seen that the deficit on the working of the cable for the year in question amounts to £54,923 12s. 2d., and the sums, therefore, recoverable from the colonial Governments are as follows:—

	£	s.	d.
Australia (six-eighteenths)	18,307	17	5
Canada (five-eighteenths)	15,256	11	2
New Zealand (two-eighteenths)	6,102	12	5
	39,667	1	0

I am accordingly to request that you will move the Secretary of State to communicate with the colonial Governments concerned in order that these amounts may be paid as soon as practicable to the credit of the account of the vote for telegraph subsidies and Pacific cable.

A copy of the printed account [Enclosure in No. 12] as presented to Parliament is enclosed herewith.

I have, &c.,

The Under-Secretary of State, Colonial Office, S.W.

E. W. HAMILTON.

Sub-enclosure 2 to Enclosure in No. 17.

The ACCOUNTANT TO THE TREASURY, London, to the SECRETARY TO THE TREASURY, London.

SIR,—

Treasury Chambers, London, 2nd July, 1907.

I have the honour to report that I have audited the accounts of the Pacific Cable Board for the year ended 31st March, 1907, in accordance with the instructions conveyed in their Lordships' minute of the 17th April, 1902, and have found them correct.

The annual expenses of the cable, as described in section 3, (2), of "The Pacific Cable Act, 1901," so far as they were not met out of the receipts arising in connection with the cable, amounted in the year ended 31st March, 1907, to £54,923 12s. 2d., and a sum of £39,667 1s., representing thirteen-eighteenths of the net expenditure, is therefore recoverable from the colonial Governments, viz. :—

	£	s.	d.
Australia (six-eighteenths)	18,307	17	5
Canada (five-eighteenths)	15,256	11	2
New Zealand (two-eighteenths)	6,102	12	5
	39,667	1	0

I beg to submit that the accompanying account [Enclosure in No. 12], which has been duly certified, be presented to Parliament in compliance with section 7 of "The Pacific Cable Act, 1901."

I have, &c.,

The Secretary to the Treasury.

G. H. HUNT.

No. 18.

The GENERAL MANAGER, Pacific Cable Board, London, to the SECRETARY, General Post Office, Wellington.

SIR,—

The Pacific Cable Board, Queen Anne's Chambers, S.W., 4th October, 1907.

I have the honour to acknowledge the receipt of your letter dated the 21st August, forwarding copies of correspondence between the Secretary to the Auckland Harbour Board and the Public Works Department, Wellington, intimating that the Harbour Board will lay down, free of cost, water-pipes, meters, hydrants, &c., on the wharf erected for the use of H.M.C.S. "Iris," on the distinct understanding that the rates and charges for the supplying of water to shipping will be levied for all water that may be taken from this wharf.

The Pacific Cable Board will be obliged if you will convey to the Minister for Public Works, and to the Harbour Board, their thanks for this concession.

The commander of H.M.C.S. "Iris" will be duly advised.

I have, &c.,

C. H. REYNOLDS,

The Secretary, General Post Office, Wellington.

General Manager.

No. 19.

The UNDER-SECRETARY, Colonial Secretary's Office, to the SECRETARY, General Post Office, Wellington.

(Memorandum.) Colonial Secretary's Office, Wellington, 22nd October, 1907.
In reply to your memorandum of the 18th instant [not printed] I have to inform you that on the 2nd ultimo the High Commissioner was authorised to pay the sum of six thousand one hundred and two pounds twelve shillings and five pence (£6,102 12s. 5d.), being New Zealand's contribution towards the deficiency on the working of the Pacific cable during year ended 31st March, 1907.

HUGH POLLEN, Under-Secretary.

The Secretary, General Post Office, Wellington.
[P.C. Fin. 07/25.]

No. 20.

The SECRETARY, General Post Office, Wellington, to the UNDER-SECRETARY, Public Works Department, Wellington.

(Memorandum.) General Post Office, Wellington, 21st November, 1907.

Provision by Auckland Harbour Board, without Charge, of Water-pipes, Meters, Hydrants, &c., on Wharf erected for H.M.C.S. "Iris" at Auckland.

THE Pacific Cable Board was duly informed of the Auckland Harbour Board's decision on the above-noted matter. I am now in receipt of a reply from the General Manager, Pacific Cable Board, asking that the Board's thanks be conveyed to the Minister for Public Works and to the Auckland Harbour Board for the concession granted. As the negotiations were conducted by your Department, I shall be glad if you will suitably communicate with the Auckland Harbour Board.

D. ROBERTSON, Secretary.

The Under-Secretary, Public Works Department, Wellington.
[P.C. Stns. 07/22.]

No. 21.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES, London, to His Excellency the GOVERNOR, Wellington.

MY LORD,—

Downing Street, 3rd December, 1907.

With reference to my despatch of the 8th August I have the honour to request that you will be so good as to inform your Ministers that Sir H. W. Primrose, K.C.B., retired from the Chairmanship of the Board of Inland Revenue on the 28th October, from which date he will be entitled to receive the salary of £600 a year payable to the Chairman of the Pacific Cable Board.

I have, &c.,
ELGIN.

Governor the Right Honourable Lord Plunket, K.C.M.G., K.C.V.O., &c.
[Tel. 08/46(9).]

DIVERSION OF TRAFFIC: TELEGRAPHISTS' STRIKE, UNITED STATES.

No. 22.

The ACCOUNTANT, General Post Office, Wellington, to the SUPERINTENDENT, Pacific Cable Station, Doubtless Bay.

(Telegram.)

Wellington, 18th April, 1907.

HAVE received the following from Superintendent, Wakapuaka: "I beg to state that any messages from New Zealand diverted to the Pacific route *via* Southport owing to the interruption of the New Zealand land-lines must be charged the full rate of threepence per word for the Extension cable section." Your service twenty-first January states Extension had agreed to settlement on proportions based on Convention Regulations forty-two, paragraphs one and two, and seventy-six, paragraphs five and seven, and that this agreement embraced messages diverted from New Zealand as well as from the Commonwealth. Perhaps you had better advise Mr. Milward and ascertain the position.

[P.C. Diver. 07/53.]

No. 23.

The SUPERINTENDENT, Pacific Cable Station, Doubtless Bay, to the ACCOUNTANT, General Post Office, Wellington.

(Telegram.)

Doubtless Bay, 15th May, 1907.

FOLLOWING received from Mr. Milward: "Re diverted traffic: Secretary, Melbourne, writes Extension Company would not consent to a future apportionment on the basis indicated for the diverted traffic of December third last. They quote Berne's ruling contained in General Manager's letter [No. 2, F.-8, 1906]. Am doubtful if such ruling applicable to such cases, and am submitting whole question to London for further reference to Berne if General Manager considers necessary. In any case *pro rata* settlement can only be affected in cases when messages diverted by Australia or New Zealand as original terminal Administrations. *Pro rata* settlement must hold when messages diverted at Norfolk Island for either Australia or New Zealand, as in such cases diversion is made whilst message in course transmission, and by an intermediate Administration. Feel confident Board would rather lose Extension Company's proportion than that extra charges should be collected from sender on international messages. Mr. Scott's letter does not say what attitude his Department will take as regards their terminal rates in cases when messages diverted by New Zealand *via* Australia to Southport. Have asked for information on this point."

[P.C. Diver. 07/54.]

No. 24.

The ACCOUNTANT, General Post Office, Wellington, to the OFFICER IN CHARGE, Telegraph Office, Wakapuaka.

(Memorandum.)

General Post Office, Wellington, 21st May, 1907.

BE good enough to inform the Superintendent, Extension Company, that the question of *pro rata* rates during interruption to New Zealand land-lines, causing diversion of cable messages, is under consideration, and that we are corresponding with Mr. Warren on the subject. This Department, however, claims the right to divert cable messages from New Zealand routed Pacific to *via* Extension and Southport, at *pro rata* rates, for the first twenty-four hours, under Convention Regulation LXXVI.

W. R. MORRIS, Accountant.

The Officer in Charge, Telegraph Office, Wakapuaka.

[P.C. Diver. 07/54.]

No. 25.

The SECRETARY, General Post Office, Wellington, to the DIRECTOR, International Bureau of Telegraphic Administrations, Berne.

SIR,—

General Post Office, Wellington, 23rd May, 1907.

I have the honour to inform you that it has come under notice that the entry relating to this Administration on page 113 of the International Telegraph Convention and Service Regulations, London Revision, 1903, does not indicate the transit-rate levied by this Department on messages exchanged with the Australian Commonwealth and on all other messages. The transit-rate in each case is the same as the terminal rate, and I shall be glad if you will so notify Telegraphic Administrations.

I have, &c.,

D. ROBERTSON, Secretary.

The Director, International Bureau of Telegraphic Administrations, Berne.

Tel. 07/300(1).]

No. 26.

The SUPERINTENDENT, Eastern Extension Company, Wakapuaka, to the OFFICER IN CHARGE, Telegraph Office, Wakapuaka.

The Eastern Extension, Australasia, and China Telegraph Company (Limited),

SIR,—

Cable Bay, Wakapuaka, Nelson, New Zealand, 24th May, 1907.

With regard to your memorandum of this day's date [not printed] *in re* diverted telegrams from New Zealand: I note that your Accountant is corresponding with the manager of this company in Melbourne on the subject. I beg to state, however, that in the meantime this company can only accept messages diverted by New Zealand owing to the interruption of New Zealand land-lines at the full rate—namely, 3d. per word—under Regulation LXXVI, paragraph 7.

I have, &c.,

P. H. SELFE, Superintendent.

The Officer in Charge, Telegraph Office, Wakapuaka.

[P.C. Diver. 07/54.]

No. 27.

The SUPERINTENDENT, Pacific Cable Station, Doubtless Bay, to the ACCOUNTANT, General Post Office, Wellington.

SIR,—

The Pacific Cable Station, Doubtless Bay, 10th June, 1907.

I have just received the following service telegram from Mr. Milward: "Referring to the proportions to be credited to different Administrations in cases of interruptions on the Auckland—Doubtless Bay or Sydney—Southport wires, the Commonwealth Administration has ruled that, if an interruption takes place before the transmission of a message commences, the higher rate payable for transmission by a more costly route must be collected. This means that on international messages diverted by New Zealand Administration *via* Extension cable and Australian land-lines to Southport, the Board must lose the Extension Company's charge of threepence and Australian rate of fivepence; and on messages diverted by Sydney *via* Extension Company's cable and New Zealand land-lines to Doubtless Bay, the Board will lose the Extension Company's rate of threepence and the New Zealand rate of one penny. Should diversion be necessary before definite instructions are received from London, settlement on the above lines may be made. The *pro rata* settlement for the first twenty-four hours on messages diverted by Norfolk Island (either Australian messages *via* Doubtless Bay or New Zealand messages *via* Southport) still applies, as such diversions can only take place whilst the messages are in course of transmission."

I have, &c.,

C. H. HERTSLET, Superintendent.

The Accountant, General Post Office, Wellington.

[P.C. Diver. 07/54.]

No. 28.

The ACCOUNTANT, General Post Office, Wellington, to the SUPERINTENDENT, Pacific Cable Station, Doubtless Bay.

(Telegram.)

Wellington, 18th June, 1907.

YOURS dated 10th instant: Under what regulations does Commonwealth rule that this Administration has no power to divert cable messages during interruption at *pro rata* rates? Seeing that the *pro rata* rates lately agreed upon were fixed at the instance of Commonwealth and our accounts have been rendered on their basis, the position now assumed by them is inconsistent. If your Board is accepting the loss—presumably after strong protests—under the new revision it would be better to advise a rate for messages routed Extension and Southport.

[P.C. Diver. 07/54.]

No. 29.

The SUPERINTENDENT, Pacific Cable Station, Doubtless Bay, to the ACCOUNTANT, General Post Office, Wellington.

(Telegram.)

Doubtless Bay, 18th June, 1907.

THE matter was arranged by Mr. Milward, who is now on "Iris" between Suva and Fanning. I cannot say for certain, but presume under Regulation 42, paragraphs 1 and 2. See Regulation 76, paragraph 5, also Berne's ruling, 29th May, 1905. [Enclosure 2 in No. 2, F.-8, 1906.]

[P.C. Diver. 07/54.]

No. 30.

The MANAGER IN AUSTRALASIA, Eastern Extension Company, Melbourne, to the SECRETARY, General Post Office, Wellington.

The Eastern Extension Australasia and China Telegraph Company (Limited),
Melbourne, 21st June, 1907.

SIR,—

I have the honour to acknowledge the receipt of your letter [No. 24, F.-8, 1907] of the 13th instant, replying to mine of the 26th April last [No. 21, F.-8, 1907], respecting the charges to be made for the transit over my company's New Zealand cables of diverted telegrams.

I note that your Administration differs from the views put forward in my letter, and that I appear to construe the Convention regulations in order to obtain for senders "*via* Eastern" an advantage denied to senders "*via* Pacific."

By the operation of the Convention regulations a small advantage certainly exists as mentioned by you, but this appears to be unavoidable. When the company's cables to Sydney are interrupted, messages for Europe marked "*via* Eastern" can reach that route *via* the Pacific cable to Southport without disturbing the message accounts at all. Your own Administration decided that our cables to Australia were regarded by your Department as merely local ones and not forming an integral part of the company's system, by diverting all unrouted messages to China, South Africa, &c., *via* the Pacific cable to Southport, and advertising the route in your Postal Guide as "*via* Direct." I have questioned this action, but your Department construed the Convention otherwise and I said no more on the subject; although I still consider it very unfair, as "*via* Pacific" is not the "*direct*" route for messages to those places.

On the other hand, with any part of the Pacific cable route interrupted between Auckland and Norfolk Island, messages can only reach the Pacific route by way of Australia, and to go this way the transit rates of my company and the Commonwealth, amounting to 8d. per word additional, are incurred.

The cases are therefore not at all parallel, and neither the company nor the Commonwealth can be expected to transmit these messages free in order to oblige the sender when the normal route "via Eastern" is open, under which they would both get their ordinary transit rates.

With regard to the American traffic, I fail to see anything illogical in my view. There are two normal routes to Great Britain, but only one to America, and when the latter is interrupted there is not a second normal route open to fall back upon.

Your Administration takes a contrary view to that given by Berne as to the right of a terminal Administration to divert, but your reference to the words "Including the Administration which occasioned the diversion" only confirms Berne's view, as wherever the term "rate" is mentioned in the paragraph containing the words you refer to it is the "transit" rate, and it follows that the Administration occasioning the diversion must be an intermediate one. That this is the prevailing view is supported by the circumstance that in all cases where deviated telegrams enter into the international accounts the terminal taxes under the present regulations are treated in full.

I am submitting the correspondence to my head office for consideration, but in the meantime the charges over the company's New Zealand cables for diverted telegrams, as mentioned in my letter of the 26th April last, will be claimed.

I have, &c.,

W. WARREN,

Manager in Australasia.

The Secretary, Post and Telegraph Department, General Post Office, Wellington, N.Z.

[Acknowledged 3rd July, 1907.]

[P.C. Diver. 07/47.]

No. 31.

The ACCOUNTANT, General Post Office, Wellington, to the SUPERINTENDENT, Pacific Cable Station, Doubtless Bay.

General Post Office (Accountant's Branch), Wellington,

29th June, 1907.

(Memorandum.)

I HAVE to acknowledge receipt of your communication of the 10th instant, intimating that your Board is prepared to bear the extra cost of messages diverted to Extension and Southport during interruption to your route by reason of failure on our land-lines. In reply I have to state that this Department will divert as heretofore, but credit forward on the basis of full rates to the Extension and Commonwealth, leaving to your Southport Station the question of any adjustment with the Commonwealth that may be necessary.

I attach for your information copies of letters [Nos. 26 and 30] that have passed between this Department and the Eastern Extension Company with reference to *pro rata* rates for the first twenty-four hours of interruption.

W. R. MORRIS, Accountant.

The Superintendent, Pacific Cable Station, Doubtless Bay, Auckland.

[P.C. Diver. 07/54A.]

No. 32.

The DEPUTY POSTMASTER-GENERAL, Sydney, to the SECRETARY, General Post Office, Wellington.

Commonwealth of Australia, Postmaster-General's Department,

General Post Office, Sydney, 9th July, 1907.

SIR,—

With reference to your communication of the 14th ultimo [not printed], and previous correspondence [Nos. 20 and 22, F.—8, 1907], relative to the allocation of charges on a number of international and Fijian cable messages diverted from the Pacific to the Eastern route on the 2nd August, 1905, I have the honour to point out that the claim in connection with the messages referred to was put in circulation prior to March, 1906, and was therefore within the time allowed in paragraph 5 of Regulation LXXIX, but, unfortunately, a communication bearing on the matter was mislaid, and action was thereby delayed until a copy of the missing communication had been obtained.

I may add that it is considered that the regulation (LXXVI, paragraph 5), in respect of the division of charges on traffic diverted from the normal route during an interruption, clearly shows that the claim set up is justifiable, and it is hoped that your Department will, upon reconsideration, see its way clear to allow the refund asked for.

I have, &c.,

E. J. YOUNG,

Deputy Postmaster-General.

The Secretary, General Post Office, Wellington.

[P.C. Diver. 07/61.]

No. 33.

The SECRETARY, General Post Office, Wellington, to the DEPUTY POSTMASTER-GENERAL, Sydney.

General Post Office, Wellington, 8th August, 1907.

SIR,—

I have the honour to acknowledge the receipt of your letter of the 9th ultimo, relative to the allocation of charges on a number of international and Fijian cable messages for New Zealand diverted from the Pacific to the Extension route on the 2nd August, 1905.

3—F. 8.

In reply, I have to inform you that there does not appear to be any reason disclosed in your letter, now under reply, to cause this Department to reverse or qualify the decision conveyed in my letter of the 4th June last [No. 22, F.—8, 1907]. I would emphasize the fact that on at least three previous occasions our accounts for diverted messages were rendered on a similar basis, and your office did not then take any exception to the allocation of charges. The diversion of traffic referred to occurred as far back as the 2nd August, 1905; and the papers in my possession do not show that the claim for a recredit was taken up prior to the 8th April last. It is clear that these facts put any claim of right for a refund entirely aside.

However, it has been decided to allow the refund as an act of grace. A recredit has been arranged, and will be given in the accounts for the period July 16–23.

I have, &c.,

D. ROBERTSON, Secretary.

The Deputy Postmaster-General, Sydney.

[P.C. Diver. 07/63.]

No. 34.

The SUPERINTENDENT, Pacific Cable Station, Doubtless Bay, to the SECRETARY, General Post Office, Wellington.

SIR,—

Pacific Cable Station, Doubtless Bay, 8th August, 1907.

In reply to the letter dated the 29th June (signed by the Accountant), I beg to forward you a copy of a letter from the General Manager, addressed to Mr. Milward, from which it will be seen that the Board is prepared to accept traffic at the usual rate when the land-line is interrupted between Auckland and Doubtless Bay: and, further, the Board will pay the Eastern Extension Company and the Commonwealth full transit rates on all messages diverted *via* Waka-puaka and Southport for Norfolk Island and north thereof.

I may mention that the paragraph referring to cases (e) and (f) deals with the *pro rata* settlement for the first twenty-four hours on messages diverted by Norfolk Island: this still applies, as such diversions can only take place while messages are in course of transmission.

I have, &c.,

C. L. HERTSLET, Superintendent.

The Secretary, General Post Office, Wellington.

[Acknowledged 26th August, 1907.]

P.C. Diver. 07/66.]

Enclosure in No. 34.

The GENERAL MANAGER, Pacific Cable Board, London, to the CHIEF ELECTRICIAN, Pacific Cable Board, Sydney.

The Pacific Cable Board, Queen Anne's Chambers, Tothill Street, Westminster, London, S.W., 20th June, 1907.

SIR,—
With reference to your letter dated the 14th May [not printed], you will see by the latter part of my letter dated the 8th January [Enclosure 8 in No. 19, F.—8, 1907] that the Board does not wish, in the case of an interruption lasting more than twenty-four hours, the entire Pacific cable route to be practically closed because of an interruption on one of the two routes south of Norfolk Island, and that it is prepared to leave the tariff unchanged as regards the public, and pay the full rates of the Australian and New Zealand Governments and the Extension Company's cable for the diverted telegrams on sections south of Norfolk Island.

In the case of interruptions less than twenty-four hours, it was understood that the charges, at the wish of the Commonwealth Post Office, should be dealt with *pro rata* under Regulations 42/2, 76/5, and 76/7 of the Convention. If under Berne's ruling the *pro rata* arrangement cannot be applied within the twenty-four hours to cases of messages *originating* in Australia and New Zealand and diverted as far as Norfolk Island to rejoin the Pacific route (and I think such is the case), we shall have to treat such messages within the twenty-four hours in the manner already arranged for interruptions lasting more than twenty-four hours, and give up the full charges, leaving the charge to the public unaffected. There is no objection to this, and I shall be glad if you will advise the Australian and New Zealand Post Offices accordingly. In other words, so long as the Pacific route is open by one route to Norfolk Island, and is also right beyond, we do not wish that the route should be considered interrupted in any way, either for twenty-four hours or longer, and booking should go on as usual. Upon any diverted telegrams on sections south of Norfolk Island we would pay full rates as usual.

Having provided by the institution of an office at Norfolk Island, with the assistance of the Extension Company's cable, an alternative route from Australia and New Zealand to that island, it would be entirely wrong to treat the Pacific route as interrupted because one of the alternatives to Norfolk Island might happen to be closed.

I agree with you as regards cases (e) and (f) in your letter under reply, but such cases will be very few, I hope.

Please advise Messrs. Judd and Hertslet of the contents of this letter.

I have, &c.,

C. H. REYNOLDS,

General Manager.

J. Milward, Esq., Chief Electrician, Pacific Cable Board, Sydney.

No. 35.

The Right Hon. the PRIME MINISTER to the HIGH COMMISSIONER.

(Telegram.)

Wellington, 21st August, 1907.

UNUSUAL delay across Canada cables to from New Zealand, July, August, due slow working, not strike. Make suitable representations.

[P.C. Time Occ. 07/73.]

No. 36.

The OFFICER IN CHARGE, Telegraph Office, Wakapuaka, to the SECRETARY, General Post Office, Wellington.

(Telegram.)

Wakapuaka, 22nd August, 1907.

BERNE advises in consequence of strike of telegraphists telegrams for all offices in United States of America except New York and Boston are subject to delay and may only be accepted at senders' risk.

[P.C. Interr. 07/60.]

No. 37.

The SUPERINTENDENT, Pacific Cable Station, Doubtless Bay, to the SECRETARY, General Post Office, Wellington.

(Telegram.)

Doubtless Bay, 22nd August, 1907.

GIVE notice to New Zealand, referring twice-weekly service arranged for American cablegrams, mail for Seattle will close at Bamfield Creek on Mondays and Thursdays at 9.30 a.m. New Zealand time.

[P.C. Interr. 07/60.]

No. 38.

The MANAGER IN AUSTRALASIA, Eastern Extension Company, Melbourne, to the SECRETARY, General Post Office, Wellington.

(Telegram.)

Melbourne, 22nd August, 1907.

MESSAGES to New York and Boston can be accepted *via* Eastern as usual. They can also be accepted to other places in United States at senders' risk and subject to delay. Messages to San Francisco can be accepted *via* Eastern, Manila; rate six shillings and fourpence [eightpence] per word.

[P.C. Interr. 07/60.]

No. 39.

The OFFICER IN CHARGE, Telegraph Office, Wakapuaka, to the SECRETARY, General Post Office, Wellington.

(Telegram.)

Wakapuaka, 22nd August, 1907.

BERNE advises telegrams for Far East, Antilles, &c., transiting by United States America, are not subject to delay.

[P.C. Interr. 07/62.]

No. 40.

The SUPERINTENDENT, Pacific Cable Station, Doubtless Bay, to the SECRETARY, General Post Office, Wellington.

(Telegram.)

Doubtless Bay, 23rd August, 1907.

THE actual conditions existing now are as follows: The Anglo and Commercial are unaffected by strike. The Direct and Western Union are cut off through Western Union strike in Montreal and Toronto, as well as in New York. The French, whose business must circulate *via* New York, also cut off by strike. German Atlantic Company unaffected, as their business circulates *via* Canso, and does not touch American land-lines.

[P.C. Interr. 07/64.]

No. 41.

The SUPERINTENDENT, Pacific Cable Station, Doubtless Bay, to the SECRETARY, General Post Office, Wellington.

(Telegram.)

Doubtless Bay, 23rd August, 1907.

SUPERINTENDENT, Bamfield, wires, "Bamfield mail probably late to-day owing thick fog. Just completed batch delayed Western Union messages from United Kingdom and United States America, reached here undated, sent to me by Wilson, Vancouver, pending result of negotiations with Telegraphers' Union about our American traffic. Am sorry to say the result is that the embargo is to be strictly maintained. Will do utmost obtain correct filing-dates, but may be difficult. The posting arrangement from Bamfield stands."

[P.C. Interr. 07/64.]

No. 42.

The SUPERINTENDENT, Pacific Cable Station, Doubtless Bay, to the SECRETARY, General Post Office, Wellington.

(Telegram.)

Doubtless Bay, 23rd August, 1907.

FOLLOWING from Bamfield: "Owing to dispute over handling of American cables with Canadian Pacific Railroad executive, men at Montreal, Winnipeg, and Vancouver have ceased work pending result of conference now proceeding. No work circulating. Will keep you advised. May resume any moment."

[P.C. Interr. 07/65.]

No. 43.

The SUPERINTENDENT, Pacific Cable Station, Doubtless Bay, to the SECRETARY, General Post Office, Wellington.

(Telegram.)

Doubtless Bay, 23rd August, 1907.

FOLLOWING from Bamfield: "Am now handling our business personally with Wilson (Manager). No result yet known of conference."

[P.C. Interr. 07/65.]

No. 44.

The SUPERINTENDENT, Pacific Cable Station, Doubtless Bay, to the SECRETARY, General Post Office, Wellington.

(Telegram.)

Doubtless Bay, 23rd August, 1907.

FROM Bamfield, 5 p.m.: "Manager Vancouver advises all men returned work pending result meeting to-morrow. Our business will go through in normal time. Wires O.K., and we are up with Homeward cables."

[P.C. Interr. 07/66.]

No. 45.

The SUPERINTENDENT, Pacific Cable Station, Doubtless Bay, to the SECRETARY, General Post Office, Wellington.

(Telegram.)

Doubtless Bay, 26th August, 1907.

FOLLOWING from Bamfield: "Strike position in United States remains about the same. To San Francisco, Chicago, New York, and Boston delay is very little above normal, as direct wires exist between Canada and these offices with exception of San Francisco, to which Seattle relays. Companies claim to be handling ordinary traffic successfully, and cables have special attention. The removal of all restrictions across Canada makes position favourable to our business."

[P.C.] Interr. 07/67.]

No. 46.

The Right Hon. the PRIME MINISTER to the HIGH COMMISSIONER.

SIR,—

Prime Minister's Office, Wellington, 29th August, 1907.

I have the honour to confirm my cable message of the 21st instant as follows: [No. 35.]

There has been a very great deal of complaint from Reuter's agents in New Zealand of delays which have occurred on the Pacific route for some weeks past. This slow working was common previous to the strike of telegraphists in America. In some cases it appears to have been caused by electrical storms, but, allowing for unavoidable causes, it is evident that some effort must be made to obviate the delays if the Pacific route is to maintain its prestige.

I have, &c.,

J. G. WARD,

Prime Minister.

The Hon. W. P. Reeves, High Commissioner for New Zealand, London.

[P.C. Time Occ. 07/84.]

No. 47.

The HIGH COMMISSIONER to the Right Hon. the PRIME MINISTER.

Westminster Chambers, 13 Victoria Street, London, S.W.,

29th August, 1907.

SIR,—

Referring to your cablegram of the 21st instant, I beg to transmit correspondence with the Pacific Cable Board, by which it will be seen that, in accordance with your instructions, urgent representations have been made as regards the delay which has occurred in the transmission of telegrams across the Canadian Dominion.

I have, &c.,

WALTER KENNAWAY,

For the High Commissioner.

The Right Hon. the Prime Minister, Wellington.

[P.C. Time Occ. 07/110.]

Enclosure 1 in No. 47.

The SECRETARY to the High Commissioner, to the CHAIRMAN, Pacific Cable Board.

SIR,— 13 Victoria Street, London, S.W., 22nd August, 1907.

I am directed by the High Commissioner to inform you that he has to-day received the following cablegram from his Government—namely, [No. 35]—and in reference thereto the High Commissioner would be much obliged if you could give him any information in respect of the delay which is complained of, in order that he may transmit it to his Government.

I have, &c.,

WALTER KENNAWAY.

The Chairman, Pacific Cable Board, Queen Anne's Chambers, Westminster, S.W.

Enclosure 2 in No. 47.

The SECRETARY, Pacific Cable Board, to the HIGH COMMISSIONER FOR NEW ZEALAND.

SIR,— Queen Anne's Chambers, London, S.W., 29th August, 1907.

In reply to your letter of the 22nd August, addressed to the Chairman of the Pacific Cable Board, regarding delays to traffic in Canada, I am directed to inform you that the recent delays have been inquired into by the General Manager, and urgent representations have been made to the Canadian Pacific Railway authorities, and also to all the Atlantic companies concerned.

The strike of telegraphists in the United States, although it has not extended generally to Canada, has, it is reported, disorganized working in that country to some extent, and the slow working is attributed to an insufficient force of men being available. The General Manager is assured that every effort is being made to meet the position.

I have, &c.,

FRED. J. ADYE, Secretary.

The High Commissioner for New Zealand.

No. 48.

The GENERAL MANAGER, Pacific Cable Board, London, to the SECRETARY, General Post Office, Wellington.

Pacific Cable Board, Queen Anne's Chambers, Tothill Street, Westminster,
London, 11th September, 1907.

SIR,—

I have the honour to acknowledge the receipt of your letter [No. 23, F.—8, 1907] dated 13th June.

It was considered desirable to address the Eastern Telegraph Company before preparing any case for the International Office at Berne, as it appeared that Mr. Warren's position, as detailed in his letter to you dated 26th April [No. 21, F.—8, 1907] did not bear examination, and that the reference might prove unnecessary.

I forward for your information copy of my letter of the 31st July to the Eastern Company, and a copy of their letter to Mr. Warren dated 30th August which resulted therefrom. I had also several interviews with the company's officials, and we discussed the matter thoroughly.

The correspondence speaks for itself, and the justice of the claim of the New Zealand Government to route *via* Extension and Southport, or *via* Pacific and Southport, is recognised not merely for the first twenty-four hours of an interruption, but so long as an interruption lasts.

The Pacific Cable Board is prepared to pay out the charges of the Extension Company and of the Australian or New Zealand Governments (as the case may be) in full in the event of an interruption south of Norfolk Island requiring the deviation of Pacific traffic *via* the Extension Company's cables between Wakapuaka and La Perouse. I have already asked Mr. Milward to notify this to you and to the Commonwealth Government. An interruption south of Norfolk Island therefore has no effect on the charges to the public *via* Pacific so long as one route to that island is open, and messages may be booked as usual.

As regards messages *in course of transmission* when an interruption south of Norfolk Island occurs the Convention rules regarding *pro rata* charges would apply during twenty-four hours. Such cases would practically be confined to traffic from the north of Norfolk Island, and the cases would be very rare.

I have, &c.,

C. H. REYNOLDS,

General Manager.

The Secretary, General Post Office, Wellington.

[P.C. Diver. 07—80.]

Enclosure 1 in No. 48.

The GENERAL MANAGER, Pacific Cable Board, London, to the TRAFFIC ACCOUNTANT, Eastern Telegraph Company, London.

SIR,— The Pacific Cable Board, Queen Anne's Chambers, London, 31st July, 1907.

The New Zealand Government has forwarded to this Board a copy of a letter from Mr. W. Warren, dated the 26th April, and as it is not satisfied with the view of the International Regulations taken in that letter, it has suggested that the Pacific Cable Board should state a case to the International Office at Berne.

Before doing so, I think it will simplify matters if I send you a copy of Mr. Warren's letter, and inform you that the New Zealand Government and this Board do not consider that Regulation XLI (3) of the London Revision of the Convention takes away the freedom of a sender in New Zealand to route a Pacific message *via* Sydney and Southport if the direct line south of Norfolk Island happens to be interrupted, any more than it does to prevent an Eastern message to Europe being sent by Pacific and Eastern—*i.e.*, *via* Southport and Sydney—in case of a failure of the Extension cables between New Zealand and Australia.

As you are aware, during the interruption last year of the two cables between Sydney and Wakapuaka, Eastern New Zealand business both from and to the United Kingdom was diverted across the Tasman Sea by the Pacific cable route, and the New Zealand Government respected the wishes of the senders by permitting routing "*via* Pacific and Eastern." According to Mr. Warren's view of the regulation, this apparently should not have been done, and all such messages from New Zealand should have been diverted *via* Pacific to destination, the Eastern route to New Zealand being interrupted; further, no messages should have been booked *via* Eastern in the United Kingdom for the same reason.

To put the case generally, it does not appear that a route should be considered interrupted under Regulation XLI (3) when there is an alternative route over the interrupted section, even though such alternative route may form part of another through route to destination at equal charges by which messages might travel. Any such regulation would greatly impair the value of alternative routes generally, both to the public and to the cable administrations.

As regards the application of *pro rata* charges over the diversion during the first twenty-four hours of interruption, a doubt seems to have arisen in connection with the letter of the Berne office to you of the 29th May, 1905 [Enclosure 2 in No. 2, F.—8, 1906], in reply to your letter of the 22nd idem [Enclosure 1 in No. 2, F.—8, 1906], but whether that is the case or not is of little importance. Under any circumstances, after the twenty-four hours the full rates would have to be allowed to the Administrations concerned over the diverted sections, and even during the first twenty-four hours this would appear to be the simplest way of dealing with the matter.

I shall be glad if you will let me hear from you, and meanwhile I do not propose to refer the matter to Berne, as there appears to be some misunderstanding, which on being explained will render any reference unnecessary.

I have, &c.,

C. H. REYNOLDS,
General Manager.

W. Hibberdine, Esq., Traffic Accountant, Eastern Telegraph Company, London.

Enclosure 2 in No. 48.

The TRAFFIC ACCOUNTANT, Eastern Telegraph Company, London, to the GENERAL MANAGER, Pacific Cable Board, London.

