

1904.
NEW ZEALAND.

TELEGRAPH CABLES

(FURTHER PAPERS RELATING TO).

[In continuation of Paper F.—8. presented on the 7th July, 1904.]

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

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INTERNATIONAL TELEGRAPH CONFERENCE.

No. 1.

REPORT.

THE International Telegraph Conference met in London in May, June, and July, 1903. New Zealand was represented by the Agent-General for the colony and Mr. Mackay, one of the delegates of the British Post Office. The following are the results of the discussion of some of the more important matters brought forward:—

Extract from the Report of the British Delegates to the International Telegraph Conference of London, 1903.

Tariffs.—The British proposal for a reduction of the rates of European States for extra-European telegrams to the level of those charged for European telegrams was the principal subject for discussion in relation to tariffs. The justice of the proposal, in view of the reductions already made by the cable companies and extra-European administrations, was generally admitted; but almost all the large European States declared their inability to agree to it, on account of the heavy financial loss which it would involve. When put to the vote after a long discussion in the “Commission des Tarifs” the proposal was rejected by 14 to 10.

A proposition of Belgium was then discussed for a more moderate reduction. This proposition, as modified at the suggestion of the British delegation, was for a reduction from 20 centimes terminal and 20 centimes transit in the case of the large States to 15 centimes and 12 centimes respectively, and from 10 centimes terminal and 10 centimes transit in the case of the small States to 10 centimes and 8 centimes respectively. This proposition was carried by 18 votes against 6, many of the States obviously feeling that it furnished them an opportunity of meeting to some extent the views of the British administration. When the matter came up for confirmation in full Conference, the German delegation declared that, owing to the heavy financial loss which the reduction would impose on Germany without a corresponding benefit to the German public, they were compelled to offer *opposition formelle*, which practically amounts to a veto. They stated that they were ready to reduce their terminal and transit rates in cases where reductions had been or would be made to the public, as, for instance, on telegrams to South Africa, but that they could not agree to make a reduction on other classes of telegrams, notably those exchanged with North America. In view of this declaration of Germany, it was recognised to be impossible to make the reduced rates obligatory for all States.

Two alternative proposals were then put forward—one by Belgium for making the reduction optional, the other by the British delegation for expressly exempting Germany from the obligation to charge the reduced rate, and thus putting her practically in the same position as Russia and Turkey. The British proposition being the most radical was taken as the basis of discussion. After prolonged debate, in the course of which France, Spain, Austria, and Hungary demanded the same freedom as Germany, the British alternative proposition was carried, subject to the inclusion of the four countries in question in the list of exceptions.

The delegates of Austria and Hungary gave us to understand that if the cable companies would co-operate in a reduction of the rate between Austria-Hungary and North America from 1 franc 70 centimes to 1 franc 50 centimes they would agree to be bound to the reduced terminal and transit rates, and withdraw from the list of exceptions. After a great deal of trouble we succeeded in securing from the companies the desired reduction, and at the final sitting of the Conference Austria and Hungary withdrew their names from the list, with the result that all the States of Europe are now bound to charge the reduced rates except Germany, France, and Spain—in addition, of course, to Russia and Turkey, which have never been subject to normal rates either for European or extra-European telegrams.

This is a considerable advance in the direction of assimilation, and it will add to the earnings of the cable companies on telegrams exchanged between countries on the Continent, and Africa, Asia, and Australasia, and thus pave the way for future reductions of charge in favour of the public.

Rules and Regulations.—As regards the rules and regulations, we found it a difficult task to withstand the proposals formulated by France, Belgium, and Japan (and supported by other States) for making obligatory the use of the Official Vocabulary prepared by the International Bureau. After prolonged discussions in the Conference, many special meetings with the cable companies, and separate negotiations with the delegates of the principal States, we succeeded in getting the decision of the Buda-Pesth Conference rescinded. But this is not all. We got the regulations entirely altered, so as to sanction the use of practically all existing codes and the formation of fresh codes in the manner desired by the Glasgow Chamber of Commerce and other important commercial bodies. The arbitrary distinction between words (however recondite or uncouth) in the eight specified languages, and artificial words easy to pronounce and transmit, was swept away, and the new rule is as follows:—

“VIII.—1. Code-language is that which is composed of words not forming intelligible phrases in one or more of the languages authorised for telegraphic correspondence in plain language.

“2. Words, which may be real or made up, must be composed of syllables that can be pronounced according to the usage of one of the German, English, Spanish, French, Dutch, Italian, Portuguese, or Latin languages.

The French and German delegations considered that the time was not ripe for a fundamental change, and proposed that the matter should be deferred till the next Conference. The cable companies were also much opposed to the change, and it required a great deal of argument to persuade them to agree.

The state of affairs which has been arrived at is that all pronounceable combinations of letters are admitted in code telegrams and counted at ten letters to the word, combinations of letters not pronounceable being treated as letter cipher. The test of pronounceability is somewhat vague, and will have to be applied in a liberal manner; but pure letter cipher, such as "xtphg," which is undoubtedly difficult to transmit, will be excluded from code. The new regulations will be regarded with satisfaction by the public, and they are to be welcomed as offering a way out of a difficulty which appeared almost insoluble.

Amongst other alterations of the regulations directly affecting the public, the following may be mentioned:—

The British proposition for the admission of letter cipher (to be counted at five letters to a word), although opposed by France, was carried by a large majority. This covers all the groups of letters forming commercial expressions which have hitherto been excluded.

The names of all telegraph-offices are to be charged for in future as one word, including the name of the country or territorial subdivision when that is necessary to distinguish between two or more offices of the same name. The change will come into effect on the publication of the new edition of the Official List of Telegraph Offices by the International Bureau.

The rules as to the reimbursement of telegraph charges in cases of erroneous transmission were made more liberal. Hitherto the sender of a mutilated telegram has had no right to reimbursement, or even to an investigation of his complaint, unless, by prepayment of an additional quarter-rate, he had secured the *collationnement* of the telegram—i.e., repetition by the receiving clerk to insure accuracy. The right to reimbursement in case of serious mutilation has now been extended to all telegrams in plain language, whether *collationnés* or not. This will remove a ground of friction with the public, who, not unnaturally, object strongly to being told that no investigation can be made, however serious the errors, in a plain-language telegram on which the additional quarter-fee has not been paid.

Another concession is that the right of the public to obtain reimbursement of the charge for any words entirely omitted has been extended to the European *régime*, provided that the amount in question is at least 1 franc. This right was previously limited to extra-European telegrams.

In cases of delay in the transmission of telegrams, reimbursement will be made for much shorter delays than before. For example, between adjacent countries of Europe or countries connected by direct wires, reimbursement will be made for a delay of twelve hours. This must tend to efficiency.

