

connection with the heart of the Empire—London, and I do believe when the matter has been fully considered by the Canadian authorities, they will do even more than they have done in the past. As regards the Imperial Government, it is more their concern than Canada's; and I trust on this occasion they will be found acting not only justly, but generously to this outlying part of the Empire. I may say that in the past I have been grieved and disappointed at the position the Imperial authorities at the Post Office have taken up in regard to telegraphic enterprise. We do not require this cable, because we have the existing one, which I was going to say was cheap and satisfactory—but I will say it is, perhaps, not unsatisfactory, and, perhaps, not too dear. I think that is as far as I can go. The present Company have succeeded in getting as much as they could, and a great deal more than they ought, out of us, but in future if they try to suck the orange too dry circumstances may so alter that this Pacific Cable may become a great commercial success. I do not know that there will be any immediate prospect of the cable being laid, but I trust we will all give what encouragement we can, and that the Imperial Government will come forward and take its share of the undertaking. I trust Canada will also give us in a concrete and tangible form the good wishes that I know she holds towards the enterprise. If that is so, I suppose Australasia would be willing to join in the enterprise, and if Australia is willing, I trust and believe that Victoria will not be wanting in helping her sister colonies in the matter.

Mr. THYNNE. I forgot to inform you that just before this Conference met I received a cablegram from Sir Mackenzie Bowell, informing me that important papers upon this cable question are due in Sydney on the 9th February. I sent him a message asking him to be good enough to give me some idea of the contents of the papers, and he replied, "Papers sustain Fleming's memorandum of 1st December, urging state ownership and appointment joint Commission to arrange details subject to approval of Governments." This letter, I take it, explained and put in a practical shape the attitude of Canada on this question, and removes still more the grounds of complaint made of want of action on the part of Canada.

The motion was then withdrawn, and the amendment having become the motion, it was carried.

Cable Guarantees.

The PRESIDENT, in reply to Mr. Ward, said:—Our attitude in regard to the cable guarantee is that we wish to withdraw from the undertaking we entered into of guaranteeing a certain amount, and we have given proper notice of our intention to do so.

Mr. WARD: Is it intended to maintain that position?

The PRESIDENT: I have seen no reason why we should not maintain it.

Mr. WARD: Then I beg to move, "That this Conference respectfully requests the Government of Victoria to reconsider its proposed withdrawal from the cable guarantees." The total amount of international guarantee payable by the colonies last year was £6191, and of that sum New Zealand contributed £1125 16s. 9d., about one-fifth of the total sum. Apart from that New Zealand has increased the amount of contribution to the cable service by no less a sum than £9654, as the result of the reduction of the rates from 9s. 4d. to 4s. 9d. per word. If any of the other Colonies were to abandon the international cable guarantee, the alternative must be a reversion to the original high rates. We are prepared to pay a larger sum of money to maintain present rates rather than see trade disorganised.

Dr. COCKBURN. I will second the resolution. I very much fear that if Victoria withdraws from these guarantees they will be at an end at once, and there is no doubt that the Australian public will suffer very considerably. The reduction made in consequence of the guarantees in the cable rates alone has led to a saving of £200,000 to the community, and I would like this matter to be taken into consideration, for is it not possible, if even a small consequent increase took place in the rates, that it would press more hardly on the people of Victoria than the amount of the contribution the Government are now making would do?

Mr. COOK. I find this cable company is still paying immense dividends and keeping up a big reserve fund, so that they might in these times of depression easily afford to be a little bit generous. We still maintain the basis of 1889 as a basis on which our business is conducted, and it is a question in my mind whether it is not possible to make some re-arrangement in regard to these subsidies. I am inclined to support the resolution which has been moved, as we must be careful to throw no impediment in the way of our foreign trade. I think it is better Victoria should not take the extreme step she proposes to do, but wait and see if the figures of the last 3 or 4 months are maintained, because if they are maintained the guarantee might be wiped out next year.

Mr. FYSH: It would be an exceedingly harmful proceeding if we have to revert to the position we occupied prior to the last agreement of 1892. If one Colony withdraws from that arrangement we will each of us have to review our position, and is it possible that we are going to open the question of reviewing the tariff against each other in 1895,—that year which we hoped was to be marked by the accentuation of the federal principle and practice of which we have all heard so much? I do trust Victoria will see the advisability of re-considering her position, and taking a larger view of the subject. If one Colony withdraws it will necessitate the withdrawal of the