

(No. 44.)



1896.

SESSION II.

PARLIAMENT OF TASMANIA.

POSTAL AND TELEGRAPHIC CONFERENCE,
SYDNEY, 1896:

REPORT OF THE DELEGATES.

Presented to both Houses of Parliament by His Excellency's Command.

POSTAL AND TELEGRAPHIC CONFERENCE, 1896.

Report of the Delegates to the Intercolonial Conference, HELD IN SYDNEY, IN JANUARY, 1896.

President :—The Honorable JOSEPH COOK, M.P., of New South Wales.

Each of the seven Colonies of Australasia was represented.

The Conference sat on the 17th, 18th, and 20th January, 1896.

The following resolutions were adopted, viz. :—

RELATING TO THE PROPOSED PACIFIC CABLE.

1. That, in the opinion of this Conference, the Pacific cable should be constructed and owned jointly by the various Governments interested.
2. That, in the opinion of this Conference, the landing places of such cable should be only upon territory belonging to or under the control of the British Empire.
3. That, in the opinion of this Conference, the cost of its construction, working, and maintenance be borne in the following proportions, namely :—Great Britain, one-third; the Dominion of Canada, one-third; and the contributing Australasian Colonies, one-third.
4. That, in the opinion of this Conference, the route from Fiji to Australia be *via* Norfolk Island, thence bifurcating to the nearest convenient landing places in the north of New Zealand and Moreton Bay respectively.
5. That, in the opinion of this Conference, it is highly desirable that South Australia join the other Colonies in the Pacific cable project, and having regard to their vested interests in the transcontinental line, Dr. Cockburn be invited to make a proposition, embodying the terms on which the South Australian Government would be prepared to join the other Colonies in the said project.

The Hon. Dr. Cockburn intimated the following as the proposal of the South Australian Government, viz. :—South Australia is willing to join in the project provided that a guarantee, either from the contributing Colonies alone, or jointly with the Imperial Government, be given, that the financial position of South Australia, as regards the Port Darwin line be maintained on the basis of the average of the last five years.

The Hon. Mr. Reeves stated that he had received a cable from the Hon. Mr. Ward with regard to the terms on which New Zealand would come in as a contributing Colony to the effect that of course it would be very disadvantageous to New Zealand to come in on an equally responsible footing with the other three colonies; at the same time, Mr. Ward would be prepared to give way and do so, annexing, however, the stipulation that Victoria and New South Wales should join with New Zealand in facing any possible loss on the present cable.

6. That, in the opinion of this Conference, the colonies joining contribute equally to the undertaking.
(The Hon. Dr. Cockburn and the Hon. Mr. Reeves refrained from voting on the above.)
7. That, in the opinion of this Conference, in consideration of South Australia joining with the other contributing colonies in the Pacific Cable project, they would be willing, jointly with Great Britain, to guarantee that Colony against further loss in connection with their transcontinental line in consequence of the construction of the new cable.
8. That, in the opinion of this Conference, Sir Saul Samuel, K.C.M.G., C.B., and the Hon. Duncan Gillies be nominated as representatives of the Australasian Colonies on the Commission in connection with the Pacific Cable, and that they be requested to consult on all important points the Agents-General for the Australasian Colonies.
9. That, in the opinion of this Conference, it be a recommendation to the Governments represented at this Conference to forward the foregoing resolutions to the Australasian Commissioners.

RELATING TO THE PROPOSED NEW FEDERAL MAIL SERVICE.

10. This Conference, having considered the reply of the London office to the stipulation of the Hobart Conference with regard to the manning of the mail boats by white instead of coloured labour, recognises fully the force of the reason given by the Imperial Government against insisting on the exclusion of coloured labour, viz., the necessity of discriminating between various classes of British subjects, but in reply would respectfully point out that by some steamship companies the labour of the contributing colonies is excluded from employment, and an invidious preference given to the labour of countries which do not contribute to the maintenance of the service. No injustice would thus be done by the stipulation that the labour of the countries subsidising the service only should be employed. And therefore this Conference is of opinion that the mails to and from Australia and Great Britain should be carried by ships manned with white crews only. The Conference concurs with the London office in the other points raised in connection with the new mail tenders.

It was arranged that the President should communicate the above by cable to the London Post Office.

Appended to this report will be found :—

Minutes of Proceedings of the Conference.

Memo. showing the present position of the Federal Mail Service matter.

Transcript of notes of Shorthand-writer of the Proceedings.

Signed on behalf of New Zealand,

W. P. REEVES (*per* J.C.)

Signed on behalf of Queensland,

A. J. THYNNE.

Signed on behalf of South Australia and Tasmania,

JOHN A. COCKBURN.

Signed on behalf of Victoria,

JOHN GAVAN DUFFY.

Signed on behalf of New South Wales,

JOSEPH COOK.

POSTAL AND TELEGRAPHIC CONFERENCE.

MINUTES OF PROCEEDINGS.

FRIDAY, 17 JANUARY, 1896.

THE Conference was opened at the General Post Office, Sydney, at 2.30 p.m., when the undermentioned gentlemen, representing the Colonies indicated herein, were present, viz. :—

New Zealand : Hon. W. P. REEVES, New Zealand.
Queensland : Hon. A. J. THYNNE, M.L.C., Postmaster-General, Queensland.
South Australia : } Hon. J. A. COCKBURN, M.D., M.P., Minister for Education and Agriculture,
Tasmania : } South Australia.
Victoria : Hon. J. GAVAN DUFFY, M.P., Postmaster-General, Victoria.
New South Wales : Hon. JOSEPH COOK, M.P., Postmaster-General, New South Wales.

Moved by the Hon. J. GAVAN DUFFY, and seconded by the Hon. Mr. THYNNE,—“That the Hon. Joseph Cook, M.P., be President of this Conference.” Carried.

The Hon. Mr. Cook thanked the representatives for the honor conferred.

It was determined, without formal motion, that the Conference being of a somewhat confidential character, it was not expedient that the Press should be present.

Moved by the Hon. Mr. THYNNE, M.P., and seconded by the Hon. Mr. REEVES,—“That Mr. James Dalgarno perform the duties of Secretary to this Conference.” Carried.

The Hon. Mr. Cook laid before the Conference the following telegram, dated 16th January, that had been received from the Hon. the Premier of Western Australia, *re* the appointment of Dr. Cockburn as representative of Western Australia, viz. :—

“This Government has appointed Dr. Cockburn to represent this Colony at the Postal Conference on two points : First, the Pacific cable question to the following extent, viz., that we are in favour of one Commissioner being appointed to represent South Australia and West Australia. Second, to give this Colony's vote in favour of the views expressed by me at the Hobart Conference, which were to the effect that this Government supports the Imperial Government in regard to coloured labour and cold storage as applied to mail steamers. Please communicate this telegram to the Postal Conference.

JNO. FORREST, Premier.”

The Hon. Mr. COCKBURN intimated that he had also been requested to represent Tasmania.

The PRESIDENT opened the Conference in a brief address, indicating the order of business, which placed the Pacific cable matter as the first to be considered, to be followed by the question of the Federal Mail Service.

PROPOSED PACIFIC CABLE.