In the case of the interruption of a route, extra-European telegrams will be sent for twenty-four hours by a more expensive route without extra charge to the sender. This is a concession of value on the part of the cable companies.

A reform of some advantage to the public is an obligation which has been imposed on extra-European lines to transmit the time of handing-in free of charge. This obligation has been hitherto confined to the European *régime*. We understand that the Atlantic cable companies, although not at present adherents to the Convention, intend to conform with the regulations on this point; and if this be the case, the alteration will benefit the Pacific Cable Board, which have been paying a large sum annually to the Atlantic companies in order to be able to concede this facility to the public on telegrams exchanged with Australasia.

A considerable number of changes in matters of accounting have been introduced, but it is perhaps scarcely necessary to say more than that they tend to simplification.

Press.—Detailed provisions on the subject of Press telegrams at half rates during the night have been introduced into the regulations. These provisions are optional; but their insertion is to be welcomed as leading the way to a more general adoption of the system of half rates for Press telegrams by the European States. They are in accordance with the views of this administration.

Detailed provisions respecting the telephone service have also been introduced. They are almost entirely on the lines of the Anglo-French and Anglo-Belgian Telephone Conventions, and do not therefore call for any special comment.

Technical Conferences.—The Hungarian administration had put down a proposition for the holding of periodical technical Conferences, and the French administration had committed themselves very deeply to a similar proposition. It was recognised that such Conferences might be of value when there were technical subjects of general interest to discuss, but the view we had already expressed in writing was repeated by several delegations that, if established as a regular institution, there would be a danger of their becoming an authority independent of the Administrative Conferences, a result which was in every way undesirable. In these circumstances, it was decided to introduce no provision on the subject in the regulations, the administrations being left free to suggest the convocation of a technical Conference when it appeared desirable to discuss a subject of special interest.

Memorandum.—The New Zealand administration gave notice of four propositions for discussion at the Conference—viz., (1.) A more liberal interpretation of the regulation with regard to

trade terms in Article XX., paragraph 6. (2.) The substitution of the word “or” for “and” to make it clear that letters and figures although grouped together are counted separately under Article XX., paragraph 6. (3.) The adoption of a system for the transmission of homonymous names of telegraph-offices as single words under Regulation XIII., paragraph 6. (4.) The assimilation of the European and extra-European systems under Regulations XXIV. and XXV.

Satisfaction was given to the first of these propositions by Regulation VII., paragraph 2, Regulation IX., and Regulation XIX., paragraph 7; to the second by Regulation XIX., paragraph 7; and to the third by Regulation XIII., paragraph 7, and Regulation XIX., paragraph 1, section 1a.

As regards the fourth proposition, which supported one of the propositions brought forward by the British delegation, it was not possible to secure a complete assimilation between the two systems, but a considerable step was taken in the direction contemplated by the New Zealand administration (see Regulation XXIV., paragraph 3, in conjunction with the rates declared by the European administrations in Tableau B).

The New Zealand administration, in a letter to the Postmaster-General, dated the 4th September, 1902 (which was received after the final date for the reception of propositions), suggested two additional subjects for discussion—viz., (1) a provision to meet cases in which the sender refused to insert the words “Chez,” “Aux soins de,” or other equivalent under Regulation XIII., paragraph 9; and (2) a ruling upon Regulation XVIII., paragraph 5, to meet cases when the repetition of a telegram not being in accord with the first transmission, the addressee asks for further repetition and the answering service corroborates the first transmission.

The first of these propositions was subsequently withdrawn in a letter dated the 29th December.

As regards the second proposition, it was not found practicable to obtain a decision of the Conference, and the point must accordingly be regarded as left open in so far as the interpretation of the regulations may be doubtful. The view taken by the British Post Office is that, according to the spirit of the regulations, the addressee ought to be called upon to pay the cost of one of the two service messages, seeing that the telegraph service was not in fault in the original transmission of the telegram. It is clear, however, that the regulations do not specifically provide for cases of this kind; and as such cases must be few in number, the addressees might well be given the benefit of the uncertainty, and the cost of both the service messages might be refunded to them. Such a course would not tend to complicate the international accounts, inasmuch as neither the charges for repetition nor the service messages enter into those accounts.

August, 1903.

EASTERN EXTENSION COMPANY'S CABLES.

No. 2.

The SECRETARY, General Post Office, Wellington, to the SECRETARY, Postmaster-General's Department, Melbourne.

SIR,—

General Post Office, Wellington, 29th April, 1904.

I have the honour to acknowledge the receipt of your letter of the 18th instant [not printed], forwarding, for my information, copy of communication received by your Department from the manager in Australasia, Eastern Extension Australasia and China Telegraph Company (Limited), intimating that the transmission between New Zealand and Australia—both ways—of daily meteorological reports over that company's cables would be discontinued after the 30th idem.

I reply, I beg to inform you that the matter has been brought under the notice of the Department concerned. I should add that the Eastern Extension Telegraph Company had already similarly written to the Postmaster-General on the subject.

I have, &c.,

W. GRAY, Secretary.

The Secretary to the Postmaster-General's Department, Melbourne.

No. 3.

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

SIR,—

General Post Office, Wellington, 11th May, 1904.

I have the honour to refer to my letter of the 29th ultimo, in connection with the discontinuance of the transmission between New Zealand and Australia of the meteorological reports over your company's cables after the 30th April.

I am now directed to express to you this Government's full appreciation of your company's generosity in having allowed, for such a lengthy period, the free exchange of the weather reports in question. The information which the telegrams contained, especially with regard to changes of atmospheric pressure, was of much value in enabling the approach of meteorological disturbances from the westward to be detected here.

Captain Edwin, Weather Reporter, also desires that his personal acknowledgments of the assistance which your company rendered him in his duties, by permitting the exchange of such telegrams, should be conveyed to you.

I have, &c.,

W. GRAY, Secretary.

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

No. 4.

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

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

SIR,—

Cable Bay, Wakapuaka, Nelson, 11th May, 1904.

I have received instructions from London that the reduced rate of 1s. 7½d. for Great Britain for British Government telegrams has been extended to the whole of Europe for these messages.

Yours, &c.,

P. H. SELFE, Superintendent.

The Secretary, General Post Office, Wellington.

No. 5.

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

SIR,—

General Post Office, Wellington, 18th May, 1904.

I have the honour to acknowledge the receipt of your letter of the 11th instant, stating that instructions had been received from London that the reduced rate of 1s. 7½d. for Great Britain for British Government telegrams had been extended to the whole of Europe for such messages.

I should be glad to be informed whether the reduced rate named applies also to colonial Government telegrams.

I have, &c.,

The Superintendent, Eastern Extension

W. GRAY, Secretary.

Australasia and China Telegraph Company (Limited), Wakapuaka.