The Eastern Telegraph Company (Limited), Electra House, Finsbury Pavement,
London, 30th August, 1907.

SIR,—

In further reference to your letter on the subject of deviated traffic, we enclose, for your information, copy of our letter to Mr. Warren on this subject.

I have, &c.,

The General Manager, Pacific Cable Board, London.

W. HIBBERDINE,
Traffic Accountant.

Sub-enclosure in Enclosure 2 in No. 48.

The TRAFFIC ACCOUNTANT, Eastern Telegraph Company, to the MANAGER IN AUSTRALASIA, Eastern Telegraph Company, Melbourne.

The Eastern Telegraph Company (Limited), Electra House, Finsbury Pavement,
London, E.C., 30th August, 1907.

SIR,—

I have to acknowledge receipt of your letters of the 27th May and 26th June [not printed] respectively, on the subject of deviated traffic.

NEW ZEALAND AND GREAT BRITAIN AND AMERICA.

Ordered via Pacific.

If the route *via* Norfolk Island is interrupted, either land-line or cable, traffic ordered *via* Pacific passes over the Extension Company's New Zealand cables at the full tariff of 3d. per word.

Ordered via Eastern.

If the route by the Extension Company's cables between Australia and New Zealand is interrupted, either land-line or cables, traffic passes *via* Norfolk Island and Southport, that route receiving the full rate of 3d. per word between New Zealand and Australia.

We do not think here that any question of *pro rata* division arises in this question, and we have agreed to the above principle with the Pacific Cable Board in London.

I have, &c.,

W. HIBBERDINE,
Traffic Accountant.

The Manager, Eastern Telegraph Company (Limited), Melbourne.

No. 49.

The MANAGER IN AUSTRALASIA, Eastern Extension Company, to the SECRETARY, General Post Office, Wellington.

The Eastern Extension Australasia and China Telegraph Company (Limited),
Melbourne, 7th October, 1907.

SIR,— With reference to your letter dated the 13th June last [No. 24, F.—8, 1907], on the subject of deviated traffic, which was submitted to my head office, I have now the honour to inform you that the following view has been taken by this company, and the charge over their New Zealand cables will be made in accordance therewith:—

NEW ZEALAND AND GREAT BRITAIN AND AMERICA.

Ordered via Pacific.

If the route *via* Norfolk Island is interrupted, either land-line or cable, traffic ordered *via* Pacific passes over the Extension Company's cables at the full tariff of 3d. per word.

Ordered via Eastern.

If the route by the Extension Company's cables between Australia and New Zealand is interrupted, either land-line or cables, traffic passes *via* Norfolk Island and Southport, that route receiving the full rate of 3d. per word between New Zealand and Australia.

The traffic accountant adds that the company does not think that any question of *pro rata* division arises in the cases mentioned; and, further, that the above principle has been agreed to by the Pacific Cable Board in London.

I have, &c.,

W. WARREN,

The Secretary, General Post Office, Wellington.

Manager in Australasia.

[Acknowledged 8th November, 1907.]

[P.C. Diver. 07/74.]

No. 50.

The SECRETARY, General Post Office, Wellington, to the GENERAL MANAGER, Pacific Cable Board, London.

SIR,— General Post Office, Wellington, 8th November, 1907.

I have the honour to acknowledge the receipt of your letter of the 11th September last, with respect to the allocation of charges on diverted cable traffic south of Norfolk Island.

I am pleased to learn from the copy of the correspondence which you forwarded for my information that the Eastern Extension Company now recognises the right of this Department to route cable messages *via* Eastern and Southport or *via* Pacific and Southport for the whole period of any telegraphic interruption, instead of for the first twenty-four hours only.

I also note that your Board will bear the extra cost of the messages in such cases, so that the charge to the sender may be the same by both routes; also that, as regards inward messages in course of transmission when an interruption south of Norfolk Island occurs, the Convention rules regarding *pro rata* charges would apply during twenty-four hours, but that such cases would be very rare, and would practically be confined to traffic from the north of Norfolk Island.

I have, &c.,

D. ROBERTSON, Secretary.

The General Manager, Pacific Cable Board, London.

[P.C. Diver. 07/83.]

No. 51.

The MANAGER IN AUSTRALASIA, Eastern Extension Company, Melbourne, to the SECRETARY, General Post Office, Wellington.

SIR,— Melbourne, 31st January, 1908.

I have the honour to bring under your notice that on the 16th instant seventy-five messages were diverted from "*via Pacific*" to "*via Eastern*," owing to the interruption of the Pacific route, on which there was very heavy delay shown, presumably through the messages having been held too long before diverting them, which delay this company was not responsible for, although, apparently, the receivers considered it was, as several complaints have been received from them about the delay. I therefore beg to suggest that whenever an interruption to *either route* occurs messages should at once be diverted to the route that is working well, as it is very unfair to senders and receivers that their messages should be subjected to unnecessary delay in their transmission.

I have, &c.,

W. WARREN,

The Secretary, General Post Office, Wellington.

Manager in Australasia.

[E.E. Misc. 08/15.]

No. 52.

The SECRETARY, General Post Office, Wellington, to the MANAGER IN AUSTRALASIA, Eastern Extension Company, Melbourne.

SIR,—

General Post Office, Wellington, 13th February, 1908.

I have the honour to acknowledge the receipt of your letter of the 31st ultimo, suggesting, in connection with a delay in diverting messages on the 16th idem from the Pacific to the Eastern route, that whenever an interruption occurs to either route messages should be diverted to the other at once.

In reply, I have to state that the delay referred to did not rest with this Department. I will bring your suggestion under the notice of the Superintendent, Pacific Cable Station, Doubtless Bay, and inform you of his reply.

I have, &c.,

D. ROBERTSON, Secretary.

The Manager in Australasia, Eastern Extension Australasia and China
Telegraph Company (Limited), Melbourne.

[E.E. Misc. 08/27.]

No. 53.

The SECRETARY, General Post Office, Wellington, to the SUPERINTENDENT, Pacific Cable Station, Doubtless Bay.

(Memorandum.)

General Post Office, Wellington, 19th February, 1908.

Interruption of Cable: Diversion of Messages.

THE Manager in Australasia, Eastern Extension Australasia and China Telegraph Company, in a letter, of which I attach a copy, suggests that whenever an interruption to either route occurs messages should be diverted to the other at once. I have informed Mr. Warren that the delay referred to did not rest with this Department, and that I would bring his suggestion under your notice and inform him of your reply.

D. ROBERTSON, Secretary.

[E.E. Misc. 08/31.]

No. 54.

The MANAGER IN AUSTRALASIA, Eastern Extension Company, Melbourne, to the SECRETARY, General Post Office, Wellington.

The Eastern Extension Australasia and China Telegraph Company (Limited),
Melbourne, 20th February, 1908.

SIR,—

I have the honour to acknowledge the receipt of your letter of the 13th instant, and to thank you for the action taken *in re* delay in diverting messages whenever an interruption occurs to either route; and I hope my suggestion will appeal to the Superintendent of the Pacific Cable Station, Doubtless Bay, as being the proper course to take in order to avoid delay in the transmission of messages from and to your Dominion.

I have, &c.,

W. WARREN,

Manager in Australasia.

The Secretary, General Post Office, Wellington

[E.E. Misc. 08/34.]

No. 55.

The SUPERINTENDENT, Pacific Cable Station, Doubtless Bay, to the SECRETARY, General Post Office, Wellington.

Pacific Cable Station, Doubtless Bay, 4th March, 1908.

SIR,—

Diverted Traffic.

I beg to acknowledge the receipt of your memorandum dated the 19th ultimo, forwarding me a copy of a letter addressed to you by W. Warren, Esq., Manager in Australasia, for the Eastern Extension Company, having reference to diverted traffic on the 16th January last.

On the date in question the interruption was between Southport and Sydney. The matter of ordering diversion was therefore out of my jurisdiction. I have made it a rule not to hold traffic for long periods when troubles exist between here and Auckland. I consider one hour is a fair limit, unless the exact position of the fault is known, and restoration therefore expected at any moment. Luckily, line-troubles between Doubtless Bay and Auckland have been few and far-between of late.

I am inclined to agree with Mr. Warren, and I will suggest to the Board's General Manager that diversions should take place within, say, half an hour of interruptions. This system would be the means of preventing heavy delays to intercolonial business, and would be appreciated by our clients, who would not be slow to recognise that in event of temporary interruptions the State cable would not hold their messages pending restoration, but would at once forward them by another route if available. I think the value of the confidence which the Pacific would gain from cable-users would more than compensate for the monetary loss it would sustain.

I will ask the General Manager if he thinks it would be advisable to arrange for free services to be exchanged in event of troubles. For instance, it would be a great advantage to our system if Doubtless Bay could communicate with New Zealand *via* Extension when we are cut off from Auckland; and a similar advantage would accrue to Southport and Sydney if they could get a service through when that section is in trouble. The principal information would be a reply to such a service as "What prospect of restoration? Shall we divert?" or "Prospects of restoration poor; please divert." The Extension to have the same privilege when desiring to communicate with Sydney or Wakapuaka *via* Pacific.

I have, &c.,

C. L. HERTSLET, Superintendent.

The Secretary, General Post Office, Wellington.

[E.E. Misc. 08/44.]

No. 56.

The SECRETARY, General Post Office, Wellington, to the MANAGER IN AUSTRALASIA, Eastern Extension Company, Melbourne.

SIR,—

General Post Office, Wellington, 20th March, 1908.

I have the honour to refer to your letter of the 20th ultimo and previous correspondence, concerning your suggestion that whenever an interruption occurred to either the Pacific or the Eastern route the telegrams should be diverted to the other route at once.

As promised, the matter was brought under the notice of the Superintendent, Pacific Cable Station, Doubtless Bay, who notifies that, as the interruption to the cable on the 16th January last took place between Southport and Sydney, the diversion of the traffic on that day was arranged by his Board's superintendent at Southport. Mr. Hertslet expresses the opinion that, in the case of any interruption to the cable under his control, there will be no delay in future in diverting the traffic.

I have, &c.,

D. ROBERTSON, Secretary.

The Manager in Australasia, Eastern Extension Australasia and China
Telegraph Company (Limited), Melbourne.

[E.E. Misc. 08/46.]

LISBON INTERNATIONAL TELEGRAPH CONFERENCE.

No. 57.

The DIRECTOR, International Bureau of Telegraphic Administrations, Berne, to the SECRETARY, General Post Office, Wellington.

International Bureau of Telegraphic Administrations, Berne,

SIR,—

12th January, 1907.

During the course of the last sitting of the London Conference [1903] the Administrations belonging to the Telegraph Union decided to hold their next Conference at Lisbon during the course of the year 1908.

In order to admit of the preparation of the business to be laid before this Conference in accordance with the conditions laid down in paragraph 11 of Article LXXXIV of the London Regulations, I have the honour, together with the Administration of Portugal, to ask you to forward me the text of any additions or alterations which your Administration might wish to make in the regulations or in the tariff.

I should be obliged if you would forward these proposals before the 1st September, so that I may be in a position to submit the proposals in their entirety to the different offices in ample time to allow each of them an opportunity of examining and studying them before the Conference meets.

I have, &c.,

E. FREY, Director.

The Secretary, General Post Office, Wellington.

[Tel. 07/300.]

No. 58.

The SECRETARY, General Post Office, Wellington, to the DIRECTOR, International Bureau of Telegraphic Administrations, Berne.

SIR,—

General Post Office, Wellington, 28th May, 1907.

I have the honour to acknowledge the receipt of your circular letter of the 12th January last, asking whether this Administration had any suggestions to offer for the agenda paper of the Lisbon Telegraph Conference of 1908, and, in reply, to inform you that at present this Administration has no proposal of business to make except to suggest that a terminal office should have the same powers as to diversion of traffic, when telegraphic communication is interrupted on any international line, as offices *en route* at present have.

I have, &c.,

D. ROBERTSON, Secretary.

The Director, International Bureau of Telegraphic Administrations, Berne.

[Tel. 07/300.]

4—F. 8.

No. 59.

The CHIEF ELECTRICIAN AND INSPECTING OFFICER, Pacific Cable Board, Sydney, to the SECRETARY, General Post Office, Wellington.

Pacific Cable Board, Devon Chambers, 40 Hunter Street, Sydney,
29th July, 1907.

SIR,—

By direction of the General Manager to the Pacific Cable Board, I have the honour to attach, for your information, a copy of a letter received from him on the subject of suggestions to be put forward by the associated telegraph companies for consideration at the Congress of the Administrations of the Telegraphic Union, to be held at Lisbon during the year 1908.

I have, &c.,

J. MILWARD,

Chief Electrician and Inspecting Officer.

The Secretary, General Post Office, Wellington.

[Tel. 07/1001.]

Enclosure 1 in No. 59.

The GENERAL MANAGER, Pacific Cable Board, London, to the CHIEF ELECTRICIAN, Sydney.
Pacific Cable Board, Queen Anne's Chambers, Tothill Street, Westminster,

SIR,—

London, S.W., 17th June, 1907.

Your letter dated the 3rd May [not printed]: I send for your information, and for communication to Mr. Scott and to the New Zealand Post Office, copy of some proposals adopted by a number of cable companies, including the Eastern group, which has been laid before the General Post Office. You will notice that I attended the meeting (by invitation).

Except Canada, all the Governments owning the Pacific cable are represented in the International Telegraph Union, and I explained to the meeting that those Governments would no doubt put forward their own proposals for the Conference in due course, and that I could not co-operate in putting forward those joint proposals on behalf of the Board in the way a cable company would. I stated, however, that in my opinion the proposals of the companies were generally in the right direction, and that they would tend, if adopted, to remove many causes of friction and trouble that both the public and the cable administration laboured under, under the regulations now in force.

I yesterday called at the General Post Office, and was informed that the proposals of the companies were being studied, and that later on some meetings and discussions would be held to which I would be invited. Meanwhile, it was recognised it could only do good for the proposals of the companies to be brought to the notice of the Australian and New Zealand Governments, if not already done. No doubt the British Post Office will put forward later on some modifications and proposals of their own, and the Australian and New Zealand Governments will also do so.

I think you will agree with me that it will be very satisfactory if the rules are relaxed so as to allow the public in code messages to combine ordinary words, or parts of words, into ten-letter or less groups, even if the meaning of the group is pretty obvious. Such amateur coding of trading terms, &c., is much easier for us to transmit than the code-words now so largely adopted, and will involve fewer errors and telegraphic correction services. The public, too, will be glad to be relieved of elaborately coding every word of their messages by being allowed to use such combinations, and the general opinion is that cablers will often send a few words extra in their messages if such easily made combinations are allowed, to the benefit of cable finances.

I have, &c.,

C. H. REYNOLDS,

General Manager.

J. Milward, Esq., Chief Electrician, Sydney.

Enclosure 2 in No. 59.

Mr. W. HIBBERDINE, London, to the SECRETARY, General Post Office, London.

Electra House, Finsbury Pavement, London, E.C., 13th May, 1907.

SIR,—

Lisbon Conference.

In further reference to your letter [not printed] of the 2nd February last, I am directed to inform you that a meeting of the representatives of various Administrations carrying on telegraph business with the East was held at these offices on Thursday, the 2nd instant, when the enclosed propositions for the modification of the London Revision (1903) of the Telegraph Regulations were unanimously adopted.

I should point out that the proposals would necessitate various other alterations in the wording of the regulations besides those mentioned.

The companies represented at the meeting were Eastern Telegraph Company, Eastern Extension Australasia and China Telegraph Company, Eastern and South African Telegraph Company, West Africa Telegraph Company, Black Sea Telegraph Company, Indo-European Telegraph Company, Great Northern Telegraph Company. Mr. Reynolds, General Manager of the Pacific Cable Board, was also present.

It was arranged that these propositions should be sent to the Secretary of the General Post Office, and also to the Director-in-Chief of the Indo-European Telegraph Department, in order that they might be submitted to the British and Indian Governments.

The associated companies carrying traffic with South America are also in agreement with the propositions put forward.

I have, &c.,

W. HIBBERDINE.

The Secretary, General Post Office, London.

Sub-enclosure to Enclosure 2 in No. 59.

PROPOSITIONS FOR DISCUSSION AT THE INTERNATIONAL TELEGRAPH CONFERENCE, LISBON, 1908.

1. *Counting of Code-words, pronounceable Combinations, &c.*

DELETE the last sentence of section 4 of Article VIII of the regulations, as follows: "Nevertheless those which may be formed by the union of two or more words in plain language contrary to the usage of the language are not admitted."

This regulation has given rise to more disputes at the counters of the associated companies and to more correspondence than any other regulation of the Convention.

The associated companies agree with the view taken by the public that they can see no logical reason why, if the Telegraph Administration and companies are prepared to accept "ababababab," they will not accept "canyoucome," or "buyonenow."

The rule is also against the financial interests of all telegraph Administrations, as a firm would often send their messages in plain language, to save the time occupied in coding and decoding the message, if the rules permitted the telegram being written in plain language and divided up into pronounceable combinations for purposes of taxation.

2. *Deviated Traffic.*

Delete the following words from the first paragraph of section 2 of Article XLII: "if they are presented at the office which has to retransmit them within a maximum period of twenty-four hours following the notification of the interruption"; and substitute the following: "if there is available a route, or routes, which has signified its willingness to accept deviated traffic at lower tariff than its normal rates, either for the first period of twenty-four hours' interruption, or for the whole term of the interruption of the normal interrupted route."

Article LXXVI, section 5: Delete second paragraph, and substitute following:—

"In the case of traffic originating in or destined for countries situated outside Europe, telegrams can be transmitted by a more expensive route if special arrangements have been made as shown in Table C, under the conditions stated in Article XLII, section 2."

General Remarks.

The alteration made at the London Conference, permitting extra-European telegrams to be diverted by a dearer route in case of interruption of a normal route, has given rise to misunderstanding and correspondence between the Administrations affected.

The chief points raised have been,—

- (a.) The right of the terminal Administration to deviate.
- (b.) Should all transmitting Administrations share in the *pro rata* reduction, or only those who abnormally transmit the telegrams?
- (c.) Cases have arisen in which a transmitting Administration has received a higher proportion on a diverted message than it would have done if it had gone by its normal route.

If only certain routes are open at reduced rates for interrupted traffic, whether for the whole period of interruption or for the first twenty-four hours, it would obviate all these difficulties.

The different routes available, together with the tariffs applicable, could be arranged at the Lisbon Conference.

3. *Signalling Remarks in Preamble.*

Insert new Article LV, making following Articles LVI, &c.:—

"LV. All special indications in the foregoing Articles XLVIII to LIV are transmitted in the preamble, as well as in the address of the message."

This suggestion is to safeguard the transmission of the necessary instructions.

4. *Acknowledgment of Receipt.*

Article LXXVI, section 2, second paragraph, second line of first exception: Add, after "prepaid replies," "and acknowledgments of receipt." And in the second exception add, after "prepaid replies," "and acknowledgments of receipt."

NOTE.—Acknowledgments of receipt are exactly the same kind of message as prepaid replies, and should therefore be treated in the accounts in the same manner.

5. *Routes to be followed.*

Article XLI. Additional section 6.

It is understood that in agreeing to concise directions for the indication of routes, the system of every Administration or company shall be treated as a whole, and that the sender has no power of directing his message by any particular line or cable belonging to any Administration.

6. *Retransmitted Telegrams.*

Private telegrams which—without the consent of the interested Administrations and solely in order to avoid paying the normal rates fixed between two countries—are addressed to an intermediate station and retransmitted by telegraph to their real destination, shall be refused by the Administrations taking part in their transmission.

In doubtful cases the sender or the addressee will have to prove that such retransmission has not been intended.

No. 60.

The SECRETARY, General Post Office, Wellington, to the CHIEF ELECTRICIAN AND INSPECTING OFFICER, Pacific Cable Board, Sydney.

SIR,—

General Post Office, Wellington, 28th August, 1907.

I have the honour to acknowledge, with thanks, the receipt of your letter of the 29th ultimo, enclosing copy of a letter from your General Manager on the subject of suggestions to be put forward by the associated telegraph companies for consideration at the Lisbon Conference of 1908.

Before offering an opinion on the proposals, this Department would prefer to learn what action the British Post Office intends to take. While the proposal to allow combined or coined words to be accepted on the same terms as code-words has much to commend it from an international point of view, many difficulties can be foreseen if the system is adopted, as the public would not rest content if they were allowed to use combined words in cable messages while debarred from doing so in inland telegrams.

I have, &c.,

D. ROBERTSON, Secretary.

J. Milward, Esq., Chief Electrician and Inspecting Officer, Pacific Cable Board,
Devon Chambers, 40 Hunter Street, Sydney.

[Tel. 07/1001.]

No. 61.

The Hon. the POSTMASTER-GENERAL, Wellington, to the SECRETARY, General Post Office, London.

SIR,—

General Post Office, Wellington, 30th August, 1907.

I have the honour to attach hereto copy of letter from the General Manager, Pacific Cable Board, London, about suggestions to be submitted to the Lisbon Conference of 1908 by a number of telegraphic companies, which has been forwarded to this Department by Mr. Milward, the Board's Chief Electrician and Inspecting Officer at Sydney.

Mr. Milward has been informed that before an opinion is offered on the proposals this Department would prefer to learn what action your Administration intends to take. It has also been added that, while the proposal to allow combined or coined words to be accepted on the same terms as code-words has much to commend it from an international point of view, many difficulties can be foreseen if the system is adopted, as the public would not rest content if they were allowed to use combined words in cable messages whilst debarred from doing so in inland telegrams.

Perhaps you will be so good as to favour me with an expression of your views on the proposals.

I have, &c.,

D. ROBERTSON,

For the Postmaster-General.

The Secretary, General Post Office, London.

[Tel. 07/1001.]

No. 62.

The DIRECTOR, International Bureau of Telegraphic Administrations, Berne, to the SECRETARY, General Post Office, Wellington.

International Bureau of Telegraphic Administrations, Berne,
1st October, 1907.

SIR,—

I have the honour to forward you the following items of interest to the Telegraph Administrations of the Union, which have been brought under notice since the last notification:—

International Telegraph Conference: The Portuguese Administration informs me that the next International Telegraph Conference will meet in Lisbon on the 20th April, 1908, and that the invitations in connection therewith will be forwarded to the States of the Union through the usual diplomatic channel.

* * * * *

I have, &c.,

E. FREY, Director.

[Tel. 08/822.]

No. 63.

The SECRETARY, General Post Office, London, to the Hon. the POSTMASTER-GENERAL, Wellington.

SIR,—

General Post Office, London, 15th January, 1908.

With reference to your letter of the 30th August last, in regard to the proposals of the Eastern and other cable companies for the approaching International Telegraph Conference of Lisbon, I am directed by the Postmaster-General to forward, for your information, the accompanying reports of meetings with representatives of the companies on the subject, together with copies of proposals which will be submitted to the Conference on behalf of the British Administration.

The Postmaster-General has given full and careful consideration to the important proposal of the Eastern and other cable companies in favour of admitting as code-words, up to a limit of ten

letters, any two or more expressions combined or altered without regard to the usage of the language, subject only to the condition that the expression thus formed is "pronounceable"—a proposal which would also cover words abbreviated so as to bring them within the limit of ten letters.

The Postmaster-General recognises that this proposal has much to recommend it. Among the various points in its favour, that on which the cable companies (as shown in the report of the meeting of the 9th August last) lay special stress is that it would reduce the amount of friction with the public necessarily involved in the strict enforcement of the present complicated and not too logical regulations. One of the companies called attention to a case in which a considerable amount of trouble was caused through the erroneous supposition that the code-word "inshelters" (which appears in the Official Vocabulary) was a combination of "in" and "shelters." In another similar case, the German word "landsoldat" (which also appears in the Official Vocabulary) was supposed to be a combination of the English words "land sold at." Such cases are, indeed, of frequent occurrence, and instances could be multiplied indefinitely from the experience of every Administration.

But, while the proposal possesses numerous and important advantages, it is open to strong objection from a financial point of view. The senders of plain-language telegrams would be enabled to effect a large economy by writing together expressions which must at present be paid for as single words, and, although the resultant loss of revenue might not be material to cable companies, on whose systems the proportion of telegrams in plain language is comparatively small, the loss would be great in the case of European Government Administrations, the proportions of code and plain language being there reversed. It is probable also that the adoption of the proposed rule in the international service would give rise to demands for its extension to the inland service.

An alternative would be to apply the proposed new method of counting to the extra-European system only. But such an alternative is open to serious objection inasmuch as it would introduce a new element of diversity (and that on a point of capital importance) in the regulations for European and extra-European telegrams at the very time when a practically complete assimilation has been secured so far as the regulations are concerned.

On these grounds, the Postmaster-General has with much regret arrived at the conclusion that it will not be possible for the British Administration to support a modification of the regulations on the lines which the companies have suggested.

But it occurs to him that, without altering the regulations, something might be done to meet the cable companies' wishes as regards reduction of friction with the public and with the Administrations in connection with the counting of telegrams, if it were possible to arrive at a general understanding to adopt a somewhat more liberal attitude on doubtful points.

The Postmaster-General is inclined to think that, broadly speaking, no harm would result to the revenue if the telegraph service were to refrain from challenging isolated expressions in code telegrams on the sole ground that they appear to contain unauthorised combinations or abbreviations. It is only in the case of ordinary plain-language telegrams, or in the case of code telegrams where consecutive passages are made up of combined words, that the matter is of any real importance from the revenue point of view; and here it is unquestionably necessary to maintain a strict check, while the fact of the telegram presenting a connected sense makes it comparatively easy to detect irregular expressions. On the other hand, isolated evasions, or supposed evasions of this kind, in code telegrams are at once unimportant from the revenue point of view, and extremely difficult to check.

The revenue does not suffer because the sender uses "cheerchild" or "greena" (to take two recent instances) with a prearranged meaning. If challenged, he will arrange to substitute other words in his code (possibly "artificial words" which can only be pronounced with great difficulty) and the revenue will not gain. There are, no doubt, many cases on the border-line in which the sender makes up an expression, not to be found in his code, which will tell its own tale to any one acquainted, as the addressee would be, with the subject-matter. But many such expressions (as, for instance, "Melorsyd" for "Melbourne or Sydney," "Niconly" for "Nicolaiëff only," or "Lonrot" for "London Rotterdam") which would be quite intelligible to the addressee, but not necessarily to other parties, may be said to be really of the nature of simple code; and in any case, the persons who make use of code could soon arrange to adopt unobjectionable code-words for the ideas which the expressions convey—again with the result that the payment for an additional word would be avoided. It is unnecessary to dwell on the extreme difficulty of challenging such combinations or alterations in code telegrams. It is practically impossible, in the absence of a connected sense, to press home an objection based on the contention that a given expression stands for certain words which are believed to have been altered. It is only in the case of the combination of two actual words that the telegraph service is on anything like firm ground in challenging such expressions; and when these actual words are obviously not used in their natural meaning, but are merely placed in juxtaposition to form a single code-word, the public are apt to regard it as a somewhat arbitrary course if additional payment is insisted upon.

The Postmaster-General is accordingly informing the cable companies carrying on business in this country that the British Administration is disposed, as a tentative measure, to co-operate with them, on the basis of the existing regulations, in minimising friction by limiting the check in respect of combinations and alterations to passages bearing a connected sense in plain language, and not applying it to isolated expressions tendered as code-words in code telegrams.

The Postmaster-General does not contemplate the abrogation as regards code-language of the existing prohibition of combinations and alterations. Such a course would, he fears, be injurious to the telegraph service by giving direct encouragement to the formation of codes containing undesirable expressions. The restrictions on this point in the regulations should, he thinks, be

maintained intact. The only difference would be that the interpretation would be somewhat more liberal; and the adoption of this tentative course would present the advantage that if, contrary to expectation, the adoption of a liberal attitude on controversial points should result in any serious abuse, it would be possible to revert to a check based on a stricter interpretation.

The difficult question of the "pronounceability" of artificial code-words has also engaged the serious attention of the Postmaster-General.

The privilege of making up artificial code-words has been greatly abused by code-makers. The object of the London Conference was to authorise the use as code of artificial expressions having the appearance of real words and capable of being easily telegraphed; but there has been a tendency on the part of code-makers to form the utmost possible number of combinations without regard to the burden which would be imposed on the telegraph service by the use of uncouth expressions which have no resemblance to real words and which only just pass the test of pronounceability. There would be full justification for the adoption, if practicable, of a much more restrictive definition of pronounceability. Unfortunately the matter does not lend itself to strict regulation; and all that can well be done is, it appears to the Postmaster-General, to provide the Administrations with a means of bringing pressure to bear upon persons who are disposed to take undue advantage of the present liberal regulations. At present, when code-makers are challenged in regard to a breach of the spirit of the regulations, their reply is to point to the letter. They urge, with justice, that all that the regulations explicitly require is that the "artificial words" must be formed of syllables capable of being pronounced according to the usage of one or other of the eight languages; and with this justification they proceed to take a series of syllables, each of which is capable of being pronounced separately according to a combination of letters, however unusual, in one or other of the eight languages, and string them together in a combination which is a mere travesty of a word. Such practices might, in any case, be difficult to prevent, but it is, at all events, undesirable that persons who resort to them should be actually encouraged by having on their side the letter of the regulations.

It will be seen that, having regard to these considerations, the British Administration will propose that the definition in the regulations should be amended so as to provide,—

- (1.) That the test of conformity to the usage of one or other of the eight languages should apply to the word as a whole, instead of to each syllable separately, so that any expression containing a collocation of letters which is contrary to the usage of the particular language to which such expression is supposed to conform will not be admitted.

- (2.) That the *ordinary* usage of each language should be the test.

The only other question of capital importance dealt with in the propositions of the British Administration is that relating to the "elementary rates" prescribed in Articles XXIII and XXIV of the regulations. The British Administration will again propose the complete assimilation of the rates of the European Administrations for extra-European telegrams to those charged for European telegrams, and the Postmaster-General feels sure that, as in 1903, the British proposal for a reform so beneficial to extra-European correspondence will meet with general assent so far as the extra-European Administrations are concerned.

A communication in similar terms has been sent to the other Telegraph Administrations of the British Empire which adhere to the International Telegraph Union.

I have, &c.,

A. M. OGILVIE.

The Hon. the Postmaster-General, Wellington.

[Tel. 08/822(2).]

No. 64.

The Right Hon. the PRIME MINISTER to the HIGH COMMISSIONER

(Telegram.)

Wellington, 1st February, 1908.

INTERNATIONAL Telegraph Conference advised meets Lisbon April. No invitation yet received. Whom do you recommend as New Zealand delegate?

[Tel. 08/822.]

No. 65.

The HIGH COMMISSIONER to the Right Hon. the PRIME MINISTER.

(Telegram.)

London, 6th February, 1908.

INTERNATIONAL Telegraph Conference: Colonial Office explains New Zealand has not been invited to send delegates owing to error on the part of the Portuguese Government. Colonial Office approached Portuguese Government for purpose of securing formal invitation. Meanwhile Colonial Office suggests as at present juncture of affairs unavoidable delay may occur you could make arrangements without waiting for invitation. Secondly should be glad to represent New Zealand at Lisbon myself. Reynolds Pacific Cable who is going would advise technical points. Could also cable to you free as regards important questions. Thirdly Reynolds considers desirable New Zealand should have special representative outside Imperial Post Office in view of important questions likely to arise. Fourthly do you require propositions translated English? If so how many copies?

[Tel. 08/822.]

No. 66.

The HIGH COMMISSIONER to the Right Hon. the PRIME MINISTER.
Westminster Chambers, 13 Victoria Street, London, S.W., 7th February, 1908.

SIR,—

International Telegraph Conference.

Referring to your cablegram of the 1st instant, and to my reply thereto of the 6th instant, I beg herewith to transmit copy of correspondence with the Imperial Post Office and Colonial Office.

I may add that prior to receiving the Colonial Office letter of the 6th instant I was informed, on personally communicating with that office, that New Zealand had not been invited owing to an error on the part of the Portuguese Government, and that the Imperial Government were now approaching that Government for the purpose of securing a formal invitation.

As, however, in the present state of affairs in Portugal there may be some delay in obtaining this, the Colonial Office suggested that, as New Zealand was entitled to have a representative at the Conference, and as the invitation is purely a matter of form and is not essential, you could make arrangements in anticipation of the receipt of a formal invitation.

I may add that I, as your representative here, had received no communication from either the Imperial Post Office or the Colonial Office in respect to the matter up to the time of my receiving your cablegram of the 1st instant.

I have, &c.,
W. P. REEVES.

The Right Hon. the Prime Minister, Wellington, New Zealand.
[Tel. 08/822.]

Enclosure 1 in No. 66.

The SECRETARY to the High Commissioner to the SECRETARY, General Post Office, London.
Westminster Chambers, 13 Victoria Street, London, S.W.,
1st February, 1908.

I am directed by the High Commissioner to inform you that he has received a cablegram from his Government, stating that no invitation has been received to send a representative of New Zealand to the International Telegraph Conference, which it is understood is to meet at Lisbon in April, and in reference thereto to request that he may be informed what action has been taken in respect thereto.

As time is pressing, and his Government have asked him to nominate a representative for New Zealand, the High Commissioner requests the favour of your kind and immediate attention to this matter.

I am further to request that copies of the propositions (English translation) to be submitted to the Conference may be furnished for transmission to the Government in New Zealand.

I have, &c.,
WALTER KENNAWAY.

The Secretary, General Post Office, London, E.C.

Enclosure 2 in No. 66.

The SECRETARY to the High Commissioner to the UNDER-SECRETARY OF STATE, Colonial Office.
Westminster Chambers, 13 Victoria Street, London, S.W.,
1st February, 1908.

I am directed by the High Commissioner to enclose herewith copy of letter which he has addressed to the General Post Office, with reference to the International Telegraph Conference to be held at Lisbon in April.

I have, &c.,
WALTER KENNAWAY.

The Under-Secretary of State, Colonial Office, S.W.

Enclosure 3 in No. 66.

The SECRETARY, General Post Office, London, to the SECRETARY to the High Commissioner.
General Post Office, London, 4th February, 1908.

With reference to your letter of the 1st instant, on the subject of the representation of New Zealand at the International Telegraph Conference which has been appointed to meet at Lisbon in April next, I am directed by the Postmaster-General to say, for the information of the High Commissioner for New Zealand, that the arrangements for the issue to the Telegraph Administrations of the British Empire of invitations to attend international conferences do not rest with this Department except when, as on the last occasion, the Conference is held in London.