After a lengthy discussion the following resolutions were arrived at :—

- (1.) Moved by the Hon. Mr. GAVAN DUFFY, and seconded by the Hon. Mr. THYNNE,—“That in the opinion of this Conference the Pacific Cable should be constructed and owned jointly by the various Governments interested.” Carried unanimously.
- (2.) Moved by the Hon. Mr. REEVES, and seconded by the Hon. Mr. THYNNE,—“That in the opinion of this Conference the landing places of such cable should be only upon territory belonging to or under the control of the British Empire.” Carried unanimously.
- (3.) Moved by the Hon. Mr. THYNNE, and seconded by the Hon. Mr. GAVAN DUFFY,—“That in the opinion of this Conference the cost of its construction, working, and maintenance be borne in the following proportions, namely :—Great Britain, one-third ; the Dominion of Canada, one-third ; and the contributing Australasian Colonies, one-third.” Carried.
- (4.) Moved by the Hon. Mr. GAVAN DUFFY, and seconded by the Hon. Mr. COOK,—“That in the opinion of this Conference the route from Fiji to Australia be to Norfolk Island, thence bifurcating to the nearest convenient landing places in the north of New Zealand and Moreton Bay, respectively.” Carried unanimously.
- (5.) Moved by the Hon. Mr. COOK, and seconded by the Hon. Mr. DUFFY,—“That in the opinion of this Conference it is highly desirable that South Australia join the other Colonies in the Pacific Cable project ; and having regard to their vested interests in the transcontinental line, Dr. Cockburn be invited to make a proposition embodying the terms on which the South Australian Government would be prepared to join the other Colonies in the said project.” Carried.

The Conference adjourned at 6.15 p.m. to the following day (Saturday), at 9.30 a.m.

JAMES DALGARNO,
Secretary to Conference.

JOSEPH COOK,
President.

SATURDAY,

SATURDAY, 18 JANUARY, 1896.

THE Conference met at 9.30 a.m.

Present :—

New Zealand : Hon. W. P. REEVES, New Zealand.
Queensland : Hon. A. J. THYNNE, M.L.C., Postmaster-General, Queensland.
South Australia : } Hon. J. A. COCKBURN, M.D., M.P., Minister for Education and Agriculture,
Tasmania : } South Australia.
Victoria : Hon. J. GAVAN DUFFY, Postmaster-General, Victoria.
New South Wales : Hon. JOSEPH COOK, M.P., Postmaster-General, New South Wales.

Minutes of yesterday confirmed.

The Hon. Dr. COCKBURN made the following statement with reference to the resolution No. 5 *re* Pacific Cable, viz. :—"South Australia is willing to join in the project provided that a guarantee, either from the contributing Colonies alone or jointly with the Imperial Government, be given that the financial position of South Australia as regards the Port Darwin line be maintained on the basis of the average of the last five years."

The Hon. Mr. REEVES stated that he had cabled to the Hon. Mr. Ward yesterday, as he had promised, with regard to the terms on which New Zealand would come in as a contributing Colony, and that a reply had been received to the effect that, of course, it would be very disadvantageous to New Zealand to come in on an equally responsible footing with the other three Colonies. At the same time, Mr. Ward would be prepared to give way, and do so, annexing, however, the stipulation that Victoria and New South Wales should join with New Zealand in facing any possible loss on the present cable.

(6.) Moved by the Hon. J. GAVAN DUFFY, and seconded by the Hon. Mr. THYNNE,—“That, in the opinion of this Conference, the Colonies joining contribute equally to the undertaking.” Carried; the Hon. Dr. Cockburn and the Hon. Mr. Reeves refraining from voting.

(7.) Moved by the Hon. Mr. COOK, and seconded by the Hon. Mr. J. GAVAN DUFFY,—“That, in the opinion of this Conference, in consideration of South Australia joining with the other contributing Colonies in the Pacific cable project, they would be willing, jointly with Great Britain, to guarantee that Colony against further loss in connection with their transcontinental line in consequence of the construction of the new cable.” Carried.

(8.) Moved by the Hon. Mr. THYNNE, and seconded by the Hon. Mr. REEVES,—“That, in the opinion of this Conference, the Earl of Jersey and Sir Edwyn Dawes be appointed on the proposed Commission as the representatives of the Australasian Colonies.” Resolved in the negative.

Hon. Dr. COCKBURN moved,—“That a third representative be nominated to represent the special interests of the Western Colonies,” but there being no support,—

The Hon. Mr. J. GAVAN DUFFY moved, and the Hon. JOSEPH COOK seconded,—“That, in the opinion of this Conference, Sir Saul Samuel, K.C.M.G., C.B., and the Hon. Duncan Gillies be nominated as representatives of the Australasian Colonies on the Commission in connection with the Pacific Cable, and that they be requested to consult on all important points the Agents-General for the Australasian Colonies.” Carried.

(9.) The Hon. Mr. REEVES moved, and the Hon. Mr. THYNNE seconded,—“That, in the opinion of this Conference, it be a recommendation to the Governments represented at this Conference to forward the foregoing resolutions to the Australasian Commissioners.” Carried.

The Conference adjourned at about 12.45 p.m. to Monday next.

JAMES DALGARNO,
Secretary to Conference.

JOSEPH COOK,
President.

MONDAY, 20 JANUARY, 1896.

THE Conference met at 11 a.m.

Present :—

Queensland : Hon. A. J. THYNNE, M.L.C., Postmaster-General, Queensland.
South Australia : } Hon. J. A. COCKBURN, M.D. M.P., Minister for Education and Agriculture,
Tasmania : } South Australia.
Victoria : Hon. J. GAVAN DUFFY, Postmaster-General, Victoria.
New South Wales : Hon. JOSEPH COOK, M.P., Postmaster-General, New South Wales.

Minutes of Saturday confirmed.

FEDERAL MAIL SERVICE.

The PRESIDENT laid a* memo. on the table, *re* the Federal Mail Service, and explained the present position of the matter, showing that the main questions of the disagreement with the British Post Office to be considered and determined were,—

1. Question of coloured labour,
2. Question of cold storage ;

also a minor difference on the subject of the amounts in the compensation to be paid by contractors for loss of parcels or registered packets. Moved

* Appendix.

Moved by the Hon. J. COOK, and seconded by Hon. J. GAVAN DUFFY,—

- “10. This Conference, having considered the reply of the London office to the stipulation of the Hobart Conference, with regard to the manning of the mail boats by white instead of coloured labour, recognises fully the force of the reason given by the Imperial Government against insisting on the exclusion of coloured labour, viz., the necessity of discriminating between various classes of British subjects, but, in reply, would respectfully point out that by some steamship companies the labour of the contributing colonies is excluded from employment, and an invidious preference given to the labour of countries which do not contribute to the maintenance of the service. No injustice would thus be done by the stipulation that the labour of the countries subsidising the service only should be employed. And, therefore, this Conference is of opinion that the mails to and from Australia and Great Britain should be carried by ships manned with white crews only.”

The Conference concurred with London Office in the other points raised in connection with the new mail tenders.

It was arranged that the President should communicate the above by cable to the London Post Office.

The Hon. A. J. THYNNE moved, and the Hon. Dr. COCKBURN seconded, a vote of thanks to the Hon. Joseph Cook for the able manner in which he had presided over the proceedings of the Conference, and for his hospitality and kindness during the stay of the Delegates in Sydney. Carried by acclamation.

The Hon. JOSEPH COOK returned thanks for the compliment paid him.

The Hon. J. GAVAN DUFFY proposed, and the Hon. A. J. THYNNE seconded, a vote of thanks to Mr. James Dalgarno for his efficient services as Secretary to the Conference. Carried by acclamation.

Mr. DALGARNO acknowledged the compliment.

The Conference adjourned.

JAMES DALGARNO,
Secretary to Conference.

JOSEPH COOK,
President.

The Conference finally met on Tuesday, 21st January, 1896, when minutes of the previous meeting were read and confirmed. The Draft Report of the Conference was submitted, revised, and signed by the Delegates, the Hon. Mr. Cook intimating that he had been asked to sign on behalf of the Hon. Mr. Reeves, for New Zealand.

APPENDIX.

FEDERAL MAIL SERVICE.

Memorandum showing present position.

ON the 21st May, 1895, the Minister for Education, Adelaide, forwarded a copy of a communication from the London Post Office, dated 29th March, 1895, relating to the Federal Mail Service, and with it a draft form of tender and proposed conditions for the new contract. This was dealt with at a Conference held at Adelaide in July, 1895, and, as a result, Adelaide Office addressed a communication to London, dated 24th September, 1895, conveying the decision of the Contracting Colonies in respect to the Federal Mail Service.