No. 6.

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

(Telegram.)

Wakapuaka, 26th May, 1904.

In answer to your letter of May 18: Yes; reduced rate does apply to New Zealand Government telegrams to Europe.

No. 7.

The Hon. the POSTMASTER-GENERAL, London, to the Hon. the POSTMASTER-GENERAL, Wellington.

(Telegram.)

London, 24th June, 1904.

PLEASE say whether any alteration is proposed from 1st July, under paragraph two of article seventy-five of London regulations, in method of accounting for British Government telegrams entitled to reduced rates at any stage in their transmission. No alteration will be made in the case of Government telegrams originating in this country.

INTERNATIONAL TELEGRAPH CONVENTION REGULATION LXXV.

Each State credits the limitrophic State with the amount of the charges for all the telegrams it transmits to it, calculated from the frontier of the two States to destination, without keeping account of the reductions granted to State telegrams on certain lines; these reductions are the subject of a special regulation between the administrations interested.

No. 8.

The Hon. the POSTMASTER-GENERAL, Wellington, to the Hon. the POSTMASTER-GENERAL, London.

(Telegram.)

Wellington, 28th June, 1904.

No alteration proposed method accounting Government telegrams originating New Zealand.

PACIFIC CABLE.

No. 9.

The SECRETARY, Pacific Cable Board, London, to the SECRETARY, General Post Office, Wellington.
SIR,— The Pacific Cable Board, 24, Queen Anne's Gate, S.W., 6th April, 1904.

I have the honour to acknowledge the receipt of your letter of the 15th February [No. 39, F.-8, 1904], enclosing a statement of the amount expended by your Government's Public Works Department on this Board's behalf in connection with the erection of a cottage at their Doubtless Bay Station.

I am now directed by the Pacific Cable Board to enclose a draft upon the General Manager's account with the Bank of New Zealand, Auckland, for the amount stated—viz., £507 17s. 6d., in favour of the Postmaster-General, and to request you to be good enough to obtain and forward the necessary acknowledgment to this office, and to convey to the Minister of Public Works the Board's thanks for the valuable services which that Department has rendered them.

I am, &c.,

The Secretary, General Post Office, Wellington.

HUGH LATHAM, Secretary.

No. 10.

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

(Telegram.)

Doubtless Bay, 25th April, 1904.

FOLLOWING from Judd: Reuter's Australian Manager, speaking annual meeting Melbourne Chamber Commerce, stated that result of Melbourne test match sent urgent rate reached London in two and half minutes Pacific route. Press messages, he remarked, were frequently transmitted same line from one to one and half hours.

No. 11.

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

(Telegram.)

Wellington, 30th April, 1904.

WEATHER telegrams with instructions "*Via* Pacific, Government, collect," expected daily, except Sunday, on and after Monday from Sydney, Hobart, Perth, addressed "Weather, Wellington," consisting as a rule of three words. Kindly arrange.

No. 12.

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

(Telegram.)

Doubtless Bay, 30th April, 1904.

WEATHER telegrams arranged accordingly.

No. 13.

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

(Telegram.)

London, 5th May, 1904.

PACIFIC Cable Conference.—With reference to your telegram of the 16th February [not printed]: Canada and Australia have also now accepted terms of reference proposed in my telegram of 9th February. As I understand in your telegram your Government wish to be represented by two delegates, one to be New Zealand member of Board. Canada, however, has agreed to being represented by single delegate subject to Canadian member of Board being allowed to attend Conference; and Australia has proposed that United Kingdom, Canada, and Commonwealth should each send three delegates—choice not to be limited to by Board—and New Zealand one. I am telegraphing to Australian Government, asking them if they will facilitate early assembly of Conference by agreeing to scheme of representation proposed in my telegram of 9th February. If I can induce your Ministers to fall into line with Canada I trust that they will feel no difficulty in so deciding. Who will be New Zealand representative, and what will be the earliest date by which he will be available here?

No. 14.

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

SIR,—

The Pacific Cable Board, Doubtless Bay Station, 9th May, 1904.

I beg to inform you that the General Manager's offices have been removed from Sanctuary House to Queen Anne's Chambers, Tothill Street, Westminster, and that the Secretary's and Board's office will be transferred to that address within a fortnight.

The General Manager asks that the Postmaster-General be advised of the change of address.

I am, &c.,

The Secretary, General Post Office, Wellington.

C. L. HERTSLET, Superintendent.

No. 15.

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

(Telegram.)

Wellington, 10th May, 1904.

REFERRING to your telegram of the 5th May, Pacific Cable: Can you state approximately about what date will be convenient to Conference? Knowledge of this affects selection of delegates. New Zealand agrees with Colonial Office proposals—that is, one delegate each Great Britain, Canada, Commonwealth; New Zealand voting-power to be as already indicated by you.

No. 16.

The AGENT-GENERAL to the Hon. the PRIME MINISTER.

(Telegram.)

London, 17th May, 1904.

PACIFIC cable: In reply to your telegram of the 17th May [not printed], would be glad to know name delegate Government proposed to appoint, previous to finally appointing.

No. 17.

The Hon. the POSTMASTER-GENERAL, Wellington, to the AGENT-GENERAL FOR NEW ZEALAND, London.

(Telegram.)

Wellington, 27th May, 1904.

Your telegram of 17th: Shall advise you proposed delegate before finally appointing. Am holding over pending some idea of date of Conference.

No. 18.

The Hon. the PRIME MINISTER to the AGENT-GENERAL.

(Telegram.)

Wellington, 30th May, 1904.

REFERRING to your telegram of 17th May: Shall advise you proposed delegate before finally appointing.

No. 19.

The SECRETARY, Australasian Federated Seamen's Union, Auckland, to the Hon. the POSTMASTER-GENERAL, Wellington.

Auckland Section of the Australasian Federated Seamen's Union,

SIR,— 31, Palmerston Buildings, Queen Street, Auckland, 9th June, 1904.

Enclosed please find copy of letter from the Federal Postmaster-General *in re* Cable Board steamer "Iris," now in Auckland Harbour, being manned by Chinese stokers.

As the Pacific Cable Conference is shortly to be held in London, would you be considerate enough to communicate with the Federal authorities for the purpose of having these men replaced by white stokers?

Permit me in extension to point out that the Eastern Extension Cable Company's vessels a private concern—are manned throughout with a white crew.

Thanking you in anticipation,

I am, &c.,

J. K. KNEEN, Secretary.

The Hon. Sir Joseph Ward, K.C.M.G., Postmaster-General, Wellington.

Enclosure in No. 19.

The SECRETARY, Postmaster-General's Department, Melbourne, to the SECRETARY TO THE HON. THE PRIME MINISTER, Melbourne.