The Postmaster-General can only assume that it is through some misapprehension that the Government of New Zealand have not yet received a formal invitation to send a representative to the Conference; and he would suggest that the High Commissioner should place himself in communication on the subject with the Secretary of State for the Colonies, by whom invitations to attend previous international conferences have been transmitted to the colonial Governments concerned.

The Postmaster-General has pleasure in sending herewith a copy of the "propositions" for the Conference in French. The usual number of copies of these "propositions" were sent by the International Telegraph Bureau at Berne to the New Zealand Administration on the 21st ultimo. As regards the English translation, this is purely a private enterprise, the publication being in the hands of the Electrician Printing and Publishing Company, Salisbury Court, Fleet Street; and the High Commissioner will no doubt communicate with that firm, ordering such copies as may be required.

I am to add that a communication (of which a copy is enclosed) [No. 63], discussing the proposals of the Eastern and other cable companies and of this Department for the Conference, was sent to the Telegraph Administration of New Zealand and to the other Telegraph Administrations of the British Empire by this Department on the 15th ultimo.

I have, &c.,

H. BABINGTON SMITH.

The Secretary to the High Commissioner for New Zealand.

Enclosure 4 in No. 66.

The UNDER-SECRETARY OF STATE, Colonial Office, to the HIGH COMMISSIONER.

SIR,—

Colonial Office, London, S.W., 6th February, 1908.

I am directed by the Earl of Elgin to acknowledge the receipt of your letter of the 1st instant with reference to the International Telegraph Conference to be held at Lisbon in April, and to inform you that, in response to inquiries made at the suggestion of the Colonial Office, a communication dated the 21st November last was received by the Foreign Office from His Majesty's Minister at Lisbon to the effect that he had ascertained from the Portuguese Minister for Foreign Affairs that invitations to the Conference had been issued to certain Governments, including that of New Zealand, through the Portuguese Consuls.

Lord Elgin addressed a despatch on the 17th January last [not printed] to the Governor of the Dominion inquiring whether the appointment of a representative was contemplated and requesting that a reply might be made by telegraph. His Lordship regrets that by an oversight a reference was not made to you before the despatch was sent, and he is telegraphing to the Governor to the effect that he has now heard from you on the subject.

I have, &c.,

H. BERTRAM COX.

The High Commissioner for New Zealand.

Enclosure 5 in No. 66.

The SECRETARY to the High Commissioner to the UNDER-SECRETARY OF STATE, Colonial Office.

Westminster Chambers, 13 Victoria Street, London, S.W.,

7th February, 1908.

SIR,—

I am directed by the High Commissioner to acknowledge the receipt of your letter of the 6th instant, and in reference thereto to request the favour of your informing him what steps are being taken by the Colonial Office for the purpose of securing a formal invitation to the Conference from the Portuguese Government to the Government of New Zealand.

I have, &c.,

WALTER KENNAWAY.

The Under-Secretary of State, Colonial Office, S.W.

No. 67.

The HIGH COMMISSIONER to the Right Hon. the PRIME MINISTER.

(Telegram.)

London, 12th February, 1908.

REFERRING to my telegram of the 6th February, International Telegraph Conference will meet 4th May.

[Tel. 08/822]

No. 68.

The HIGH COMMISSIONER to the Right Hon. the PRIME MINISTER.

Westminster Chambers, 13 Victoria Street, London, S.W., 12th February, 1908.

SIR,—

International Telegraph Conference.

Referring to my letter of the 7th instant, I beg to transmit copy of letter which has been addressed by the Colonial Office to the Foreign Office, also copy of letter from the Foreign Office to Sir F. Villiers, as regards the non-receipt by the Government of an invitation to the Conference at Lisbon.

I may add that I have this day been informed that the Conference will meet on Monday, the 4th May next, and I have accordingly cabled to you to that effect.

I have, &c.,

W. P. REEVES.

The Right Hon. the Prime Minister, Wellington.

[Tel. 08/822.]

Enclosure 1 in No. 68.

The UNDER-SECRETARY OF STATE, Colonial Office, to the UNDER-SECRETARY OF STATE, Foreign Office.
SIR,—

Colonial Office, London, S.W., 3rd February, 1908.

I am directed by the Earl of Elgin to refer to your letter of the 30th November last [not printed] enclosing copy of a communication from Sir F. Villiers to the effect that invitations to the Lisbon Telegraph Conference had been issued through the Portuguese Consuls to the Governments of certain British Dominions and colonies, including New Zealand; and to request you to lay before Secretary Sir Edward Grey the accompanying copy of a letter which has been received from the High Commissioner for New Zealand to the effect that no invitation has been received by his Government.

I am to suggest that it seems desirable that immediate inquiries should be made of the Portuguese Government.

I have, &c.,

H. BERTRAM COX.

The Under-Secretary of State, Foreign Office.

Enclosure 2 in No. 68.

The UNDER-SECRETARY OF STATE, Foreign Office, to the ENVOY EXTRAORDINARY AND MINISTER
PLENIPOTENTIARY, Portugal.

SIR,—

Foreign Office, 6th February, 1908.

With reference to your semi-official letter of the 21st November last [not printed], respecting the International Telegraph Conference to be held at Lisbon, I transmit herewith a copy of a letter from the Colonial Office on the subject of representation of the Dominion of New Zealand at the Conference.

I request that you will take the first convenient opportunity of ascertaining precisely what action has been taken by the Portuguese Government as regards the issue of direct invitations to His Majesty's colonies and possessions, especially New Zealand and Australia, and that, should it still be their intention to hold the Conference in April next, you will report the result by telegraph.

I have, &c.,

(For Sir E. GREY),

LOUIS MALLET.

The Hon. Sir F. Villiers, K.C.M.G., C.B., &c.

No. 69.

The Right Hon. the PRIME MINISTER to the HIGH COMMISSIONER.

(Telegram.)

Wellington, 18th February, 1908.

I HAVE approved your representing New Zealand at Lisbon International Telegraph Conference. Usual credentials follow.

[Tel. 08/822.]

No. 70.

The HIGH COMMISSIONER to the Right Hon. the PRIME MINISTER.

Westminster Chambers, 13 Victoria Street, London, S.W., 21st February, 1908.

SIR,—

International Telegraph Conference.

Referring to my letter of the 12th instant, I beg to acknowledge the receipt of your cablegram of the 18th instant instructing me to represent New Zealand at this Conference.

I may add that the Colonial Office inform me that the Foreign Office has received the following cablegram from its Minister at Lisbon:—

"International Telegraph Conference will meet on May 4th. Invitations were sent through Portuguese Consul to the Governments of Australia and New Zealand."

I have, &c.,

W. P. REEVES.

The Right Hon. the Prime Minister, Wellington.

[Tel. 08/822.]

No. 71.

The Right Hon. the PRIME MINISTER to the HIGH COMMISSIONER.

Prime Minister's Office, Wellington, 12th March, 1908.

SIR,—

Lisbon International Telegraphic Conference, 1908.

I have the honour to confirm my cable message of the 18th ultimo.

I attach a warrant [not printed] of your appointment as the delegate of the Dominion of New Zealand.

His Excellency the Governor has been requested to announce your appointment to the Colonial Office for the information of the Portuguese Government.

I have, &c.,

J. G. WARD,

Prime Minister.

The High Commissioner for New Zealand, London.

[Tel. 08/822.]

No. 72.

The Right Hon. the PRIME MINISTER to the HIGH COMMISSIONER

Wellington, 20th March, 1908.

SIR,—

Lisbon International Telegraph Conference.

I have the honour to acknowledge the receipt of your letter of the 7th ultimo on the above-noted subject.

In connection with the propositions to be placed before the Conference on the 4th May next, I beg to forward herewith notes [not printed] on the proposals which affect this Dominion. The notes are not as complete as I would wish them to be, on account of the limited time at disposal for translation and consideration of the propositions, but it is hoped to supplement them by further notes next mail.

You will, no doubt, bring under the notice of the representative of the International Bureau that a reasonable time should have been allowed to enable this Dominion to digest the propositions. An interval of a few days is not sufficient to enable 283 pages in French to be translated and considered. It is most unfortunate that there should have been such delay on the part of the Official Bureau, in addition to the failure of the Portuguese Government to send the usual formal invitation. In the case of a Conference taking place at such long intervals as five years, it is considered that all documents should be in the hands of Administrations at least five months before the date fixed for the sitting of the Conference.

In view of the necessarily hurried consideration given by this Government to the proposals, it would be desirable that you should confer with the British delegate and generally support the attitude adopted by him.

I also enclose, for your information, a report of the discussion of the propositions of the Eastern and other cable companies at a meeting held at the General Post Office, London, on the 9th August last [Sub-enclosure to Enclosure 2 in No. 59]; also a copy of letter on the matter, dated the 15th January last [No. 63], from the Secretary, General Post Office, London, to the Postmaster-General, Wellington.

The proposition in which New Zealand is most interested is No. 5, "Routes," as it affects traffic diverted from the Pacific cable route to that of the Eastern Extension Company, and it is considered essential that users of the Pacific cable should have the right, during temporary interruption to the land-lines in this Dominion, to indicate a second route by which their messages for the United Kingdom may reach the Pacific route at Southport.

I should be glad if you would send, addressed to the Secretary, Post and Telegraph Department, Wellington, six copies of the propositions translated into English.

I have, &c.

ROBERT McNAB,

For Prime Minister.

The Hon. W. P. Reeves, High Commissioner for New Zealand, London.

[Tel. 08/822(2).]

No. 73.

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

SIR,—

Wellington Chamber of Commerce, Wellington, 9th April, 1908.

I have the honour, by direction, to inform you that the Council of this Chamber has learned with regret that it is contemplated by the Telegraph Conference, which is proposed to be held in Lisbon in June [May] of this year, to move in the direction of restricting the facilities at present enjoyed for the coding of telegrams. My Council is of opinion that, taking into consideration the heavy expense involved in remodelling and extending private codes, any curtailment of facilities would prejudicially affect the interests of trade and commerce. My Council hopes, therefore, that you will be good enough to take such steps as you may consider advisable to oppose any interference with existing telegraphic facilities.

I have, &c.,

The Hon. the Postmaster-General, Wellington.

S. CARROLL, Secretary.

[Similar letters received from the Chambers of Commerce at Christchurch and Napier.]

[Tel. 08/822(6).]

No. 74.

The SECRETARY, General Post Office, Wellington, to the DIRECTOR-GENERAL OF POSTS AND TELEGRAPHS, Lisbon.

SIR,—

General Post Office, Wellington, 10th April, 1908.

I have the honour to acknowledge the receipt of your letter of the 22nd February last [not printed], inquiring whether this Administration would forgo its proportion of the charges on telegrams sent by delegates and representatives of cable companies present at the International Telegraph Conference to be held at Lisbon in May next.

In reply, I have to inform you that this Department has pleasure in agreeing to the proposal.

I have, &c.

D. ROBERTSON, Secretary.

The Director-General of Posts and Telegraphs, Lisbon.

[Tel. 08/822.]

No. 75.

The SECRETARY, General Post Office, Wellington, to the CONSUL FOR PORTUGAL, Wellington.
 SIR,— General Post Office, Wellington, 11th April, 1908.

I have the honour to inform you that the Foreign Office has been advised by its Minister at Lisbon that an invitation to the Government of New Zealand to be represented at the International Telegraph Conference at Lisbon this year was sent through the Portuguese Consul. I should be obliged if you would inform me whether such an invitation was sent through you, as there is no trace of its having reached this Department.

I have, &c.,

D. ROBERTSON, Secretary.

John Duncan, Esq., Consul for Portugal, Wellington.

[Tel. 08/822.]

No. 76.

The Right Hon. the PRIME MINISTER to the HIGH COMMISSIONER.

(Telegram.)

Wellington, 14th April, 1908.

LISBON CONFERENCE: *Re* my letter twentieth March: Owing my absence from Wellington, I was unable closely consider proposition to define regulations affecting code-language. Now regret unable support British proposal referred to in our letter under heading Proposition One. Cancel whole instructions under Proposition One. New Zealand considers *status quo* should be maintained. Agreeable co-operate with Great Britain to refrain challenging unauthorised combinations referred to in London letter fifteenth January.

[Tel. 08/822.]

No. 77.

The Right Hon. the PRIME MINISTER to the HIGH COMMISSIONER.

Prime Minister's Office, Wellington, 14th April, 1908.

SIR,—

Lisbon International Telegraph Conference.

In continuance of my letter of the 20th ultimo, I have the honour to forward herewith for your guidance further notes [not printed] with reference to propositions affecting this Dominion to be placed before the Conference on the 4th May next.

With this further opportunity of considering the proposals, I am still of opinion that you should generally consult the British delegates in determining your course in respect of the business of the Conference; and a negative attitude, therefore, I have generally left to your discretion to be exercised after such consultation, except in the important point of the use of made-up words. My cable message of to-day's date and the remarks in the schedule hereto [not printed] (see Article VI (1), will sufficiently indicate the course of your action thereon.

I have, &c.

J. G. WARD,

Prime Minister.

The Hon. W. P. Reeves, High Commissioner for New Zealand, London.

[Tel. 08/822.]

No. 78.

The CONSUL FOR PORTUGAL, Wellington, to the SECRETARY, General Post Office, Wellington.

SIR,—

Portuguese Consulate, Wellington, 14th April, 1908.

I have the honour to acknowledge the receipt of your favour of the 11th instant, and, on looking over the correspondence received last mail from the Minister of Foreign Affairs, Lisbon, I find mention made of a letter dated the 17th January relating to the International Telegraphic Conference, and this, no doubt, is the letter to which you refer.

I regret to inform you that I have been unable to find any trace of having received this letter, but I have cabled to-day to the Consul-General for Portugal, Sydney, as follows: "Have you received letter 17th January instructing you invite Australian Government to send representative to Telegraphic Conference, Lisbon? Mine has not reached me, but presume I may invite New Zealand Government send representative. Reply"; and I shall be pleased to forward you his reply when received.

In the meantime, I shall be greatly favoured if you will consider that the invitation to send a representative to the Telegraphic Conference, Lisbon, has reached you.

I have, &c.,

JOHN DUNCAN,

Consul for Portugal.

The Secretary, General Post Office, Wellington.

[Tel. 08/822.]

No. 79.

The CONSUL FOR PORTUGAL, Wellington, to the SECRETARY, General Post Office, Wellington.
 SIR,— Portuguese Consulate, Wellington, 15th April, 1908.

I cabled to the Portuguese Consul at Sydney, asking whether he had received a letter instructing him to invite the Federal Government to send a representative to attend the Telegraphic Conference at Lisbon; and he replies to me to-day to the effect that the Consul at Melbourne had been instructed to invite the Federal Government.

I can therefore only assume that the missing letter, addressed to me under date 17th January, contained similar instructions in regard to inviting a representative from the Dominion Government to attend the Conference, and, therefore, I have no hesitation in passing on such an invitation on behalf of the Government which I represent—more particularly as you have advice from England to the effect that this invitation had been extended.

Regretting the unfortunate absence of the letter of instructions,

I have, &c.,

JOHN DUNCAN,

Consul for Portugal.

The Secretary, General Post Office, Wellington.

[Tel. 08/822.]

No. 80.

The SECRETARY, General Post Office, London, to the SECRETARY, General Post Office, Wellington.

(Telegram.)

London, 22nd April, 1908.

IN connection with forthcoming International Telegraph Conference at Lisbon: Postmaster-General thinks following summary of his views on question of code telegraphy may be useful. It has already been communicated to Chambers of Commerce in this country. When concession allowing use of pronounceable artificial words was accepted by London Conference of 1903, mainly on initiative of British Post Office, it was assumed that privilege would be used reasonably so that public would benefit without undue detriment to telegraph service. But this expectation has hardly been realised. Some code-makers are using combinations which are only pronounceable with difficulty or not at all, such as "Bywrgroebx" and "liqraqkper." Operators cannot grasp such combinations readily, and thus more time is needed for their transmission, and repetitions and corrections are necessary. Postmaster-General would not support any proposal for withdrawal of concession, but he thinks conditions as to pronounceability should be somewhat more clearly defined so as to limit injurious tendency referred to. He contemplates generous interpretation, however, which would cover great bulk of codes in use.

[Tel. 08/822.]

No. 81.

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

SIR,—

General Post Office, Wellington, 24th April, 1908.

In reference to your letter of the 9th instant, urging that steps be taken to oppose any interference with the present regulations for the acceptance of cablegrams in code language: I have the honour to inform you that the New Zealand delegate to the Lisbon Telegraph Conference had already been instructed to oppose any proposal to amend the present regulations relating to the acceptance of code-words.

I have, &c.,

J. G. WARD, Postmaster-General.

The Secretary, Wellington Chamber of Commerce, Wellington.

[Letters in similar terms were forwarded to the Secretaries of the Chambers of Commerce at Christchurch and Napier.]

[Tel. 08/822(6).]

No. 82.

The Hon. the POSTMASTER-GENERAL, Wellington, to the SECRETARY, General Post Office, London.

SIR,—

General Post Office, Wellington, 4th May, 1908.

I have the honour to acknowledge the receipt of your telegram (received on the 23rd ultimo), transmitting a summary of the views of your office on the question of code-words in cable messages.

The Postmaster-General regrets that he does not see his way to support the alteration proposed by your office. While the Minister cannot overlook the fact that the great concession made by the London Conference of 1903 was mainly the result of the proposals of the British Post Office, it is considered that any attempt to restrict the present code privileges would seriously interfere with commerce and otherwise cause considerable loss to merchants and others who have purchased recently issued code-books. The experience in this Dominion is that it is difficult to work under a rule which may be generously interpreted, as the interpretation, if left to subordinate officers, would lead to disputes with the public.

I have, &c.,

W. R. MORRIS,

For the Postmaster-General.

The Secretary, General Post Office, London.

[Tel. 08/822.]

No. 83.

[News extract, 29th May, 1908.]

The HIGH COMMISSIONER to the Right Hon. the PRIME MINISTER.

(Telegram.)

Palais Conference, Lisbon, 26th May, 1908.

The submission of code-books to the International Commission will be purely voluntary, and will not exclude existing code-books from use.

[Tel. 08/822.]

No. 84.

The SECRETARY, Canterbury Chamber of Commerce, Christchurch, to the Hon. the POSTMASTER-GENERAL, Wellington.

Canterbury Chamber of Commerce, Christchurch, 9th June, 1908.

SIR,—

Coding Telegrams.

I am directed to thank you for your reply to the representation of this Chamber against restricting the use of private codes in use.

I notice by the cablegram yesterday that the Conference has decided to maintain the existing rules, but that the conditions with regard to pronounceability of words will be more clearly defined.

It is hoped that the desire of the British delegates that codes should remain in force will be adopted.

Yours, &c.,

H. ANTILL ADLEY, Secretary.

The Hon. the Postmaster-General, Wellington.

[Tel. 08/822(7).]

WIRELESS TELEGRAPHY.

No. 85.

The DIRECTOR, International Bureau of Telegraphic Administrations, Berne, to the SECRETARY, General Post Office, Wellington.

International Bureau of Telegraphic Administrations (International Radio-telegraphic Convention), Berne, 1st January, 1907.

SIR,—

In terms of Article XXXVII of the Detailed Regulations under the International Radio-telegraphic Convention of Berlin of the 3rd November, 1906, the International Bureau of Telegraphic Administrations was authorised, subject to the consent of the Government of the Swiss Confederation and the approval of the Telegraph Union, to undertake the duties of International Bureau as provided by Article 13 of the said Convention.

The report of the ninth sitting (29th October) of the Berlin International Conference on Wireless Telegraphy contains the following passage:—

“The President of the Regulations Commission is of opinion that the German Administration might represent the Conference with the Government of the Swiss Confederation in obtaining the latter's consent to the International Telegraph Bureau *at once* assuming the duties which the Radio-telegraphic Convention proposes to confer on it. It would be understood that any expenditure incurred from such new duties would be eventually met by the contracting Administrations when the new Convention comes into force. The International Bureau would have to inform the Administrations of the Telegraph Union of the Radio-telegraphic Convention without delay and to ask their adhesion thereto. The Commission confirms this resolution, and the German delegates agree to give effect to it. The Congress ratifies the Committees' proposal.”

By note dated the 4th December, 1906, the German Imperial Legation in Berne informed the Swiss Federal Council of the Acts of the Berlin Conference, and asked its consent to the International Telegraph Bureau assuming the new duties conferred on it by the Radio-telegraphic Convention.

Finally by a decision dated the 8th December last, the Swiss Federal Council accepted the proposal of the Berlin Conference.

As regards the International Bureau of Telegraph Administrations, I feel highly honoured at the great confidence shown by the Berlin Conference, and will have pleasure in accepting, subject to the approval of the Administrations of the Telegraph Union, the new duties conferred on me.

In accordance with the above resolution passed by the Radio-telegraphic Conference at its sitting of the 29th October, I have the honour to forward you herewith two copies of the International Radio-telegraphic Convention and the regulations thereunder [not printed], and to ask you if you will consent to the International Telegraph Bureau undertaking the new duties as provided in Article 13 of the said Convention.

I have, &c.,

E. FREY, Director.

The Secretary, General Post Office, Wellington.

[Tel. 08/389(5).]

No. 86.

The DIRECTOR, International Bureau of Telegraphic Administrations, Berne, to the SECRETARY, General Post Office, Wellington.

SIR,—
International Bureau of Telegraphic Administrations (International Radio-telegraphic Convention), Berne, 1st January, 1907.

With reference to Circulars Nos. 1 [not printed] and 2 of this day's date concerning the Radio-telegraphic International Convention of the 3rd November, 1906, I have the honour to ask you to kindly forward me two copies of the laws and regulations in force in your country dealing with wireless telegraphy.

I have, &c.,

E. FREY, Director.

The Secretary, General Post Office, Wellington.

[Tel. 08/389(7).]

No. 87.

The DIRECTOR, International Bureau of Telegraphic Administrations, Berne, to the SECRETARY, General Post Office, Wellington.

SIR,—
International Bureau of Telegraphic Administrations (International Radio-telegraphic Convention), Berne, 1st January, 1907.

As notified to you by my circular of to-day's date, the International Bureau of Telegraphic Administrations has accepted, with the consent of the Swiss Federal Council and subject to the approval of the Administrations of the International Telegraph Union, the duties conferred on it by Article 13 of the International Radio-telegraphic Convention of the 3rd November, 1906, and Article XXXVII of the regulations thereunder.

In accordance with the terms of Article XXXVIII of the above-mentioned regulations, I have the honour to ask you to forward to me as quickly as possible a table similar to the model shown in the regulations, containing the information enumerated in that table as regards radio-telegraphic stations provided for by Article IV of the regulations.

From the information thus furnished I shall prepare a Nomenclature of Radio-telegraph Stations, which will be forwarded to the Administrations concerned. All additions and alterations to be made in this Nomenclature must reach me between the 1st and 10th of each month; they will be embodied in a supplement which will appear on the 15th of each month.

I have, &c.,

E. FREY, Director.

The Secretary, General Post Office, Wellington.

[Tel. 08/389(8).]

No. 88.

The DIRECTOR, International Bureau of Telegraphic Administrations, Berne, to the SECRETARY, General Post Office, Wellington.

SIR,—
International Bureau of Telegraphic Administrations (International Radio-telegraphic Convention), Berne, 24th May, 1907.

I have the honour to advise you that, in its sitting of the 21st of this month, the Swiss Federal Council appointed two officials, a secretary and a clerk, who will for the present constitute the staff of the Radio-telegraph section of the International Bureau of Telegraph Administrations. As, however, only three Administrations have so far forwarded the information asked for in my circulars Nos. 2 and 3 of the 1st January last [Nos. 85 and 87], the date when these officials will begin their duties has not yet been fixed. As it would, however, be very desirable for various reasons that this date should be fixed without delay, I have the honour to ask you to kindly inform me when it will be possible for you to forward the Table of Radio-telegraphic Stations of your country, as provided by Article XXXVIII of the regulations under the International Radio-telegraphic Convention, this table being necessary to the International Bureau for the compilation of the official Nomenclature of Radio-telegraph Stations as provided by Article IV of the regulations.

I have, &c.,

E. FREY, Director.

The Secretary, General Post Office, Wellington.

[Tel. 08/389(8).]

No. 89.

[Extract from Report of the Select Committee on the Radio-telegraphic Convention, 8th July, 1907.]

THE Select Committee [consisting of Mr. Adkins, Mr. Sydney Buxton, Sir John Dickson-Poynder, Mr. Enoch Edwards, Mr. Gwynn, Sir William Holland, Mr. Lambert, Mr. Arthur Lee, Mr. Macpherson, Sir Gilbert Parker, and Sir Edward Sassoon] appointed by the House of Commons, London, to consider the Radio-telegraphic Convention, signed at Berlin on the 3rd day of November, 1906, and to report what, from the point of view of national and public interests, would, in their opinion, be the effect of the adhesion or non-adhesion of this country to the Convention, have agreed to the following report:—

The Committee have held thirteen meetings and examined eighteen witnesses whose official or commercial experience and scientific attainments qualified them to give evidence on the subject referred to the Committee.

The terms of reference were as follows: "That a Select Committee be appointed to consider the Radio-telegraphic Convention, signed at Berlin on the 3rd day of November, 1906, and to report what, from the point of view of national and public interests, would, in their opinion, be the effect of the adhesion or non-adhesion of this country to the Convention."

Among the witnesses whose evidence the Committee have taken were several of the delegates appointed by Great Britain to attend the Berlin Conferences of 1903 and 1906, referred to later; Government representatives of the Admiralty, War Office, Post Office, and Colonial Office; a witness from Lloyd's and one from a steamship company, representing the shipping interests; scientific and other witnesses to explain various systems of radio-telegraphy other than that known as the Marconi system; representatives of the Marconi companies, and Mr. Marconi himself. Although the Committee had not the advantage of hearing evidence from any member of the Committee of Defence, they have been assured on the highest authority that there was no difference of opinion among the members of that Committee as to the satisfactory nature of the Convention from the point of view of the interests of the country.

* * * * *

GENERAL OBSERVATION.

There appear to be three alternatives open to Great Britain—ratification, rejection, postponement. It may be convenient to dispose of the two latter first.

Rejection.

Rejection would seem to be the more obvious alternative to ratification. The only evidence in favour of rejection was that of Mr. Cuthbert Hall, general manager of the Marconi Company; of Professor Fleming, scientific adviser of the Marconi Company; of Mr. Henniker Heaton; and, with much less intensity, of Mr. Marconi. An examination of the statement of these witnesses shows that their arguments were based mainly on a consideration of the interests of the company.

Rejection would seem to the Committee to involve the following results:—

Injurious Effect of Non-ratification.

(a.) Great Britain took a prominent part in the Conference, and the Convention was modified in many important respects in order to meet her wishes and secure her adherence. If Great Britain now refuses to ratify, doubt will be thrown upon the sincerity of her expressed views at the Conference. The contrast between the attitude of the British Government at the time of the Conference, and its attitude in refusing to ratify, would be emphasized by the fact that the next Conference was invited to meet in London.

(b.) It would create a direct and powerful motive for the erection of stations on foreign territory; and such stations will be in no way subject to British control in time of war or emergency.

(c.) Foreign ships and coast stations would seriously interfere with British stations. Such interference would arise from the normal operations of ships in the Channel and elsewhere communicating with distant stations on foreign coasts. Not only would other nations be forced to erect additional shore stations, but these stations and the ship stations as well would be obliged to use additional energy. This natural interference might probably be increased by intentional action, and, without the Convention, British stations would have no remedy.

(d.) In the absence of international arrangements and rules for working, accounts, collection of charges, &c., the development of the service would be seriously embarrassed.

(e.) The drawbacks indicated in the three previous heads would be specially detrimental to Great Britain, owing to the predominance of her maritime interests and her geographical position.

(f.) Under the terms of the Convention, the nations adhering are bound to refuse to license, on board a ship or at shore stations, the apparatus of any system which declines to accept the principle of intercommunication. If Great Britain, therefore, refuses to ratify, the Marconi apparatus at present installed at foreign shore or ship stations will be removed, and its place will be taken by some system that accepts intercommunication.

Postponement.

No evidence was given to your Committee in favour of postponement as distinguished from non-ratification. It may be pointed out that postponement would in no way diminish any of the unfortunate results which would follow on rejection, while it would be attended by the grave additional result that the action of Great Britain might be open to much misconstruction in regard to the position she took up at the Conference, through which important concessions were obtained by her delegates.

Further, it would prolong a period of uncertainty, without securing any conditions by which the future would be determined. No evidence has been brought before the Committee to show that within any specified time the scientific aspects of the question will undergo any substantial alteration of a kind which, in the Committee's opinion, is not already amply provided for and protected by the various provisions of the Convention.

Moreover, the Convention would, it is assumed, be brought into operation without reference to Great Britain. Great Britain having such a predominant interest in the question, ought to be in a position to make her influence felt from the start, in interpreting, administering, and enforcing the terms of the Convention.

The fact that by twelve months' notice Great Britain can at any time withdraw from the Convention if it is found that British interests are in any way jeopardized, appears to secure all necessary liberty of action, especially during the experimental period.

It appears to the Committee, therefore, that, from the point of view of national and public interests, rejection presents serious drawbacks, and that postponement is even less defensible.

Ratification.

These alternatives being disposed of, the Committee proceed to set out the effect of the adhesion of this country to the Convention. Many of the advantages attending ratification have been stated in the body of the report. The principal of those advantages may be summarised as follows:—

The primary object of the Convention is to facilitate and promote the use of wireless telegraphy, especially for maritime purposes—a matter essentially of an international character and, having regard to her predominant maritime interests, of high importance and benefit to this country.

(1.) The Convention facilitates the use of wireless telegraphy by providing international arrangements for rules of working, control, licensing of operators, efficiency of apparatus, collection of charges, transmission of messages, publication of information, &c.

(2.) The Convention provides the means of preventing confusion and of avoiding interference between neighbouring ship or shore stations, a result increasingly difficult or impossible of attainment, except by international agreement.

(3.) The Convention secures general freedom of communication between ships and coast stations, thus giving British ships fitted with any form of apparatus the advantage of being able to communicate freely with the greatest number of other ships and land stations throughout the world.

(4.) The freedom of communication thus secured, and the protection from interference thus afforded, will give free play to all systems and will thus tend to the encouragement and progress of invention in connection with wireless telegraphy.

These advantages, important though they be, are secondary to the supreme consideration of naval interests and national defence. The unanimous evidence of witnesses representing and speaking on behalf of the Admiralty and War Office is conclusive that the Convention (now framed largely on the initiative of the British delegates) obviates injury and secures substantial advantages not otherwise attainable.

Among these advantages are the following:—

(a.) A general obligation is imposed on all stations not to interfere with the working of other stations.

(b.) Exempted stations are allowed and given international sanction. Certain wave-lengths are reserved for Naval use, so as to be absolutely free from interference by commercial stations.

(c.) International sanction is obtained for such censorship arrangements as may be necessary.

(d.) The effect of the Convention, if adhered to by Great Britain, would be directly to encourage the erection of stations at suitable points in British territory, and the general development of the use of wireless telegraphy in the British mercantile marine, thus providing a widely extended system over which the Admiralty would have control in time of emergency.

(e.) It may be added that the Convention has been framed with careful regard to the interests of His Majesty's dominions beyond the seas, the several colonies and India being able to adhere and withdraw separately as may appear to them expedient; and adequate representation at future Conferences has been obtained for such colonies or dependencies as may subsequently adhere.

(f.) Finally, the fact may be emphasized that at any time, if she finds the Convention to be in any way detrimental to her interests, Great Britain, by giving a year's notice, can retire from the Convention. Meanwhile, if she ratifies, no alteration to her detriment can be made in the Convention without her consent; and it has been already explained that the Bureau has no initiative or executive powers of any description.

In view of the foregoing considerations it is manifest that universal compulsory intercommunication, with the exceptions and exemptions secured in the Convention, is a principle to be aimed at, and one that must be of benefit both nationally and internationally.

A careful perusal of the *procès verbaux* will show that the representations of the British delegation for amendments and modifications of the draft Convention were met in the most considerate manner by the Conference. In all essential points the Convention now conforms to the conditions laid down by the Government with the view of securing national interests. The Committee, in conclusion, desire specially to lay stress upon the observation that if, after the substantial changes made on the initiative of the British delegates, Great Britain refuses to ratify, the result might have a material effect in weakening the moral position of Great Britain at future International Conferences.

The Committee therefore report that, in their opinion, the effect of the adhesion of this country to the Convention would be advantageous to national and public interests, and that its non-adhesion would be seriously detrimental to those interests.

[Tel. 08/389.]

No. 90.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES, to His Excellency the GOVERNOR.

MY LORD,—

Downing Street, 31st July, 1907.

I have the honour to request you to inform your Ministers that the Select Committee of the House of Commons appointed to consider the Radio-telegraphic Convention has now reported in favour of the ratification of the convention, and His Majesty's Government have decided that they will ratify it.

2. I shall be glad to learn in due course whether your Government desires to adhere to the convention, and in this connection I have to draw your attention to Article V of the final protocol, which provides that each of the colonies may separately adhere to, and may separately withdraw from, the convention.

3. The advantages likely to accrue to the United Kingdom from the ratification of the convention appear to His Majesty's Government to be fairly summed up in the report of the Select Committee, copies of which were forwarded to you in my "Library" despatch of the 19th July [see No. 89]. Your Ministers will no doubt recognise that the arguments of the Committee are in the main equally applicable to the colonies; and I trust that your Government will agree that the convention has been framed with careful regard to the interests of His Majesty's dominions beyond the seas.

4. The draft convention, which was submitted to the Berlin Conference, was communicated to you in my predecessor's despatch of 12th January, 1905 [not printed], but your Ministers will perceive that that draft was considerably modified, largely on the initiative of the British delegates at the Conference, and in a manner to safeguard the interests of the Empire.

5. The participation of the colonies which adhere to the convention in future Conferences is provided for by Article 12 of the convention and Article I of the final protocol, and it will be seen that the arrangement will doubtless secure similar representation to that provided under the Postal Union, which has worked satisfactorily, as was admitted during the discussion of this question at the Colonial Conference.

6. Copies of the convention were sent to you in my "Library" despatch of 15th January last [not printed], and the Proceedings of Berlin Conference were communicated to you in my "Library" despatch of the 10th April [not printed].