The alterations which the Contracting Colonies sought are indicated in the copy of letter dated 24th September, 1895, addressed to London Post Office by the Adelaide Post Office.

On the 6th January, 1896, the following telegram was received from the Adelaide Postal Department, viz. :—

Have just received the following telegram from London:—“With every desire meet wishes colonies interested. Her Majesty’s Government regret that, after careful consideration, they feel unable invite tenders for service, including cold storage, or excluding coloured labour. Reasons for this decision follow by post. Following conditions agreed to:—1st. English port departure, arrival. 2nd. Other countries’ sea postage deducted from subsidy, also fines. 3rd. Balance payable ratio nineteen to fifteen. 4th. Tender form amend as suggested, except amounts in compensation clause.* Letter with supply amended forms next mail. Proposed advertise service next month. Will telegraph latest date for accepting tenders. Please telegraph acquiescence.”

* The suggestion of Adelaide Conference was that the amount of compensation to be paid by contractors for lost parcels should be increased from £1 to £3 per parcel, and from £2 to £5 per registered postal packet, it being thought that the larger amounts were only reasonable. London Office dissents.

Ministerial Conference on Pacific Cable Matters, &c., 1896.

REPORT OF THE PROCEEDINGS.

FRIDAY, 17 JANUARY, 1896.

THE PRESIDENT, the Hon. Joseph Cook, thanked the delegates for electing him to preside over their small but very important gathering, and said he was glad to welcome the representatives of the other Colonies, and felt that the measures adopted at other Intercolonial Conferences rendered it unnecessary for him to occupy any time in explaining the action up to the present on the matters they had to consider. They had two very important subjects to engage their attention: the proposals in regard to the Pacific cable, and the action of the Imperial Government in regard to the tenders for the new contract for the Federal Mail Service. He felt sure all the representatives were animated by the desire to equitably adjust the respective intercolonial difficulties that have hitherto stood in the way of giving effect to the accomplishment of the long talked of Pacific cable. The whole question of the relationship of the Western Colonies to the scheme would doubtless come on for discussion, and would be dealt with in that federal spirit which was animating most of our Australasian national endeavours at the present time. He then proceeded to allude to the various routes which had been suggested, and thus opened the subject of the Pacific cable for discussion by the representatives. This discussion throughout the proceedings was of quite a conversational character, and the shorthand notes thereof are for the most part, therefore, but an outline of all that was said.

The Delegates conversed upon the proposed Pacific Cable Question in all its aspects, which led to the determination to formulate resolutions for the information and guidance of the gentlemen who may be appointed to represent the colonies on the proposed Imperial Commission. The first of these resolutions was submitted by the Hon. J. GAVAN DUFFY, and seconded by the Hon. Mr. THYNNE:—

- (1.) "That in the opinion of this Conference the Pacific cable should be constructed and owned jointly by the various Governments interested."

The Hon. Dr. COCKBURN remarked: If you are appointing a Commission to inquire into this matter and make recommendations, is it not a mistake to bind them down too closely? You tell them they can only recommend in one direction in the matter of the construction of the cable: are they not, being on the spot and in touch with the latest information, likely to be able to do better service by being left with a freer hand? You say they must confine their inquiries only as regards a cable to be constructed by Government enterprise.

The Hon. Mr. THYNNE: I think we should endeavour to do away with all points of local conflicting interests, so that our representatives on the Commission will be able to state that such and such is what Australasia desires. Let Australasia speak with one voice in the matter. Of course we have not the power to dictate to the whole Commission, and we certainly have not yet all the knowledge which they are expected to gather; but it would facilitate the work of the Commission if our representatives were clearly informed of the wishes of the combined colonies, with whom it now rests to compromise among themselves all points of difference. I think considerable weight would be attached by the Commission to our opinion on those points on which we are in unity, or on which we can agree.

The Hon. Dr. COCKBURN: Does not the whole question of what we should prefer depend upon the terms on which we can get it? Mr. Sandford Fleming was at first in favour of the cable being constructed by private enterprise, but he found on inquiry that it was more likely to be successful by being taken up by the Governments. Now, he is in favour of its being done by Government.

The Hon. Mr. COOK: It seems to me that there are four or five points. First of all, whether it is to be a Government scheme or a private one. Second, as to the proportion of cost among the colonies. Third, as to the route. Fourth, the special aspect of the matter relating to South and Western Australia. Fifth, the question of representation. I think we should take these points *seriatim*.

Resolution (1) was carried unanimously.

The Hon. Mr. REEVES moved, and the Hon. Mr. THYNNE seconded:—

- "That in the opinion of this Conference the landing places of such cable should be only upon territory belonging to or under the control of the British Empire." Carried unanimously.

The Hon. Mr. THYNNE moved, and the Hon. Mr. GAVAN DUFFY seconded:—

- "That, in the opinion of this Conference, the cost of its construction, working, and maintenance be borne in the following proportions, namely:—Great Britain, one-third; the Dominion of Canada, one-third; and the contributing Australasian Colonies, one-third." Carried.

It being generally agreed that the cable should follow as direct a track as possible from Vancouver to Fiji, *via* Fanning Island, the discussion then took up the various proposals for the route from Fiji to Australasia, those demanding most attention being the proposal for the route direct from Fiji to Queensland, and the proposal for the route to be from Fiji to New Zealand, and thence to Queensland. It was suggested by the Hon. Mr. Cook that to meet the local differences of Queensland and New Zealand the cable should come on from Fiji to Norfolk Island, and there bifurcate to Moreton Bay on the one hand and to the northern part of New Zealand on the other hand. The merits of the various routes were talked over with the aid of maps.

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The Hon. Mr. REEVES said New Zealand could not accept the suggestion that the cable should go simply to Queensland, New Zealand being left out. He must represent that to the Conference. If reference was made to the report of the Wellington Conference it would be seen that a resolution was passed on the question of route, which clearly suggested that the route should be from Queensland to Auckland, thence to Fiji, or from somewhere on the coast of New Zealand to the north of Auckland to Fiji.

The Hon. Mr. THYNNE objected to the Wellington Conference resolution so far as Queensland was concerned. It was not accepted by the Queensland Government.

The Hon. Mr. COOK: What is your objection, Mr. Thynne, to this Fiji to Auckland and Auckland to Brisbane suggestion?

The Hon. Mr. THYNNE: There are several objections to it. It was, in the first place, very much further, and involved some 600 or 700 miles of cable more than was required.

The Hon. Mr. REEVES: We submit, of course, that the very trifling increase of distance caused by passing to us in going from Fiji to Brisbane is absolutely no injury to Queensland. We submit that, there being no injury to Queensland, the interests of New Zealand should be conserved on a point we take to be of vital importance to us. (After some further remarks.) Well, we much prefer that route.

The Hon. Mr. COOK: North Cape, in New Zealand?

The Hon. Mr. REEVES: No; the most convenient landing place north of Auckland. Perhaps it will not be the North Cape. It is not desired to leave Queensland out at all. The cable could go from New Zealand to Brisbane by as short a route, but by going to Brisbane direct it simply leaves New Zealand out altogether. Why leave us out, when by taking us in you can be equally well served?

Further desultory conversation ensued, and the Hon. Mr. THYNNE said he would like to have certain figures verified, as they differed very considerably from the information given by his papers.

The Hon. Mr. REEVES said one difference might be explained by a misunderstanding that had arisen. People talked about the distance from Fiji to Auckland, but it was not going to Auckland, but to some place north; that would probably mean a difference of some 200 miles.