Commonwealth of Australia, Postmaster-General's Department,
Melbourne, 20th May, 1904.

SIR,—

In returning the attached letter which you forwarded to this office on the 10th instant, from Mr. J. K. Kneen, Secretary to the Australasian Federated Seamen's Union, Auckland, who brings under notice that the stokehold of the Pacific Cable Board's steamer "Iris" is manned by Chinese, I have the honour, by direction, to inform you that this Department had not heard of this matter until a question in regard thereto was asked in Parliament by Mr. Spence, M.P., on the 22nd March last.

The Postmaster-General thinks the attention of the representatives of the Commonwealth Government on the Pacific Cable Board should be drawn to this matter with a view of the Chinese being replaced by white labour, if the Board can be induced to do so. As, however, it is understood that the steamer in question has hitherto been stationed in New Zealand, and as the Government of that colony is also interested as a party in the Pacific cable, it might perhaps be suggested to Mr. Kneen that application should also be made to that Government on the subject, and that it should be asked to instruct its representative on the Pacific Cable Board to move the Board in the matter or to support any action taken by the representatives of the Commonwealth.

I have, &c.,

ROBERT T. SCOTT, Secretary.

The Secretary to the Prime Minister, Melbourne.

No. 20.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR.
(Telegram.) London, 14th June, 1904.

PACIFIC Cable Conference: With reference to your telegram of tenth May, Commonwealth have now agreed as to representation by single delegate, and have appointed Copeland. Agent-General, New South Wales, having, however, just undergone operation will not be available for three or four weeks. Can your Ministers arrange attendance of delegate here about middle of July? Telegraph name and date of arrival as soon as possible, in order that I may be able to give early notice to Canadian Government, who have nominated Muloch, Postmaster-General.

No. 21.

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

SIR,— The Pacific Cable Board, Doubtless Bay Station, N.Z., 20th June, 1904.

I have been instructed by the General Manager, Pacific Cable Board, to forward you the attached papers, which are self-explanatory.

With regard to the amount recoverable from the New Zealand Government for salaries, I may state that from the 1st April to the 31st December Messrs. Keys, Smith, and Hands were paid at the rate of £80 per annum, *plus* £25 locality allowance, and from the 1st January to the 31st March, 1904, at the rate of £100, *plus* £25 locality allowance.

I am, &c.,

C. L. HERTSLET, Superintendent.

The Secretary, General Post Office, Wellington.

Enclosure 1 in No. 21.

The Pacific Cable Board, Queen Anne's Chambers, Tothill Street, Westminster,
London, S.W., 13th May, 1904.

The New Zealand Government. Dr. to the Pacific Cable Board.

	£	s.	d.
Rent for five months as per statement enclosed	93	17	4
Salaries of three operators for twelve months as per statement enclosed	330	0	0
	£423	17	4

C. H. REYNOLDS,

General Manager, Pacific Cable Board.

Enclosure 2 in No. 21.

The GENERAL MANAGER, Pacific Cable Board, London to the SUPERINTENDENT, Pacific Cable Station, Doubtless Bay.

SIR,— Pacific Cable Board, London, 15th May, 1904.

I forward a statement of the sums due by the New Zealand Government to the Pacific Cable Board for the working of the Doubtless Bay cable-station during the year ending the 31st March, 1904.

With regard to the staff salaries, these have been compiled from the returns sent monthly by you, and audited by your Cash Accounts.

The charge for interest for half the capital cost of the station has been calculated from the 1st November, 1903, as the payment for the buildings, £5,938 3s. 6d., was only made by the Board through the Bank of New Zealand, Auckland, in October, 1903. The payments for furniture, &c., making up the total of £7,509 6s. 5d. were made by the Board in 1902-3, but for simplicity and convenience the whole rent-charge has been taken to commence from one date.

The charges for cable instruments and appliances have not been included in the capital cost, nor has the cost of the new cottage and furniture supplied for the assistant clerk in charge quite recently. The latter item will come into next year's account.

I shall be obliged if you will countersign the bill for salaries, and forward the statements in original, together with a copy of this letter, to the Postmaster-General.

The amount due to the Board may be paid into the Board's (London) account with the Bank of New Zealand, Auckland.

I am, &c.,

C. H. REYNOLDS,

General Manager.

C. L. Hertslet, Esq., Superintendent, Doubtless Bay.

Enclosure 3 in No. 21.

The Pacific Cable Board, Queen Anne's Chambers, Tothill Street, Westminster,
London, S.W., 13th May, 1904.

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 the 31st March, 1904	9,688	12	6
Less capital expenditure on cable instruments, &c.	2,179	6	1
Amount on which New Zealand Government pay rent	£7,509	6	5
Six per cent. of half the above from the 1st November, 1903, to the 31st March, 1904	£93	17	4

NOTE.—The above figure does not include the cost of the cottage and furniture for the assistant clerk in charge. This will be taken into account when the bill is made out for the period 1904-5.

C. H. REYNOLDS,

General Manager, Pacific Cable Board.

No. 22.

The Hon. the POSTMASTER-GENERAL, Wellington, to Sir SANDFORD FLEMING, Ottawa.

(Telegram.)

Wellington, 24th June, 1904.

WILL you represent New Zealand Pacific Cable Conference, London? Kindly reply to-day.

No. 23.

Sir SANDFORD FLEMING, Ottawa, to the Hon. the POSTMASTER-GENERAL, Wellington.

(Telegram.)

Ottawa, 24th June, 1904.

YES. Quite willing.

No. 24.

The SECRETARY, Wellington Trades and Labour Council, Wellington, to the Hon. the POSTMASTER-GENERAL, Wellington.

SIR,—

Wellington Trades and Labour Council, Wellington, 24th June, 1904.

I have the honour, by direction of the above Council, to ask you to receive a deputation from the same in reference to the employment of Chinese on the cable-steamer "Iris." Thanking you in anticipation,

I have, &c.,

A. H. COOPER, Secretary.

The Hon. Sir J. G. Ward, K.C.M.G., Postmaster-General.

No. 25.

The AGENT-GENERAL to the Hon. the PRIME MINISTER.

(Telegram.)

London, 25th June, 1904.

COLONIAL Office very anxiously awaiting reply to telegram asking for name of delegate Cable Conference.

No. 26.

The INSPECTOR OF TELEGRAPHS, Auckland, to the SUPERINTENDENT OF ELECTRIC LINES, Wellington.

(Telegram.)

Auckland, 25th June, 1904.

SITE for "Iris": Harbour Board now approved of site and granted it. Mr. Vickerman is preparing plans and estimate of cost of wharf, pier, and sheds, and will be forwarded as soon as completed.

No. 27.