I have, &c.,
ELGIN.

Governor, the Right Honourable Lord Plunket, K.C.M.G., K.C.V.O., &c.
[Tel. 07/156(13).]

No. 91.

The SECRETARY, General Post Office, Wellington, to the SUPERINTENDENT, Pacific Cable Station, Doubtless Bay.

(Telegram.)

Wellington, 24th October, 1907.

Do you know whether there is yet any definite arrangement for the transfer of "wireless" messages to and from land systems, and, if so, whether tariffs will be issued?

[Tel. 07/156(16).]

No. 92.

The SUPERINTENDENT, Pacific Cable Station, Doubtless Bay, to the SECRETARY, General Post Office, Wellington.

(Telegram.)

Doubtless Bay, 25th October, 1907.

FOLLOWING from Bamfield:—

"In reply, there is no through word rate for 'wireless' messages addressed to steamers; the rate would be the ordinary word-tariff to 'wireless' stations plus the 'wireless' tolls. These vary according to point. A list of steamers and stations with charges would be lengthy, but if of any use I can wire you. Have no advices *re* transatlantic 'wireless' yet."

[Tel. 07/156(16).]

No. 93.

The SECRETARY, General Post Office, Wellington, to the SUPERINTENDENT, Pacific Cable Station, Doubtless Bay.

(Telegram.)

Wellington, 26th October, 1907.

Re "wireless": Does your telegram mean that for a "wireless" telegram to a steamer on the Atlantic we should charge rates to New York, the "wireless" charge being collected on delivery? No need to wire list of steamers and stations, but should be glad to have a copy by post.

[Tel. 07/156(16).]

No. 94.

The SUPERINTENDENT, Pacific Cable Station, Doubtless Bay, to the SECRETARY, General Post Office, Wellington.

(Telegram.)

Doubtless Bay, 28th October, 1907.

Your service telegram: The "wireless" charges must be prepaid. There are four stations for transatlantic steamers on American coast—Babylon, Long Island, and Sagaponack, Long Island, two dollars for ten words and twelve cents each additional word; Seagate, Long Island, one dollar for ten words and six cents each additional word; Siasconsett, Mass., three dollars for ten words and eighteen cents each additional word. Rates for Canadian steamers, Cape Race, Newfoundland, three dollars for ten words and eighteen cents each additional word; Cape Wray, Newfoundland, two dollars for ten words and twelve cents each additional word. Address and signature not charged for.

[Tel. 07/156(16).]

No. 95.

The SECRETARY, General Post Office, Wellington, to the DIRECTOR, International Bureau of Telegraphic Administrations, Berne.

SIR,—

General Post Office, Wellington, 27th November, 1907.

I have the honour to inform you that this Administration has decided to adhere to the Radio-telegraphic Convention, but not to the additional undertaking of the 3rd November, 1906. This Government desires to reserve to itself the power, under clause II of the final protocol, of designating certain coast stations which shall be exempt from the obligation imposed by Article 3 of the convention. For the purposes of the convention, New Zealand should be included in the fourth class of offices—that is to say, the class in which it appears in the International Telegraph Convention.

I have, &c.,

W. R. MORRIS, for Secretary.

The Director, International Bureau of Telegraphic Administrations
(International Radio-telegraphic Convention), Berne.

[Tel. 07/156(13).]

No. 96.

The SECRETARY, General Post Office, London, to the Hon. the POSTMASTER-GENERAL, Wellington.

SIR,—

General Post Office, London, 5th February, 1908.

I am directed by the Postmaster-General to say that he has been informed of the decision of the Government of New Zealand to adhere to the Berlin Radio-telegraphic Convention. In view of that decision, he thinks that your Administration will be interested to receive the notifications relating to wireless telegraphy issued from time to time by the International Bureau at Berne; and he has pleasure in sending you herewith two copies of each of the five notifications issued hitherto [Nos. 1-4: not printed], together with the annexes to Nos. 2 and 4 [not printed].

The Postmaster-General will also be happy to supply you with copies of any further notifications that may be issued between this date and the formal adherence of His Majesty's Government to the convention on behalf of New Zealand, after which your Administration will of course receive copies from Berne direct.

I have, &c.,

A. M. OGILVIE,

For the Secretary.

The Hon. the Postmaster-General, Wellington.

[Tel. 08/389(3).]

No. 97.

The DIRECTOR, International Bureau of Telegraphic Administrations, Berne, to the SECRETARY, General Post Office, Wellington.

SIR,—

International Bureau of Telegraphic Administrations (International Radio-telegraphic Convention), Berne, 5th March, 1908.

I have the honour to forward you herewith a copy of the annual report of this Bureau for the year 1907, for the Radio-telegraph service.

I have, &c.,

E. FREY, Director.

The Secretary, General Post Office, Wellington.

[Tel. 08/389(10).]

Enclosure in No. 97.

1907—STAFF AND ORGANIZATION.

By the terms of Article XXXVII of the Service Regulations under the International Radio-telegraphic Convention of Berlin, the International Telegraph Bureau was intrusted, subject to the consent of the Swiss Government and the approval of the Telegraph Union, with the duties of "International Bureau," provided for by Article 13 of the Convention. The Swiss Government gave its consent on the 6th December, 1906, and the International Bureau at once asked the Administrations of the Union to give their consent to it performing the duties laid upon it by the Berlin Conference. This approval was given by all the Administrations during the year. In the meantime, in accordance with the wish of the Berlin Conference and with the approval of the Swiss Federal Council, we immediately began to organize the new service. A secretary, Mr. Franz Schwill, Inspector of Telegraphs of the Frankfort-on-Main service, and a clerk, Mr. H. Eggli, of the Swiss service, were appointed by the Swiss Government as future officials of the Radio-telegraph section of the International Bureau, and were to take up their duties as soon as the volume of business should warrant it. As yet the business caused by the new duties imposed on the International Bureau has not, up to the end of 1907, justified these officials taking up their duties, and the present staff of the International Bureau has performed such duties throughout 1907.

STATES WHICH HAVE SIGNED THE CONVENTION.

The States which have signed the International Radio-telegraphic Convention of the 3rd November, 1906, are as follows: Germany, United States of America, Argentine, Austria, Hungary, Belgium, Brazil, Bulgaria, Chili, Denmark, Spain, France, Great Britain, Greece, Italy, Japan, Mexico, Monaco, Norway, Holland, Persia, Portugal, Roumania, Russia, Sweden, Turkey, and Uruguay. Also, the New Zealand Administration informed us that it had decided to adhere to the convention, but not to the additional agreement of the same date as the convention. As regards its proportion of the expenses of the International Bureau, New Zealand requests that it be placed in the fourth class. The adhesion of New Zealand brings the total number of signatory States up to twenty-eight.

PUBLICATIONS, ETC.

The number of circulars, &c., dealt with is 205. In this total circulars and notifications count as only one each number.

Circulars are four in number. In one the Administrations were asked to furnish a list of stations in terms of Article XXXVIII of the Service Regulations, and in another to furnish us with copies of any laws, &c., in force in their countries dealing with wireless telegraphy.

Notifications are also four in number, and contain information concerning the Radio-telegraph stations in various countries. These will be, of course, also shown in the Nomenclature.

The *Journal Télégraphique*, the monthly review of the International Bureau, which, with the year 1907, completes its thirty-ninth year of existence, serves also as the official organ for radio-telegraphy.

Several articles dealing with wireless telegraphy were published in 1907, such as "International Wireless Telegraph Conference," "Berlin Conference and Service Regulations," "Radio-telegraph Regulations in the Argentine, Belgium, Denmark, Great Britain, and Roumania," &c. Besides these, notes and articles on wireless telegraphy appear in almost every number of the *Journal Télégraphique*.

Documents of the Berlin Conference: Two hundred copies of these were given by the Imperial German Post and Telegraph Department to the International Bureau. Of these, 16 were distributed, leaving 184 copies on hand.

Berlin Convention, &c.: This was published by the German Administration at the price of 50 centimes per copy, and 500 copies were handed to the International Bureau. Of these, 293 copies were distributed, leaving an available stock on hand of 207 copies.

ACCOUNTS.

The accounts for 1907 are shown in the attached statement of receipts and expenditure for the first year of the existence of the radio-telegraph service, and there are also shown the estimates for 1908.

The expenditure for 1907 amounted to 4,052·98 francs, and the receipts to 34·85 francs, leaving a difference of 4,018·13 francs to be contributed by the various Administrations.

According to Article XXXVII of the Service Regulations under the Berlin Convention, the expenses of the International Bureau are chargeable to a separate account to which the terms of the International Telegraph Regulations apply. For this purpose each Government must notify the International Bureau in which class it wishes to be placed.

As this information has been furnished by only one Administration, the settling of the account for 1907 is impossible. As a result, the total expenditure chargeable against the various Administrations—viz., 4,018·13 francs—which was advanced by the Swiss State Bank, will be carried forward to the year 1908, during which we hope to be in a position to classify the contracting States.

Proportional contributions towards the general expenses of the International Bureau will therefore be made for the first time at the end of the next year, and will include the years 1907 and 1908.

RECEIPTS.				EXPENDITURE.			
Actual Receipts for 1907.		—	Estimates for 1908.	Expenditure during 1907.		—	Estimates for 1908.
Fr.	c.		Fr. c.	Fr.	c.		Fr. c.
0	0	1. Sale of publications	3,300 0	2,000 0	0	Staff: Salaries, &c. ...	12,845 0
21	35	2. Sale of Conference documents	100 0	285 65	0 0	Travelling-expenses ...	1,000 0
				0 0	0 0	Rent ...	1,000 0
13	50	3. Sundry receipts ...	0 0	0 0	0 0	Office material, stationery, &c.	2,000 0
0	0	4. Balance from previous year	0 0	260 8	0	Office expenses, lighting, &c.	1,100 0
4,018	13	5. Contributions from the various States	29,795 0	513 50	0	Printing ...	14,500 0
				993 75	0	Conference documents	0 0
					0	Contingencies ...	500 0
					0	Balance forward to next year	250 0
4,052	98		33,195 0	4,052 98	0		33,195 0

No. 98.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR.
My LORD,—

Downing Street, 25th March, 1908.

I have the honour to transmit to you, for the information of your Ministers, copies of an Order in Council extending to British vessels on the high seas the provisions of "The Wireless Telegraphy Act, 1904."

2. It will be seen that the provisions of that Act will not apply in any case in which wireless telegraphy is being worked on board a British vessel registered in a British possession in accordance with the terms of a license granted by the proper authority in such British possession. This provision has been inserted to avoid any possibility of the incurring of penalties under the Act by persons acting on the strength of a duly granted colonial license.

3. I shall shortly send to you copies of the form of license for the working of wireless telegraphy on board ships which will be issued in this country.

4. I have to request that your Ministers will supply me with copies of any licenses for the working of wireless telegraphy on board ships already issued by them, and intimate the names of the vessels holding such licenses, for the information of the Postmaster-General. I shall also be glad if in future I may be informed of the names of any vessels to which licenses are issued, and of the terms of such licenses.

I have, &c.,

ELGIN.

Governor the Right Honourable Lord Plunket, K.C.M.G., K.C.V.O., &c.

[For reply see No. 101.]

[Tel. 08/389(10).]

Enclosure in No. 98.

AT THE COURT AT BUCKINGHAM PALACE,

The 29th day of February, 1908.

Present :

THE KING'S MOST EXCELLENT MAJESTY IN COUNCIL.

WHEREAS it is provided by "The Wireless Telegraphy Act, 1904," that it shall be lawful for His Majesty in Council to order that the said Act shall, subject to any conditions, exceptions, and qualifications contained in the Order, apply during the continuance of the Order to British ships whilst on the high seas :

Now, therefore, His Majesty, in pursuance and exercise of the powers in this behalf by the said Act of Parliament or otherwise in him vested, is pleased by and with the advice of his Privy Council to order, and it is hereby ordered, as follows :—

1. "The Wireless Telegraphy Act, 1904," shall apply to British ships whilst on the high seas, provided that a person on board a British ship which is registered in any British possession (other than the Channel Islands and the Isle of Man), or in any British protectorate, shall not be deemed to commit an offence against "The Wireless Telegraphy Act, 1904," by reason of the installation or working of wireless telegraphy on such ship if the authority in such possession or protectorate, having power by law so to do, shall have granted a license for the installation and working of apparatus for wireless telegraphy on that ship, and if such person is acting in accordance with the provisions of such license.

2. "The Interpretation Act, 1889," shall apply for the purpose of the interpretation of this Order as it applies for the purpose of the interpretation of an Act of Parliament.

3. This Order shall be published in the *London Gazette*, and shall come into operation immediately from and after the expiration of three months after this Order is so published.

4. This Order may be cited as "The Wireless Telegraphy Order, 1908."

A. W. FITZROY.

No. 99.

The SECRETARY, General Post Office, Wellington, to the DIRECTOR, International Bureau of Telegraphic Administrations, Berne.

SIR,—

General Post Office, Wellington, 1st April, 1908.

I have the honour to acknowledge the receipt of your circular letter of the 1st January, 1907, asking to be supplied with a list of radio-telegraph stations established in New Zealand, and to inform you that no stations have yet been opened by this Administration.

I have, &c.,

D. ROBERTSON, Secretary

The Director, International Bureau of Telegraphic Administrations
(International Radio-telegraphic Convention), Berne.

[Tel. 08/680(6).]

No. 100.

The SECRETARY, General Post Office, Wellington, to the DIRECTOR, International Bureau of Telegraphic Administrations, Berne.

SIR,—

General Post Office, Wellington, 1st April, 1908.

I have the honour to acknowledge the receipt of your circular letter of the 1st January, 1907, asking to be supplied with two copies of any laws and regulations in force in this country relating to radio-telegraphy.

In reply, I enclose two copies of "The Wireless Telegraph Act, 1903." As no radio-telegraph stations have been opened in New Zealand, it has not been necessary to issue any regulations.

I have, &c.,

D. ROBERTSON, Secretary.

The Director, International Bureau of Telegraph Administrations
(Radio-telegraphic Convention), Berne.

[Tel. 08/389(7).]

No. 101.

The Hon. the MINISTER OF TELEGRAPHS to the Right Hon. the PRIME MINISTER.

[Minute on No. 98.]

The Right Hon. the Prime Minister.

27th May, 1908.

No licenses for the working of wireless telegraphy on board ships have yet been issued by this Government; but in the event of any being issued at any time the names of the vessels to which they are issued and the terms of the licenses will, as desired, be furnished for the information of the Postmaster-General in London.

J. G. WARD,

Minister of Telegraphs.

[Tel. 08/389(10).]

EMPIRE CABLES, ETC.

No. 102.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR.

MY LORD,—

Downing Street, 19th July, 1907.

I have the honour to transmit to you, to be laid before your Ministers, copy of a despatch from the Governor-General of Canada forwarding copy of an address presented by the Ottawa Board of Trade on the subject of Empire cables and of his reply.

I have at the same time to enclose copy of a letter from Sir S. Fleming on the subject, dated the 26th January, 1906 [Enclosure 1 in No. 103], together with a copy of a letter from the Pacific Cable Board, to whom Sir S. Fleming's letter was referred for their examination and report, at his request.

I have, &c.,

Governor, the Right Hon. Lord Plunket, K.C.M.G., K.C.V.O., &c.

ELGIN.

[Tel. 07/327.]

Enclosure in No. 102.

His Excellency the GOVERNOR-GENERAL OF CANADA to the Right Hon. the SECRETARY OF STATE FOR THE COLONIES, London.

MY LORD,—

D.G.S. "Minto," off Quebec, 23rd June, 1907.

I have the honour to forward herewith, for your information, copy of an address presented to me by the Ottawa Board of Trade, on the 21st instant, on the subject of the "all-red" system of State-owned cables, and of my reply.

Your Lordship will notice that I told the deputation of the Board of Trade that I should have much pleasure in requesting you to communicate the contents of their address to His Majesty the King, and I shall be obliged if you can see your way to lay the same before His Majesty.

I shall also be obliged if you can, in accordance with the request of the Board of Trade, have copies of their address forwarded to the various Governments of the Empire.

I have, &c.,

The Right Hon. the Earl of Elgin, K.G., &c., Colonial Office, S.W.

GREY.

Sub-enclosure 1 to Enclosure in No. 102.

The PRESIDENT and the SECRETARY, Board of Trade, Ottawa, to His Excellency the GOVERNOR-GENERAL OF CANADA.

MAY IT PLEASE YOUR EXCELLENCY,—

Ottawa, 21st June, 1907.

The members of the Council, the present delegation from the Board of Trade of the City of Ottawa, desire to welcome Your Excellency back from England. They do so most cordially, and they trust they may be allowed to express the high gratification which your return to our midst gives to all classes of the community.

On behalf of the Board we ask Your Excellency to allow us to take advantage of this, the very earliest opportunity, to refer to some of the results of the Imperial Conference recently held in London. We desire especially to refer to the resolution adopted on the 14th May, which reads as follows:—

“That, in the opinion of this Conference, the interests of the Empire demand that, in so far as practicable, its different portions should be connected by the best possible means of mail communication, travel, and transportation, and that to this end it is advisable that Great Britain should be connected with Canada, and, through Canada, with Australia and New Zealand, by the best service available within reasonable cost; that for the purpose of carrying the above project into effect such financial support as may be necessary should be contributed by Great Britain, Canada, Australia, and New Zealand in equitable proportions.”

This resolution was considered at the last sitting of the Conference. Its adoption was practically the concluding act of the assembled Prime Ministers, and this fact, we think, is of the highest importance in view of the far-reaching policy which the resolution may be taken to affirm. The resolution only mentions mail communications, but it is possible that the same wise policy may be regarded as applicable to other means of connecting the outlying portions of the Empire.

Modern communications between distant points on the surface of the globe are effected by the employment of two sister agencies—steam and electricity. The resolution of the Imperial Conference applies more particularly to the use of the first of these twin agencies, but the employment of the second is in no way antagonistic to that of the first; it may, indeed, be regarded in some cases as a consequence necessarily resulting from the use of the first. In the present instance, as both have the same end in view, every reason obtains why both should be employed in order the more speedily to accomplish an object so immensely important as the consolidation and well-being of the British Empire.

The proposition particularly referred to in the resolution is the establishment of a fast mail and passenger service between England and Australasia *via* Canada. The Board of Trade of the City of Ottawa, and, we may add, every Canadian, would rejoice to see this service carried out. As has elsewhere been truly said, it would benefit every province in the Dominion, and no one can doubt that it would tend in an important degree to knit together in friendship and in trade the several countries proposed to be connected.

Your Excellency is in part familiar with the labours of the Board of Trade of the City of Ottawa and its members. In 1901 they entered upon an inquiry of the greatest importance; they opened correspondence with every known organized body representing the interests of British trade in all parts of the world. From time to time they forwarded communications containing useful information having reference to the most effective means of fostering trade, stimulating commercial activity, and creating an electric bond of unity between the parts of the Empire separated by the oceans. They invited and received replies to the correspondence, and by such means they came into possession of the views of a large number of persons associated with British trade throughout the world.

One of the earliest expressions of opinion came from Australia. The General Council of the Australian Chambers of Commerce affirmed “the unspeakable importance of a system of State-owned telegraph and cable lines connecting all the several portions of His Majesty’s dominions.” The subject was brought up for discussion at the Fifth Congress of the Chambers of Commerce of the Empire, held in Montreal in 1903, when the following formal resolution was adopted:—

“That, in the opinion of this Congress, all the self-governing British communities around the globe should be united by a continuous chain of State-owned telegraphs; that such an Inter-Imperial line of communication would, under Government control, put an end to the difficulty which has been caused in Australia by the allied cable companies, and remove all friction which has arisen between the partners in the Pacific cable; that it would lower charges to a minimum on oversea messages passing between New Zealand, Australia, India, South Africa, the West Indies, Newfoundland, Canada, and the Mother-country; that it would provide a double means of communication at low uniform rates between the Mother-country, or any one British State, and all self-governing British States; that it would constitute the most effective means by which the several governmental units of the Empire may hold communion with each other whenever they desire; and that, while it would be of the highest importance to the commercial and social interests of the British people around the world, it would, by the subtle force of electricity, at once promote the consolidation of the Empire and prove an indispensable factor in Imperial unity.”

This deliverance was reaffirmed by the Sixth Congress, held in London in 1906, with complete unanimity.

Having obtained similar expressions of opinion from many centres of political and commercial influence in both hemispheres, the Board of Trade of the City of Ottawa in 1904 issued a circular letter in which was submitted a scheme of Empire cables in complete harmony with the views of the Chambers of Commerce and the frequently expressed opinions of the British Empire

League in Canada and Australia, and other bodies. The scheme submitted was in outline as follows:—

“It is proposed to establish a system of Empire-girdling, State-owned cable telegraphs in an unbroken chain around the globe. These cables are designed to connect, telegraphically, in the most complete manner the several groups of self-governing British communities in Europe, America, Australasia, Asia, and Africa; it is held that the Empire cables should be State-owned for the following and other reasons, viz.:—

“1. In order that they may be wholly removed from the control of companies, whose chief object is to make profits by maintaining as high rates as possible on messages.

“2. In order that the cost of telegraphing throughout the Empire may be reduced to a minimum.

“3. In order that the British people, geographically separated by the oceans, may be brought within touch by a means of intercourse as free and unrestricted as possible.

“4. In order that the Governments of all the self-governing British peoples within the Empire may be enabled to confer with each other at all times with the greatest facility on matters of mutual concern.

“5. In order that no portion of these great lines of communication may come under foreign influence, or be used to the detriment of British interests.

“The Empire cables are, for greater security and effectiveness, designed to be laid in deep water, and to touch or traverse only British territory.

“This new Imperial service, forming an unbroken chain around the globe under one control, would provide a double means of telegraphing—that is to say, easterly as well as westerly—between any one British State and any other British State. By the removal of every restriction possible it would stimulate commercial, social, and political intercourse between the several parts, and tend in every way to strengthen the Empire.

“This electric bond of Empire may be described as consisting of four divisions, viz.:—

“1. From the United Kingdom to the Pacific, embracing a cable across the Atlantic and land-lines through Canada.

“2. A cable across the Pacific from Canada to New Zealand and Australia, with land-lines through Australia to the Indian Ocean.

“3. A cable from Australia across the Indian Ocean to South Africa, with a branch from Cocos Island to India.

“4. A cable from Cape Town to the United Kingdom *via* Ascension, the West Indies, and Bermuda, with a branch to Canada.

“The proposal to establish the first of these four divisions has for some time been before the Canadian public, and we feel warranted in saying that it is regarded with much favour. The Canadian Press Association has with the greatest unanimity passed resolutions in its favour, and it cannot be doubted that in the event of the Canadian Government proceeding to nationalise the telegraph service between London and Vancouver, it would be accepted with general satisfaction throughout the Dominion.

“The second division is an established fact, having been successfully carried out under a partnership arrangement between six British Governments—viz., the Home Government, the Canadian Government, the Governments of New Zealand, New South Wales, Victoria, and Queensland.

“There remain divisions 3 and 4 to complete the whole series of Empire cables. The principle of State ownership and State partnership having been adopted in respect to the Pacific, the extension of the principle to this second half of the globe-girdling system would seem to follow naturally.”

As the second division has been established at the expense of the six Governments mentioned, we have the means of ascertaining with a near approach to accuracy the cost of the three remaining divisions. Based on these data, a liberal estimate goes to show that an additional sum of £5,000,000 would establish and completely equip the whole circle of Empire cables.

The Board of Trade of the City of Ottawa does not stand alone in the efforts which it has made or in the conclusions which it has reached. Beside the many Chambers of Commerce in Canada, the United Kingdom, New Zealand, Australia, India, South Africa, West Indies, and elsewhere, which have placed themselves on record in a manner which cannot be misunderstood, a long array of men of eminence and learning have declared themselves strongly in favour of the proposal. Moreover, the Board of Trade of the City of Ottawa has much satisfaction in welcoming a new ally in the endeavour to awaken attention to the matter and in educating the public mind concerning it. One of the most influential associations in England—the “Eighty Club”—issued a few months ago a pamphlet of thirty pages, the object of which was to impart to the people of the three Kingdoms a true perception of the necessity for action, and the immense advantages to result from the application of the principle of connecting the several units of the great British Family of Nations by the best possible means of communication, a principle now indorsed by the Conference of Premiers of the Empire.

The most remarkable testimony in favour of the proposal is brought forward by a member of the Board of Trade of the City of Ottawa in a communication to the Colonial Secretary. It appears in Sessional Paper No. 67 (1906) [Enclosure 1 in No. 103], presented to Parliament by the Canadian Government. It is doubtful if it would be possible to find higher testimony in favour of any proposition. It consists of the individual testimony of over fifty well-known eminent Canadians, embracing Lieutenant-Governors of Provinces, Presidents of Universities, Judges of Supreme Courts, statesmen, and clergymen of every denomination. In this particular matter they are in remarkable agreement, and it might indeed be difficult to find any other subject on which they would be so cordially and emphatically agreed. This half-hundred of some of the fore-

most men in Canada are substantially of one mind with respect to the establishment of a great channel of communication linking together in an electric girdle the self-governing British communities. In the concluding words of the communication they appear to think that it is of transcendent importance to inaugurate an Imperial cable service, which, while satisfying in the highest degree the needs of commerce, would at the same time perform the functions of a continuous spinal cord encircling the globe, by and through which would freely flow every national aspiration, every sympathetic impulse of the British people in every longitude and latitude.

Much evidence has been accumulated to establish that the system of Empire cables advocated by the Board would cheapen oversea telegraphy between every one of the great British possessions around the globe to an extent now little dreamed of.

If the policy be adopted of making the charges on ordinary messages transmitted just sufficient to pay working-expenses, and if a uniform rate, irrespective of distance transmitted, be charged, as in the case of Imperial penny postage, a complete revolution would follow, which would undoubtedly lead up to a wonderful advance in the consolidation of the Empire. Every British citizen within range of the globe-encircling Empire cables would practically be brought into one neighbourhood, telegraphically. Every person in the Mother-land, in Canada, and in the East and West Indies, in South Africa, in Australia, and in New Zealand would be free to exchange thoughts one with the other as readily and almost as cheaply as we do by telegraph at present with friends in neighbouring cities.

In these few words we have endeavoured to indicate to Your Excellency the great ideal in constructive Imperialism which we have set before us, and we venture to think that there can be no more fitting corollary to the concluding act of the Imperial Conference. We therefore make free to suggest that a system of State cables encircling the globe may be regarded as a supplementary Imperial necessity.

On behalf of the Board of Trade of the City of Ottawa, we respectfully express the hope that Your Excellency will be pleased to bring the subject to the attention of the several Governments.

We have, &c.,

JAS. W. WOODS, President.

CECIL BETHUNE, Secretary.

His Excellency Earl Grey, Governor-General of Canada.

Sub-enclosure 2 to Enclosure in No. 102.

EARL GREY'S REPLY.

You, gentlemen, representing the Ottawa Board of Trade, have asked that I should receive you for the purpose of enabling you to explain the measures which you think should be adopted in the interests of Canada and the Empire with regard to the establishment of what is known as the All-red Line, and to enable you to give expression to your desire that I should bring the subject of your hopes before the attention of the Crown.

The Ottawa Board of Trade already enjoys throughout the Empire an honourable reputation as an organization which is animated by a spirit of lofty and far-seeing Imperialism, and any request coming from you would naturally call from me the friendliest and most sympathetic consideration, but the fact that Sir Sanford Fleming is the member of the Board of Trade through whom the request for this interview has reached me, invests it with an exceptional urgency. The admiration I feel for him and the sympathy I have for the objects with which his name is so closely and honourably connected would make it difficult, almost impossible, for me to refuse your request.

For upwards of twenty-five years Sir Sandford Fleming has devoted his energies to the task of securing for Great and Greater Britain the advantages of cheapened telegraphic service. The bare recital of his efforts in this direction almost suggest the missionary fervour of St. Paul. He has without hope of personal gain visited five continents; he has traversed all the great oceans—the Atlantic many times; he has given himself, his time, and his substance ungrudgingly and without stint to the service of the Empire, and in the realisation of his hopes, which I trust is not far off, and in the general recognition that the life of Britons all the world over will have been made the happier by his efforts, he will find at the appointed time his well-merited reward.

Referring to the address you have presented, I thank you for the welcome which you have given me on my return from England. The chief reason that caused me to absent myself from my happy home in the Dominion for a space of less than a month was my desire to support Sir Wilfrid Laurier in his endeavour to impress upon the members of the Imperial Government the importance of establishing a fast transatlantic service between Canada and England, and of thus making Canada not only the natural and God-appointed but the accepted mail and passenger route between Great Britain and the Orient and those great British dominions in the southern seas, of New Zealand and Australia.

You have referred to the concluding act of the Imperial Conference which has pledged the Empire to quicken the connections between Canada and the United Kingdom on the one hand, and Australia and New Zealand on the other.

I congratulate you that, through the action of your representative at the Imperial Conference, Sir Wilfrid Laurier, the representatives of the Empire in conference assembled resolved that the time had come for the establishment of a mail and passenger service between Great Britain and Canada equal to the best supplied New York. The time is not far off when Canada will reap the great advantage of the geographical position with which nature has endowed her by the

establishment of a service which will stop our British letters travelling over two sides of a triangle *via* New York, and when the merchant in New York, to whom time is a consideration, will travel to and from and communicate by post with the United Kingdom through Canada.

Gentlemen, the object of your requesting me to give you this interview is to provide you with an opportunity for bringing once more before the attention of the public the desirability of supplementing the establishment of the all-red route with an all-red Empire-owned cable, "by and through which will freely interflow between every portion of His Majesty's dominions every national aspiration and every sympathetic impulse of the British people in every portion of the globe."

The adoption of this policy has long been advocated by your Board of Trade, and when the day comes (as come it will), when peoples living within range of the all-red cables will be able to exchange thought with every other people similarly situated at a low and uniform rate, making telegraphic intercourse between various parts of the British Empire as easy and almost as cheap as that which exists between Ottawa and Vancouver to-day, then when that day comes, thanks in a large measure to your efforts, nothing will be able to deprive the Ottawa Board of Trade, and Sir Sanford Fleming especially, of the halo of glory which will for all time belong to you.

As one of those who believe with Sir Sanford Fleming that the establishment of a State-owned all-red line will be a service of hardly less importance to the Empire than the establishment of the all-red route, I shall have much pleasure in forwarding to Lord Elgin, the Secretary of State for the Colonies, with a request that he shall communicate its contents to the King and, with the approval of His Majesty, to the other Governments of the Empire, the address to which I have listened with so much interest.

I have never forgotten the words of Mr. Hofmeyer, the famous South-African, when Sir Sanford Fleming's scheme was explained to him. "If I were still a young man," he is reported to have said, "with the same optimistic feelings as those of 1887, I would make the adoption of such a scheme as Sir Sanford Fleming's the main object of my life, and carry it, too."

That the Ottawa Board of Trade, under the inspiring leadership of Sir Sanford Fleming, may continue to make the adoption of the all-red cable the main object of its existence is not only my hope but my expectation, and if you do make it the main object of your existence, I feel with Mr. Hofmeyer that you will carry it.

The fact that the Eighty Club, of which I had the honour to be the founder, but from which a disagreement in Imperial politics caused me subsequently to sever my connection, has declared itself to be in favour of this most important bit of constructive Imperialism confirms my belief that if you persevere you will succeed.

No. 103.

The HIGH COMMISSIONER to the Right Hon. the PRIME MINISTER.

Westminster Chambers, 13 Victoria Street, London, S.W.,

8th November, 1907.

(Memorandum.)

In reply to the Hon. Minister's letter of the 10th September last [not printed], I beg to enclose herein four copies each of the print "Views of Many Eminent Canadians on the Establishment of an Imperial Intelligence Service on a Comprehensive Scale," by Sir Sanford Fleming, and of a letter from the Pacific Cable Board to the Colonial Office of the 21st March, 1906.

The Right Hon. the Prime Minister.

W. P. REEVES.

[Tel. 07/327.]

Enclosure 1 in No. 103.

VIEWS OF MANY EMINENT CANADIANS ON THE ESTABLISHMENT OF AN IMPERIAL INTELLIGENCE SERVICE ON A COMPREHENSIVE SCALE.—Letter addressed to the Right Honourable the Earl of Elgin, Secretary of State for the Colonies, by Sir Sanford Fleming, 1906.

SIR,—

Ottawa, 26th January, 1906.

I have the honour to submit, for the information of your Government, a communication addressed to the Right Hon. the Earl of Elgin, Secretary of State for the Colonies.

This communication refers to the views of many well-known Canadians on the prime necessity of an Imperial Intelligence Department as a means of advancing the consolidation of the Empire. I am convinced that the establishment of the service suggested would immediately lead to a more satisfactory financial outlook for the Pacific cable, and immensely promote the usefulness of that State undertaking.

I have, &c.,

SANFORD FLEMING.

The Right Hon. Sir Wilfrid Laurier, Prime Minister, Canada.

Sub-enclosure to Enclosure 1 in No. 103.

MY LORD,—

Ottawa, 26th January, 1906.

I have the honour to submit the following papers, which I venture to think have a bearing on a subject of much interest to the people of the Mother-country and all the colonies.

Having, through force of circumstances, come into possession of the views of many of the foremost men in Canada on a proposal respecting the organization of the Empire, duty impels me

to make these views known. Equally impressed by a sense of public duty, I have the honour to submit explanations on a subject which at the present moment occupies the thoughts of many persons throughout the King's dominions. These explanations will be found to relate to the gradual evolution of the Empire.

More than a hundred and thirty years ago the great and gifted Irishman, Edmund Burke, and the illustrious U.E. loyalist Joseph Galloway, on opposite sides of the ocean, each had visions of a mighty Empire; more than fifty years ago its organization was a dream of the great Canadian, Joseph Howe; since then it has been the dream of other great men of various races, in various British communities, and in yearly increasing numbers.

For a generation back Imperial Federation Leagues, British Empire Leagues, and other associations have been formed with the avowed purpose of converting the dream into a reality. The goal has not been reached; but if the desired results have not followed, these several agencies have done much to awaken the spirit of union which now to so large an extent prevails.

The First Necessity.