Mr. P. B. Walker, being called in, explained that the slack had been allowed for in some calculations, and much greater percentage in some cases than in others. Moreover, he did not take the figures as at all correct on some of the papers. One engineer allowed 20 per cent. for slack: Mr. Walker only allowed 10 per cent., which he thought ample. Only 6 per cent. slack was used on the New Caledonia line. Mr. Fleming's estimate of 20 per cent. was altogether too much: no cable engineer would think of putting so great an excess as that on a cable, unless it was very deep sea. It might be a mistake on the right side, but it was unnecessary; as 10 per cent. was ample; and seldom more than $7\frac{1}{2}$ per cent. was used on the Atlantic cables, which were in very deep water. Mr. Walker explained the reason of a deviation in the case of the New Caledonia-Fiji route was to escape a very deep hole to the north-west of New Caledonia, and the probable damage that would be occasioned to the laying machinery in this deep water.

The Hon. Mr. COOK: I think we had better settle to take Norfolk Island as the point of bifurcation.

The Hon. Mr. REEVES: The object in accepting a compromise is generally to have a friendly settlement of a difficulty; would it be a friendly settlement? If the majority of the Conference want to settle it so, under the circumstances I will not contest the matter. I think my Government would, when I explain the matter, stand by me in accepting the position.

The Hon. Mr. THYNNE: On behalf of Queensland I am very well satisfied with the compromise proposed. I think it is the best route yet suggested, and will probably cost less than the direct line from Fiji to Queensland.

The Hon. Mr. COOK: Very well. Perhaps it would be as well for it to be moved and seconded by two of the other Colonies.

The resolution was read: "That the route from Fiji to Australia be to Norfolk Island, thence bifurcating to the nearest convenient landing place in the north of New Zealand and Moreton Bay."

The Hon. Dr. COCKBURN thought the proposition a fair one; at the same time, he deemed it a mistake to fix these details—it would only be hampering the Commissioners. Here they had figures at variance, which the Commissioners would be able to have correct and would know more about, and altogether he thought it would be better to leave the Commission untrammelled, as they would have better data to work upon.

The Hon. Mr. GAVAN DUFFY moved, and the Hon. J. COOK seconded:—

"That in the opinion of this Conference the route from Fiji to Australia be to Norfolk Island, thence bifurcating to the nearest convenient landing places in the north of New Zealand and Moreton Bay respectively." Carried unanimously.

The Hon. Mr. COOK: Now as to the apportionment of cost between the Colonies. There has been an understanding that the Colonies should take equal responsibilities in this matter.

The Hon. Mr. REEVES: Well, personally, so far as my judgment goes, I take that view too, but I am absolutely without any communication from Mr. Ward or from my Government as to their views.

The Hon. Mr. DUFFY: I should think New Zealand would take a little more than her proportion, as she has no extra expense.

The Hon. Dr. COCKBURN: Until we get some idea what the cost is expected to be, it is only making difficulties trying to apportion the shares.

The Hon. Mr. COOK: I do not think so.

The Hon. Mr. REEVES: I am rather inclined to take Dr. Cockburn's view.

The Hon. Dr. COCKBURN: It practically precludes three Colonies from coming in; Tasmania could not come in on that basis.

The Hon. Mr. COOK: I do not see myself, I candidly confess, how Tasmania and Western Australia could ever come in.

The Hon. Dr. COCKBURN: South Australia could hardly be expected to be an equal contributor, the advantages she would get would be —

The Hon. Mr. COOK: 15d. or 18d. a word reduction on messages. What does it cost you now to get to London?

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The Hon. Dr. COCKBURN : I think it is 4s. 9d.

The Hon. Mr. COOK : Is it nothing to get through possibly for 3s. 2d.? You are seeing no advantages at all. I am trying to show that a 3s. 2d. instead of a 4s. 9d. rate would be worth while.

The Hon. Dr. COCKBURN : Of course, our telegrams would still go the other way—it is shorter.

The Hon. Mr. COOK : Would they? And you would pay 4s. 9d. in preference to 3s. 2d.?

The Hon. Mr. DUFFY : What do you say, Mr. Reeves, would your Government agree to come in on equal terms with the other three Colonies?

The Hon. Mr. REEVES : I scarcely feel warranted in speaking in their name on the question to-day. I thought it only right to explain my position. There is no desire on my part to hang back. I recognise that if this is to be gone into, it must be in a fairly broad spirit. Might I suggest that we meet to-morrow morning, and it be postponed till then. I could cable to Mr. Ward now. I understand that the proposal of the three contributing Colonies is that the four contracting Colonies come in on an equal footing, equal responsibility?

The Hon. Mr. DUFFY : There is another little subsidiary point as to the local land charges; we must come to some equitable arrangement—it does not effect New Zealand, I suppose?

The Hon. Mr. THYNNE proposed that there should be fixed the same charge to Brisbane as to Melbourne, say 2d. or 3d. a word; let all the Colonies pay alike, pool the amount, and divide it, that is a fair way of doing it.

The Hon. Mr. COOK : Yes, that is fair.

The Hon. Dr. COCKBURN : Of course, the position of South Australia is well known and recognised in this matter. At all former Conferences, South Australia has abstained from taking part in or voting on the question of the Pacific cable; on the other hand she has no desire or intention of departing from the traditions that have always guided her, and she will continue to do her utmost in the interests of international telegraphy, and she looks to the friendly feeling of the neighbouring Colonies that her services in the past will not be made the cause of her suffering unduly in the future. Of course, the facts of the construction of the transcontinental line are well known. It was constructed in 1872 by South Australia, at a time when there was no prospect whatever of the revenue meeting expenditure. I suppose but for that step on her part, for the enterprise she then showed, telegraphic communication would have been delayed many years. She constructed the line, worked it at great expense, and for many years at great loss, and she has reason, from the expressions of friendliness which have always been given by delegates at previous Conferences, to believe that she will not appeal in vain to the sense of justice and kindly feeling of her neighbours. Should this line be constructed, she expects that she will not be left with an unprofitable line on her hands. Of course she feels that to put her interests forward in any way to oppose or prevent the extension of telegraphic communication would be unworthy; she has no intention of doing that; on the contrary, she would like to assist. Of course, whether she could do so or not would entirely depend on the attitude of her neighbours. She has been given reason to believe that other Colonies would favourably entertain a proposal, in the event of the Pacific cable being constructed, either to take over the existing transcontinental line as a federal undertaking, or to give her some guarantee that the revenue derived from her present line would not be unduly destroyed by the Pacific line. Either of these results would be satisfactory to South Australia. The question of South Australia contributing has not been discussed hitherto, and we have always been looked upon as exempt, but we would prefer—I believe my colleagues would—that we should take portion in this undertaking; but this is a new phase of the question.

The Hon. Mr. THYNNE : The way in which we look at the question is this: Assuming that the Pacific cable is actually accomplished (and will be within the next three or four years), it will be to our interest in Queensland—and the same with New South Wales and Victoria, and, I hope, New Zealand—to have an alternative route by the eastern line available for us; and for that reason I think that those Colonies, under the circumstances, would be doing right to make such provision as will keep the way open for connection with the eastern cables. What the extent or amount of the charge which the other Colonies would be expected to bear is a matter we are not able to discuss at present. I think that the interest we have is sufficient to justify us in coming to an equitable arrangement. Mr. Playford, at the Ottawa Conference, stated the position of South Australia practically in the same words as Dr. Cockburn has. We should like to see South Australia come in as a contributing Colony with New Zealand and ourselves, even though it may be on a lower basis of contribution than we should pay. Some fair allowance should be made for the advantages derived from the existence of the South Australian overland line. At our first meeting I proposed that the four contracting Colonies should settle all questions of local or conflicting interest between themselves, and then approach South Australia and say: "We have arranged for this cable, on what terms will you come in with us?" as a preliminary. It may still be necessary that this be done before we can come to a definite arrangement.