The Hon. the POSTMASTER-GENERAL, Wellington, to Sir SANDFORD FLEMING, Ottawa.

(Telegram.)

Wellington, 26th June, 1904.

GOVERNMENT have appointed you represent New Zealand Cable Conference. Meeting takes place middle July. Presume you can be London time for opening. Kindly reply urgent.

No. 28.

Sir SANDFORD FLEMING, Halifax, to the Hon. the POSTMASTER-GENERAL, Wellington.

(Telegram.)

Halifax, 27th June, 1904.

I ACCEPT appointment, and will look for instructions. Ready to attend Conference whenever held.

No. 29.

The Hon. the PRIME MINISTER to the AGENT-GENERAL.

(Telegram.)

Wellington, 27th June, 1904.

SIR SANDFORD FLEMING has consented to act representative New Zealand Pacific Cable Conference

No. 30.

The Hon. the PRIME MINISTER to His Excellency the GOVERNOR.

(Memorandum.)

Prime Minister's Office, Wellington, 27th June, 1904.

THE Prime Minister presents his compliments to the Governor, and, in reply to His Excellency's memorandum of the 23rd instant [not printed], has the honour to advise that Sir Sandford Fleming, K.C.M.G., formerly Engineer-in-Chief, Canadian Pacific Railway, will represent this Government at the Pacific Cable Conference, which is to be held presently in London. Sir Sandford has been informed that the Conference will probably meet about the middle of next month.

His Excellency the Governor.

R. J. SEDDON.

No. 31.

The Hon. the POSTMASTER-GENERAL, Wellington, to the SECRETARY, Trades and Labour Council, Wellington.

SIR,—

General Post Office, Wellington, 28th June, 1904.

I am in receipt of your letter of the 24th instant, in which, on behalf of your Council, you request me to receive a deputation in reference to the employment of Chinese on the cable-steamer "Iris."

In reply, I have to say I am fully in accord with the sentiments which have been expressed against the employment of Chinese on the cable-steamer, and I will be pleased to receive a deputation from your Council to-morrow, Wednesday, at 3.30 p.m.

Yours, &c.,

J. G. WARD.

A. H. Cooper, Esq., Secretary, Trades and Labour Council, Wellington.

No. 32.

The Hon. the POSTMASTER-GENERAL, Wellington, to the SECRETARY, Australasian Federated Seamen's Union, Auckland.

SIR,—

General Post Office, Wellington, 30th June, 1904.

I am in receipt of your letter of the 9th instant, enclosing copy of a memorandum from the Secretary to the Federal Post Office, addressed to the Secretary to the Prime Minister of the Commonwealth, in respect to the stokehold of the Pacific Cable Board's steamer "Iris" being manned by Chinese stokers.

In reply, I have to say that I am in sympathy with the desire of your union to replace the Chinese stokers by Europeans, and our representative on the Pacific Cable Board will be requested to support any action which may be taken by the Federal Government in the direction of having white, in the place of Chinese, labour employed in the stokehold of the "Iris."

I have, &c.,

J. G. WARD, Postmaster-General.

John K. Kneen, Esq., Secretary, Auckland Section, Australasian Federated Seamen's Union, 31, Palmerston Buildings, Auckland.

No. 33.

The AGENT-GENERAL to the Hon. the PRIME MINISTER, Wellington.

(Telegram.)

London, 30th June, 1904.

PACIFIC Cable Conference: Date not fixed yet. Colonial Office cannot get definite answer from Australia. Secondly, I have been daily in communication with Colonial Office and Cable Board on this matter, and if you like to leave it in my hands, I will undertake to communicate with Sir Sandford Fleming.

No. 34.

The AGENT-GENERAL to the Hon. the PRIME MINISTER.

(Telegram.)

London, 1st July, 1904.

AUSTRALIAN Government appoints Jersey delegate Cable Conference by arrangement with Colonial Office. Am wiring Sandford Fleming asking when he can arrive London. Will inform him date of Conference directly fixed.

No. 35.

The Hon. the PRIME MINISTER to the AGENT-GENERAL.

(Telegram.)

Wellington, 2nd July, 1904.

PACIFIC Cable Conference: Have wired Sandford Fleming that you will give him timely notice of date of meeting. This matter left to you,

No. 36.

The Hon. the POSTMASTER-GENERAL, Wellington, to Sir SANDFORD FLEMING, Halifax.
 (Telegram.) Wellington, 2nd July, 1904.
 COLONIAL Office cannot get definite answer from Australia, and is therefore unable to fix date
 Our Agent-General has undertaken to communicate with you in time to enable you to attend.

No. 37.

The SECRETARY, Australasian Federated Seamen's Union, Auckland, to the Hon. the POSTMASTER-GENERAL, Wellington.

Auckland Section of the Australasian Federated Seamen's Union, 31, Palmerston
 Buildings, Queen Street, Auckland, 12th July, 1904.

SIR,— I have been instructed by the above union to convey to you the sincere thanks of the union for your expressions of opinion in connection with the replacing of Chinese stokers on the "Iris" by Europeans, and also your promise that New Zealand's representative on the Pacific Cable Board will be requested to support any action taken by the Federal Government.

I would like to point out that, failing the immediate expulsion of the Chinese, as an alternative, the Board be requested to have them supplanted by a white crew on the termination of the present contract.

Sir Joseph Ward, Postmaster-General, Wellington.

I have, &c.,

J. K. KNEEN, Secretary.

No. 38.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR.
 My LORD,— Downing Street, 13th July, 1904.

With reference to previous correspondence concerning the proposed Pacific Cable Conference, I have the honour to inform you that, as I understand that Sir W. Muloch cannot arrive in England this month, it is proposed to postpone the Conference until the first fortnight in November.

2. I am asking the Governor-General of Canada to ascertain whether that time would be convenient to Sir W. Muloch and Sir S. Fleming.

I have, &c.,

Governor, Lord Plunket, K.C.V.O., &c.

ALFRED LYTTELTON.

No. 39.

The CHAIRMAN, Pacific Cable Board, London, to the Hon. the POSTMASTER-GENERAL, Wellington.
 (Telegram.) London, 18th July, 1904.

CONFERENCE postponed till November.

No. 40.

The Hon. the PRIME MINISTER to the AGENT-GENERAL.

SIR,— Prime Minister's Office, Wellington, 28th July, 1904.

I have the honour to inform you of the receipt by telegram on the 18th instant of advice from the Chairman of the Pacific Cable Board that the Pacific Cable Conference has been postponed till November next.

I have, &c.,

J. G. WARD,

For Prime Minister.

The Hon. W. P. Reeves, Agent-General for New Zealand, London.

No. 41.

The Hon. the POSTMASTER-GENERAL, Wellington, to the SECRETARY, Australasian Federated Seamen's Union, Auckland.