The organization of the Empire was brought specially to the attention of the Canadian people in October last by three envoys from England—Sir Frederick Pollock, Mr. Geoffrey Drage, and Mr. Pitt Kennedy. These gentlemen travelled throughout the Dominion and addressed public meetings in several cities. It will be my purpose to refer to some of the chief proposals they submitted, and furnish the views of many eminent Canadians respecting them. From such evidence I think it will be apparent that the time is not yet ripe for the adoption of the proposals—at least, in the order in which they were presented. Moreover, the evidence will show that no scheme of organization is likely to be readily and generally acceptable unless and until some effective means be taken by and through which the people of every portion of the Empire are made better acquainted than at present with each other, and with all matters concerning their mutual well-being.

This points directly to the first step which the circumstances of the case appear to demand—the establishment of an adequate service for disseminating useful knowledge throughout the Empire for the mutual advantage of all. I am satisfied that such a service, established under Imperial authority, and properly organized to accomplish the desired ends, would prove a powerful and effective educating influence. I believe there is nothing which would more speedily tend to bring about the harmonious union of all British communities.

At present we have, it is true, the Imperial postal service; but, owing to distance and the time taken up in transit, this service is entirely inadequate. No satisfactory exchange of thought or general discussion can be carried on when it requires two or three months to get a reply to any kind of postal communication.

It may be said that delegates could be sent from one country to another to make speeches and deliver lectures; but the audiences in all such cases would be limited. The circumstances require not simply that lectures or *post-prandial* speeches be heard by a few on special occasions, but that the millions be reached frequently. This, I am satisfied, is the first problem to be solved, unless the consolidation of the Empire is to be indefinitely postponed. That it can be solved, and most effectively, I have no doubt whatever, by utilising the electric telegraph, and by combining its use with the daily and other journals in each British community. Through the co-operation of cables and the Press we would come into possession of the very best medium for conveying selected intelligence to the millions who read the newspapers, and whose children attend school. Immense good can be done through the schools in the British world in giving direction to our political destiny; but I cannot now dwell on this branch of the subject.

A Great Circle of Empire Cables.

There is no novelty in the proposal about to be referred to. It was foreshadowed in the proceedings of the Colonial Conferences of 1887 and 1894. It has since these dates been advocated from time to time. It was put into concrete form in a communication addressed to the then Secretary of State for the Colonies on the 28th October, 1898.

In this document it was proposed that all the self-governing British communities in both hemispheres be brought into direct electric touch with each other, and all with the Mother-country. It was designed that cable-telegraphs should connect each adjacent or proximate community in such a manner as to constitute, with the connecting land-lines, a continuous chain of telegraph around the globe, and thus admit of messages being sent in either direction, as circumstances or convenience might call for, from any one British State to any other British State.

The globe-encircling chain of telegraph cables would extend from England to Canada, and thence to New Zealand, Australia, India, South Africa, and the West Indies, returning to England by way of Bermuda, with a branch to Nova Scotia or Newfoundland. That this system of connecting-lines may be of the highest Imperial advantage, it is essential that it be wholly State-owned and State-controlled.

This globe-encircling chain has been designated the "Empire cables," for the reason that it would telegraphically unite all the great self-governing units of the Empire without traversing, or even touching, any foreign soil. Its establishment as a State undertaking would greatly reduce charges for transmitting oversea messages. There is evidence which makes plain that the revenue would be ample to pay working-expenses, and the working-policy advised would be to reduce charges progressively as the volume of traffic increased.

The letter to the Secretary of State for the Colonies, when made public in 1898, attracted much attention in the Press. Two years thereafter a great impulse was given to the project by an agreement, entered into on the 31st December, 1900, between the Home Government and the Governments of Canada, New South Wales, Victoria, Queensland, and New Zealand. By this agreement a unique partnership was formed between six British Governments for the purpose of

establishing and maintaining the Pacific Cable. On the 31st October, 1902, this initial and most important link in the globe-encircling chain was completed.

The Views of Commercial Men.

Before its completion the establishment of the remaining links in the whole chain was earnestly considered by business men in different parts of the British world. The Ottawa Board of Trade in 1901 opened correspondence with every known organized association of commercial men within the Empire. The correspondence has been continued, and by this means the opinions of British merchants the world over have been gained.

The evidence thus collected makes clear that, while there may be various shades of opinion on Imperial fiscal schemes and Imperial defence schemes and other like questions, there is no divergence of opinion among independent and thoughtful business men respecting the need of the Empire cables and the policy of establishing them. A remarkable consensus of opinion has been presented in favour of the proposal to establish this great Imperial cable service, and all are agreed as to the incalculable advantages likely to spring from it.

There can be no stronger evidence on this point than the resolution adopted at the Fifth Congress of the Chambers of Commerce of the Empire, held in Montreal in August, 1903. The resolution was unanimously passed by representative business men in Congress assembled. The conclusions reached have never been gainsaid. They have, in fact, been indorsed and supported by individual Chambers in all parts of the world.

The Resolution.

"That in the opinion of this Congress all the self-governing British communities around the globe should be united by a continuous chain of State-owned telegraphs; that such an inter-Imperial line of communication would, under Government control, put an end to the difficulty which has been caused in Australia by the allied cable companies, and remove all friction which has arisen between the partners in the Pacific cable; that it would lower charges to a minimum on oversea messages passing between New Zealand, Australia, India, South Africa, the West Indies, Newfoundland, Canada, and the Mother-country; that it would provide a double means of communication at low, uniform rates between the Mother-country, or any one British State, and all self-governing British States; that it would constitute the most effective means by which the several governmental units of the Empire may hold communion with each other whenever they desire; and that, while it would be of the highest importance to the commercial and social interests of the British people around the world, it would, by the subtle force of electricity, at once promote the consolidation of the Empire and prove an indispensable factor in Imperial unity."

If commerce, as universally claimed, be the backbone of the British Empire, such an expression of opinion should carry with it great weight. The resolution adopted with so much unanimity by representative British merchants assembled in what in fact was a near approach to a commercial parliament of the whole Empire is most significant.

The Eastern Extension Company.

But the Empire cables are not favoured in one quarter. The public policy of establishing a much-needed Imperial service, demanded by the progress of events, meets with the greatest opposition from a certain influential private company.

The Eastern Extension Telegraph Company, with commendable enterprise, thirty-four years ago laid a branch telegraph-line from Asia to Australia. The Australian Governments granted liberal subsidies. The company exacted high charges for the transmission of messages, and in process of time built up for itself a rich monopoly. This condition was terminated by the establishment of the Pacific cable, the initial link in the chain of Empire cables, and since then the Eastern Extension Company has not spared its reserve funds and its efforts to destroy the business outlook of the Pacific cable. But I shall leave it to others to relate the history of these efforts and the subtle influences employed to harm the State undertaking. All these proceedings, at length, as it now appears, culminated in an attempt, under cover of what has been termed "a pooling agreement," to secure control of the State-owned cable.

It is perfectly clear that to surrender control of the Pacific cable, in any degree, to the company would be in every sense unwise, and even suicidal. It would be the first step towards resuscitating the old monopoly, and would at once indorse and confirm the maintenance of unnecessarily high oversea telegraph charges. It would put an end to the completion of the Empire cables, and extinguish all hope of securing an adequate Imperial telegraph service, regarded by so many thoughtful men as indispensable to the consolidation of the Empire.

There are few who now doubt that the pooling scheme took its origin with the company in London. Happily, the "antipodes" came to the rescue, and in the spirit, and almost in the words of the Right Hon. H. C. Raikes (Postmaster-General during the term of the Colonial Conference of 1887), have practically declared that the company shall not be allowed to "throttle" the Pacific cable and "preclude" the completion of the "Empire cables."

"The Britain of the South" discovered a bold invasion of the interests of the public, an insidious attempt to render hopeless the realisation of high Imperial ideals. New Zealand vigorously protested against a pooling partnership, and suggested instead that the colonial cables of the company be "nationalised." These last-mentioned cables, transferred to the State, would constitute distinct portions of the globe-girdling Empire cables.

The Eastern Extension Company assumes an attitude which is absolutely indefensible. If that company ever regarded itself as too sacred to be interfered with, the illusion was entirely removed a few hours before the present century commenced by the united act of the six Govern-

ments, who then resolved to establish the Pacific cable. That act cannot now be undone, and the completed line of "Empire cables" is but a natural corollary thereto.

It is not denied that Australasians have been indebted to the company for giving them the first telegraphic connection with the outer world; but that historical event occurred a third of a century ago. The company has been already rewarded for its enterprise, and it is not now proposed that any of the company's cables or property be assumed for public use without giving fair and full compensation therefor.

However deserving its enterprise in the first instance, however profitable that enterprise for many years proved, at this stage in the history of the nations it is impossible to recognise that the company possesses an indefeasible right to obstruct measures vital to the free development of a great World-Empire.

I have elsewhere pointed out that it must not be supposed that the establishment of a single trunk line of State cables around the globe would irretrievably ruin, or even in the end do any real injury to, the private companies. In some respects it would be an actual advantage and benefit to them. It is quite true that there would be a great change, a new development approaching a revolution in business generally, by the introduction of the chain of "Empire cables," but the new trunk line of telegraphic communication would intersect the cables of the private companies at a number of points and prove an actual feeder to them. It would furnish abundant telegraph traffic at low rates, for dissemination by these private cables acting as branches.

An Imperial Intelligence Department.

An interesting phase of the subject is brought to light by the recent visit of Sir Frederick Pollock and his colleagues to Canada. These gentlemen came to the Dominion as envoys from England to explain the conclusions reached by a large committee of Englishmen of position representing various interests.

The proposals of Sir Frederick Pollock and those associated with him are given in the following summary statement which appears in an article by that gentleman, on Imperial organization, published after his return to England, in the *Nineteenth Century* for December, 1905:—

- (1.) An Advisory Council, including representatives of all parts of the Empire, and presided over, preferably, by the Prime Minister of the United Kingdom, to be formed on the basis of the existing Colonial Conferences.
- (2.) A permanent secretarial office attached to the President of the Imperial Council, to acquire and systematize information material to the common concerns of the Empire for the use of the Cabinet and the Council, and, so far as might be expedient, for publication. (Since described as an Imperial Intelligence Department.)
- (3.) A permanent Imperial Commission, whose members could represent all such branches of knowledge and research outside those matters pertaining exclusively to any Department as would be profitable in Imperial affairs; they would normally be put in action by the Prime Minister appointing special committees to deal with the particular questions on the request of the Imperial Council.

Sir Frederick Pollock and Mr. Geoffrey Drage spoke at public meetings in Toronto, Montreal, Winnipeg, and other places. They addressed the Canadian Club in Ottawa, on the 21st October, 1905, and directly afterwards I submitted the views I hold in a letter to the Club. I did the same on the 26th October in a second letter. Both letters were printed and to a limited extent circulated. Copies were sent under a covering letter from me to several well-known gentlemen, some of whom are practically removed from active Dominion politics; and, as it was regarded of public importance that the wisest available advice should be obtained, the hope was expressed to these gentlemen that they would be good enough to give briefly their views.

I have been favoured with more than a hundred replies, and they reveal the fact that remarkable unanimity prevails on essential points. With scarcely an exception, the view is held that the true policy for the several Governments is to inaugurate adequate means by which the people of the Empire may obtain and continue to maintain neighbourly intercourse with each other. The large majority of the gentlemen consulted emphatically declare that the best possible means to accomplish that object is some such plan as that outlined in the letters to the Canadian Club which are appended hereto. All who have given the subject full consideration appear to think that the organization of an Imperial Intelligence Department on a comprehensive scale is the first necessity, possibly the only means by which harmonious and permanently satisfactory relations between all the units of the Empire can be had.

As indicated elsewhere, the Intelligence Department should be very much more than a mere Bureau in which collected information would be deposited for safe-keeping, and perhaps rarely seen by any one other than the gentleman in charge. It should be established in the common interest, and especially for the benefit of the many. It should be a widespread organization, coextensive with the Empire, dedicated to the collection, transmission by cable, and publication in a free-handed manner, of intelligence on any subject of general interest for the information and education of the British people in every quarter of the globe.

The Free Exchange of Empire News.

In addition to a central Board in the British Metropolis, there should be local Boards and agencies in each self-governing community, where desired information would be collected. It would be the duty of each Board to take proper means to arrange and edit the information for free transmission by cable to the other Boards, and by them made available for simultaneous publication in the daily or weekly journals in all the great cities of the Empire. For further

explanations I beg leave to append extracts from an article on "State Cables and Cheap Telegraphy as aids to Imperial Consolidation." In this article it is pointed out how Press messages may, within certain limitations, be transmitted without cost.

By this means the people of the whole Empire would be brought into continuous touch. Each person, on opening his daily newspaper, would look into the column or columns under the heading "Empire Cable News" for the Imperial intelligence of the day, and would there find a trustworthy record of the matters of most vital importance and interest to every British community.

No argument is needed to point out the advantages which would spring from such an agency. It is impossible to conceive any other means which would so speedily and so effectively enlighten the masses of British people on all matters which concern their common welfare. Even small portions of such Empire news regularly furnished daily in the newspapers would be a thousand times better than the almost entire absence of such intelligence which now generally obtains. It undoubtedly would have a powerful educative influence, and the high political effect would be to foster a broad Imperial patriotism. It would open to the intelligence of all our people within the circle of the "Empire cables" wider issues connected with the advancement and development of the Imperial fabric, and we are warranted in believing that it would stimulate the sense of common citizenship, and, in time, lead to reciprocal affinity eventually approaching a general unity of ideas.

The machinery of a fully equipped Intelligence Department once provided, we may then with confidence assume (in the words used by the Colonial Office and repeated by the Canadian Government in recent correspondence* that the better union and the collective prosperity of the British Empire "may be wisely left to develop in accordance with circumstances, and, as it were, of their own accord."

I share very fully with every one with whom I have conferred the opinion that satisfactory results must reasonably be expected to follow the establishment of a wisely arranged Intelligence Department. The Imperial Press service suggested would tell its story and perform its functions not once, not intermittently, but daily throughout every year. It would, like the continual dropping of water, produce effective results. By means of this perennial flow we may confidently hope to have the spirit and principles of the British Constitution in course of time pervading, invigorating, vivifying the whole Empire, and it is firmly believed that such results would be accomplished more speedily and more thoroughly in this way than by any other means whatever. It is this spirit and these principles, inherited from the centuries, which would beget that sympathy and affection which, although as light as the air we breathe, would constitute the cohesive forces to bind together the Empire under one flag and sovereign as with bonds of steel.

As a Business Proposition.

Looking at the establishment of the Empire cables as a business proposition, three questions arise:—

- (1.) What expenditure of capital will be required?
- (2.) Who shall bear the cost?
- (3.) What returns may be expected?

As to the first question: The initial section is already completed as a joint State undertaking. This cable extends under the Pacific Ocean from Bamfield on the west coast of Canada, to Doubtless Bay on the coast of New Zealand, and Southport on the eastern coast of Australia. The exact cost of this undertaking is known. We also know the cost of the best description of copper-wired land telegraphs with full equipment for rapid transmission over any distance. On the basis of these known data it is estimated that the very moderate expenditure of £5,000,000 would complete the globe-girdling chain of Empire cables, with connecting land-lines. This chain would include a nationalised line from London across the Atlantic to Canada, and through Canada to Bamfield on the Pacific; also the necessary land-lines through Australia and nationalised cables across the Indian Ocean to India and South Africa, including also State-owned cables from South Africa to England *via* Barbados and Bermuda.

The second question, "Who shall bear the cost?" is a matter for negotiation, and obviously must for the present remain undetermined. It may, however, be said that the cost should be borne by all the Governments concerned in proportions to be agreed upon. On this principle the Pacific cable was established; New Zealand, with the three Australian States, New South Wales, Victoria, and Queensland, each agreed to bear two-eighteenthths of the cost, while the remaining ten-eighteenthths was divided between the United Kingdom and Canada in equal proportions. In the larger project, the whole Commonwealth of Australia, comprising six States, is interested. India is especially interested, the South African States are interested, and likewise the West Indies. The Dominion of Canada is interested, and still more so the Home Government, representing the United Kingdom, many Crown colonies, and, indeed, the whole Empire. In due time it will become the duty of statesmen representing these several interests to arrange who shall bear the cost and in what proportions.

The third question is already in part answered in the paper appended on "State Cables and Cheap Telegraphy as aids to Imperial Consolidation." It is there demonstrated that the Pacific cable, working only half-time—that is to say, twelve hours in each twenty-four—would at an extremely low charge for transmitting ordinary messages, yield a revenue considerably more than sufficient to cover all working-expenses. I am firm in the conviction that it would be precisely the same with the completed Empire cables, and that they would be at liberty during a number of hours every day in the year to transmit regularly the free Press messages desired to be exchanged by the Imperial Intelligence Department.

* Correspondence relating to the future organization of Colonial Conferences.—*The Times*, 8th December, 1905.

The system of Empire cables is not designed simply to earn large money profits for shareholders by imposing a tax on mutual intercourse. Its purpose is as far as possible to remove that tax. It is not designed to pay ordinary dividends—its dividends will take a new form. Its objects are to render a distinct service to all classes of the British people in all quarters of the globe, to safeguard their vital interests, and effectively promote the continued growth and free development of the Empire.

The Views of Well-known Canadians.

Attention is invited to the letters I have mentioned as having been received from a number of gentlemen of the highest eminence in Canada. I have already referred to the emphatic opinions of the commercial men of the Empire, deliberately declared by their representatives in the meetings and Congress of Chambers of Commerce. But the men of business, although a unit in support of the movement advocated, are not more emphatic than other men of equal patriotism and wisdom, the learned writers of the letters to which I now refer.

The letters received are singularly interesting and are characterized by remarkable unanimity, especially on one essential point, the advantages to result from a properly established Intelligence Department. There is not in the more than a hundred responses a single expression adverse to the proposal. I append extracts from the letters received from such of the gentlemen as are not actively engaged in Dominion politics. There are many letters from other gentlemen equally favourable to the movement, including nine Ministers, ex-Ministers, and members of the Canadian Privy Council, which I would gladly append, but for obvious reasons, I refrain from doing so. Those now submitted I have classified, and arranged in four groups, A, B, C, and D, comprising statesmen, judges, scholars, and divines.

GROUP A.—Statesmen and Students of Political Science.

1. His Honour Sir Henri G. Joly de Lotbiniere, Lieut.-Governor of British Columbia	...	...	...	...	...	Victoria.
2. His Honour Alfred G. Jones, Lieut.-Governor of Nova Scotia	...	...	...	...	...	Halifax.
3. His Honour William Mortimer Clarke, Lieut.-Governor of Ontario	...	...	...	...	...	Toronto.
4. M. H. A. A. Brault, Président de la Chambre de Commerce du District de Montreal	...	...	...	...	...	Montreal.
5. Dean Bovey, LL.D., &c., McGill University	...	...	...	...	...	Montreal.
6. Lieut.-Colonel Denison, President British Empire League in Canada	...	...	...	...	...	Toronto.
7. Hon. Sir William Howland, P.C.	...	...	...	...	...	Toronto.
8. I. George Garneau, Esq.	...	...	...	...	...	Quebec.
9. Very Rev. Monseigneur Laflamme, of Laval University	...	...	...	...	...	Quebec.
10. Sir William C. Macdonald	...	...	...	...	...	Montreal.
11. Professor Adam Shortt, Professor of Political Science, Queen's University	...	...	...	...	...	Kingston.
12. Benjamin Sulte, Esq., Historian and Ex-President Royal Society of Canada	...	...	...	...	...	Ottawa.
13. Hon. Sir Robert Thorburn, formerly Premier of Newfoundland	...	...	...	...	...	St. John's.

GROUP B.—Each Name in this Group represents the Bench.

1. Chancellor the Hon. Sir John Boyd, K.C.M.G., LL.D., President of the High Court of Justice of Ontario	...	...	...	...	...	Toronto.
2. Hon. Mr. Justice Fraser, Supreme Court of Nova Scotia	...	...	...	...	...	New Glasgow.
3. Hon. Mr. Justice Hall, Judge of the Court of Queen's Bench	...	...	...	...	...	Montreal.
4. Hon. Mr. Justice Hanington, Supreme Court of New Brunswick	...	...	...	...	...	Dorchester.
5. Hon. Mr. Justice Hodgins, Master-in-Ordinary, Supreme Court of Judicature of Ontario	...	...	...	...	...	Toronto.
6. Hon. Mr. Justice Johnson, Newfoundland	...	...	...	...	...	St. John's.
7. Hon. Mr. Justice Landry, Supreme Court of New Brunswick	...	...	...	...	...	Dorchester.
8. Hon. Mr. Justice Meagher, Supreme Court of Nova Scotia	...	...	...	...	...	Halifax.
9. Hon. Mr. Justice Russell, Supreme Court of Nova Scotia	...	...	...	...	...	Halifax.
10. Hon. Chief Justice Sullivan, Supreme Court of Prince Edward Island	...	...	...	...	...	Charlottetown.
11. Hon. Mr. Justice Wetmore, Supreme Court of Saskatchewan	...	...	...	...	...	Moosomin.

GROUP C.—Principals or other Heads of Universities and Colleges.

1. Rev. Principal Bland, D.D., Wesley College	...	...	...	...	...	Winnipeg.
2. Rev. Chancellor Burwash, D.D., LL.D., Victoria College	...	...	...	...	...	Toronto.
3. Rev. Principal Falconer, Litt.D., Presbyterian College	...	...	...	...	...	Halifax.
4. Very Rev. Principal Gordon, D.D., Queen's University	...	...	...	...	...	Kingston.
5. President Hannah, D.C.L., King's College	...	...	...	...	...	Windsor, N.S.
6. Rev. Provost Macklem, D.D., Trinity University	...	...	...	...	...	Toronto.
7. Very Rev. Principal MacLaren, D.D., Knox College	...	...	...	...	...	Toronto.
8. Very Rev. Monseigneur Mathieu, C.M.G., Rector Laval University	...	...	...	...	...	Quebec.
9. Rev. Principal Patrick, D.D., Manitoba College	...	...	...	...	...	Winnipeg.
10. Principal Peterson, LL.D., C.M.G., McGill University	...	...	...	...	...	Montreal.
11. Rev. Principal Scrimger, D.D., Presbyterian College	...	...	...	...	...	Montreal.
12. Rev. Principal Sheraton, D.D., Wycliffe College	...	...	...	...	...	Toronto.

GROUP D.—Prominent Clergymen from whom Letters have been received.

1. Right Rev. Lord Bishop of Algoma	...	...	...	...	Sault Ste. Marie.
2. Right Rev. Dr. Armstrong, Moderator	...	...	...	...	Ottawa.
3. Rev. Dr. Barclay, St. Paul's	...	...	...	...	Montreal.
4. Right Rev. Coadjutor Bishop Carmichael	...	...	...	...	Montreal.
5. Most Rev. Archbishop of Halifax	...	...	...	...	Halifax.
6. Very Rev. Dr. Milligan, ex-Moderator	...	...	...	...	Toronto.
7. Most Rev. Archbishop of Montreal	...	...	...	...	Montreal.
8. Very Rev. Dr. Moore, ex-Moderator	...	...	...	...	Ottawa.
9. Right Rev. Lord Bishop of Nova Scotia	...	...	...	...	Halifax.
10. Right Rev. Lord Bishop of Niagara	...	...	...	...	Hamilton.
11. Right Rev. Lord Bishop of Ontario	...	...	...	...	Kingston.
12. Right Rev. Lord Bishop of Ottawa	...	...	...	...	Ottawa.
13. Rev. Dr. Potts, Methodist Educational Society	...	...	...	...	Toronto.
14. Very Rev. Dr. Pollok, ex-Moderator	...	...	...	...	Halifax.
15. Right Rev. Lord Bishop of Quebec	...	...	...	...	Quebec.
16. Rev. Dr. Rose, Methodist Centenary Church	...	...	...	...	Hamilton.

In examining the extracts appended one cannot fail to notice the unity of thought (however variously expressed) which distinguishes nearly all of the letters. This is the more remarkable when it is borne in mind that the writers were widely separated by distance, and had no opportunity, even incidentally, of mutual consultation. This circumstance cannot fail to establish much confidence in the general conclusion reached.

The evidence adduced gives the strongest possible support to the suggestions herein made with respect to the practical development of what has been styled "the organization of the Empire," a subject which Mr. Howe introduced to the attention of the people of England in an eloquent speech delivered in the Town Hall of the City of Southampton on the 14th January, 1851, and which he, as leader of the Government of Nova Scotia, afterwards discussed at great length before the Legislature of that Province.

Half a century has passed since then. Australia, New Zealand, and South Africa have come to the front. Great changes have been wrought in each of these countries, as well as in Canada and the Mother-country. There is, perhaps, more need to-day than ever before for a unity of ideas on this matter which so deeply concerns all. But if we ask ourselves the question, "Has there been a single decisively practical step made to organize the Empire?" it is difficult to give a direct and satisfactory answer in the affirmative. Indeed, the feeling is gaining ground that there will be but little advance made until some new method, such as that now suggested, be inaugurated.

Our Mutual Needs.

As an illustration of the great need of an Imperial Intelligence organization such as that which has been outlined, I may instance the following facts. A remarkable address was delivered by the Honourable Alfred Deakin (now Prime Minister of Australia), on the 14th June, 1905. It was published in Melbourne, by the Imperial Federation League of Victoria, in pamphlet form, but as far as I know not a single copy of the address in any form reached Ottawa until the 25th January, 1906. On that day I read the address for the first time, and I unhesitatingly say that this very able and scholarly deliverance on a momentous question, in which all citizens of the Empire are as much interested as Australians, should have long since been placed before every Canadian. The State cable which unites Canada with Australia lies idle at the bottom of the Pacific for more than twenty hours in each twenty-four; it has a complete staff of the very best operators in constant attendance, and it would add absolutely nothing to the working-expenses of the undertaking to have the cable usefully employed during some of its idle hours. The address, containing probably ten thousand words, could easily have been transmitted in one day, and still more easily by instalments in several days, in any case without interfering with ordinary cable business. This thoughtful utterance of an Imperial statesman of the first rank is precisely the kind of literature which a discerning officer of the proposed Intelligence Department would select for transmission by cable soon after its delivery, but it only reached Canada incidentally after seven months had elapsed. Comment is unnecessary. The single case cited is quite sufficient to show how much would be gained by using the means placed at our command or within easy reach.

The half-hundred names in the foregoing lists belong to gentlemen who, for the most part, entertain the idea that we should never forget the motto "*Festina lente*." They are representative names of the learned classes in Canada—men of prudence, men of patriotism, men of foresight. Their names carry with them ample evidence that they are well qualified to speak not only for themselves, but for others, and it is of the utmost moment that the several British communities should be wisely counselled at this stage in our history.

The views expressed by these gentlemen may fairly be regarded as the voice of Canada. They are in substantial agreement with the recorded opinions of the commercial men of the Empire, and it can scarcely be doubted that they will be found in accord with prevailing opinions in the United Kingdom, in New Zealand, in Australia, and in South Africa. All heard from are substantially of one mind as to the establishment of a great channel of communication, linking together in an electric girdle the self-governing British communities. They appear to think that it is of transcendent importance to inaugurate an Imperial cable service, which, while satisfying in the highest degree the needs of commerce, would at the same time perform the functions of a continuous spinal cord encircling the globe, by and through which would freely flow every national aspiration, every sympathetic impulse of the British people in every longitude and latitude.

I humbly think that such a consensus of opinion may be taken to indicate the policy which, without unnecessary delay, it would be wise to follow at this stage in the evolution of the sea-united Empire.

I have, &c.,

SANDFORD FLEMING.

The Right Hon. the Earl of Elgin, Secretary of State for the Colonies.

APPENDIX.

Letters and Papers referred to in the Foregoing Communication.

Letter No. 1.

MEMBERS OF THE CANADIAN CLUB,—

Ottawa, 21st October, 1905.

It was a great satisfaction to me, as I am sure it was to every one present at the gathering this afternoon, to hear Sir Frederick Pollock and Mr. Geoffrey Drage set forth their views on a subject of the very highest importance—the unification of the Empire.

When they concluded, I would have wished, had it been in order, to give expression to my own thoughts and their bearing on the great subject which these distinguished gentlemen have been good enough to bring before the club. As there was no opportunity afforded me of expressing my views, I trust there will be no impropriety in submitting a few words in this form.

I cannot but feel that, in common with our fellow-subjects in New Zealand, Australia, South Africa, and elsewhere, we in Canada are under a debt of gratitude to those gentlemen in England, represented by Sir Frederick Pollock and Mr. Geoffrey Drage, who have given so much time and thought to the common interests, and have taken so much trouble concerning our future. We especially owe our warmest thanks to these public-spirited gentlemen themselves who have crossed the Atlantic as envoys to us, who have journeyed through the Dominion on their patriotic mission, who on their return to Ottawa have explained to the Canadian Club the views held by them, and who desire to ascertain how far these views will fit in with Canadian conditions.

It appears that the conclusions they have reached are the outcome of much consideration and active discussion on the part of from fifty to a hundred men of high position in the Mother-country, of persons holding almost every kind of opinion in English politics, and representing many interests.

Sir Frederick, as spokesman for all these gentlemen, read a paper on the subject at the Royal Colonial Institute, London, in April last. The views submitted to-day to the Canadian Club, Ottawa, are substantially the same, and they must be regarded here, as they were on the other side of the Atlantic, of the greatest weight and well worthy of the most serious consideration.

I think I speak correctly for the Canadian people when I say that they welcome enlightenment, the more so when it comes from so high authority; but I am not sure that they are ready, or that the people of all or of any of the other portions of the Empire are ready, to accept or reject any plan of organization, however excellent it may appear at sight. It is, I think, regarded of the first importance that they should act with deliberation, that they should be well informed, that they should be afforded the fullest opportunity of an interchange of thought, and thus obtain that knowledge of the wants and wishes of each other so necessary to wise decision and action.

When in England last summer I was much impressed by reading the discussion on the paper of Sir Frederick Pollock at the Royal Colonial Institute. Among other things stated, one of the speakers reminded those present that so sound a statesman as the late Lord Salisbury considered it dangerous to attempt to force the various parts of the Empire into a mutual arrangement for which they are not ready. He said, "If we will be patient and careful, there is a tremendous destiny before us; if we are hasty, there may be the reverse of such a destiny; there may be the breaking-apart of those forces which are necessary to construct the majestic fabric of a future Empire."

These and other considerations lead me to think that those associated with Sir Frederick Pollock have scarcely attached sufficient importance to the sequence of their proposals. Without going into particulars, the two main proposals made are, first, an Imperial Council, and, second, an Intelligence Department for the purpose of acquiring knowledge for use of the Council, and possibly for other purposes.

The first, as explained by Sir Frederick, is not seemingly too ambitious a proposal, and, as some better arrangement than now obtains is recognised to be desirable, it may prove to be the best. I am at present offering not the slightest objection to it. I do not suggest that it be renounced, but I am inclined to think that, if it be the best, there would be the best chance of it receiving general assent eventually if preference be given to the second proposal in the first instance. What the Empire really requires without unnecessary delay is a properly organized Intelligence Department—that is to say, some effective means by which the British people in all climes would mutually exchange information on every subject of common interest.

In addressing the Canadian Club, Sir Frederick animadverted on the criticisms of Mr. Richard Jebb in the London Press on some of the features of the scheme advocated. I have read the articles referred to; and, while the two gentlemen do not see eye to eye respecting the proposal to establish an Imperial Council, it is clear to my mind that they have a common goal in view in the distance. The difference between them in details merely illustrates the difficulties which are so frequently raised against any scheme, however excellent it may appear to those who have studiously prepared it. In one particular the two gentlemen are more nearly agreed, and that is with respect to the necessity for some means of collecting intelligence for mutual enlightenment.

For myself, I am a member of a number of associations, each aiming to promote the consolidation of the Empire. I have listened to or read everything which has been said or written thereon.

which has come to my notice. I have myself given the subject much thought, and am satisfied that, to strengthen Imperial cohesion, the course advocated by the Chambers of Commerce everywhere—and perhaps more especially by the Ottawa Board of Trade—is well calculated to bring fruitful results with the least delay. These bodies recommend the establishment of an Imperial cable service uniting the great divisions of the Empire with each other, and all with the Mother-country—a service encircling the globe, which, while greatly promoting trade, would in the highest degree foster free intercourse between the various groups of British people in all lands under the sway of King Edward. The President of the Ottawa Board of Trade reported at the last annual meeting that the Council has “placed itself in communication with commercial associations and individuals in all parts of the Empire. The replies received strengthen and confirm the views that there should be established as speedily as practicable a chain of State-owned cables and telegraphs to link together in the most effective manner the Mother-country, Canada, New Zealand, Australia, India, South Africa, and the West Indies.”

The President further reports that singularly favourable responses to the communications of the Board have been elicited from well-known sources in every quarter of the globe; that not a single adverse reply has been received; and that no argument has been advanced against the public policy of completing without loss of time the comprehensive chain of Imperial cables, of which the Pacific cable forms the initial and most important link.

By such means the prohibitive charges heretofore exacted on the intercourse of the British people around the globe would be set aside, in some cases the tax would be entirely removed, and it would become possible to invoke the aid of the Press as one of the most powerful agencies in advancing Imperial organization. I have elsewhere given my views in some detail on this point, and I would refer to a pamphlet issued and circulated by the United Empire Club of London, and likewise an article in the *Empire Review* for August last. In those publications it is pointed out that the State-owned cable across the Pacific is engaged in transmitting ordinary traffic only a few hours each day, and lies idle at the bottom of the ocean not less than twenty hours in every twenty-four. It is shown to a demonstration that a free Press service can be established during a portion of the idle hours of the cable without adding in the least to working-expenses. It is suggested that this means of instantaneous communication between countries widely separated by the ocean be more fully utilised than at the present time; it is urged that the chain of Empire cables be completed, and, when not employed in ordinary paying traffic, that arrangements be made by which they would be used, under the control of an Intelligence Department, in the free transmission of news and general information for daily publication in any newspaper in all parts of the British world. But I must leave the articles to which I refer to speak for themselves.

On this date a hundred years ago events were transpiring near the entrance to the Mediterranean which rendered the British Empire of the nineteenth century and many succeeding centuries possible. Since then a process of development has been going on, and it appears desirable to some persons that development should now be accelerated. We must be careful, however, that progress may not be arrested by undue haste. The British people are grouped in democracies under monarchical forms, and they are entitled to claim the right to be placed in possession of a general knowledge of matters which concern their well-being. It is manifestly of the first importance that they should be well informed, and that they should gain clear ideas; until then it is not probable that any “cut and dried” scheme which materially affects them will readily be assented to.