The Hon. Mr. COOK : The guarantee to South Australia is purely a contingent one.

The Hon. Mr. REEVES : I should be prepared, Sir, I think, to go this far: that, recognising the services of South Australia, and how desirable it is that they should come in, the South Australian Government be invited to make, as it were, an offer what they think they ought to get to come in.

The Hon. Mr. COOK : I think that offer is now made in a formal way by Dr. Cockburn.

The Hon. Mr. REEVES : He said it had not been properly considered by his Cabinet—it has not been discussed by our Cabinet either.

The Hon. Mr. COOK : It has always been considered that Mr. Ward would be favourable to this view.

The Hon. Dr. COCKBURN : The attitude of South Australia was not only discussed at the New Zealand Conference, but it was distinctly understood in Committee, that in the event of the Pacific cable being constructed, one of two things should be done—either the line should be taken over, or a guarantee given to South Australia.

The Hon. Mr. THYNNE : Surely your Colony would not be prepared to hand over the line?

The Hon. Dr. COCKBURN : No; we might be a federated Australia.

The Hon. Mr. REEVES : I think the guarantee would be the better form.

Some conversation took place as to what had been said at the New Zealand Conference, the Hon. Dr. Cockburn having confidence that such an understanding had been expressed.

The Hon. Mr. COOK : We might leave the matter where it is for the present. Dr. Cockburn could consult with his Premier.

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The Hon. Dr. COCKBURN thought he could hardly do so in so short a time.

The Hon. Mr. THYNNE thought some provision should be made that no landing-place be afforded by any of the Colonies to any foreign or competing undertaking.

The Hon. Mr. COOK: That is already provided.

The Hon. Mr. DUFFY: There is one little matter—if we construct the cable, will it be necessary to state that in our opinion it ought to be under Imperial guarantee?

The Hon. Mr. COOK: I do not think there can be any question as to that.

The Hon. Dr. COCKBURN suggested that it would help to get at the object in view if the Conference placed on record its views as to his Colony's attitude.

The Hon. Mr. COOK: Supposing we say that it is desirable that South Australia should come in, and (you, representing her here, having expressed the desirability of joining) ask you to state your proposition on behalf of your Government, as to the terms on which you would be prepared to come in?

The Hon. Dr. COCKBURN: Supposing you put it, "It is the desire of this Conference that South Australia should co-operate with the Colonies in obtaining this cable; and that, in the opinion of this Conference, in the event of the Pacific cable being constructed, either the Port Darwin line should be taken over, or"—

The Hon. Mr. DUFFY: Do you mean constructed by the four contracting Colonies?

The Hon. Dr. COCKBURN was not in favour of each Colony bearing the same amount of cost. In all co-operative work, he thought, the contributions should be on the basis of population.

The Hon. Mr. COOK: You see how you will hit us. Our inequality of population makes us take an entirely different view. We say we are outsiders, practically speaking, in this matter. We think a fair thing would be to let us off at least with an equal payment.

The Hon. Dr. COCKBURN: It would prejudice our chance of coming in very much—

The Hon. Mr. DUFFY: You certainly should come in on equal terms; you get greater consideration than any of the Colonies. Others would say, "We get nothing at all, and here is South Australia getting all this consideration."

The Hon. Dr. COCKBURN: No Colony is in the same position as South Australia; no Colony has had the same loss. Expecting us to come in equally is tantamount to saying that South Australia should not look for any consideration or generosity at all.

The Hon. Mr. DUFFY: Well, the reciprocity should not be all on one side.

The Hon. Mr. COOK: If you take up the attitude of stopping outside, our obligation to you ceases that moment. If you are not coming in, there is no obligation regarding your line.

The Hon. Dr. COCKBURN: I do not think that.

The Hon. Mr. COOK: I think so.

The Hon. Dr. COCKBURN: We did not construct the line specially for the benefit of our own Colony; all mutually profited by it.

The Hon. Mr. COOK: I don't think you had an idea outside.

The Hon. Dr. COCKBURN: But there are such ideas.

The Hon. Mr. THYNNE: Do you know what the history really is? There was an arrangement made to carry a line across to the Gulf of Carpentaria from the East Coast of Queensland to meet the Eastern Company's cables. The Company's representatives were intercepted at Adelaide, where the Government induced them to alter their scheme by laying the cable to Port Darwin, which was to be connected with Adelaide by the South Australian overland line. The Company thereupon broke their bargain with Queensland. Queensland constructed its own line right across to Normanton at very great expense, and South Australia thought it was doing a good thing for itself. They induced the Company to break their contract with us, and took upon themselves, the burden of this overland line. That is the history.

The Hon. Dr. COCKBURN: These secret histories are all very interesting, but one does not know how much there is in them. I have not heard that one before. Quite apart from that, stands the fact that South Australia has for twenty-four years had this work constructed and carried on, and it has been recognised that it is of intercolonial importance and that South Australia is entitled to the goodwill, and something more, of her neighbours on account of her enterprise. At previous interchanges of opinion between the Colonies it was recognised on all hands that South Australia would not be expected to contribute.

The Hon. Mr. COOK: One thing should be set against another. It is recognised that your isolated position has perhaps justified you in standing out—therefore no proposal to stand in with South Australia or anything of the kind has ever been made.

The Hon. Dr. COCKBURN: In New Zealand, and in the debates there, it has been stated by the other Colonies that in the event of the Pacific cable being constructed, South Australia could not be expected to contribute. Still, although that was the understanding, it was freely expressed in Committee that in the event of the cable being laid, the other Colonies would either compensate South Australia for the construction of her transcontinental line, or guarantee that her receipts would not be materially diminished.

The Hon. Mr. COOK doubted it; if in committee, it was not reported. But you will find that the statement that South Australia could not be expected to contribute was reported.

The Hon. Mr. THYNNE: The other colonies had to look to the future, and all they should ask South Australia to do was to keep the land line open to them as an alternative route.

The Hon. Mr. COOK: On condition they join us.

The Hon. Dr. COCKBURN: You will make it easier if you do not absolutely make that condition. We have to consider the attitude of the people of South Australia in this matter. If a resolution were carried such as I have indicated, it would go a long way towards causing the people of South Australia to view this project more favourably than they have hitherto done, and I have very little doubt that South Australia would contribute. It would come to just the same thing.

The Hon. Mr. COOK: I think in the discussion of these matters it would be better not to go into a strict analysis of rights on either side.

The Hon. Dr. COCKBURN continued he would suggest that the resolution be passed in the form he had indicated, and he would say that under the circumstances he would do his utmost to persuade his Colony to contribute towards the construction of the line.

At this point the Hon. Dr. COCKBURN found the passage in the New Zealand Conference Report which he had been looking for, which he passed on to the President to read, and conversation took place as to how far any expression had been given in Committee to the opinion that, in the event of the Pacific cable being constructed, South Australia should be compensated.

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The Hon. Mr. COOK: Since there is no record of it, I think we had better take the case on its merits.

The Hon. Dr. COCKBURN: I only raised the point because Mr. Reeves was speculating on the views of Mr. Ward.

The Hon. Mr. COOK then drafted the following resolution:—

"That, in the opinion of this Conference, it is highly desirable that South Australia join the other colonies in the Pacific cable project, and, having regard to their vested interests in the trans-continental line, Dr. Cockburn be invited to make a proposition on behalf of his Government embodying the terms on which they will be prepared to join the other colonies in the Pacific cable."

The resolution was put, when

The Hon. Mr. REEVES said: I should prefer "the South Australian Government be invited to state the terms." I think it should come from the Government.

The Hon. Dr. COCKBURN: How would it do to have a general resolution of this kind:—

"In the event of the Pacific cable being constructed, and South Australia becoming one"—[Mr. DUFFY interpolated something]—"that the Conference agrees either to take over the line or give a guarantee."?