General Post Office, Wellington, 28th July, 1904.

Replacing Chinese Stokers on H.M. Cable-steamer "Iris" by a White Crew.

SIR,—

I have the honour to acknowledge the receipt of your letter of the 12th instant, referring to the above subject, and further suggesting on behalf of your union that failing the immediate expulsion of the Chinese, they be supplanted by a white crew on the termination of the present contract.

In reply, I have to inform you that I am embodying the later suggestion in the representations which are being made to this colony's representative on the Pacific Cable Board.

I have, &c.,

J. G. WARD, Postmaster-General.

John K. Kneen, Esq., Secretary, Auckland Section Australasian Federated Seamen's Union, 31, Palmerston Buildings, Auckland.

No. 42.

The Hon. the POSTMASTER-GENERAL, Wellington, to Sir SANDFORD FLEMING, Halifax.
General Post Office, Wellington, 30th July, 1904.

SIR,—

Pacific Cable Conference.

I have the honour to confirm my telegrams of the 24th and 26th ultimo, and to acknowledge the receipt of your replies of the 24th and 27th idem, concerning your appointment by this Government as its representative at the Pacific Cable Conference to be held in London. A copy of the telegrams is attached [Nos. 22, 23, 27, 28].

I have, &c.,

J. G. WARD, Postmaster-General.

Sir Sandford Fleming, K.C.M.G., The Lodge, Halifax, Canada.

No. 43.

The Right Hon. the SECRETARY OF STATE FOR THE COLONIES to His Excellency the GOVERNOR.
MY LORD,— Colonial Office, Downing Street, 30th July, 1904.

With reference to my despatch of the 13th instant, I have the honour to acquaint you, for the information of your Ministers, that I have now ascertained from the Governor-General of Canada that the first fortnight of November will be a convenient time for the Canadian and New Zealand delegates to attend the forthcoming Pacific Cable Conference, which will accordingly meet during that period.

I have, &c.,

ALFRED LYTTTELTON.

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

No. 44.

The AGENT-GENERAL to the Hon. the PRIME MINISTER.

(Telegram.)

London, 4th August, 1904.

CABLE Conference meets in first fortnight in November.

No. 45.

The AGENT-GENERAL to the Hon. the PRIME MINISTER.

SIR,—

Westminster Chambers, 13, Victoria Street, London, S.W., 4th August, 1904.

I beg to inform you that I have received a letter from the Colonial Office, stating that it has now been ascertained that the first fortnight in November will be a convenient time for the Canadian and New Zealand delegates to attend the Pacific Cable Conference, which will accordingly meet during that period.

I have, &c.,

WALTER KENNAWAY,

The Hon. the Premier, Wellington.

For the Agent-General for New Zealand.

No. 46.

The Hon. the PRIME MINISTER to the AGENT-GENERAL.

SIR,—

Prime Minister's Office, Wellington, 15th August, 1904.

I have the honour to inform you that the Auckland Section of the Australasian Federated Seamen's Union and the Wellington Trades and Labour Council have requested that the Chinese stokers on H.M. cable-steamer "Iris" be replaced by Europeans, if not at once, then on the termination of the Board's engagement with the Chinese. It was also pointed out that the vessels of the Eastern Telegraph Company are manned throughout by a white crew.

As the Government is in sympathy with the views of the Federated Seamen's Union and the Wellington Trades Council, I shall be obliged if you will, as the colony's representative on the Pacific Cable Board, urge that body to agree to replace the Chinese by white stokers.

I may mention that the Secretary of the Seamen's Union appealed in the first instance to the Commonwealth Government, and received a reply in effect that the attention of the Commonwealth's representative on the Pacific Cable Board would be drawn to the matter, with a view to the Chinese being replaced by white labour, if the Board could be induced to agree to this, and that application should be made to the Government of this colony to instruct its representative to move the Board in the direction indicated, or to support any direct action on the part of the Commonwealth's representative.

I am forwarding a copy of this letter to Sir Sandford Fleming for his information and guidance.

I have, &c.,

J. G. WARD,

For Prime Minister.

The Hon. W. P. Reeves, Agent-General for New Zealand, London.

No. 47.

The Hon. the PRIME MINISTER, Wellington, to Sir SANDFORD FLEMING, Halifax.

SIR,—

Prime Minister's Office, Wellington, 15th August, 1904.

I have the honour to forward herewith copy of letter I have addressed to the Agent-General for this Colony [No. 46], requesting him to move the Pacific Cable Board to replace the Chinese stokers on H.M. cable-steamer "Iris" by a white crew.

The question is one the Government is in entire sympathy with, and should the matter come before the Pacific Cable Conference, will you be good enough to urge that the change be agreed to, and at the same time support any action which may be taken by the Commonwealth delegate to this end.

I have, &c.,

J. G. WARD,

For Prime Minister.

Sir Sandford Fleming, K.C.M.G., "The Lodge," Halifax, Canada.

No. 48.

The Hon. the PRIME MINISTER to the AGENT-GENERAL.

SIR,—

Prime Minister's Office, Wellington, 9th September, 1904.

I have the honour to acknowledge the receipt of your letter of the 4th ultimo, advising that the Pacific Cable Conference would be held during the first fortnight of November, which time would be convenient for the Canadian and New Zealand delegates.

I have, &c.,

J. G. WARD,

For Prime Minister.

The Hon. W. P. Reeves, Agent-General for New Zealand, London.

No. 49.

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

SIR,—

General Post Office, Wellington, 19th September, 1904.

I have the honour to refer to your letter of the 15th May last [enclosure 2 in No. 21], a copy of which has been forwarded to me, addressed to the Superintendent, Pacific Cable Station, Doubtless Bay, covering a statement of the amounts due by the New Zealand Government to the Board for the working of the Doubtless Bay Cable-station during the year ended the 31st March, 1904. The amount due—namely, £423 17s. 4d.—will be paid into the Bank of New Zealand at Auckland to the credit of the Board's account, as requested.

The Department is unable to reconcile the figures in the statement showing the amount on which the New Zealand Government pays rent to be £7,509 6s. 5d., with those in this office, and I should be obliged if you would furnish me with a schedule of the items making up the total.

I have, &c.,

W. GRAY, Secretary.

The General Manager, Pacific Cable Board, Queen Anne's Chambers,
Tothill Street, Westminster, London, S.W.

No. 50.

The SECRETARY, General Post Office, Wellington, to the SECRETARY, Postmaster-General's Department, Melbourne.

SIR,—

General Post Office, Wellington, 30th September, 1904.

