

in Canada, in Australia, and in New Zealand. It was frequently asked for in the several Parliaments, but, for some unknown reason, Parliaments and people were kept in the dark for twenty-eight months. Before the report of the committee was made public, in May, 1899, surprise, widespread regret, and disappointment was caused when the contents of a despatch from Downing Street, of date 26th April, 1899, was made known.

This despatch appears on page 87 of blue-book [see Appendix B]; its contents were referred to in the *London Times* of 27th April, and a few days afterwards it was noticed in the *Canadian Press*. As one who has given some attention to the project of a Pacific cable, I made bold to address letters to the Secretary of State and the public on the 5th May, 1899 [see Appendix C], and expressed the view that it was impossible to believe that the despatch to the Governor-General of the 26th April conveyed the full or final judgment of Her Majesty's Government, for several very strong reasons, which, with the grounds on which they are based, are submitted at length in my letter (*vide* blue-book, page 88). It was pointed out that the principle of joint ownership in the undertaking was the only satisfactory plan; that it had been acquiesced in by all parties; that hesitation on the part of the Mother-country to become a partner with the colonies would be regarded in an unfavourable light; that it would seriously jeopardize the whole scheme; and that if the co-operation of the Home Government were withdrawn it would be a grave retrograde step in the movement for Imperial unity. Such was the universal opinion a few weeks back. The Home authorities had since been officially informed of the state of feeling of the Governments and peoples of Canada, Australia, and New Zealand, through the High Commissioner and Agents-General, and before we left Ottawa telegrams had been received indicating the willingness of the Home Government to reconsider the matter.

I have, &c.,

SANDFORD FLEMING.

The Hon. J. Israel Tarte, Minister of Public Works for Canada.

Enclosure No. 2.

Sir SANDFORD FLEMING to the Hon. the PRIME MINISTER of Canada.

SIR,—

Halifax, 5th September, 1899.

I wrote you from London intimating that I proposed to leave for Canada on the 14th August. On the 25th I reached Ottawa, and immediately reported my return to the Secretary of State, you being absent. I have now the honour to report on the subject of my mission to England as follows:—

The Order in Council appointing the Hon. J. Israel Tarte, Minister of Public Works, and Lord Strathcona, High Commissioner for Canada in London, Commissioners in the matter of the Pacific cable also appointed me expert adviser. This Order in Council you placed in my hands on the 21st June; on the following day I left Ottawa to join Mr. Tarte on board steamer at Montreal, and with him I proceeded to England, where we arrived on the 5th July.

It became my duty on the voyage to furnish Mr. Tarte with all the information in my possession, on the subject of the cable, which he desired. Among other things, I supplied facts and explanations respecting the hostility of the Eastern Extension Company, and the adverse influence it had exercised. It was deemed expedient that I should present the latter information in the form of a letter, in order that, if required, it would be readily available in discussions in London. When we arrived we learned that the Home Government happily had changed its attitude toward the proposed undertaking, and the anticipated discussions did not arise. For the purpose of record I append a copy of my letter to Mr. Tarte, of date the 1st July, 1899. [See Enclosure No. 1, above.]

On the 6th July Lord Strathcona informed Mr. Tarte and myself that a conference had been held two days previous at which he and the Agents-General for New South Wales, Victoria, Queensland, and New Zealand met the Colonial Secretary, Mr. Chamberlain, and the First Lord of the Treasury, Sir Michael Hicks-Beach. It was then announced by the two last-mentioned gentlemen that the Home Government had decided to unite with Canada and the Australasian Colonies in establishing the Pacific cable as a joint partnership State undertaking, and that the Imperial Treasury would arrange to provide the capital required. Lord Strathcona read to us a copy of a cablegram which had that day (the 6th July) [Enclosures in No. 54] been sent to Canada, Australia, and New Zealand in respect to the new proposal. This cablegram was afterwards confirmed by a minute of the proceedings of the conference of the 4th July. The minute was issued by the Colonial Office on the 15th July, and forwarded for the information of all the Governments concerned [not printed].

When we left Canada the position of the proposed work and the attitude of the Home Government in respect to it remained substantially as set forth in the documents relating to the Pacific cable laid before the Canadian Parliament last session. Reference is particularly had to the papers given on pages 87 to 98 [of Canadian Report: See pp. 5 *et seq.*, F.—8A, 1898]. We were greatly surprised and gratified to learn that a few hours before our arrival in England the policy of the Home Government had been entirely changed, that there was no longer any hesitation on the part of the Mother-country to become an active partner in the enterprise along with Canada and the Australasian Colonies, that the principle of joint State ownership was fully acquiesced in, that the expectations of Canada and the colonies were to be more than met, as the First Lord of the Treasury proposed to utilise the credit of the United Kingdom in providing the whole of the capital required to establish the work in a complete and satisfactory manner.

Gratifying as this information proved, the satisfaction was somewhat lessened by one part of the proposal: it is a mere detail, but a detail which, to my mind, appeared of very great importance, as it involved delay, and delays are always dangerous. It was proposed at the conference that the provisional Board of Commissioners should consist of eight members, three to be nomi-