The Hon. Mr. REEVES said the resolution should be a definite one. It is a subject of considerable importance to the various Governments, and before they can make up their minds they must have details which we have not got.

The Hon. Mr. COOK: If Dr. Cockburn made a proposition we would not come to any definite decision with regard to details, but only lay down an equitable principle in proper language.

The Hon. Mr. REEVES: There is this difficulty in taking the general principle: when once you get into any kind of details, such as taking over the line or giving a guarantee of revenue, though they are broad and simple ones, they take you away from the general principle. It would be a question whether my Government could go into that without more information before it. We should want to know what we are called upon to guarantee.

The Hon. Mr. DUFFY: We ask Dr. Cockburn to make a proposition. Then we should get further details, particulars of expenses, &c., and then give an answer.

The Hon. Dr. COCKBURN: If the resolution is carried in that form, it will make my task in persuading the Colony to join in more difficult.

The Hon. Mr. COOK: Asking you to name your own terms make it more difficult?

The Hon. Dr. COCKBURN: Yes; it would look as if the Colonies are not occupying as friendly an attitude as our people anticipated. South Australia has always been under the impression that the other Colonies would, quite apart from her joining in this cable, consider her position, and, in the event of the Pacific cable being constructed, would guarantee her against loss. We have always been under the impression that the other Colonies would do that unconditionally. If not, and they would only do it as part of a condition, it would make it much more difficult for me to put it before them. Did not Lord Jersey say something in his Ottawa Report? Give me a few moments to look it up. (Pause.) Mr. Playford says if the cable is to be subsidised our position is to be taken into consideration. He was not going to stand in the way.

The Hon. Mr. COOK: That is precisely the proposition we are making now, in other words. Mr. Playford said he would not stand in the way if the peculiar circumstances of his Colony were taken into consideration. We say now, "come in with us and we will stand in with you."

The Hon. Mr. THYNNE: The making good any loss consequent on the construction of the new cable was what Mr. Playford meant, as I think he was generally understood. If there is any falling-off by reason of the new cable, South Australia should be assisted in some way if she comes in.

The Hon. Dr. COCKBURN: As I stated, South Australia is desirous to come in, though it was formerly understood that she would not be expected to contribute; at the same time, I desire to have some earnest that her position would be considered, and it would be easier for me to get consent to contribute if a proposition were made in the direction that the Colonies would be willing to make this concession to South Australia. Only I prefer that that proposition should come first and my statement afterwards.

The Hon. Mr. COOK: We say here, we want you in and ask you to state your terms.

The Hon. Dr. COCKBURN: Well, then, is the Conference willing that an opinion should be expressed that in the event of South Australia coming in, the guarantee would be given?

The Hon. Mr. DUFFY: We are willing enough to give it if it means, in a business point of view, a reasonable thing. It is not a question of making anything out of the transaction, but of not losing too much, for the present condition of our finances will not allow it. If it is shown to be likely to amount to a reasonable sum, I would have no hesitation in recommending my Government to do it.

The Hon. Mr. COOK: Let me understand you. I would not ask our Treasurer to pay this amount irrespective of the other project. Whatever is paid here will be part of the project.

The Hon. Mr. DUFFY: We will lose *something*, certainly. (Long pause.)

The Hon. Mr. COOK: I think if we pass this and telegraph it over—

The Hon. Dr. COCKBURN could not see any good object to be gained.

The Hon. Mr. COOK: We make no stipulation.

The Hon. Dr. COCKBURN: It means this, an outsider would say: "the idea that South Australia has always had with regard to the attitude of the other Colonies towards her transcontinental line is a myth;" that they are only prepared to consider her interests if advantageous terms can be made for the future. That is the way I should read it.

The Hon. Mr. COOK quoting: "Having regard to their vested interests in the transcontinental line." Can that be interpreted in that way?

The Hon. Mr. REEVES: I do not feel inclined to force (using the word only in an amiable sense) Dr. Cockburn's decision by repeated argument or hurrying at this moment. It seems to me absolutely inevitable that South Australia must come in, and it will be to her advantage. If her representative feels doubtful on the point, I do not feel disposed to urge it.

The Hon. Dr. COCKBURN: I have already stated that South Australia desires to come in.

The Hon. Mr. COOK: Then where is the trouble?

The Hon. Mr. REEVES: Of course it must be a question of terms.

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The Hon. Mr. COOK: It looks like this—is not this Dr. Cockburn's attitude—supposing his Government decline to come in, he wants an expression of opinion that we are still prepared to give South Australia something?

The Hon. Dr. COCKBURN: No; because I said if the resolution is carried I would pledge myself so far as possible, that is, my Government, to come in.

The Hon. Mr. COOK: I am strongly of opinion that if the matter goes over, and the other four colonies go into the project, it would be very difficult for you to come in afterwards.

The Hon. Dr. COCKBURN: If it is carried, what is your intention?

The Hon. Mr. COOK: It is expressing our wish that you should come in.

The Hon. Dr. COCKBURN: On this being carried, I say that the condition on which South Australia would come in would be that her hopes in the past as regards the attitudes of the other Colonies would be realised; that is, they agree either to guarantee—

The Hon. Mr. COOK: You see the position; you have something to part with; surely you can say what you value it at. Until we know what your idea is about it it is useless for us to make a proposition.

The Hon. Dr. COCKBURN: When will this proposition be made?

The Hon. Mr. COOK: I candidly confess I do not think it ought to take many hours to fix a broad proposition, which would serve as a basis for discussion. (Long pause.)

The Hon. Dr. COCKBURN: Well, would this be an acceptable proposition—that a guarantee should be given to South Australia that when the Pacific line is constructed, her receipts from her line would not be allowed to fall below the average (say) of the last five years?

The Hon. Mr. DUFFY: We would like to know what that is: we could not bind our Governments without.

The Hon. Dr. COCKBURN: Yet you are asking me to bind mine. (No, no.) You can never know when you give a guarantee what you are pledging the Colony to; you don't know whether there will be a loss, or how much.

The Hon. Mr. COOK: Supposing you have—You have been making at least 5 per cent. on your line—

The Hon. Dr. COCKBURN: The returns this year have certainly been better.

The Hon. Mr. COOK: You are making between 5 and 6 per cent.—

The Hon. Dr. COCKBURN: No; there have been only two years when there has not been a dead loss.

The Hon. Mr. COOK: Oh yes, I say you are. Can you expect us, if that line has reached paying point, and there is a prospect of its continuing to pay 5 per cent., to guarantee that percentage if we can get money at 3 per cent. Would not the point of equity be reached if you had a guarantee of current interest?

The Hon. Mr. THYNNE: I think at the present time that is more than any of the Colonies would be prepared to do on the outlay. It could not possibly be considered worth anything like that.

The Hon. Mr. COOK: I am speaking of the valuation, whatever that may be—

The Hon. Mr. THYNNE: I think his suggestion was, that the revenue has been so much during the last five years—would we guarantee to South Australia that she shall lose nothing of that traffic? That is, guarantee that her revenue shall not be reduced.

The Hon. Mr. COOK: I say it would not be fair to guarantee that return. With less business the expenses would be less also. If present revenue were guaranteed and the expenses decreased, a handsome profit would result. That would not be fair. We only want to prevent a greater actual loss.

The Hon. Dr. COCKBURN: There have been two years in which there has not been an absolute loss, taking interest and working expenses into account—this year, and another year some time back.

The Hon. Mr. COOK: Averaging the years, you want to be guaranteed against loss; that point is reached when you get current interest.

The Hon. Dr. COCKBURN: Current interest would hardly do; we should want interest and working expenses.

The Hon. Mr. COOK: I am speaking of the net returns; the interest on the loan should be guaranteed.

The Hon. Mr. DUFFY: And working expenses.

The Hon. Mr. COOK: What do you mean by the two years' return. Gross monetary return?