I have the honour to inform you that the General Manager of the Pacific Cable Board, London, writes as follows: "The outpayments in the case of diversions *via* Australia are 5d. a word to Australia and 3d. to the Eastern Extension. We have long endeavoured to induce the Australian Government to accept a special transit rate of 1d. during times of interruptions between La Perouse and Southport. This question has been held over for discussion at the Conference which is to be held in November next. Meanwhile, as a partial solution, I would invite your attention to Reg. XLII., 1 and 2, of the London Convention (1903), under which in a case of interruption telegrams can be diverted to a more costly route without increased cost for a period of twenty-four hours."

The above has special reference to land-line interruptions in New Zealand necessitating the diversion of international traffic to the Eastern Extension Company's cable and to your Government's lines between La Perouse and Southport. I should be glad to know whether it may be assumed that effect will be given to the rule in the case of diverted traffic hereafter.

I have, &c.,

W. GRAY, Secretary.

The Secretary to the Postmaster-General's Department, Melbourne.

No. 51.

The AGENT-GENERAL to the Hon. the PRIME MINISTER.

(Telegram.)

London, 30th October, 1904.

CABLE Conference further postponed for the present owing to Canadian general elections. Governor-General of Canada has, I understand, informed Fleming.

No. 52.

THE EMPIRE CABLES.—CIRCULAR LETTER FROM THE BOARD OF TRADE OF THE CITY OF OTTAWA, CANADA.

To whom it may concern.

SIRS,—

Ottawa, 20th April, 1904.

1. The President and Council of the Ottawa Board of Trade have the honour to reaffirm the hearty approval of its members in the movement to complete the cables of the Empire.

2. The President and Council, under instructions from the Board, beg leave to submit for consideration the explanations given in Appendix A. The facts and arguments therein brought forward will be found to appeal strongly to every man who has the well-being of the British people at heart. The deliverance of the Fifth Congress of the Chamber of Commerce of the Empire, held in Montreal in August, 1903, will be found in Appendix B. The deliberate and frequently repeated opinion of the Empire League in Canada will be found in Appendix C.

3. The President and Council invite expressions of general concurrence in this great Imperial movement; they especially ask the co-operation of every Chamber of Commerce and Board of Trade throughout the Empire. To make co-operation effective it is suggested that individual Chambers may express their views by resolution; such taken in concrete will have a powerful influence on the several Governments concerned.

4. The co-operation of other bodies or individuals will be cordially welcomed.

5. The President and Council respectfully ask that they may be informed with respect to all action taken, and that copies of resolutions may be transmitted to the President or Secretary.

In the name and by the authority of the Board of Trade of the capital of the Dominion of Canada, we ask all concerned to assist in forming public opinion in favour of the speedy completion of the scheme of Empire cables.

We have, &c.,

JOHN R. REID,
President.

CECIL BETHUNE,
Secretary.

APPENDICES.

- A. Explanatory Note, furnished at the request of the Ottawa Board of Trade, for general information on the subject of the Empire Cables, by Sir Sandford Fleming, K.C.M.G.
- B. Resolution adopted by the Fifth Congress of the Chamber of Commerce of the Empire, held in Montreal, Canada, in August, 1903.
- C. Minute adopted by the British Empire League in Canada, at the annual meeting on the 16th February, 1904.

Appendix A.—The Empire Cables.

(Explanatory Note, furnished at the request of the Ottawa Board of Trade, by Sir Sandford Fleming, K.C.M.G.)

The term "Empire cables" is understood to mean a system of Empire-girdling State-owned cable telegraphs, established in an unbroken chain around the globe. "The Empire 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 as 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 one 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 has for some time been projected. It is the outcome of the first Colonial Conference held in London in 1887, and the second, held in Ottawa in 1894. It 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 I feel warranted in saying that it is regarded with much favour. 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 accomplished 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 the second half of the globe-girdling system would seem to follow naturally; but obstacles are met, the character of which call for explanations, and the means of overcoming them require to be considered.

With respect to the difficulty which has been raised and the complications which have been caused, they are directly traceable to the efforts of certain companies—the owners of cables between Asia and Australia. From the first the scheme of Empire cables has been bitterly opposed. Ever since the Colonial Conference of 1887 the proposal to establish submarine telegraphs, to be owned and controlled by the State, has met with determined opposition. The companies referred to have enjoyed a rich monopoly, they have exacted very high charges on messages, and have drawn from the public enormous profits. While the source of their lucrative business is in Australasia, the headquarters of the companies are in London, and the powerful influence they have been able to exercise has been employed at every step and in every conceivable way to stifle the proposal to establish State cables.

When at length it became known that the Home Government, together with Canada, three Australian States, and New Zealand, had resolved to establish the Pacific cable, the hostile companies combined and determined to adopt drastic means in order to defeat the new State policy. They saw plainly that a State-owned cable across the Pacific would lead to similar cables traversing the Indian and Atlantic Oceans. They accordingly decided to preoccupy the ground by laying a private cable on the route which had previously been selected in the Indian and partly in the Atlantic Oceans, for the State-owned line. Moreover, they made tempting overtures to the Governments of the Australian Colonies, offering to reduce the burdensome telegraph charges hitherto exacted, provided these Governments granted them certain concessions; which concessions, it was afterwards discovered, would enable the combined companies to ruin the commercial outlook of the Pacific cable, and possibly lead to the companies gaining control of that undertaking itself. Unfortunately, the then Government of New South Wales listened to the overtures and granted what the companies desired. Now the Commonwealth inherits the act of New South Wales, and the objectionable terms secured by the companies cannot be rescinded in an ordinary way.

These, in brief, are the circumstances which led to the difficulty in Australia, which has perplexed the Government partners in the Pacific cable, and caused much friction. There is a collision of interests—private on the one hand, public and Imperial on the other. The companies having command of great wealth and bent on their own aggrandisement at the expense of the general good, have adopted a bold and aggressive policy. In the event of their designs succeeding they would hold firmly in their grasp the inter-Imperial cables, which should all be under Imperial control.

Every patriotic man will see the need of those great lines of communication, defined as Empire cables, being absolutely removed from the control of companies or individuals whose highest aim is to make profit, and who, in this case would accomplish that object by levying higher taxes than necessary on the intercourse of the people. Moreover, to leave any portion of the Empire cables in the control of companies would be to invite greater difficulty. It must not be forgotten that the property of companies is transferable to purchasers willing to pay the stock market price; and thus a company financed in London, as a British company, may come to be controlled by foreign owners. Obviously the cables of the Empire, unless absolutely State-owned and State-controlled, may, without attracting attention, cease to be British, and thereupon be employed in a manner detrimental to British interests.