If my memory does not fail me, it was said, in the discussion on the paper of Sir Frederick Pollock at the Royal Colonial Institute, that the British Constitution is regarded as a model of strength, for the reason that it was not invented by any body all in one piece, but has grown through process of long years. By analogy, if the greater British Empire is to have a constitution that will stand the stress of time, not a few think that it had better come by growing. To accelerate the process of evolution, I am satisfied that the most certain course is to begin by utilising to the fullest extent that heaven-sent means of transmitting human words across the ocean, and by cultivating the freest and most friendly intercourse between all those people who go to make up the Empire.

In submitting these remarks, I need scarcely state that I do so in no spirit of fault-finding. If I am correct in the belief that one of the purposes of the gentlemen who have spoken to us is to ascertain how far we approve of their proposals, it is fitting that we should speak frankly. For myself, I have done so, and I believe I have spoken the mind of many others. I am sure we all very fully appreciate the public spirit and kindness of the distinguished gentlemen from England who have been so good as to take us into their confidence.

Faithfully yours,
SANDFORD FLEMING.

Letter No. 2.

MEMBERS OF THE CANADIAN CLUB,—

Ottawa, 26th October, 1905.

On the 21st instant I ventured to address a letter to my fellow-members, giving expression to the thoughts which arose in my own mind on hearing Sir Frederick Pollock and Mr. Geoffrey Drage speak on the great subject which they brought before the Canadian Club on that day. In my letter of the 21st I ventured to suggest that these gentlemen would do well to reverse the sequence of their proposals. Before they left Ottawa, a few days afterwards, they appear to have decided to do so.

Yesterday they addressed a public meeting in the rooms of the Montreal Board of Trade, when Sir Frederick informed those present to the effect that he and his colleagues had discovered that the time was not ripe for the first part of their proposal—viz., the formation of an Imperial Council—but that the strongest reasons exist for immediately instituting an Imperial Intelligence Department.

It is a matter of much satisfaction to me that these gentlemen have reached this wise conclusion. An Intelligence Department, controlling the circle of State telegraph-cables known as the "Empire cables" during a portion of each day for the exchange and transmission of mutual knowledge between all the great political groups of British people, would prove, as I have elsewhere pointed out, to be of the highest practical value. By such means information of common interest collected in all parts of the Empire would be published simultaneously in the daily newspapers of each country. The effect would soon be to remove much of the ignorance which prevails, and gradually bring the whole British people in both hemispheres to a good understanding of each other through an intimacy heretofore quite impossible of attainment.

The question of an Intelligence Department comprehending all that I have indicated in my first letter—the completion of the chain of Empire cables and their limited free use by the Press in the interest of the whole people, is no side-issue merely. It is infinitely more. It is a prime necessity in the development of the twentieth-century Empire; without taking this first step I doubt if any real progress, any forward advance whatever, can be gained. An Imperial Intelligence Department such as that outlined cannot fail when instituted to prove a distinctly formative influence in working out our destiny.

What, then, is our common duty?

I enclose an editorial from the *Montreal Star* of yesterday as a sample of the comments which we may look for generally in favour of the modified proposal of Sir Frederick Pollock and his associates.

Yours faithfully,

SANDFORD FLEMING.

[Extract from *Montreal Star*, 25th October, 1905.]

Britons should know each Other.

The suggestion of Sir Frederick Pollock that there should be an Imperial Intelligence Department, whose task it would be to gather up in all corners of the Empire any information of value to the commercial and merchant leaders in other parts of the Empire, is a capital one. There is, perhaps, no bar to the progress of real Imperial unity to-day so great as our mutual ignorance regarding each other. We are always marvelling at the ignorance of other British subjects respecting us, delightfully unconscious apparently that our ignorance regarding them is quite as sublime—and ridiculous.

There are a lot of what might be called strands of Empire, to which we should pay attention, and not make the mistake of tugging all the time at the more conspicuous cables. Mr. Drage called attention, for instance, at the Board of Trade to the fact that a British subject must take out twenty-eight patents in order to protect an invention throughout what we boastfully describe as one nation. Then there is our stupid practice of giving a great postal preference to American over British periodicals which are to be distributed in this country. The blame here does not rest with us in Canada, but it does rest upon a British Government; and surely the influence of an Imperial Intelligence Department, making clear what the effects of such a blunder are, might lead to reform.

The nearer the people of the various "Britains" get to each other, the easier it will be for the largest plans of Empire to be pressed to a successful consummation when the hour strikes. If we do not know each other better, we are certain to misunderstand some of the demands which we will each make; and misunderstanding leads directly to distrust. No Imperial Federation—or whatever it may be called—will be born in a night. It must at least be a growth, and that growth can only be wisely directed when we have an intelligent knowledge of all the surrounding conditions.

The extracts which follow are from the responses of well-known gentlemen to the foregoing letters addressed to the Canadian Club. They are arranged in Groups, A, B, C, and D.

Group A.—The Views of Statesmen and Students of Political Science.

I.

From His Honour Sir Henri G. Joly de Lotbinière, Lieutenant-Governor of British Columbia:—

There is one thing which I would like to see clearly explained—why is it not possible for our Canadian Press to procure at the true source in England, and to impart to their readers in Canada, an exact knowledge not only of public feeling and opinion in England, but also of such events as serve to form such feeling and opinion?

I have been told that the Canadian Press could not afford the necessary expenditure, and that it is therefore reduced to accept British feeling and opinion in the shape in which the United States Press chooses to interpret them, and in that shape they are given to us readers day by day, year by year.

Constant dropping of water will wear the hardest stone. Would it entail such enormous expenditure for our Press to get the news from England wired directly to them? Would it be beyond the power of Canada to meet that expenditure, if our Press cannot meet it?

I completely agree with you, and with the opinion expressed in the printed letters you sent me, that of the two modes proposed for the unification of the Empire by Sir Frederick Pollock—viz., a Council of the Empire or an Intelligence Bureau—we ought to resort first to the Intelligence Bureau.

How can we decide among so many conflicting interests, and work towards harmonizing them, if we do not begin by acquiring an intelligent knowledge of them all?

I remember from my schoolboy days the maxim adopted by Socrates as the keystone of his philosophy, "*Gnothi seauton*" (know thyself); and such ought to be our aim.

II.

From His Honour A. G. Jones, Lieutenant-Governor of Nova Scotia :—

I think there can be no doubt but that you are quite right in deprecating too much haste in considering such an important question as this suggestion involves.

I should certainly recommend proceeding cautiously, and if the work grows, as I think it will, one will be in a better position to consider all the details. I shall watch the movement with great interest and attention.

III.

From His Honour William Mortimer Clarke, Lieutenant-Governor of Ontario :—

Any attempt to establish such an Imperial Council as has been proposed at present seems premature, although the discussion of this and kindred topics cannot fail to be useful in directing public attention to the need for the greater unification of the Empire. The dissemination of more information regarding each other among the colonies than at present prevails is a condition precedent to any successful effort being made for a closer imperial union. I may venture to say that the people of the Mother-land require to be educated regarding this subject quite as much as do the colonies; the ignorant indifference of apparently intelligent persons in Britain regarding the vast interests involved in the unification of our Empire is lamentable.

The plan you advocate for the telegraphic transmission of intelligence among our various dependencies must commend itself as one which will do much to prepare the minds of the people for at some future time adopting some plan for carrying out a closer union between the numerous nationalities which form our great Empire.

IV.

From M. H. A. A. Brault, Président de La Chambre de Commerce du District de Montreal :—

I approve entirely any idea tending to establish friendly and commercial relations between Great Britain and the colonies. The project of Sir Frederick Pollock and Mr. Drage for the creation of a Bureau of Information, as also supported by yourself and many other citizens, will finally prevail.

I believe we must take up this question in the light of an open and straight discussion, in order to separate the good from the evil. If this is done without a thought of military imperialism, direct or indirect, the problem will receive the consideration of the public, as its solution will bring the development of friendship and material progress throughout the whole Empire.

V.

From Dean Bovey, LL.D., &c., McGill University :—

I have followed with the deepest interest the various discussions which have been held in connection with the visits of Sir Frederick Pollock, Mr. Geoffrey Drage, and Mr. Jebb. It has been an additional pleasure to me to read your admirable communications to the Canadian Club, with which in the main I am fully in accord. I am satisfied, however, that the first step to be taken should be in the direction of devising a thoroughly well-considered preferential scheme, which I believe would go a long way to solving the whole difficulty.

I do not at all approve of an Advisory Council, as such a body would have no responsibility, but it seems to me that Mr. Jebb's suggestion of consultation between the different Premiers of the Empire on all matters of Imperial policy might meet the present conditions and prepare the way for a permanent Council, which would have infinitely greater value than any Advisory Council. Surely this can be possible when your great cable scheme is an accomplished fact.

One evil with which we have to contend in this country is the mutilated form in which cable messages are being continually transmitted to this continent from abroad. Some means should therefore be devised, under Imperial authority, which would insure a reliable distribution of information to the countries which form the component parts of the Empire.

Might it not also be a move in the right direction if an Imperial newspaper could be established and published, either in England, with special privileges of transmission, or simultaneously in the different countries of the Empire? Such a paper would deal with the special interests of all parts of the Empire, so as to bring them more closely in touch with each other.

VI.

From Lieut.-Colonel George T. Denison, President, British Empire League in Canada, Toronto :—

I have read your letters to the Canadian Club with much interest, and am in hearty accord with you. It is of the utmost importance that the different colonies should keep in touch with each other, and nothing could do that better than daily cable despatches, from all around the world, in all the papers of the Empire.

VII.

From Sir W. P. Howland, P.C., Toronto :—

The subject embraced in your letter is one of vast importance not only to the United Kingdom, but to the whole world. I doubt whether it is wise to drop the idea of a National Council, although

very great difficulties would present themselves in providing for the powers which it should possess and the subjects with which it should be authorised to deal.

As to the commercial arrangements with the colonies of the Empire, they present very great difficulties also, the different colonies having each a definite policy of its own, and one which has been in existence for some time, and in most cases one on which their financial arrangements depend, containing generally the principle of protection, all of which makes it very difficult to deal with that proposal. To begin, as I might say, at the other end of the matter, and provide for free intercourse and exchange of news, would undoubtedly be most desirable.

VIII.

From J. George Garneau, Esq., Quebec :—

I believe that it is in the common interest of England and her colonies to draw as closely as possible the ties of commercial relationship, which give a practical basis for that feeling of interdependence and solidarity which is the best safeguard of the common weal. As the glorious constitution under which we live was gradually evolved from the teachings of experience, so must the idea of Imperial unity be arrived at by the aspiration of the component elements, united by the comprehension of their common interests. In order to arrive at this comprehension it is essential that ignorance and prejudice be dispelled, and any means tending to this end must be a step in the right direction. The British Empire embraces many races and languages, and the spirit of loyalty to a common Crown and Government must be fostered by a broad and just tolerance of the individual characteristics and legitimate aspirations of its component races.

An Imperial Intelligence Department, such as suggested, to centralise and distribute *reliable* information, cannot but do much good, and your idea about the chain of Empire cables seems a very practical step towards the realisation of that object.

IX.

From Monseignor J. A. K. Laffamme, Laval University :—

I have read and read over again your letter addressed to the Canadian Club, and I have great pleasure in saying that I approve it in the main. You are right in saying that before trying to unite the various national elements of the Empire it is prudent and even necessary to make those elements acquainted with each other. I imagine that by going too fast we might reach the opposite extreme. A solid public opinion, the only kind upon which one can safely count, is not a thing that can be improvised; still less can it be imposed. It can only be reached by long and patient effort.

Evidently the first step to take is to circulate abundantly all information calculated to spread knowledge throughout the Empire, and make known the mind of the various populations. Then only we may be able to say what scheme is fit for realisation, and in what measure.

Allow me to say that the Province of Quebec would be specially glad of the creation of such a Bureau of Information. She might then hope to be better known by her neighbours in the west.

Let us commence, as you have so well said, by acquiring a better knowledge of each other, and we will end, as I hope, by reaching a better understanding.

X.

From Sir William C. Macdonald, Montreal :—

I can find only words of commendation for what you have written, especially the point you make of laying as speedily as practicable a chain of State-owned cables and telegraphs to link together the Mother-country and all her outlying colonies. This is really the first step to be taken, binding together with cords of steel, and affording time for reflection as to what should follow next. These cables will be to the Empire what the nerves are to the human body.

XI.

From Professor Adam Shortt, Professor of Political Science, Queen's University :—

I have just read those letters to the Canadian Club of Ottawa, and the central idea expressed in them I entirely agree with and have often expressed. Indeed, I am so fully convinced of the transcendent importance of getting the British peoples into touch with each other not on one line only, but on all possible lines, that I quite expect when this is reasonably well accomplished they will find the need for any special or formal machinery, such as an Imperial Council, &c., quite unnecessary; having then, as a matter of fact, secured something as far superior to it as the broad, flexible, and ever up-to-date British Constitution is superior to any possible written Constitution.

XII.

From Benjamin Sulte, Esq., Historian, ex-President Royal Society of Canada :—

The great question of the day is the unification of the Empire—the more perfect union of all the parts. But the parts do not know one another. So long as this ignorance of one State or Province in regard to another remains, with all the prejudices it engenders, so long will it be perfectly impossible to accomplish anything practical and lasting. Let us commence by getting to know one another. It is too early for a Council; it is just the time for an Intelligence Department, together with a cable service linking the principal groups of the colonies to the Mother-country. This first step being taken, and some knowledge acquired thereby, we will see how to proceed further in the direction of mutual arrangements, if then found possible.

XIII.

From Sir Robert Thorburn, formerly Prime Minister, Newfoundland:—

From the foregoing remarks you will readily infer that I have arrived at much the same conclusions as yourself, as to the best means of establishing, on a sound basis, the much-to-be-desired federation of the Mother-country with the Colonial Empire, in the accomplishment of which an "Intelligence Department" seems to be of primary importance.

Group B.—Judges of Supreme and other Courts.

I.

From Chancellor the Honourable Sir J. A. Boyd, K.C.M.G., LL.D., President of the High Court of Justice of Ontario:—

I favour any method or movement which will bring or tend to bring the Mother-country and her outlying members into closer and more sympathetic relations. The scheme suggested by you of a system of telegraphic ocean cables whereby intercommunication may be had amongst all parts of the Empire, with the maximum of speed and the minimum of expense, recommends itself as furthering greatly this end of bringing all parts into closer touch with the centre, and the centre with all the parts. Besides this, let all other means be used to dispel the common ignorance of each other now so greatly prevailing, and to bring in mutual knowledge and confidence which will follow better acquaintanceship. Care being taken on all sides to avoid any revolutionary jar, the future appears full of promise for the steady growth of a closer and more intelligent union between England and all English-speaking colonies, which shall shape for itself that outward form best fitting and expressing the living political organism which it embodies.

II.

From the Honourable D. C. Fraser, Judge of the Supreme Court of Nova Scotia:—

I agree fully with your proposals. Full information, with a free and continued opportunity of continuing it and increasing it every day, is not only the right step to take at first, but the only one that will lead to permanency. Information about each other—more direct intercourse—exchange of products, and higher views of what is best for the Empire will enable men who now can see no further than the small interests surrounding themselves to desire closer relations.

III.

From the Honourable Robert N. Hall, Judge of the Court of Queen's Bench of Quebec:—

The addresses of Sir Frederick Pollock and Mr. Drage, while extremely interesting and entitled to every attention, impressed us here, as they evidently did you, with an idea that the details of his scheme were a little premature.

I was pleased to learn that Sir Frederick Pollock had decided—influenced doubtless by your views—not to attempt at present to press his plan for an Imperial Council, but to secure some less formal organization to keep the Imperial authorities better informed as to colonial views and requirements. With this we can all concur, and sooner or later Sir Frederick's original scheme may appear to be both opportune and practicable.

IV.

From the Honourable D. L. Hanington, Judge of the Supreme Court of New Brunswick:—

I have always strongly favoured the idea of Imperial Confederation, and, while at my time of life I may not see it an accomplished fact, yet I firmly believe the trend of public opinion is strongly in that direction, and the fiscal, trade, and prudential condition of the peoples of the Empire are fast inducing active steps for its accomplishment.

It seems to me that the time has not yet arrived for the proposal of any definite form which the subject shall assume. Your suggestion, an Intelligence Department, is one that can at any time now be brought into active operation, and would, I think, be a step in the march forward to the grand result. The public mind, both at Home and in the colonies, will have to be educated to the necessity of a united Empire. Any means to that end is desirable. That it will be so educated by experience, and in fact by compulsion of events, I have no doubt.

V.

From the Honourable Justice Thomas Hodgins, Esq., K.C., Master-in-Ordinary, Supreme Court of Judicature of Ontario:—

I fear we have not sufficient information on the practical working details of the Imperial Intelligence Department to enable us to express any settled opinion as to its practicability and general usefulness. It was, you may remember, expected that the Canadian Associated Press would supply in a condensed form information about public and colonial affairs in Great Britain of special interest to Canadians, but their supply has been disappointing. So the proposal of some English newspapers to publish interesting items of news on Empire, colonial, and foreign affairs for colonial readers has been equally disappointing. Both give us what may be classed as trivialities. Neither seem to be controlled by broad-minded managers, who have an intelligent appreciation of the colonial desire for Home news, or Empire relations and policy. These experiences may not be reproduced in the proposed Imperial Intelligence Department, but they are warnings which claim consideration.

We may, perhaps, have more hope of good results in the Imperial and Colonial Conferences, even though some expectations of Empire consolidation and policy have not been realised, and some not yet even discussed by the Conferences hitherto held; yet it must be acknowledged that some good results have been accomplished, and a better understanding and appreciation of the political strength of the colonies to the Empire have been arrived at, chiefly by the forceful and practical efforts of Canadian statesmen, even though some idealists call these results minor or isolated matters of Empire policy. The more frequently these Conferences can be held the more potential and effective will be their influence in developing constitutional precedents which by a process of constitutional evolution may ultimately become an engrafted and effective authority as an Imperial Council for Empire Affairs, and a recognised and essential political power in our constitutional system of Government.

VI.

From the Honourable Justice George M. Johnson, St. John's, Newfoundland:—

If it be a postulate that the creation of a Council of our widespread Empire is a necessity, it is an axiom that its counsels must to a great extent be ineffectual unless some effective system of intercommunication be established. That intercommunication must be free not only between the representatives in the Council, but free also (on all matters which are of vital interest to any section) between the individual constituents or electors represented.

VII.

From the Honourable P. A. Landry, Judge of the Supreme Court, New Brunswick:—

I have no hesitation in arriving at the conclusion that the scheme is in the best interests of the Empire, if the details can be worked out. The subject is very important. My best wishes are with you and its promoters for its success.

VIII.

From the Honourable N. H. Meagher, Judge of the Supreme Court of Nova Scotia:—

Any movement tending to make the English people and those of our sister colonies better acquainted with Canada, her climate, her productive capacity, and the tempting inducement she holds out to capital and energy, her spirited people, and her wise laws should have the hearty support of every Canadian. I understand that one feature of the intended movement involves an endeavour to accomplish the foregoing, and therefore I wish it success.

IX.

From the Honourable Benjamin Russell, Judge of the Supreme Court of Nova Scotia:—

I have read your letters, and hasten to say that I am in entire accord with every word in them, and thank you sincerely for giving me the opportunity to read them.

X.

From the Honourable William Wilfrid Sullivan, Chief Justice of the Supreme Court of Prince Edward Island:—

I have read your letters with much interest, and I desire to say that I fully share your views with regard to the advantage which the Empire would derive from the operations of such an Intelligence Department.

XI.

From the Honourable Edward C. Wetmore, Judge of the Supreme Court, Saskatchewan:—

Your views with respect to the organization of an Intelligence Department and an inter-Imperial cable service are entirely in accord with my own views.

I venture to suggest, however, whether it would not be a good plan to establish in various parts of the Empire local Councils consisting in each place of persons living fairly close together who might meet at stated times and devise means and ways by which Imperial federation might be fostered and brought about. These Councils could exchange views with each other, and it seems to me, would be of assistance in attaining the desired object. I am very much in favour of Imperial federation, or the unification of the Empire.

Group C.—Principals and other Heads of Universities and Colleges.

I.

From the Reverend S. G. Bland, D.D., Principal, Wesley College, Winnipeg:—

The ideas you advance seem to me entirely wise. The first thing to be secured for the development and strengthening of Imperial unity is that the various parts of the Empire should be brought to know each other better. Out of that will come a deeper sympathy. That sympathy is the essential thing, whether it give birth to an Imperial Council or find a better organ in consultation among the Premiers. But that is a question which one need not precipitately settle. The first need is fuller and closer intimacy, and to this probably nothing would contribute so effectively as a free Press cable service around the world.

II.

From the Reverend N. Burwash, D.D., LL.D., Chancellor of Victoria College, Toronto:—

I have been greatly interested in what you and other prominent citizens have been doing in the great work of the unification of the Empire. There is no doubt that our people require as yet a great deal of information and education with regard to the creation of a Council of the Empire.

III.

From the Reverend Robert A. Falconer, Litt.D., Principal of the Presbyterian College, Halifax:—

I have read your letters addressed to the Canadian Club with much interest, and they seem to me to be thoroughly reasonable.

I think there can be no doubt that, while we hope strongly for a larger Imperial unity in the not-very-distant future, at present the only safe and really effective method of promoting it is so to increase our knowledge of and friendship for one another throughout the Empire, that it will ere long be seen by the various parts of His Majesty's Dominion that a closer union of some sort is supremely reasonable. We may allow time, perhaps almost unconsciously, to work out the comprehensive plan.

IV.

From the Very Reverend Daniel M. Gordon, D.D., Principal of Queen's University, Kingston:—

Imperial Federation has been talked of by some for generations, and by many more for the past decade, but your own repeated suggestion regarding the telegraphic supply of intelligence throughout the scattered members of the Empire, so that the various portions may thus get acquainted with each other, is the most immediately practicable proposal I have seen in connection with it. We cannot begin to move with any confidence towards the formation of an Imperial Council, or even, it seems to me, towards helpful tariffs, until we get more general information. If the newspapers throughout the British Empire could give their readers as full information of the ongoings in the different parts of the Empire as the papers of the United States give regarding the several States, it would help more than anything else I can think of to promote such an intelligent sympathy between the Mother-country and outer Britain, and between the several parts of outer Britain, as would facilitate a safe and early tightening of the bonds of Imperial federation. By such means we would be building on clear knowledge and ascertained facts, instead of, as at present, upon fancy and individual opinion.

V.

From Ian C. Hannah, Esq., D.C.L., President of King's College, Windsor:—

I am enthusiastically in agreement with the views you express. In South Africa, Canada, and other parts of the Empire where I have resided, I have been much impressed by the purely local character of most of the contents of the newspapers. Newspaper-men are unanimous in telling me it is a question of money; it costs so much more to get distant telegrams than to publish local gossip. On all grounds I feel the value of the suggestion of free Press news within the limits of the Empire and devoutly hope the scheme may be realised in no distant future.

VI.

From the Reverend T. C. P. Macklem, D.D., Provost, Trinity University, Toronto:—

I find myself in complete agreement with your views that the time is not yet ripe for the establishment of anything of the nature of an Imperial Council. We are still in the stage of slow and gradual formation of public opinion in regard to Imperial relations, and any attempt to crystallize such opinion at the present time in the concrete form of a Council, or to legislate in respect of it, would, in my judgment, be more likely to retard than to foster the growth of true and enduring unity.

I find myself in agreement with you also as to the desirability of doing something to bring all the different portions of the Empire into closer, constant, and easy communication with each other. I do not, however, feel so confident as you appear to, that this aim would be effected by increased cable facilities.

What seems to me to be quite as necessary as such facilities is the establishment of something of the nature of a Board of Correspondents, having at least one correspondent of high standing and good judgment in each colony, so as to insure the wise selection and editing of the news to be sent throughout the Empire day by day. A Central Executive Committee of such a Board could gradually educate these correspondents by carefully directed criticism as well as by positive instructions from time to time in respect of the kind of news considered suitable for transmission. In this way the great body of public opinion of a homogeneous character might gradually be built up throughout the Empire. If it is something of this kind that is meant by an "Imperial Intelligence Department" I should heartily approve of it.

VII.

From the Very Reverend William MacLaren, D.D., Principal of Knox College, Toronto:—

I am glad to find myself largely in accord with the views set forth in your letter. The Imperial question is forcing itself on the attention of all thoughtful subjects of the British Crown. Not very long ago the attempt to unite more closely by political bonds the scattered portions of the British Empire seemed scarcely within the range of practical statesmanship. But the modern applications of steam and electricity are drawing the distant parts of the earth so closely together that what was formerly impracticable seems daily to grow more feasible. In matters of this kind, however, it is especially necessary not to outrun public opinion. To bring all parts of the Empire into intelligent and sympathetic touch with each other should certainly be the first step towards closer political relations, and your proposal for an Imperial Intelligence Department and a free Press cable service seems eminently fitted to prepare the way for those closer political relations to which we should look.

VIII.

From the Very Reverend Mgr. O. E. Mathieu, C.M.G., Rector of Laval University, Quebec :—

[Translated.]

Allow me to offer you my most sincere congratulations on the right ideas you express in regard to the prudence required in dealing with an enlightenment of public opinion, especially when we consider the state of ignorance which exists throughout our vast Empire concerning each of its different parts. To dispel this ignorance is an excellent work. It is a good work also to aim at making the inhabitants of such a colony as ours better acquainted with one another, as I am convinced that if the people of Canada had a more correct knowledge of each other they would more thoroughly appreciate one another, to the great advantage of this country, which we love, and which can only be made great and prosperous by peace and union.

IX.

From the Reverend William Patrick, D.D., Principal of Manitoba College, Winnipeg :—

The question you raise occupied my mind before I became a citizen of Canada, and has been repeatedly under my consideration since. I have also had the advantage of discussing it with some of the foremost men in Scotland. I am a profound believer in the unity of the Empire and I desire to further that unity in all possible ways, but I am convinced that the people of the Empire are not ripe even for the formation of an Imperial Council, and that anything in the shape of a Constitution interfering with the free action of the different nationalities would do harm rather than good. The Constitution of the Empire must be a growth arising out of the needs and interests of the times. It will come naturally, so to speak, when the peoples are educated for it. If it is to come soon, if the unity which all desire is to be more than a name and an aspiration, the dissemination of sound and full information touching the views, habits, products, and needs of the different peoples will be of essential service. Hence I look with the greatest favour on the suggestion of an Imperial Intelligence Department, believing that such a Department wisely officered and administered would do much to unite the different portions of the Empire by furnishing them with the truths and facts which would form the basis for common conclusions and common action. To the forces thus generated I attach a higher value than to anything which may be advised in the shape of an experimental Constitution.

X.

From W. Peterson, Esq., LL.D., C.M.G., Principal of McGill University, Montreal :—

The proposed Intelligence Bureau ought, so far as I understand the matter, to cover much more than an improved cable service. What surprised me was that Sir Frederick Pollock should have proposed to make the Secretary of the proposed Bureau Secretary also of the Colonial Conference. It seemed to me, indeed, speaking personally, that Sir Frederick Pollock came out to this country with quite a small programme and left Canada with the said programme reduced to even smaller proportions than those which it originally bore. On the other hand, I appreciate, of course, the wisdom of those who wish to enter a caveat against any hasty or ill-considered action.

XI.

From the Reverend John Scrimger, D.D., Principal of the Presbyterian College, Montreal :—

The idea strikes me as a good one, being entirely practicable at the present time without introducing doubtful constitutional changes, fitted to strengthen greatly the bonds of union already existing, and likely to prepare the way for some form of Imperial co-operation, if not of federation. The matter of the unity of the Empire is one that ought to lie near the heart of every Canadian, and has long interested me. But apparently all that can be done in the meantime is to tighten the sentimental bonds as much as possible, and this plan ought to have that effect. I see no hope in any of the federation schemes so far proposed. We shall move safely only by moving slowly.

XII.

From the Reverend J. P. Sheraton, D.D., Principal of Wycliffe College, Toronto :—

I must say, at the outset, that I am in entire sympathy with every well-considered effort to promote the unification of the Empire. Imperial unity, however, must be a growth. Whatever form it takes, it must be the expression of the inner life and conviction of the country. You cannot secure it merely by legislation. There must be a community of sentiment and conviction, and this can only be promoted by a more intimate knowledge and by getting the different parts of the Empire into closer touch with one another.

Unity cannot be grounded on militarism, nor on commercialism. It seems to me that either of these, by itself, not only would be insufficient, but that a unity dominated by them would not prove enduring. We do not want to create a great military power, nor a great commercial monopoly.

Whatever form the political development assumes, nothing can be done without mutual knowledge, and whatever helps to promote that mutual knowledge and to bring the various provinces and dependencies of the Empire into closer touch with one another is not only most desirable, but is essential to any advance in the right direction. The establishment of an Imperial Intelligence Department and Bureau would be a splendid step in the right direction. What we want to do is to dissipate ignorance and to bring all these races and dependencies into touch with one another. At present, what do we know of Australia, or what does Australia know of us? What have we in common? These are difficulties to be overcome.

I think that the suggestions assented to by Sir Frederick Pollock and Mr. Drage, and set forth so lucidly in your own letters, are the most practical that have been advanced.

Group D.—Extracts from Letters of Prominent Clergymen.

I.

From the Right Reverend the Lord Bishop of Algoma :—

Nothing, in my judgment, is more needed, or better calculated to promote the cause of Imperial unity and progress, than the proposal you have laid before me in your letters. And I am firmly convinced that you are right in saying that, for the present, what we should see first and above all else is a better knowledge of each other, as the true basis upon which Imperial institutions may be built securely when the time is ripe.

II.

From the Right Reverend W. D. Armstrong, D.D., Moderator, Ottawa :—

I hail with patriotic delight anything that will tend to bring the various parts of our great Empire into closer and more sympathetic union. I do not feel competent to discuss the whole problem, but it seems to me you have put first things first when you advocate an Imperial Intelligence Department. It is certainly in the line of progress and pre-eminently safe. The opportune time will come for something more, but unions on paper without carrying the intelligence are unsafe and often hurtful.

III.

From the Reverend James Barclay, D.D., St. Paul's, Montreal :—

My sympathies are entirely and enthusiastically with you in your wise and practical proposals. We are scarcely ready yet for the Imperial Council, but what you propose may finally lead to something of the kind.

IV.

From the Right Reverend James Carmichael, Coadjutor Bishop of Montreal :—

My opinions do not differ widely from your own. I welcome anything that makes for much closer union between Britain and her children, and State-owned cables and telegraphs would clearly aid in developing such union. I cannot help thinking that unless there existed some recognised body that could focus in itself, and utilise the intelligence gained, no matter how widespread such intelligence might be, it could not fail but to lose a great deal of its force. My mind all along has been that if we really desire to make Imperialism a real live question in Canada we must work for an Imperial Council, and hence I think Sir Frederick Pollock weakened his position as a political missionary when he relegated the Council to a very back seat in his address before the Montreal Board of Trade.

V.

From the Most Reverend Cornelius O'Brien, Archbishop of Halifax :—

It seems to me your proposal, in your letters addressed to the Canadian Club, is practicable, and would be, as a first step towards unity of the Empire, most useful, if slightly modified. As I have no faith in the usefulness of the daily Press, as now generally conducted, to disseminate helpful knowledge, I should desire some other method for conveying to the public the news transmitted over the various Government cables. Do not make it easier and cheaper for the daily Press to obtain an additional supply of accounts of crimes and horrors. If the world were sufficiently sensible to establish an efficient censorship over the despatches much good could be accomplished by means of your proposal. In any case a fuller knowledge of one another must precede any lasting union.

VI.

From the Very Reverend G. M. Milligan, D.D., ex-Moderator, Toronto :—

I think the Greater Britain must be a growth, like its predecessor, in order to be healthy and strong. Men are too ready to intermeddle with Providence. He that believeth in a Great British future will not make haste.

The spread of knowledge in the way you indicate and the assimilations which time alone can effect are the surest means of giving us an Empire which I trust God will use as a mighty instrument in the promotion of peace and prosperity in the world.

VII.

From the Most Reverend Paul Bruchesi, Archbishop of Montreal :—

[Translation.]

I met Mr. Geoffrey Drage at Montreal, who explained his project to me. This project, which is also that of Sir Frederick Pollock and of many other distinguished people in England, is a serious one. I lack perhaps the exact information to fully appreciate the matter. I hope to have the opportunity of studying it and discussing it with men more familiar than I am with political questions.

But my view, after having read your remarkable letters, is that the project first needs to be matured, and that Canada will not now consent to be governed by a regularly organized Imperial Council.

With regard to the proposed creation of an Intelligence Department to make better known the real sentiments of the autonomous colonies, I should not like for the moment to express an opinion.

VIII.

From the Very Reverend William Moore, D.D., ex-Moderator, Ottawa :—

The unity of the Empire has been one of my lifelong dreams, and first took shape in my mind under the stress of the excitement of "The 'Trent' Affair," during the Civil War in the United States. War was then threatened by the great republic, and I saw in imagination the stalwart sons

of the United Kingdom gathering from Canada and from far-off islands of the sea to defend the majesty of the Empire. Yet it has not been mine to do anything to bring about so great a consummation, but to watch and wait. It is therefore with the utmost diffidence that I venture to express my mind on this gigantic and most complex problem. It seems to me that the final compacting of the Empire must in some respects resemble the formation of a crystal. In crystallization the microscopic particles which make up the whole are not drawn together, nor are they held together by any force externally applied, but by the force or forces immanent in each separate particle, each having an inward affinity for all the rest, and all the rest having a reciprocal affinity for each, which not only draws them together, but constitutes them one body which nothing but some conquering power can destroy.

If in any degree my simile holds, then the first effort of Empire-builders should be directed to create and nourish in each separate part which is to be compacted into the larger unity the inherent virtue or force which will draw it into and hold it in perfect union with the rest.

The Empire cannot be a mere mechanical aggregate. It must be, if it is to endure, an organism penetrated through and through with one self-harmonious and informing life. Here we must hasten slowly, trusting to that all-wise and powerful Divine Providence, which out of the warring elements of the Heptarchy forged a united England, to guide the whole formative process so as in due time to realise for us in a United British Empire, John Milton's glorious vision of a grand Christian man. It seems to me, therefore, that your proposal, which has been so happily formulated by the Ottawa Board of Trade, and which has found such general indorsement in all colonies, marks out the true line of effort. If it can be happily accomplished, all the rest will come in time.