The Hon. Dr. COCKBURN: I say that, except for two years, taking the interest on the line and working expenses as our expenditure, and the revenue from the line as our receipts, in every case the expenditure and interest have exceeded the receipts of the line.

The Hon. Mr. COOK: And now the return is $5\frac{1}{2}$ per cent.?

The Hon. Dr. COCKBURN: For this year only. We only ask for a guarantee of the average for five years, which would not give that return. I throw in three lean years and two fat years. We don't want to make a loss.

The Hon. Mr. THYNNE: The cable traffic at the present time all goes over this line, it is the only business our cable would affect, and some assurance is wanted that the amount of her receipts from this cable traffic shall not be reduced.

The Hon. Mr. COOK: No, that is what I say would not be a fair basis. Supposing a certain amount of business is now done: in future expenses will be very much reduced, and if they are making 5 per cent. now and the present receipts are guaranteed, it might mean 7 or 8 per cent. on the undertaking. All they want guaranteed is that they will not lose. That is reached when the working expenses are paid, depreciation accounted for, and interest provided. To calculate on the same receipts as now would be absolutely unfair: that would put their profit up considerably.

The Hon. Mr. THYNNE: I don't propose they should always be guaranteed the same general receipts. We should have to find out their cable traffic and calculate on that.

The Hon. Mr. COOK: It seems to me it is a simple matter. Pay the expenses of working the line, and pay current interest on it.

The Hon. Dr. COCKBURN: Last year, our revenue was £43,926; working expenses, £18,280; annual interest on loans, £24,703; making a total of £42,983. Showing a gain, but in other years (which Dr. Cockburn gave) there had been losses in some cases up to £12,000 and £14,000.

The Hon. Mr. DUFFY: What interest do you pay? It must be very high.

The Hon. Mr. REEVES calculated it must be more than $4\frac{1}{2}$ or $4\frac{3}{4}$ per cent.

The Hon. Mr. COOK: It would be better to take it over and get the money at $2\frac{1}{2}$ per cent.

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Some conversation ensued which it was impossible to catch, Dr. Cockburn referring to some papers mentioned the sum of £332,000—"exclusive of guarantee"—"in round figures, £32,940"—&c. Mr. Cook asked something concerning a guarantee. Mr. Reeves asked the total loss on the last five years, &c.

The Hon. Dr. COCKBURN continued: Well now, is this proposition intended to stand as "Dr. Cockburn," or "the South Australian Government": and what terms do you expect me to state? I have already suggested that you guarantee us on something like our present basis for the last five years. I think that is a fair thing. We want to feel assured that the Pacific cable will not land us in a bigger loss than the average loss for the last five years.

The Hon. Mr. COOK: With the option of taking it over?

The Hon. Dr. COCKBURN: I would like to consult my colleagues before saying that. It is a big question, and I would not like to say that right out. You see, it is a question of policy, as a portion of the line belongs to our local telegraph system, and it might lead to complications.

The Hon. Mr. COOK: Can you tell us how much of it belongs to your telegraph system? You may consider your proposition in regard to this line a very handsome one; here is part of it, the main trunk of your telegraph system, and you are proposing to add to it the cable receipts of other colonies.

The Hon. Dr. COCKBURN: Yes, but there is very small local traffic.

The Hon. Mr. COOK: It would have to be there if there were not the cable line to carry the traffic.

The Hon. Dr. COCKBURN: But not maintained on anything like its present scale.

The Hon. Mr. COOK: It was constructed originally to open up your country?

The Hon. Dr. COCKBURN: I hardly think the Northern Territory existed in name twenty-four years ago—at any rate, there was little settlement there.

The Hon. Mr. COOK: Well, gentlemen, what do you say?

The Hon. Mr. DUFFY: Where are we exactly? Suppose we do not do anything until Dr. Cockburn gives us in the morning a formal statement what he is prepared to do?

The Hon. Mr. REEVES: I feel the position of New Zealand a little difficult. Of course, I am perfectly prepared to go as far as voting for a general resolution that an equitable concession be granted to South Australia. I think she is entitled to it; but if we are to go and pin ourselves to specific details here, and recommend our Governments (Mr. Cook: "That pins us."), and if there is to be a reservation as to the terms on which South Australia comes in (and we have an intimation from her delegate that she is not likely to come in on equal terms, even after we have made this proposition), then the question must be seriously considered. I have no objection to vote for the general resolution, that some equitable concession should be given. But at the present stage, I am not prepared to say how much further I will go after what we have heard.

The Hon. Dr. COCKBURN: Has the question of the basis of contribution been discussed before? You must acknowledge it is a new departure.

The Hon. Mr. COOK: It is that point of it which is the inducement to us to turn to you.

The Hon. Mr. DUFFY: Of course, if it is going to be a success, it does not matter.

The Hon. Mr. COOK: Read the resolution,—

"That in the opinion of this Conference it is highly desirable that South Australia join the other Colonies in the Pacific cable project, and having regard to their vested interests in the trans-continental line, Dr. Cockburn be invited to make a proposition embodying the terms on which the South Australian Government would be prepared to join the other Colonies in the said project."

The Hon. Mr. REEVES: I am prepared to support that. Messrs. Thynne and Duffy voted, "aye." Dr. Cockburn did not vote. The resolution was *carried*.

On the question of proceeding with further business, Mr. REEVES said the question of appointment of delegates might lead to some lengthy discussion, and after an opinion had been given against any information being supplied to the Press, the Conference adjourned at 6.15 p.m.

SATURDAY, 18 JANUARY, 1896.

The Hon. Mr. Cook took the chair at 10 a.m. On the minutes being read by the Secretary,—

The Hon. Mr. DUFFY said: Do we want that telegram in the minutes from Sir John Forrest?

The Hon. Dr. COCKBURN: I seconded the resolution with regard to the route, but then, and on other occasions, I expressed the opinion that when you are appointing the Commissioners it was not desirable to tie their hands. I should like that entered also.

The Hon. Mr. DUFFY: You seconded it as a matter of courtesy.

The Hon. Mr. COOK: Put my name to it instead; it is my suggestion. (The delegates agreed to the alteration.)

The Hon. Dr. COCKBURN: And is this not a little stronger than you intended? (Understood to refer to the route.) It was understood we made suggestions: these are rather directions.

The Hon. Mr. DUFFY: I understood the whole thing was only an expression of opinion.

The Hon. Dr. COCKBURN: Still it ties down the representatives.

The Hon. Mr. THYNNE: This will be a record; it is only "in the opinion of the Conference." I suggest that we add these words to each one.

The Hon. Mr. COOK: It is only an expression of our opinion.

The Hon. Dr. COCKBURN: Yes, with the information we have at hand; but the Commission will have much further information, later and more complete.

The Hon. Mr. THYNNE: We want the Commission in England to have the ground clear from all conflicting local interests. We ought to settle our differences here as far as possible, leaving the Commission to understand that these are the compromises the Colonies make between themselves.

The Hon. Mr. COOK: There is plenty for the Commission to do in adjusting international differences.

The Hon. Mr. DUFFY: These are only suggestions that embody our ideas up to date: we do not bind them down at all.

The Hon. Mr. THYNNE: We are in a different position from Canada and Great Britain, who can each say to their representatives, "These are our views;" but we are a number of different Governments meeting together with a view to coming to an understanding.

The Hon. Mr. COOK: I thought we discussed that before.

The Hon. Dr. COCKBURN: All right.

The PRESIDENT indicated that they had adjourned the previous day on the understanding that Dr. Cockburn would submit an offer from his Government *re* joining in the cable: The

The Hon. Dr. COCKBURN: I am prepared to say that South Australia will be willing to join in the undertaking or project provided that she is guaranteed either from the Colonies interested alone, or jointly with the Imperial Government, that she will not be placed in a worse position by the rival route.