At the last annual meeting of the British Empire League in Canada a minute was adopted, the fourth clause of which reads as follows: "The Empire cables would actually be the great nerves of the Empire, and this League firmly holds the opinion that whatever else may remain the property of private companies or trusts, the Empire alone should own its own nervous system." Every sane person must give his adhesion to the principle laid down by the League, that the electric nerves of that complex organism which we designate the British Empire should be entirely removed from danger; that they should be in the sacred keeping of the State alone; that they should be allowed free play to produce and maintain a community of sympathy, and thus prove a potent factor in carrying out the destiny of the British people.

There can be no objection to private companies owning cables other than those within the circle of Empire cables. In all cases when the former intersect the latter they would assume the position of branches, and as such they would greatly gain by the connection. The true policy for the Governments will be to reduce charges on telegraph messages transmitted by the Empire cables to the very lowest rates, resting content with no higher revenue than may be required simply to make the service self-supporting. If this policy be adopted two results will assuredly follow: (1) The volume of telegraph business developed by the globe-encircling system will become enormous; (2) the charge for transmission will eventually be reduced to a point far lower than the dreams of the most sanguine. Both results will benefit the private companies owning the connecting lines, as the low rates on the Imperial trunk system will bring a continuous stream of telegraph traffic to the branch lines for dissemination.

The subject of the Empire cables was considered by the Fifth Congress of the Chambers of Commerce of the Empire at the Montreal meeting last August. The action taken by that united body was most significant. This parliament of representative commercial men from all parts of the British world pledged itself to the project as a new cohesive force—an electric bond of union—an indispensable factor in Imperial unity. The resolution, unanimously adopted, declares that the scheme of Empire cables would put an end to the difficulty which has been caused by the allied cable companies in Australia, and remove all friction which has arisen between the six Governments concerned as partners in the Pacific cable.

What course should then be followed?—It has always been recognised that the owners of the private cables are entitled to reasonable consideration. Thirty years ago their enterprise in laying the pioneer cables to Australia was commendable. They received generous Government assistance for many years. They exacted and obtained rich returns from the public. The venture has proved a profitable one, and as they have been gathering a yearly harvest it is scarcely surprising that they are unwilling to relinquish the monopoly they have long held. I have said they are entitled to due consideration, but the well-being of the British people generally must be considered. If it has become a matter of public expediency that the circle of Empire cables should be completed, the companies cannot for ever stand in the way. They have long been hostile. Shall they continue antagonistic to the public interests and refuse to recognise the public needs? The remedy is simple; it is found in the inherent right possessed by the State to subordinate private to public interests and exercise the powers of "eminent domain." By this well-known legal principle the private cables necessary to complete the system of Empire cables, such as that recently laid from South Africa to Western Australia, may be expropriated, just compensation being paid to the present owners. Owing to the attitude assumed by the companies this is, perhaps, the best course open, although it is not the only course: the alternative is to lay a new cable parallel to the existing private cable for the use of the State and for the public advantage.

In submitting these explanations to the Ottawa Board of Trade, by request of the President, I may be allowed to express my gratification that the subject of Empire cables is now being considered by business-men, and that at the Congress of the Chambers of Commerce of the Empire in Montreal those present were a unit in respect to it. On this point I cannot do better than refer to the resolution adopted (appended). We all know what business-men can do. Their intuitive perception leads them to see clearly. Their business habits and training induce them to deal with a subject in a businesslike way, and in consequence the action taken by organized bodies of commercial men has more weight and commands more influence than that of any other class. It will be remembered that it was the Chamber of Commerce of the United Kingdom which commenced and successfully completed the movement for nationalising the telegraph system of the Mother-country. And quite recently the Ottawa Board learned from Mr. Thomas Barclay, of Paris, how the way was paved for the treaty of arbitration between France and Great Britain. That gentleman, in his address to the Board, explained that it was in a very large measure owing to the co-operation of the great mass of the *Chambres de Commerce de France* and the Chambers of Commerce of England, Ireland, and Scotland that the treaty was made possible and the ground cleared for the heads of these two great European Powers concluding an international agreement promotive of the peace of the world.

So likewise in the present movement, if associations of business-men in any portion of the Empire follow the example of the Montreal Congress and give expression to their views, it will have a powerful influence on the respective Governments. Co-operation of this character cannot fail to be effective; it will certainly tend to produce a community of sympathy in a matter which concerns the British people in all quarters of the globe.

Appendix B.—Resolution adopted by the Fifth Congress of the Chamber of Commerce of the Empire, held in Montreal, Canada, in August, 1903.

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.

Appendix C.—Minute adopted by the British Empire League in Canada, at the Annual Meeting held in Ottawa on the 16th February, 1904.

1. This League has, from the first, strongly favoured the Empire-cable scheme, a scheme which has been designed to promote, in a direct and practical manner, the primary object of the League as expressed in the constitution—that is to say, the permanent unity of the Empire.

2. By the "Empire cables" is understood a continuous chain of cable telegraphs around the globe, touching only British possessions, and connecting Newfoundland, Canada, New Zealand, Australia, India, South Africa, and the West Indies directly with each other and with the Mother-country.

3. The great heart of the Empire is in the United Kingdom, and the League recognises that by means of the Empire cables every throb may instantly be felt in each self-governing British community the world over.

4. The Empire cables would actually be the great nerves of the Empire, and this League firmly holds the opinion that whatever else may remain the property of private companies or trusts, the Empire alone should own its own nervous system.

5. Fully one-fifth of the estimated population of the world is British, and while the British islands on the margin of Europe cover a very small part, the Empire embraces nearly one-fifth of the globe's total land-surface. If we take the superficial area of the United Kingdom as a

unit of measurement for the purpose of reckoning, we find that the British flag floats over one hundred and one such units on the several continents in nearly the following remarkable proportions: In Europe—British land-surface, one unit; in Asia—British land-surface, ten units; in Africa—British land-surface, twenty units; in Australasia—British land-surface, thirty units; in America—British land-surface, forty units.

6. The design of the Empire-cable scheme is simply to unite these five continental groups of British units by State-controlled cables, laid for greater security in deep water.

7. The scheme originally involved the crossing of the three great oceans of the globe by submerged cables. This League has the satisfaction of knowing that substantial progress has been made, that one of the oceans has been crossed by a State-owned cable, that the trans-Pacific cable is laid and in successful operation from the shores of Canada to the shores of New Zealand and Australia. There remain to be traversed by national cables, the Atlantic and the Indian Oceans.

This League is more and more convinced that this great Imperial project is of inestimable importance to the trade and to the social and political relations of the whole British people; and that the common interests of every part of the Empire demand, with ever-increasing urgency, that the whole Empire-cable scheme should speedily be accomplished.

Approximate Cost of Paper.—Preparation, not given; printing (1,425 copies), (not including plates), £10 2s.

By Authority: JOHN MACKAY, Government Printer, Wellington.—1904.

Price 9d.]