IX.

From the Right Reverend the Lord Bishop of Nova Scotia, Halifax :—

Your proposals are fully in accord with my own views. The strangely vague ideas which residents in different parts of the Empire have of each other, and their various resources and capabilities, would readily give place to a definite conception of the possibilities of all. Your proposals are both sensible and practical.

X.

From the Right Reverend the Lord Bishop of Niagara, Hamilton :—

I have read your letters to the Canadian Club with a great deal of interest, as I think every patriotic member of the Empire cannot fail to do. I am in hearty agreement with your views, so clearly and powerfully put forward in paragraphs 9, 11, 13, 16, and 17 of your first letter, and paragraph 4 of your second letter. There is no doubt that the Imperial Intelligence Department must precede the formation of an Imperial Council, and in fact lead up to it. The former can be entered upon immediately, and with small expense. It will be the forerunner of the latter. I am sure that on this point the largest possible consensus of opinion will be with you.

XI.

From the Right Reverend the Lord Bishop of Ontario, Kingston :—

I am in perfect agreement with all you say. I think that an "Imperial Intelligence Department" must precede, for a considerable length of time, an Imperial Council, if the latter is to be of any value. An Imperial cable service, by which the free transmission of news and general information could be daily given through the Press, to all parts of the British World, would be of incalculable value in cementing the different and widely separated portions of the Empire together. Knowledge must precede confidence, and confidence constitutes the only true foundation for union and stability.

XII.

From the Right Reverend the Lord Bishop of Ottawa, Ottawa :—

There can be no doubt that free and frequent intercourse between the people in all parts of the Empire must promote that nearer acquaintance which produces and promotes mutual confidence, and which will bring us all in one; and the intelligent, powerful union of the British Empire means a great deal not only for the English-speaking people, but for the nations of the world generally.

XIII.

From the Reverend John Potts, D.D., Methodist Educational Society, Toronto :—

There is no doubt that this movement is growing and is tending more and more to the unity of the Empire. Imperial unity is not a thing to be hurried too fast, but nothing will tend to draw the various parts of the Empire together as much as information.

XIV.

From the Very Reverend Allan Pollok, D.D., LL.D., Presbyterian College, Halifax :—

I think that an Imperial Council of the Empire is most desirable, that the state of things which has long continued, however well it may have done in the past, is no longer advisable, and may be no longer consistent with the safety or even the perpetuity of the Empire, and that such a Council should always be kept in view by all who are friendly to British rule in the world, also that as means of communication have vastly increased, thus rendering such a Council possible, so the best way of promoting this end is to make all parts of the Empire mutually and habitually acquainted, by maintaining a system of constant communication leading to a more perfect acquaintance. This may be a slower way of bringing into existence a Council, but it will be a surer and safer way.

XV.

From the Right Reverend the Lord Bishop of Quebec, Quebec :—

To my mind both an Imperial Council and an Imperial Intelligence Department are necessary and both will bring forth much good fruit; but, while I would like to see both as soon as possible, I quite agree with you that the helpfulness of the first cannot be nearly so certain or so great as it will be when there has been brought about the definite knowledge which can only arise out of the rapid and full establishment of the second.

It is simply deplorable the extent to which the telegraphic news that we receive in Canada is affected at times, and, with regard to certain subjects, by the necessity as it is at present of its going through the United States. This of itself demonstrates the strong need there is for an Imperial Intelligence Department, which can only be good and effective when we have just what you suggest—viz., an ample Empire cable system passing Imperial intelligence fully and freely throughout the Empire. Our great need, above all other needs, is just the system of full, free, and effective Empire cables, which you so pertinently and forcibly suggest.

XVI.

From the Reverend S. P. Rose, D.D., Centenary Methodist Church, Hamilton :—

It is impossible to feel otherwise than impressed with the grandeur (I can think of no more adequate term) of your proposition and of its bearing, not only upon Imperial unity, but upon the closer fellowship of the nations of the earth. It is hard to think of any other single material advantage within the reach of our age, out of which larger contributions to the closer fellowship of the civilised nations might be derived, than that which has your advocacy.

STATE CABLES AND CHEAP TELEGRAPHY, AIDS TO IMPERIAL CONSOLIDATION.

The Substance of an Address by Sir Sandford Fleming at a Meeting of the United Empire Club, London, 27th July, 1905; His Grace the Duke of Argyle in the Chair.

The British communities the world over are inevitably being drawn to the question of the consolidation of the Empire. Not a few of the foremost men of the day regard it as a high public duty to give expression to thoughts and opinions which may tend to promote that object. The humblest citizen is not debarred from doing the same. I would venture, therefore, to put forward a few explanations and suggestions in regard to the place and function of a system of Empire cables as a most important and necessary aid to the desired object of a closer union.

I offer these suggestions in the hope that they may be deemed not unworthy of consideration at the next Colonial Conference. Meanwhile there will be a distinct advantage in having the views submitted to the public for their general information and possible criticism.

First I would draw attention to the recent report of the Ottawa Board of Trade respecting Empire cables, a document which has an intimate bearing on the future usefulness of that unique State undertaking, the Pacific cable, established by the wise foresight of six British Governments. This report points out that there is a wonderful field of usefulness for the Pacific cable, and it furnishes direct evidence of the extraordinary unanimity evinced by British Chambers of Commerce in all parts of the globe on the subject. It demonstrates that there is a widespread desire to secure a comprehensive means of cheap telegraphy between all the great self-governing British States throughout the world in the interests of trade, shipping, social and commercial intercourse, and especially in the interest of Imperial affinity and union; it shows, further, that no argument has been advanced against the public policy of completing without loss of time the trunk line of telegraph-cables advocated, of which the Pacific cable constitutes the first great division, forming as it does, a large portion of the whole system of State-owned cables at present projected.

It is not suggested that the State should assume the control of ocean cables generally but simply that one line around the globe should be State-owned; that this line should be the one described by the Ottawa Board of Trade as "Empire cables," connecting as it would the several great outlying divisions of the Empire with each other, and all with the Mother-country.

It has been objected that prejudice to existing interests would be thereby created. To that stricture one may reply that, in so far as other cables intersect the line of the Empire cables, they would assume the position of branches, and would gain greatly by the connection. The true policy of the State should be to reduce progressively the charges for messages transmitted by the Empire cables to the lowest possible rates while still leaving the service self-supporting. Two results would follow this policy: an enormous increase in the volume of business, and a great reduction in telegraph charges to and from all points on the globe-girdling chain. Both results would necessarily benefit the private companies owning the branch lines, by reason of the continuous stream of profitable telegraph traffic which the Imperial trunk system would bring to the companies to handle.

Irrefutable evidence can be furnished to prove that with the globe-girdling chain of Empire cables established, it would be possible greatly to reduce the cost of all oversea telegraphy coming within the range or within the influence of these cables.

Returns recently laid before Parliament from the Pacific Cable Board furnish information respecting the working of this State undertaking. The actual working-expenses for the year ending 31st March, 1905—including salaries and expenses at the Head Office in London and at all the stations and termini, and including provision for a provident fund and the maintenance of a repair-ship—amount to less than £51,000, while the traffic receipts for the same year were over £82,000. The Pacific cable, therefore, already earns sufficient to cover all working-expenses, and

leaves £31,000 surplus earnings towards meeting interest, sinking fund, and other charges described in the report of Lord Selborne's Committee of the 5th January, 1897, as "practically a double replacement of capital."

The cable, with duplex and curb automatic working, attains a speed of 168 letters per minute, and I have heard of no good reason why this working-speed should not be maintained in transmitting a continuous stream of telegraph matter. On this basis, taking the words at eight letters, the transmitting power of the cable is 30,000 words per day of twenty-four hours. Excluding Sundays, this is equal to more than 9,000,000 words per annum. After making due allowance in ordinary traffic for all necessary service messages, the line is quite capable of carrying 25,000 paying words per day without to any appreciable extent adding to the present working-expenses.

The cable, working only half-time—that is to say, twelve hours in each twenty-four—would, at the low rate of 4d. per word, yield a revenue considerably more than sufficient to meet ordinary working-expenses—to be precise, 3½d. per word would be sufficient. It is true that an additional transmission charge of 6d. per word would be necessary to meet in full all charges made by the Treasury for interest, renewal fund, and sinking fund, to replace capital on the very liberal scale suggested by Lord Selborne's Committee; but it is a debatable question how much of this charge should be made payable at the expense of cheap telegraphy. If the projected circle of cables come to be regarded as vital to the life and progress of that great political organism, the Empire, it will have to be considered how far its functional utility should remain unimpaired. The rates I have mentioned, 4d., even 10d. per word, are extremely low compared with what has heretofore been charged (ranging as high as 9s. 4d. per word before the Pacific cable was advocated), and I mention these low charges merely to indicate what is possible and what may be anticipated eventually as a result of the establishment of the Empire cables. For if such cheap telegraphy be possible across the Pacific to New Zealand and Australia, it is equally possible to India and South Africa. It must, however, be borne in mind that to approach such modest transmission charges it is indispensable that the connecting cables should be State-owned and the service efficiently managed under State control.

In the foregoing estimates I am presupposing that the cable is only half employed and practically idle during half the day. This condition opens the way to further possibilities of the most important character. It has been suggested that for high Imperial reasons the co-operation of the Press should be sought. The Press has much in its power to promote unity and progress; its highest functions are to spread knowledge, enlighten the people, and mould their destiny. But the Press must have freedom, and it should enjoy every advantage in performing its beneficent work which science can devise. I have shown that the State-owned cable service, employed only half the day at a low tariff of charges, can be self-supporting. May we not fittingly inquire, is there no useful purpose to which we can apply during the whole or portion of the other half-day this wonderful means of communication established at the public cost for the public advantage, in the sense of the free transmission of news under proper restrictions? I ask, to what better purpose can the cable be applied during some of its idle hours than, in co-operation with a free Press, to promote general intercourse and benefit the British people?

Before the days of telegraphy those who had emigrated to the colonies anxiously awaited the arrival of ships with the mails, and on the ships' arrival they greedily devoured the newspapers. The mail is now inadequate as a means of conveying news between places widely separated by the seas. It is an incident of modern civilisation that the people will not read old newspapers, however excellent they may be—at least, not with the same avidity as cabled intelligence. The reader of to-day must have news that is not old. Few in Canada, and still fewer in New Zealand and Australia, read the London papers which for weeks have been buried in a mail-bag. This age demands up-to-date news, and the demand can, I believe, easily be met by affiliating the Press under proper arrangements with the cable service.

This proposal will be found to harmonize with the suggestions formulated by Sir Frederick Pollock and his friends in the appeal they have recently made in favour of an Imperial Council combined with an Intelligence Department. I am satisfied that no more potent agency could be devised for accomplishing the great patriotic purpose these gentlemen have in view than an arrangement by which both cable and Press would act jointly in advancing the Imperial cause. These twin agencies can undoubtedly be most helpful in disseminating knowledge and in initiating profitable discussions. They can remove very much of the ignorance which now obtains and make the King's subjects around the globe better acquainted with each other. There is no other conceivable means by and through which the various groups of British people separated by the seas can be brought more speedily or more closely into terms of mutual relationship. For the present our greatest need is a better knowledge of each other, and if our object be to unify the Empire, all our people who live beyond the seas should, as much as possible, be brought practically into the neighbourhood of England and into the neighbourhood of each other. Before we can be expected to decide on any possible organic union to bind us together for all time, we should first know and understand each other, and the more thoroughly we can accomplish that purpose, the easier it will be to realise the high ideal of Imperial unity.

In forming an Intelligence Department, the plan to be followed will, of course, require to be carefully matured. The headquarters of the Department naturally would find its proper place in England. Besides the Imperial Board of Intelligence in London, possibly branch Boards would be desirable in Canada, New Zealand, Australia, India, Africa, the West Indies, and elsewhere. All the Boards should consist of representative and independent public men, whose duty it would be to obtain for dissemination over the Empire accurate information and unbiassed opinions on all subjects of general interest; the information so obtained would be cabled daily or weekly as may be determined to the London Board and to all the branch Boards for publication.

As it seems to me, some such organization would become a most potent Imperial agency. It would prove to be an invaluable means of educating our people everywhere respecting the life, the opinions and aspirations of all our fellow-subjects in the several parts of the Empire. It would directly place before each section of the British world the views formed or forming in all other sections.

I am thoroughly satisfied that the cable during a portion of each day could not be turned to any better account. Two hours a day would easily admit of ten or twelve thousand words being transmitted each week. This full volume of news published simultaneously in the chief centres of the Empire would have a wonderful influence. The good to result from a mutual interchange of information and sentiment is beyond calculation. Obviously it would steadily have a unifying tendency if every day in the year the pulsations of the great heart of the Mother-land could be felt by kith and kin beyond the seas, and if also every man within as well as without the central kingdom could read in his morning paper the same sympathetic evidences of interest in the common welfare, and all fresh from his fellow-subjects in all quarters of the globe. I venture to think that to organize an Imperial Intelligence Department such as has been indicated will come to be regarded as an eminently progressive movement. And I feel satisfied that in conjunction with the world-girdling chain of State cables there is no other conceivable agency which would more speedily mould our great world-Empire into a living reality.

That is the supreme object to be eventually attained. Meanwhile there are other great objects incidentally to be secured—objects which have received the unanimous support of all Chambers of Commerce. I confidently believe that if wise counsels prevail the proposed system of Empire cables will prove an inestimable boon “to the millions” who have heretofore been debarred from cabling to distant friends by charges absolutely prohibitive to them.—From the *Empire Review*, August, 1905.

Enclosure 2 in No. 103.

The SECRETARY, Pacific Cable Board, London, to the UNDER-SECRETARY OF STATE, Colonial Office.
SIR,—

Queen Anne's Chambers, London, S.W., 21st March, 1906.

I am directed by the Pacific Cable Board to acknowledge the receipt of your letter [not printed] of the 8th instant, forwarding, for any observations which the Board may have to offer, a communication and enclosures (herewith returned) from Sir Sandford Fleming advocating the establishment of a continuous chain of State cables uniting all the self-governing British colonies.

2. In reply, I am directed to state, for the information of the Secretary of State for the Colonies, that the question of the establishment of such a chain of cables as suggested in Sir Sandford Fleming's letter of the 27th January, does not appear to be one upon which it is within the Board's province to express an opinion, but rather a matter for the consideration of the Governments concerned in it.

3. With regard to the figures used by Sir Sandford Fleming in support of the arguments brought forward in his article upon “State Cables and Cheap Telegraphy” in the *Empire Review* for August, 1905, I am directed by the Pacific Cable Board to make the following observations:—

- (a.) Sir Sandford Fleming's estimate of the carrying-capacity of the Pacific cable appears to be based on the assumption that the speed attainable by a specially selected operator working in one direction for sixty seconds can be maintained by the whole of the Board's staff working continuously in both directions day and night throughout the week. The experience of cable administrations does not support this assumption.
- (b.) As the actual eastward traffic is nearly 50 per cent. higher than the westward, it follows that, if the cable was filled to its utmost capacity in one direction, it could not be filled to the same extent in the other direction.
- (c.) Taking into account the necessary transmission of unpaid traffic, which amounts to about 30 per cent. of the whole, the Board's existing staff could not satisfactorily handle more than 30,000 paying words per week (some 50 per cent. more than the maximum at present carried in ordinary circumstances), and, consequently, such a traffic as that suggested in Sir Sandford Fleming's article would involve very large additions to the staff, and a further capital expenditure upon buildings for their accommodation.
- (d.) The 4d. or 10d. tariffs deduced by Sir Sandford Fleming from premises which the Board are thus unable to accept, are, moreover, misleading when compared with the through rate between the United Kingdom and Australia, inasmuch as they do not include the Australian terminal rate of 5d., or the Atlantic and Canadian charge of 1s., for transmission, and 1d. (approximately) for “date and time.”
- (e.) With respect to the suggested transmission of ten or twelve thousand words for simultaneous publication in the chief centres of the Empire, I am to state that it seems unnecessary to deal with a proposal for the gratuitous transmission of a mass of business over a costly cable.

I am, &c.,

HUGH LATHAM, Secretary.

The Under-Secretary of State, Colonial Office, S.W.

No. 104.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR OF NEW ZEALAND.

MY LORD,—

Downing Street, 5th March, 1908.

With reference to my despatch, Miscellaneous, of the 19th July last [No. 102], I have the honour to transmit to you, to be laid before your Ministers, a copy of a despatch from the Governor-General of Canada enclosing copy of a letter from the Ottawa Board of Trade and copies of printed papers on the subject of Empire cables.

I have, &c.,

ELGIN.

Governor the Right Honourable Lord Plunket, K.C.M.G., K.C.V.O., &c.
[Tel. 08/2706.]

Enclosure in No. 104.

His Excellency the GOVERNOR-GENERAL OF CANADA to the Right Hon. the SECRETARY OF STATE FOR THE COLONIES.

MY LORD,—

Government House, Ottawa, 3rd February, 1908.

With reference to my despatch No. 272 of the 23rd June, 1907 [not printed], I have the honour to forward copy of a communication from the Ottawa Board of Trade, covering copies of printed papers relative to a system of telegraph-lines encircling the globe, intended for the use of His Majesty's Government and for distribution to the several colonial Governments concerned with the matter.

I have, &c.,

GREY.

The Right Honourable the Earl of Elgin, K.G.

Sub-enclosure in No. 104.

The SECRETARY, Ottawa Board of Trade, to His Excellency the GOVERNOR-GENERAL OF CANADA.

YOUR EXCELLENCY,—

Ottawa, Ontario, 22nd January, 1908.

On behalf of the Board of Trade of the City of Ottawa, I have the honour to submit the enclosed papers on the subject of a globe-girdling system of telegraph-lines by sea and land, the object in view being to place the several self-governing communities separated by the oceans in direct electric touch with each other and with the Mother-country.

This collection of papers is issued as a jubilee appeal of the Board to the citizens of the Empire. It includes the address to Your Excellency, an outcome of the Imperial Conference held in London last summer, and Your Excellency's reply thereto. It includes, also, other papers in which Sir Sandford Fleming, a member of the Board, reveals facts of high importance which it is desirable should be made known to the Home Government and each of the Governments concerned.

I have the honour, therefore, on behalf of this Board, respectfully to express the hope that Your Excellency will be pleased to bring the present appeal to the attention of the respective Governments.

I have, &c.,

CECIL BETHUNE, Secretary.

His Excellency Earl Grey, Governor-General of Canada.

Enclosure to Sub-enclosure in No. 104.

OTTAWA BOARD OF TRADE PAPERS.—AN ADDRESS TO HIS EXCELLENCY EARL GREY, Governor-General of Canada; with HIS EXCELLENCY'S REPLY and other Documents bearing on the proposed Imperial Cable Service to girdle the Globe.

To the Reader.

This pamphlet is an appeal to thoughtful men, and is issued with the view of familiarising the public with a subject of the highest national importance.

While some of our best men are doubtful about the desirability of public ownership of lines of communication of every kind, there are none who doubt that the carrying of letters is a proper function of the State, and that under no other control could Imperial penny postage, that inestimable boon, be obtained. The transmission of correspondence by telegraph is analogous to the postal service, and is controlled by the State in nearly every civilised country, with highly advantageous results.

The proposal now advocated is confined to State co-operation and control in the matter of a single globe-girdling system of telegraph-lines by sea and land, a system which would place the several British communities separated by the oceans in direct electric touch, and admit of a telegraph service being maintained with a low transmission-charge, comparable with the penny postage service.

The Board of Trade of the City of Ottawa has long considered the proposal. It is entirely non-party and non-jingo. It is a simple, practicable, and patriotic proposal, which, while directly promoting trade, would at the smallest cost provide the means of establishing an intelligence union between the autonomous States of the Empire. As an agency for diffusing and interchanging views

on matters of mutual concern it would be a most potent influence in fostering friendly agreement. It would thus prove of fundamental importance in developing an intelligent public opinion leading eventually to the best inter-Imperial relations.

To the Citizens of the Empire.

Fifty years ago the Board of Trade of the City of Ottawa was constituted by an Act of Incorporation. For half a century the President and Council, in the name and on behalf of the Board, have faithfully endeavoured to carry out the duties intrusted to them.

At a meeting of the Board held on the 14th November, when the attendance of members was perhaps larger than on any previous occasion, the following resolution was unanimously passed:—

“That this Board heartily commends and approves the action taken by the Council in connection with the proposed chain of Empire cables, and expresses the wish that every effort be continued to advance the movement to cheapen telegraphy, by land and sea, throughout the Empire.”

For some time back the President and Council, under instructions from the Board, have in every way promoted the movement to establish a girdle of State-owned cables around the globe, so as to afford each of the self-governing British communities the freest, the speediest, and the cheapest means of mutually exchanging intelligence.

The President and Council were recently granted an opportunity of formally addressing His Excellency the Governor-General of Canada on this important subject. His Excellency in reply heartily favoured the action taken and the views expressed by the Council on behalf of the Board, and, satisfied that the best results would follow, urged that the work of forming public opinion in respect thereto be vigorously prosecuted throughout the Empire.

Encouraged by so high authority, it is now resolved to issue and widely circulate the address of the Council to His Excellency, with His Excellency's reply thereto, together with such documents and explanations as may appear desirable in order to elucidate the subject.

As the Board was organized and incorporated in the year 1857, the President and Council feel that they cannot better commemorate the semi-centennial of this association than by publishing in the Mother-country and in all the sister dominions the documents which follow on a subject of the highest Imperial importance.

The Council is indebted to Sir Sandford Fleming, a member of the Board, for the prefatory remarks which follow and other documents appended.

On behalf of the Board of Trade of the City of Ottawa,

Ottawa, 15th November, 1907.

JAMES W. WOODS, President.
CECIL BETHUNE, Secretary.

Introductory Remarks and Explanations by Sir Sandford Fleming.

When the delegation of the Board of Trade waited on His Excellency recently, at Government House, the President in his address alluded to the far-reaching importance of the resolution adopted by the assembled Prime Ministers at the final meeting of the Imperial Conference, last summer, in London, and pointed out that there could be no more fitting corollary to the concluding act of the Conference than the establishment of a complete globe-girdling circle of telegraph-cables such as the Board advocates.

His Excellency replied in a sympathetic and extremely encouraging manner. My own efforts as a member of the Board were alluded to by His Excellency most kindly, and if I may, with due respect, venture to say so, perhaps in too flattering terms. It is true that my life to a large extent has been spent in furthering the establishment of national works of intercommunication, and thus promoting by practical means the consolidation of the Empire; but I can lay no claim to be more than an admirer—in some respects, possibly, a very humble imitator—of such far-seeing men as Rowland Hill, who gave to the United Kingdom the inestimable boon of a cheap and efficient postal service, and of Henniker Heaton, who has laboured so long and so assiduously, and who, among other things, has been so largely instrumental in extending the benefits of penny postage to the whole Empire. Moreover, I cannot too strongly emphasize the fact that the credit of what has been accomplished through the instrumentality of Canada is very largely due to the warm co-operation and constant interest of the Board of Trade of the City of Ottawa.

Since His Excellency received the delegation from the Board of Trade, Rudyard Kipling has been amongst us, and has got very near to the hearts of all true Canadians. He has inspired us with a broader sense of kinship to the thousands and millions of our fellow-citizens the world over, who like ourselves are consciously or unconsciously building up a great twentieth-century Empire. This seer, with vision sweeping the Empire's bounds, and with supreme faith in the future, told us that the young communities of British motherhood, the young nations separated only by the seas, and of which Canada is regarded as the foremost, must ever look forward, keeping always in sight the proper path to follow, and holding in memory the best traditions of their race.

The Bishop of London has likewise visited us. He told us that he had charge of the heart of the Empire, and he brought us the message that those in the heart of the Empire are proud of the dominions overseas. He reminded us, however, that great things are expected of us, as members of the family of British nations developing into a new Empire of peace; and that if we are true to our heritage this new and greater British Empire would prove a beneficent gift to the world.

These two great men can see as it is given to few men to see. They look as it were from a neutral standpoint in history, the past within their grasp and the future spread out before them. They urge us to rise to the level of our splendid opportunities, lest the moment pass beyond recall; and they warn us that we will be called to judgment for failure to work out our proper destiny, the destiny which centuries have been preparing for us, the destiny already looming in sight.

In the development of a mighty Empire, different in so many ways from any political organization of the past, all may not be plain sailing. Difficulties, doubtless, will arise, much as they arose in the less extended field of our Canadian confederation. The greatest difficulty that had to be overcome in the unification of Canada was the mutual ignorance of one another that obtained in the several scattered colonies. In time that difficulty was happily conquered; the Dominion came into being; and, forty years afterwards, we do not find a man from ocean to ocean who is not proud of the achievement, proud of the progress we are making, and hopeful of our destiny as a leading member of the British family of nations.

In the case of the larger union, the development of the whole Empire and the affiliation of all its parts, we have precisely similar difficulties, but the mutual want of knowledge is on an infinitely larger scale. This fact has been recognised by the Board of Trade of the City of Ottawa, and, as explained in the address to His Excellency, the Board has placed itself in correspondence with many persons and associations in all parts of the world, with the view of determining the most effective means by and through which mutual information might be freely exchanged and friendly relations fostered between all duly constituted British communities.

A year ago that most influential organization in England, the "Eighty Club," issued a pamphlet setting forth the advantages to result from the Empire cables and the establishment through such means of a great Imperial Intelligence union. The pamphlets were circulated with effect in the United Kingdom, Australia, New Zealand, South Africa, Canada, and India.

Public interest has been further awakened by the circulation in all the countries mentioned of Canadian parliamentary papers, especially sessional papers 67 and 67A (1906), in which are given the views of many of our foremost men on this subject, including Lieutenant-Governors, Judges, statesmen, scholars, and clergymen of all denominations. Other documents have been published, all bearing on the point that the several portions of the Empire should be made more fully acquainted with one another, and brought into sympathetic touch. By this means the opinion steadily gains ground that, while each Government should be left with the freedom now enjoyed, every effort should be made to cultivate the most friendly relations between the several communities which go to make up the Empire.

It is now coming to be recognised, as a direct and effective means to the desired end, that an Imperial electric girdle of State-owned cables and telegraphs must be regarded as a vital object of Imperial statesmanship.

Some progress has already been made. Under a unique partnership between the Government of the Mother-country and Canada, New Zealand, New South Wales, Victoria, and Queensland the Pacific cable has been established. After long negotiations it was at length agreed that these six Governments should co-operate and share in the cost in the following proportion: viz., New Zealand, New South Wales, Victoria, and Queensland, each one-ninth; Canada and the Mother-country, each half the remaining five-ninths. The whole capital, amounting to £2,000,000, was found by the Imperial Treasury, and the six co-operating Governments arranged to make good each their share by terminable annuities which, including sinking fund and interest, amounted to £77,545. To this yearly payment was added £35,000 to form a reserve fund to provide for the replacement of the cable, when necessary, at some future time. This financial arrangement, designed to pay off the original capital debt incurred, and eventually leave a new cable without debt, was regarded as a favourable one for each partner. There is a misapprehension, however, in many quarters. When the annuities are called for and paid to the British Treasury they are spoken of as deficits in cable-earnings and generally regarded as losses sustained in working the Pacific cable. That is in no sense the case. The scheme of annuities is the means which was taken by which it was believed the partners could best and most easily meet their share of the capital required to establish the undertaking and place it on a good footing. If the returns be examined it will be found that there never has been any loss in working the cable. The working-expenses include all salaries and all outlay at the Head Office in London, and at the several cable-stations between London and Australia, also a cable-ship and a provident fund for the benefit of employees—indeed, every charge not covered by the terminable annuities mentioned. On that basis the following table is prepared for the four whole years the cable has been in operation:—

	1903-4.	1904-5.	1905-6.	1906-7.
	£	£	£	£
Receipts from traffic	80,118	87,447	91,952	113,516
Working-expenses	54,824	50,752	52,964	57,895
Excess of earnings over working-expenses	25,294	36,695	38,988	55,621

This information, furnished by the parliamentary returns of the United Kingdom, thus show that the Pacific cable is not the losing concern which many have supposed. Last year the net earnings over and above actual working-expenses amounted to about \$275,000, and the table shows that there is a steady advance in surplus earnings year by year.

We have the further testimony of the Auditor-General of Canada that the Pacific cable is not only self-sustaining, but that its earnings are employed in part to pay off the original capital expenditure. The two sums mentioned, £77,545 and £35,000, together amounting to £112,545, represent the total aggregate annual sum arranged to be paid by all the contributing Governments. The Auditor-General affirms the fact that the amount of this annuity has been diminished by the receipts on cable traffic in each year as follows:—

In 1903-4, annuity of £113,545 was reduced to	£87,751 4 5
In 1904-5	75,849 18 6
In 1905-6	72,856 1 10
In 1906-7	54,923 12 2

Here we have obvious proof that this highly important joint State undertaking is in a prosperous condition. We find that the revenue from traffic not only meets all current expenses, but yields a surplus which in the past year discharged half the annuity, designed to pay off in fifty years the whole original capital of £2,000,000, and at the same time to provide a reserve fund sufficient to replace the cable itself when found necessary. These facts are most encouraging, and but for the loss of earnings from removable causes, hereafter referred to, the revenue from this Imperial undertaking would prove far more than ample for every purpose.

The establishment of the Pacific cable, the most important section of the world-encircling chain, by six Governments co-operating as a unit, is a great step forward, and its value can scarcely be overestimated. In connection with State-owned Canadian land-lines and an Atlantic cable, it would complete the Imperial system between England and Australia, but a serious difficulty is presented which inevitably must soon be faced. While it cannot be forgotten that the Canadian route is absolutely the only route by which the globe may be girdled by a chain of British cables, none will be more surprised than Canadians themselves to learn that the most serious obstacle to the consummation of this great Imperial telegraph project is found in Canada.

There is no denying the fact that Canada is the only country within the wide range of the British Empire where the telegraph system is not, like the postal system, a service of the State. Since the Pacific cable was completed five years ago the mass of messages which have passed between Australia, New Zealand, and England, through the Dominion, has been transmitted by the wires of the Canadian Pacific Railway Company. Considering all the conditions, the transmission by this means has been effected with a commendable degree of accuracy and speed. But complaint continually comes from Australia that provoking delays in the transmission of messages are frequent. This is owing to interruptions in the Dominion, and it is scarcely surprising that an outcry is raised, and the question asked, why is the Canadian telegraph system not nationalised, and all cause of complaint removed?

It is urged with good reason in Australia and elsewhere that Canada as a partner in the Pacific cable is interested in its financial success and cannot be indifferent to the loss of traffic which interruptions entail. In Australia competition between the Pacific and the Eastern cable route to Europe is so severe that the stoppages and delays referred to call forth many regrettable difficulties, and the loss of a great many customers is the consequence. The evidence goes to show that even the most prominent cable-users whose sympathies are with the Pacific route have been compelled to transfer their patronage to the rival route. For these reasons a large share of the telegraphic traffic is lost to the Pacific cable, and obviously a remedy is called for.

I append two documents which I trust will be found instructive: (1) An explanatory note referring to various points bearing on the address of the Board of Trade submitted to His Excellency; (2) a memorandum on the Empire cables, and the benefits to result from nationalising the Canadian inland telegraph system and establishing an Atlantic cable under the control of the Canadian Post Office Department.

Time will be required for the consideration of these proposals before a satisfactory final determination can be reached. Meanwhile it is desirable that as little time as possible be lost in taking steps to diminish the delays in the transmission of Pacific cable traffic through Canada, and the loss of revenue which is thereby caused.

The gravity of the matter will be understood from the following statement compiled from a detailed list of stoppages in the transmission of the traffic of the Pacific cable across the Dominion in four consecutive years:—

In 1903 there were	33 interruptions,	aggregating about	166 hours.
In 1904	27	97 hours.	
In 1905	22	42 hours.	
In 1906	50	183 hours.	

The cable itself from Australia and New Zealand, across the Pacific to British Columbia, is reported to have been in perfect order in all respects. The stoppages to the transmission of messages have all arisen in Canada. In 1903 there were three interruptions of twenty-two, thirty-one, and fifty-five hours respectively, but the most serious interruptions were last year, 1906. There were fifty stoppages in all, and they caused an aggregate delay of 183 hours 41 minutes. On one occasion, between 11 p.m. on the 6th December and 3.15 p.m. on the 10th December, all transmission of messages was stopped for 82 hours and 20 minutes—that is to say, for nearly three and a half days.

These interruptions were chiefly between Bamfield, the terminus of the Pacific cable on the outer coast of Vancouver Island, and the City of Vancouver, the terminus of the Canadian Pacific Railway on the mainland of British Columbia; and here it may be remarked that there is undoubtedly a great practical advantage in having the telegraph-wires hung along a line of railway where they are continually under inspection, and in a position where repairs can most easily be effected.

To overcome the present difficulty two courses are open—(1) the Pacific Cable Board may extend the cable by a branch from Bamfield to Vancouver, or (2) arrange with the C. P. R. authorities to make good the connection in some efficient manner. In a few years the second transcontinental railway, the Grand Trunk Pacific, will be completed, and by laying a connecting cable from Bamfield to Prince Rupert there will be another channel available for transmitting telegraph business across the continent. Again, the Canadian Northern Railway, already well advanced,

may be counted on, and on all three transcontinental routes it will be possible and desirable to arrange to place copper wires for the special use of the Empire cable service, a service which I am satisfied will grow to large proportions demanding multiple means of transmission by land and by sea.

A little reflection will satisfy any person that there are great possibilities in telegraphy throughout the Empire in the near future. To-day, thanks to Rowland Hill, Henniker Heaton, already named, and several others connected with the Post Office who have distinguished themselves, any person may send letters from any part of the Dominion to England, Ireland, Scotland, India, New Zealand, Australia, South Africa, and the West Indies, for 2 cents (1d.), each letter weighing an ounce; precisely the same small postage as that required to convey a letter of the same weight to the nearest village. In the appended documents it is demonstrated that the principle of a low uniform charge for all distances is even more applicable to telegraphy than to the postal service. Such being actually the case, is it not reasonable to anticipate that on the completion of the circle of cables advocated by the Ottawa Board of Trade, there will immediately follow an enormous reduction in long-distance telegraph charges, and that in consequence correspondence, both social and commercial, between all points within the influence of the Empire cables, will be completely revolutionised?

