

By these means, within the last twenty years telegraphic communication has been obtained with the South African Colonies, with the West Coast of Africa, and with Bermuda. In the two former cases no doubt the assistance afforded by Her Majesty's Government for political or military and naval reasons has proved to be of the greatest benefit to commercial and general interests. Such benefit has, however, been incidental to and has in no way determined the decision of Her Majesty's Government in affording the assistance required for the laying and maintaining of the cables, and in no case has Her Majesty's Government imposed any restriction, except incidentally, on the rates to be charged for non-official telegrams.

The proposal now put forward departs essentially from the spirit of the policy heretofore followed. The saving that might accrue under it on the charge for official telegrams is too slight to counterbalance the other objections to it.

Under the proposal Her Majesty's Government would substitute for a policy with well-defined and entirely defensible objects, and with definite and limited charges on the Exchequer, a system under which no finality could be guaranteed as regards the claims that might be put forward, either in the particular instance or in similar cases elsewhere, and of which the objects are at least open to discussion.

The Australian Colonies have only to consider the particular case of the Australian cables, and the proposal covers the whole of their extra Australasian cable communications, but the Secretary of State will see that the adoption by Her Majesty's Government of the principle of guaranteeing companies against loss caused by reduction of rates could not fail to lead to similar claims from every other English dependency desirous of reducing the cost of telegraphic communication. Not only is the number of cases very large in which such claims might be made, but in all probability reductions of rates thus obtained would in time be considered insufficient, and additional demands might be made in each case for still further developing and facilitating cable communication by assisting the companies to extend the reductions.

It is not contested that the essential objects that have been considered by the Imperial Government in the past to justify State assistance to cable companies are already obtained. The cables are in existence, and there is no doubt as to their being maintained, a substantial dividend being derived from working them.

My Lords are unwilling to establish a precedent for the grant of State assistance in excess of the amount necessary for securing objects which the State may properly aid in order to secure a benefit which will primarily fall to a limited class.

It appears to them that such a precedent could not fail to be invoked with a view to its extension not only to other cases of cable companies, but also to objects in which State intervention and assistance is alien to the spirit of the commercial policy of this country.

It is scarcely necessary to consider minor objections to the proposal. My Lords will only refer to the probable effect upon the question of possible competition if a subsidy be now granted to the only company owning cables to Australia. Assuming that competition is desirable, it would seem very doubtful whether the proposal of the Australian Colonies would not place the Eastern Extension Company in such a position as to render competition a practical impossibility.

Upon a most careful review, therefore, of the whole subject, and in spite of their strong appreciation of the spirit in which the Australian Colonies have made the proposal now under consideration, my Lords feel with regret that they are precluded from giving that adhesion to the proposal which they would gladly have given if they had not been limited by consideration of general policy, the importance of which they are confident the Australian Colonies will readily appreciate.

I am, &c.,

The Under-Secretary of State, Colonial Office.

W. L. JACKSON.

### No. 19.

(Circular.)

SIR,—

Downing Street, 31st July, 1890.

I have the honour to transmit to you a copy of an extract of the proceedings, as reported in the *Times*, in the House of Lords on the question raised by the Earl of Meath as to Sunday labour in the ports of the colonies; and I request that you will be good enough to inform me—(1) Whether any, and if any what, legislation exists in the colony under your government prohibiting Sunday labour, either generally or in respect of any particular branch or branches of labour; (2) whether there is, in fact, any labour on Sundays in the docks or on the wharves of the ports of the colony under your Government; and (3) whether such Sunday labour is practically stopped by rules or regulations of public bodies or by combination of workmen against it.

I have, &c.,

KNUTSFORD.

The Officer Administering the Government of New Zealand.

### Enclosure.

[Extract from the *Times*, 26th July, 1890.]

#### SUNDAY LABOUR AT HONGKONG AND SINGAPORE.

THE Earl of MEATH asked Her Majesty's Government whether their attention had been called to the following remarks made by Admiral His Royal Highness the Duke of Edinburgh at the annual