With the evidence of facts before us, can we doubt the possibility of gaining a counterpart or a parallel service to penny postage in telegraphy by the Empire cables? Remembering the increasing demand for the freest means of mutual information, should we not welcome such an outcome? Could anything but good follow such an acquisition in the great interests of the Empire and all its parts? Could anything so fully-promote inter-Imperial commerce, friendship, intimacy, alliance, and unity? Are we not warranted in the opinion that there is probably no single act in which the several Governments might combine which so speedily and so effectively would lead to the development of that educated public opinion upon which in so large a degree must rest the future of the British family of nations?

S. F.

Address to His Excellency, Earl Grey, Governor-General of Canada.

[Sub-enclosure 1 to Enclosure in No. 102.]

Reply of His Excellency, Earl Grey, Governor-General of Canada.

[Sub-enclosure 2 to Enclosure in No. 102.]

Explanatory Note.

The following remarks are submitted in explanation of some points alluded to in the address which the President and Council of the Ottawa Board of Trade had the honour to present to His Excellency Earl Grey on the 21st June, 1907.

The address had special reference to the British Empire and the acceleration of its satisfactory development through the most perfect means of intercommunication by the twin agencies of civilisation—steam and electricity.

In course of past years vast oversea possessions have come under the British flag, and each of these possessions has to some extent become populated through immigration and other causes. The British Parliament in its wisdom granted self-government to the several oversea possessions, and they are now steadily increasing in population and rapidly becoming prosperous. Possessing as they do representative institutions modelled after those of the Mother-country, these communities are each developing into autonomous British States. They all retain allegiance to the one sovereign, and the flag of the Mother-country continues to float over them.

The circumstances thus briefly outlined differ from anything previously known in the history of the world, and obviously give rise to a problem as yet unsolved. While the outcome is beyond our limited vision, we may rest satisfied that if it be the will of the Great Ruler of Nations, like many another problem, it will find its solution as time rolls on. We have only to look back over our Canadian development to be assured on this point. The evidence goes to show that the practical solution of the great Imperial problem has, unconsciously to ourselves, been in progress for many years. Evidence of the fact can now be traced to a period in our history long anterior to the birth of Imperial Federation Leagues and like schemes. A few words of explanation will make this plain.

Consulting historical facts, we find that not long since Canada consisted of two provinces only—Upper and Lower Canada. Forty years ago the settlements of the united provinces were confined to the country lying east of Lake Huron on the one side, and along the banks of the River St. Lawrence on the other. At that period a vast wilderness of fertile soil in the interior of North America was lying waste or occupied only by a few bands of Indians at war with the buffalo. The whole half-continent west of Lake Huron, embracing boundless plains and nearly impassable mountains, was claimed as the hunting-ground of the Hudson Bay Company. A small English settlement had been formed on the Pacific coast, which had received the name of British Columbia, and this settlement was the most distant colony of the Mother-country. It was reached by a long sea-voyage round Cape Horn, and was practically far more remote than New Zealand at the antipodes of England.

Thirty-six years ago British Columbia became part of Canada, a fact which, judging from recent events, may now be regarded as a turning-point in the Empire's history.

So soon as the limits of Canada were extended westward and British Columbia included in the Dominion, steps were taken to connect the Atlantic seaboard by railway with the Pacific. After fourteen years of arduous labour a train from the Port of Montreal steamed alongside of the tidal waters of the western ocean, on the 8th November, 1885. That train had traversed great Canadian forests and still greater prairies; it had pierced the Rocky Mountains; it had passed from the Atlantic to the Pacific on British soil—it had performed a remarkable achievement pregnant with possibilities which no man then living could foretell.

The arrival of the pioneer transcontinental train in British Columbia was the harbinger of great Imperial developments in future years, and it rendered possible the concluding act of the Imperial Conference a few weeks ago in London. Moreover, it is indisputable that there is no portion of the coast of America from Cape Horn to Behring Straits, other than British Columbia, to which the wise and far-reaching policy inaugurated by the Premiers of the Empire could by any possibility be made applicable.

A leading object of the Ottawa Board of Trade in approaching His Excellency was to seek an opportunity of bringing once more before the attention of the Governments and the people of each self-governing portion of the Empire the desirability of supplementing the Imperial mail-service by the completion of a great circle of Imperial telegraph-cables to form a perfect electrical connection between the oversea dominions and the Mother-country. The proposal was first made nine years ago by a member of the Ottawa Board of Trade, and, as pointed out in the address to His Excellency, in every succeeding year its merits have been confirmed by irrefragable testimony.

Such being the case, the following explanatory paragraphs from the original proposal are reproduced. It is deemed proper, after the lapse of nine years, to reiterate the reasons and arguments then given. They are held to be as instructive to-day as when first written.

The time has arrived when the expediency of establishing a complete telegraph-cable system throughout the Empire may be considered on its merits. The advantages which will inevitably follow the adoption of universal penny postage appear to be generally recognised, and I venture to think the public mind will be prepared to entertain favourably another proposal not less important. It is not necessary in the least to undervalue cheap postage or detract from its immense importance in order to show that a cheap telegraph service on a comprehensive scale is easily attainable, and that it would prove an effective means of speedy communication for an Empire such as ours.

The transmission of letters has always been a function of the Government; indeed, it has been wisely held throughout the civilised world that the postal service should be controlled by the State. The electric telegraph is a comparatively modern introduction. In the Mother-country private companies were the first to establish lines of telegraph, but in 1868 it was found to be in the public interest to have them taken over by the State and placed under the Post Office Department.

The transfer was effected in 1870. Changes and improvements were immediately made; the telegraph service, previously confined to lines connecting great cities where business was lucrative, was extended to many towns and districts previously neglected, and, notwithstanding the fact that the charges on messages were greatly reduced, the business developed to such an extent that the receipts progressively increased. Before the transfer it cost about 6s. to send an ordinary message from London to Scotland or Ireland. The rate was reduced to 1s., and subsequently to 6d. (the rate at present charged), and for that sum a telegram can be sent from any one station to any other station within the limits of the United Kingdom, without regard to distance.

It was early recognised by every country in Europe that so efficient a servant to trade and commerce, so important an aid to the State itself, should become a national institution. France, Austria, Prussia, Russia, Sardinia, Italy, Spain, Portugal, and Belgium each established a State telegraph system, and, as in Great Britain, experience has shown that they have done this not only with advantage to the various administrative necessities, but with benefit to the public at large.

Such being the unanimous conclusion, is not the application of the principle of State ownership on a larger scale than hitherto attempted a fit subject for inquiry? Is it not desirable and expedient that the whole British Empire should have a State-controlled telegraph system?

The conditions of the Empire are totally different to what they were some years back. When Her Majesty ascended the throne there was not a single mile of electric telegraph anywhere. There was not an iron ship of any class afloat, and mail steamships were practically unknown. From that period the conditions have been continually changing, and the process of growth and development still goes on. True, change has met with resistance from individuals, companies, and classes, but resist it who may, the law of development follows its steady course, and continually makes demands on science and skill to meet the ever-changing conditions. We are living in an age of transformation; the spirit of discovery and enterprise, of invention and achievement, has extended and expanded the British Empire from the small islands on the coast of Europe to new territories, continental in extent, in both hemispheres. The development of the mercantile marine has carried the flag of our country over every mile of sea to meridians far distant from the Motherland. In these distant territories communities have established themselves under the protection of that flag. They have drawn riches from the forest, the soil, and the mine. They have caused noble cities to spring up, rivalling in the splendour of their streets and buildings the finest cities of the Old World. These young nations, full of hope and vigour, have made progress in every direction; they are imbued with lofty aspirations, and their most ardent desire is to give their energy and strength to the building-up of a greater British Empire on the firm foundation of common interest and common sentiment.

At an earlier period of the world's history it would have been difficult to conceive the possibility of any lasting political union between countries so widely separated by intervening seas. The problem is, however, being solved not by old methods, but by the application of wise prin-

ciples of government, aided in a wonderful way by the highest resources of modern science. Steam has made the separating oceans no longer barriers, but the general medium of union. Electricity has furnished the means by which the British people in all parts of the globe may exchange thought as freely as those within speaking distance. These twin agencies of civilisation are pregnant with stupendous possibilities. Already the one, as the prime factor in sea-carriage, has rendered universal penny postage possible. The other has made it equally possible to bring the British people, so widely sundered geographically, within the same neighbourhood telegraphically.

Imperial penny postage will have far-reaching consequences; it is undoubtedly a great onward movement in the career of civilisation, and in the development of wider national sympathy and sentiment. But, great as are the benefits to follow the adoption of universal cheap postage, the first result and not the least will be to make plain that a postal service, however cheap and comprehensive, is in itself insufficient for the increasing daily needs of the now widely distributed British peoples. It will be seen that, in addition to an ocean penny postal service, the circumstances of our worldwide Empire demand a cheap ocean cable service, extending to every self-governing British possession.

The carriage of letters at any known speed consumes time, and the length of time consumed depends on the distance traversed. The telegraph, on the other hand, practically annihilates space, and in this one respect has immeasurably the advantage over the ordinary postal service, especially in the case of correspondents who are separated by the greatest distances.

We can as yet but faintly appreciate the extent to which the telegraph may be employed, because its use heretofore has been restricted, on long-distance messages, by almost prohibitory charges. If messages be exchanged between places not far apart—let us say between London and Edinburgh, or Toronto and Montreal—the gain in time by the use of the telegraph is inconsiderable. But if the points of connection be far separated, such as London and Melbourne, or Ottawa and Cape Town, the comparison between a postal and a telegraph service brings out the distinct value of the latter. In either of the cases last mentioned, while it would require the lapse of eight or ten weeks to obtain an answer to a letter by post, if the telegraph be employed a reply may be returned the next day, or even the same day.

Existing long-distance cables are little used by the general public—it may be said not at all—except in emergencies. They are used in connection with commerce, the growing needs of which demand more and more the employment of the telegraph, but owing to the high charges exacted its use is limited to business which would suffer by delay. These cables are in the hands of private companies, striving chiefly to earn large dividends, and who adopt the policy of charging high rates, in consequence of which trade and commerce are unduly taxed, and their free development retarded. Were the cables owned by the State large profits would not be the main object, and precisely as in the case of the land-lines of the United Kingdom, it would be possible greatly to lower rates, and thus remove restrictions, and bring the telegraph service within reach of many now debarred from using it.

When the Government assumed control of the inland telegraphs of the United Kingdom it was found possible greatly to reduce charges. In 1869, the year before the transfer, less than seven million messages were carried. At the transfer the rate was reduced to 1s. per message: the traffic immediately increased nearly 50 per cent., and continued increasing until in the tenth year 29,000,000 messages were transmitted, with a surplus of revenue over expenditure of £354,060. In another decade the total annual business equalled 94,000,000, the operations still resulting in a surplus of £251,800, although the charge for a message had been meanwhile reduced from 1s. to 6d. It is indisputable that high charges restrict the utility of sea-cables as well as land-lines, while low charges have the opposite effect. A few years ago the tariff of charges between Australia and London was 9s. 4d. per word. The proposal to establish the Pacific cable, and the discussion which followed, led to the cheapening of the rate to 4s. 9d. per word. In 1890, the year before the rates were lowered, the gross business consisted of 827,278 words. In 1897 it had increased to 2,349,901 words. In 1890, with high charges, the revenue was £331,468. In 1897, with reduced charges, the revenue was £567,852, or £236,384 in excess of 1890, when the highest rates were exacted.

The utility of the telegraph may be measured by the time gained over the post, and the success of the telegraph service of the United Kingdom must be accepted as convincing evidence of its utility and value, for the gain in time is, in this case, measured by hours only. Its striking success in this instance may be largely owing to State control, but whatever the cause, it is obvious that if, under similar conditions, weeks were gained instead of hours, the utility of the telegraph would be proportionately increased, and its value as a means of communication correspondingly enhanced. There is another immense advantage not generally known to the public, which can be claimed for telegraphy; it is the fact that, within certain limitations, the actual cost of transmission is but little affected by distance. While the cost of carrying letters is in proportion to the distance traversed, the same rule does not apply to the electric wire. With a properly equipped telegraph system the actual expenditure incurred in transmitting a message a thousand miles is practically no greater than sending it ten miles. Obviously, therefore, the principle of "penny postage"—that is to say, a low uniform charge for all distances—is applicable more fully to ocean telegraphy than to the Imperial postal service. With these considerations before us, a moment's reflection leads to the conviction that this wonderful agency—the electric wire—places within our reach, if we have the wisdom to accept it, an ideal means of communication for the worldwide British Empire.

Thirty years ago the British Parliament, for reasons the soundness of which experience has fully confirmed, determined that the State should assume control of the inland telegraph system of the United Kingdom. To-day there are incomparably stronger reasons for State control being exercised over a cable system for the whole Empire.

The Ottawa Board of Trade, on the 20th June, 1901, addressed the following circular letter to various bodies representing trade and commerce throughout the British world:—

“The President and Council have the honour to submit the following remarks, together with the appendices thereto, on the movement to secure the cheapest, the speediest, the freest, and the most effective means of intercourse between all the King’s subjects throughout his vast Empire.

“Representing trade and commerce in the capital of Canada, the Ottawa Board of Trade feel it a public duty incumbent on them to take this means of expressing the conviction they have reached that the British possessions throughout the world should be directly connected by State-owned telegraph-cables under the control of the Post Office.

“Such a scheme is regarded by members of the Board as an effective means of fostering trade and stimulating commercial activity, at the same time constituting a bond of Imperial unity of inestimable value.

“The proposal requires that not only the connecting transmarine cables should be under Government control, but likewise that the land-telegraphs of the several British possessions should be State-owned. The land-telegraphs of the United Kingdom, New Zealand, the Australian States, India, and South Africa are already nationalised and administered by the Post Office. Canada is the only exception; but the transfer of the Canadian telegraph-lines to the Post Office, together with the laying of a State-owned cable across the Atlantic, is, we are informed, under the consideration of the Government, and it may be assumed that Canada will not long remain the only country within the Empire where the telegraph system is not, in the public interests, controlled by the State.

“More than a year ago the scheme of world-encircling telegraphs was earnestly considered by this Board, and resolutions were then passed pointing out the necessity for establishing the Pacific cable as the initial link in such a system of State-owned cables.

“It is a matter of great gratification to the Board to know that the Pacific cable is now being established under a joint agreement between the Home Government and the Governments of Canada, New South Wales, Victoria, Queensland, and New Zealand, and that there is every prospect of Canada being connected with the United Kingdom at an early date by a State-owned transatlantic cable. With these works completed, and the Canadian land-lines nationalised, the whole distance from England to the shores of the Indian Ocean—say, at Perth, the capital of Western Australia—will be covered by a series of cables and land-telegraphs under State control. Perth is near the 116th meridian east, while it is 244 degrees of longitude westerly from London. Reckoning by meridians of longitude, therefore, two-thirds of the globe will be girdled by a State-owned telegraph service, so soon as the Pacific cable and Canadian lines associated therewith are established as national works.

“The necessity for connecting India and other British possessions in Asia with the Imperial system of telegraphy must, however, be recognised. On reference to the papers appended it will be found that the Imperial scheme of cables to traverse the Indian and Atlantic Oceans between Perth and London embraces the following works, viz.:—

“(1.) Cable from Western Australia, *via* Cocos Island and Mauritius to South Africa, with branches to India and Singapore—9,100 miles.

“(2.) Cable from South Africa, *via* Ascension and Barbados, to Bermuda, thence to Canada and the United Kingdom—6,660 miles.

“These two sections together make 15,700 nautical miles, while the distance from London to Perth by the Canadian route is about the same, the actual distance being a few hundred miles less. Thus it will be seen that, taking into account branch cables to connect all the British possessions, half the work is already, or will shortly be, accomplished.

“The papers appended set forth the scheme in detail, and furnish ample explanations on all essential points. These documents contain the matured judgment of Sir Sandford Fleming, a member of the Board, who has given more attention to the subject than any other man, and in whose views this Board entirely concurs. In one of these appendices it is pointed out that it was largely owing to the action and influence of the Chambers of Commerce of the United Kingdom that the postal telegraph service was introduced thirty years ago in the Mother-country. Similarly we believe it to be in the power of the various bodies representing trade and commerce throughout the Empire to influence the universal adoption of the Imperial postal cable service. It is with that object in view that this appeal is made. We respectfully and earnestly invite the aid and co-operation of all such bodies in bringing to completion the crowning development of the British Post Office.”

Since 1901 correspondence has been maintained by the Board, and evidence has year by year been accumulating to make clear beyond all question that the scheme of Empire cables merits general support. Two recent publications on the subject are mentioned in the address to His Excellency—(1) a sessional paper of the Canadian Parliament (No. 67, 1906), of 63 pages, and (2) a pamphlet of 30 pages circulated in England by the Eighty Club. Both deal with the establishment of a great Imperial Intelligence Service in connection with the system of Empire cables as a means of benefiting the British people in all climes. As an agency for the diffusion of mutual knowledge, as an aid to co-operation in matters of joint concern, and as a means of cultivating friendship and mutual sympathy nothing more effective could well be conceived. Both publications dwell on the need of some comprehensive means of dispelling public ignorance and establishing mutual relationship between each separate British community. It is strongly felt that if closer unity of the Empire be the desired object, it can only be obtained with the will of each of the autonomous States, and as these again can only act with the people’s consent, the necessity for rightly enlightening the people must be apparent. Hence the educational value of the proposal should be regarded as of the first importance.

To effect an object of so much importance the arguments submitted in the two publications go to show that all traffic passing over the Empire cables should be transmitted at the lowest rates possible. It is regarded as undesirable that the electric nerves of the Empire should be called upon to earn large profits by levying toll on the intercourse of the people who are separated by distance. It is held that the better policy is to remove all unnecessary tax by making the rates for transmission so low that the gross earnings will merely suffice to cover all working-expenses. Again, it is placed beyond cavil that the principle of a uniform charge for all distances, as in "penny postage," is peculiarly applicable to telegraphy, and therefore its adoption in the chain of Empire cables is certain to be fully vindicated. There is, indeed, every reason why we should adopt means to reduce the rates for transmission by the Empire-girdling telegraph system to a moderate uniform tariff, and seek to make it similar to the Imperial penny postage system.

In both publications last mentioned it is authoritatively stated that the cost of completing and fully equipping the whole circle of Empire cables would not exceed £5,000,000, to be contributed in equitable proportions by each of the autonomous units of the Empire. The whole expenditure required must be regarded as quite insignificant compared with the incalculable gain resulting from a State-controlled telegraph system girdling the globe and bringing all the outlying self-governing British communities into instantaneous touch with each other, and with the Imperial centre. There are the best grounds for the belief that nothing would better aid in welding together the Empire—that nothing would prove more effective as an instrument of civilisation.

Empire Cables.—Cheapening of Telegraphy by the All-red Line.

The design of the Empire cables is to promote by a threefold means the well-being of the British people, and aid in the steady development of the great political organism of the new century.

First, by uniting all the autonomous British possessions, separated by the oceans, by an electric globe-encircling Imperial girdle.

Second, by providing all the peoples, so widely sundered, with a practical and effective system for the interchange of information, for the purposes of trade, for the cultivation of friendly relations, and generally to aid the several communities within the Empire in becoming better acquainted with each other.

Third, by securing, with the maximum of speed and efficiency, the minimum of cost in transmitting intelligence from any one point to any other point in the Imperial circle of telegraph-cables.

The first and second objects have been alluded to in the address to His Excellency Earl Grey, and in the preceding explanatory note; the third object, the cheapening of telegraphy, will now be considered.

It is a common error to imagine that the cost of transmitting by telegraph is in proportion to the number of miles the messages are transmitted. An ordinary letter has a definite weight, and it cannot be carried a mile without an expenditure of effort, or a hundred miles without a proportionately increased expenditure. A million letters may weigh twenty or thirty tons, and to transport a consignment of twenty or thirty tons involves the expenditure of fuel, oil, wear-and-tear of machinery by railway or by steamship, always regularly increasing in proportion to the distance carried. A telegraph message, on the other hand, has no weight; no material substance is conveyed—merely a number of signals are transmitted; a million of such wire-conducted signals have no weight; they may be transmitted by means of a well-appointed telegraph system a thousand miles as readily as a hundred miles or ten miles. There is no wear-and-tear, no fuel is consumed, or any such expenditure, be the distance long or short.

We are, of course, presupposing that in both cases the means employed, whether it be by railway, by steamship, or by telegraph-line, are each in perfect order and fully equipped with every necessary accompaniment, including a full staff of operators and men of the several classes in each case.

By thus analysing and contrasting the two systems it is made plain that an exceedingly important distinction must be drawn between the carriage of letters and the transmission of correspondence by telegraph. This feature will hereafter be noticed as an additional reason for adopting a low rate, uniform for all distances, for transmitting telegraphic matter. Meanwhile it may be mentioned that the telegraph has come so much into favour that it has been made a service of the State in every civilised country in the world, with only two exceptions, and Canada is one of these two.

At the present day Canada is in this particular matter behind every nation in Europe and every part of the British Empire. The telegraph-lines of the Mother-country were, at first and for a number of years, owned and controlled by companies, but in the public interests a change was made by authority of Parliament. The Government expropriated all the telegraph-lines, and paid the companies their full value. They were placed under the control of the Post Office Department. Under that Department they became, and have long been, a remarkably efficient and successful public service. No better model for imitation by the Dominion can be found. Take a single illustration: Any person in any part of the three kingdoms may send to, or receive from, any other person, however remote, a message of twelve words at the small cost of 6d.—that is, at the rate of $\frac{1}{2}$ d. a word—each additional word being charged $\frac{1}{2}$ d. This privilege is enjoyed and much used by the forty millions of people between Land's End and "John o' Groat's House."

In the Dominion we have not yet followed the example set us by the Mother-country, and until we do we shall simply be denying ourselves the advantages which every European nation and all parts of the Empire, other than Canada, have gained.

More than seventy years ago a far-seeing, patriotic Englishman discovered the true policy to follow in connection with the conveyance of correspondence and transmission of intelligence. Before the good Queen Victoria ascended the throne the postal service of England was complicated and costly. The inland postage of letters varied from 4d. to 1s. 8d. per letter, and still higher

rates for long distances, such as from London to Scotland and Ireland. In 1835 Rowland Hill, after much study, initiated a bold reform, which by all officialdom was at once denounced as ruinous, and ridiculed as visionary. His chief proposal was to reduce the postage to 1d. a letter, and to make that rate uniform for all distances within the limits of the three kingdoms. After some hesitation by the public, the arguments and reasons advanced by him were found to be so sound that some two thousand petitions in favour of uniform penny postage poured into Parliament. Eventually a Bill was passed, and in 1840 the great postal reform went into operation throughout England, Ireland, and Scotland. For a few years afterwards dire predictions of failure were still heard, but the experience of two-thirds of a century has now amply vindicated the wisdom of the postal reformer, and the reform, which was ushered in with the opening years of the reign of our late beloved Queen, has now been crowned by its extension, in principle, to the worldwide Empire.

Some few years after the adoption of uniform penny postage in the Mother-country electric telegraphy was, as stated, introduced by private companies. The telegraph-lines remained in the hands of the companies for about twenty years, when at length the public interests demanded that they should be taken over by the Government. In 1870 they were placed under the Post Office Department, and, naturally and fortunately, the policy initiated thirty years earlier with respect to the mail-service was applied to the telegraph service—that is to say, the charges on telegraph messages were reduced to a low uniform rate for all distances. It was impossible for that policy to fail of success, seeing that it had proved so eminently successful with the mail-service, and, as already pointed out, the policy initiated by Rowland Hill was even better adapted for the telegraph service than for the mail-service. The year before the transfer to the Post Office Department 7,000,000 messages were transmitted by the companies. With a greatly reduced tariff, the business increased 50 per cent. the first year, and continued to increase immensely from year to year. The total business in the twentieth year reached 94,000,000 messages. In the Postmaster-General's Report for 1895 it is pointed out that, without including the purchase-money of the original lines, the receipts exceeded the expenditure by a total sum of £1,795,000, equal to an average annual surplus of £71,800.

The principle of a uniform low rate for all distances in connection with the mail-service of the Dominion has now been well tested. For the small charge of 2 cents a letter can be sent to, and delivered in, any inhabited part of Canada. The expenditure in reaching the outlying sections, such as the Yukon and Atlin districts, is considerable, but notwithstanding that fact the general returns of the Post Office are most satisfactory. The report of the Postmaster-General for 1906 shows a surplus of more than a million dollars (\$1,011,765.35) in the year's operations. Moreover, the outlook for the present year is believed to be very much better. Such being the case, there need be no hesitation in applying the principle of Rowland Hill's great reform to the telegraph service of Canada.

There is every reason for the reform. There is no necessity for adopting a higher tariff of charges than that which has given so much satisfaction in the Mother-country. The equivalent in Canada would be a uniform charge of 1 cent a word for all distances, and the minimum message may consist of any number of words, from ten to twenty-five, which may be determined. In view of the geographical conditions of the Dominion, there is no country on the face of the globe where the peculiarities of the electric telegraph, and its high value as a means of instantaneous communication between points widely separated by distance can be turned to better account than in Canada.

No less important is the proposal, which has frequently been considered, to establish a State-owned Atlantic cable. It is understood that there is evidence in possession of the Canadian Government as to its cost, its working-expenses, its probable traffic, and all other particulars. The evidence which has for some time been accumulating goes to show beyond all question that, if placed under the control of the Canadian Post Office, the traffic which could immediately be counted on, reckoned at the small charge of 5 cents a word, would be sufficient to cover all working-expenses, interest on cost, and sinking fund to replace capital.

Such being the case, it is obvious that an Atlantic cable under the control of the Canadian Post Office Department, and able to transmit messages at so low a rate, would be an immense advantage to all commercial men. If, however, it should be deemed inexpedient for any reason to commence by lowering charges to 5 cents a word, a beginning might be made at 10 cents a word, a rate 60 per cent. lower than the present tariff, which is 25 cents a word. A reduction to 10 cents, or even 12 cents (6d.), would tend greatly to increase freedom of telegraphic intercourse, and be of incalculable advantage to Canada and the Mother-country, and, indeed, as will presently be shown, to the whole Empire.

His Excellency Earl Grey, in replying to the address of the Ottawa Board of Trade, alluded to the remarkable geographical position of Canada, stretching as it does between the two oceans. There is in truth no part of the twin continents north or south of the equator, other than the Dominion, which commands "an Imperial route between Great Britain and the Orient and those great British Dominions in the Southern Seas of New Zealand and Australia."

This one geographical circumstance greatly elevates the character of the questions discussed in the foregoing pages; it much widens our horizon, and the subjects considered become more than domestic questions relating to Canada alone. We find ourselves on the predestined route of a great highway of the world; we occupy the gateway between the East and the West, the only passage for the All-red Line through the longitudinal axis of America from the Straits of Magellan to the Arctic Ocean.

Viewing the subject from the higher standpoint, the importance of the land telegraph across Canada, from ocean to ocean, and the Atlantic cable from Canada to England, as links in the Imperial chain at once becomes obvious. It will be manifest, too, while both would be of the

highest advantage to the Dominion, these two links would prove to be a splendid contribution by Canada to the whole Empire. Added to the Pacific cable already laid, they would complete no less than half the circle of State-cable telegraphs around the globe.

Let Canada establish these two links in the great Imperial chain, and the remaining links to complete the circle will speedily follow. Then, the policy discovered by Rowland Hill seventy years ago, which we find to be so admirably suited for long-distance telegraphy, may with striking advantages be applied to the globe-girdling system. Under that policy, and partly owing to the power of sending messages in either direction, it will be possible to reduce greatly the charges for transmission.

We may rest satisfied that eventually the day must come when, precisely as we now have Imperial penny postage, we will have one uniform telegraph rate for all distances within the circle of the Empire cables. Meanwhile, until the general plan suggested takes shape, and the volume of traffic be more fully developed, if it be thought advisable to introduce the change step by step that course can be followed.

The circle of contemplated Empire cables traverses four oceans, and may (merely for tariff purposes) be divided into four sections, as follows:—

- (1.) The North Atlantic Section—connecting the United Kingdom and Canada.
- (2.) The Pacific Section—connecting Canada with New Zealand and Australia.
- (3.) The Indian Ocean Section—connecting Australia and South Africa.
- (4.) The South Atlantic Section—connecting South Africa with the United Kingdom.

It has already been pointed out that the tariff of charges in the North Atlantic Section may easily be reduced to a uniform rate of a penny a letter—that is, a charge of 6d., per average word of six letters, on all ordinary messages transmitted between any telegraph-station in the United Kingdom and any telegraph-station in Canada. By “ordinary messages” is meant messages made up of ordinary words used in their ordinary sense. A practice has grown up of sending code messages—that is, messages in words which are not English or French, or are not employed in their ordinary sense, and are intelligible only to the sender and receiver. The transmission of such messages is attended with practical difficulty, and delay often results. It is proper, therefore, that the rate for code messages should be higher than for ordinary messages.

Messages transmitted within the second, the third, and the fourth sections would be subject to the same rules and the same tariff as described for the North Atlantic Section. For example, ordinary messages passing between New Zealand or Australia and Canada on the one side, and between New Zealand or Australia and South Africa on the other side, would be charged at the rate of a penny a letter. In the case of messages transmitted through two sections—that is under two oceans—the rates would be doubled. Take, for example, messages transmitted from Australia or New Zealand to England, whether they go by way of Canada or by way of South Africa, the charge would be 2d. per letter, or 1s. per word of six letters. As, under ordinary circumstances, messages would never require to be transmitted across more than two oceans, the rate of 2d. per letter would be the maximum charge for transmitting ordinary messages from any one point to any other point in the circle of Empire cables.

Press messages are generally transmitted at considerably lower rates than ordinary messages. In the United Kingdom, in India, in Natal, and other British possessions the rate for Press messages is about one-fourth the charge for ordinary messages. The present charge for Press messages between Australia or New Zealand and England is 1s. per word, being one-third the rate for ordinary messages, which is 3s. per word.

Charges for telegraphy have heretofore been reckoned on the number of words transmitted, but there are objections to that practice, as words in common use vary in length. One word will have two letters, another ten or more letters. There are excellent reasons, especially in long-distance telegraphy, why charges should be reckoned by letters rather than by words. The number of letters in messages, however long, can easily and accurately be ascertained by a simple mechanical method. As to the cost of transmission, let us take an instance at random. Let us take, say, the last sentence in the immediately preceding paragraph beginning, “The present charge,” &c. That sentence contains 157 letters, and is divided into 32 words. If sent from Australia to England as an ordinary message the charges would be,—

(1.) Under the suggested Empire cable tariff—				
157 letters at 2d. per letter	...	...	26s. 2d.	(\$6.28)
(2.) Under present tariff—				
32 words at 3s. per word	...	...	96s.	(\$24.00)

For the same sentence if transmitted as a Press message the charges would be,—

(1.) Under the Empire cable tariff—				
157 letters at $\frac{2}{3}$ d. per letter	...	...	8s. 9d.	(\$2.19)
(2.) Under present tariff—				
32 words at 1s.	...	...	32s.	(\$8.00)

The same words telegraphed between Canada and Australia or New Zealand, as an ordinary message, would be charged,—

(1.) Under the Empire cable tariff—				
157 letters at 1d.	...	...	13s. 1d.	(\$3.14)
(2.) Under present tariff—				
32 words at 2s. 4d.	...	...	74s. 8d.	(\$18.67)

The same sentence transmitted between Australia or New Zealand and Canada as a Press message would be charged,—

- | | |
|--------------------------------------|---------------------------------|
| (1.) Under the Empire cable tariff— | |
| 157 letters at $\frac{1}{2}$ d. | 4s. 4 $\frac{1}{2}$ d. (\$1.09) |
| (2.) Under present tariff— | |
| 32 words at 9d. | 24s. (\$6.00) |

Without departing from the policy of maintaining transmission-charges by the Empire cables sufficiently high to cover all working-expenses, we have in these calculations a distinct indication of the very marked cheapening in oversea telegraphy which is quite possible in the near future.

At the present day the cost of cabling is much too great for the majority of people. It is practically prohibitive to emigrants, as well as to many others; and those who are forced to use the wire in extreme cases resort to it as seldom as possible. Owing to geographical circumstances, cheap oversea telegraphy, equally with cheap land-telegraphy, concerns the British in various parts of the world more than any other people, and they cannot have cheap telegraphy too soon. A stage has been reached in the history of the world when their wishes and their wants, their aims and their aspirations, seek the freest and speediest means of expression.

While it may be difficult at first sight to grasp the full significance of some of the foregoing statements, it may at least be averred that they are made with the utmost confidence in their soundness. There is reason to hope and believe that time will make them plain, and reveal the inestimable value to be attached to an unbroken chain of State-owned cables connecting the self-governing British communities in both hemispheres. It is believed most thoroughly that the proposal will eventually be consummated, and that by bringing the several governmental units, now separated by great oceans, into one friendly neighbourhood, electrically and telegraphically, results will follow of the most satisfactory character—commerce will be quickened, the ties of sympathy will be made more effective, the bonds of sentiment will become more enduring, and, by this means, unity, strength, and permanence will be assured to the family of nations constituting the new Empire.

S.F.

Concluding Note.

This jubilee appeal of the Board of Trade of the City of Ottawa has direct reference to the co-operation of His Majesty's Government in the Mother-country with his Governments of the self-governing dominions beyond the seas in a common object. As an educational medium, this appeal is designed to familiarise the public mind with the proposal to institute an Empire girdle of State-owned cables as an indispensable means of commercial and political unity.

The reader of the pamphlet will be struck with three points of high importance which are clearly brought out,—

- (1.) It is demonstrated that a low uniform charge for transmitting correspondence, irrespective of distance sent, is far more applicable to a State telegraph service than to a State postal service.
- (2.) As penny postage has already become the rule throughout the Empire, it may reasonably be anticipated that a similar low uniform charge for all distances by the girdle of Empire cables will become the final goal of State telegraphy.
- (3.) Thus, by a tremendous force of energy and sympathy induced by and through the slender electric nerve-wire, the co-operating sister communities will gain the possession of a potent agency in the development of the great Empire of friendship and peace.

Approximate Cost of Paper.—Preparation, not given; printing (1,525 copies), £40 0s. 6d.

By Authority: JOHN MACKAY, Government Printer, Wellington.—1908.

Price, 1s. 9d.]