The Hon. Mr. DUFFY: Will you formulate that in writing?

The Hon. Mr. COOK: I see difficulties in the way of saying that the receipts will be maintained on the basis of the last five years; if half the business is taken away, the working expenses will not be the same.

The Hon. Dr. COCKBURN read the statement which he had put in writing, and which appears in the minutes:—

South Australia is willing to join in the project provided that a guarantee, either from the contributing Colonies alone, or jointly with the Imperial Government, be given; that the financial position of South Australia as regards the Port Darwin line be maintained on the basis of the average of the last five years.

That will provide that if there is any falling off in the working expenses, that will be taken into account. We do not want to be placed in a better position; it never struck me that it could be open to that interpretation.

The Hon. Mr. COOK: I have drafted a resolution on the offer of Dr. Cockburn:—

In consideration of South Australia joining equally with the others in the Pacific cable project, they will be prepared with other countries interested, namely, Great Britain and Canada, to guarantee that Colony against actual loss in connection with their transcontinental line:

The Hon. Dr. COCKBURN: You cannot expect Canada to contribute.

The Hon. Mr. DUFFY: Great Britain.

The Hon. Mr. THYNNE: My idea is that we ought to keep that as a local matter.

The Hon. Mr. COOK: I do not think so. I do not think the Imperial Government will make any bones about it at all, nor will Canada.

The Hon. Mr. REEVES: I do not think I would suggest putting in Canada; if there were any question, for example, of Canada having a line with Europe on which there might be a loss, we should certainly object to guarantee anything there, and the position is rather similar. I think the Imperial Government should help, though I do not know whether it will. I understand they have expressed some opinion that they would not be prepared to join in any schemes of compensation.

The Hon. Mr. COOK: I do not think Canada would make the slightest demur. It would be a matter of deliberation between the three countries. I do not see that we should do any harm in asking for it.

The Hon. Mr. DUFFY: Leave out Canada, as that seems to be the opinion of the delegates.

The Hon. Mr. COOK: Very well; I think you are making a mistake. I think Canada would join us more readily than you think; in fact, I am sure she would. Well, I am prepared to move that.

The Hon. Dr. COCKBURN: None of us want to make things appear other than they are. Of course, I am here representing South Australia, and I speak with all the force that a representative can—but not with more force than that—and, I think, this motion, No. 5 of yesterday, would make it appear more than that. I think it better to say “the representative of South Australia be invited to make a proposition embodying the terms on which South Australia would join.” I think that makes it appear that I bind myself and my reputation; but that is all I can do. I cannot give occasion for a law-suit. It makes it appear a little more than it really is. The general opinion was that South Australia should be indemnified against further loss; it never meant against loss in the past; I do not want to strain that to my own advantage. Why go away from the present basis in giving the guarantee? Of course, this is an exceptional year; last year there was a big loss.

The Hon. Mr. REEVES: There will be a loss of £8,000 or £9,000 a year when the other cable is constructed, possibly £12,000 a year. It may possibly be £2,000 a year for each of the Colonies.

The Hon. Dr. COCKBURN: Let us place our difficulties before one another. I think we had better have a discussion on this question of equal subsidies. I see a great difficulty. Let the Colonies primarily interested in this cable make any arrangement they like; but to lay down as a principle, touching the contributing Colonies generally, that subsidies are to be equal, and not proportionate to population, is a departure from every understanding that has hitherto obtained in the way of jointly bearing cost, and it appears to me will stand very much in the way of all future federal undertakings.

The Hon. Mr. DUFFY: This is not a guarantee.

The Hon. Dr. COCKBURN: It is practically the same thing as entering into any joint undertaking, and what is the index of the capacity of any Colony in bearing any burden, whether guarantee, or subsidy? It is its population, and all our arrangements have been on that basis; and it would be a very dangerous thing, and prejudicial to any further undertakings, if, when any federal action is mooted, you start with a discussion whether the contribution is to be per Colony or per head of population. The Federal Council contribution was based on the same understanding, and, in the matter of the subsidy to the Australian Squadron, it went without saying that contributions should be on the basis of population.

The Hon. Mr. COOK: May I remind you that you always argued in an exactly contrary way at federal conferences? You are now arguing for unification. Ours is the truly federal proposition.

The Hon. Mr. DUFFY: Do you pay the Imperial Government and Canada on the same population basis?

The Hon. Dr. COCKBURN: I am talking of what has been done in the past, and is likely to be done in the future.

The Hon. Mr. COOK: I have no hesitation in saying that South and Western Australia, when this cable is constructed, will derive a great deal of benefit from it, because, for the first time, the gold-fields of Western Australia will be put into direct and cheap connection with America.

The Hon. Dr. COCKBURN: That is a statement; I wish I could see it in that light. However, we are not arguing that point. I am simply arguing that this idea of contributing on a population basis has hitherto been always recognised and understood, and any departure from it will stand in the road of federal undertakings in future. It is easy to see that if an example is once set the question will always be raised, on what principle are the Colonies coming into partnership—as Colonies, or on the number of population?

The Hon. Mr. COOK: It is a point we often do raise, and have to go under. Witness the Federal Senate. Besides, it could be quoted against South Australia that the other Colonies have been specially generous to her:

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The Hon. Dr. COCKBURN: Well, it appears to me that this raises difficulties which will be found to be great impediments in the future, and surely the idea is not that by laying a new cable the concert of Australia in telegraphic affairs is to be destroyed. I presume the Pacific cable will be looked to as serving jointly the interests of all Australasia, and that all the Colonies would like to have a share, but if it is understood that Tasmania, for example, was to join equally with the other Colonies, you set down a principle which at once and for ever debars her taking any possible part in such an undertaking. And I do not think this should be done.

The Hon. Mr. COOK: I tell you what; we will leave out this question of the transcontinental line—that is your own affair. Let us start free of it, and then we might agree to the population basis.

The Hon. Dr. COCKBURN: My argument is that in all these matters Australia should be one—not divided in interest. Then, is it not a mistake to lay down a principle which for ever precludes the possibility of their being one? Our case is a special one, but that does not entitle us to less consideration.

The Hon. Mr. COOK: It does not govern future action at all, if it is to be a special one.

The Hon. Dr. COCKBURN: I am not talking on behalf merely of South Australia, but of all the other Colonies.

The Hon. Mr. COOK: If it is a special matter it does not govern future action at all.

The Hon. Dr. COCKBURN: But it is a precedent as to the manner in which other Colonies are to join in action.

The Hon. Mr. REEVES: I think it is *apropos* of this that I ought to tell the Conference of a communication I got from my Government this morning. I cabled to Mr. Ward yesterday, as I said I would, with regard to the terms on which New Zealand could come in as a contributing Colony. He replies that of course it would be very disadvantageous to us to come in on an equally responsible footing with the other three Colonies; at the same time he would be prepared to give way, and do so, annexing, however, the stipulation that Victoria and New South Wales should join with us in facing any possible loss on the present cable.

The Hon. Mr. DUFFY: Thank you.

The Hon. Mr. COOK: It would not take us—me at any rate—very long to decide that matter.

The Hon. Dr. COCKBURN: You are making tremendous difficulties.

The Hon. Mr. DUFFY: There is no chance of Victoria coming in at all, unless on an equally responsible basis. (Long pause.)

The Hon. Mr. COOK: Well, that raises the whole question again.

The Hon. Dr. COCKBURN: It is the largest question that has ever been raised in any federal undertaking.

The Hon. Mr. REEVES: I did not know what communications passed between the three gentlemen, or any representative of theirs, who met in Sydney and our Government in regard to this Conference, but when I left, Mr. Ward did not think this would come up, so he naturally sent me here without any information on the point. He told me distinctly the Conference was going to discuss two points: the cable route and the appointment of delegates. I came really expecting that the Conference would address itself to these two points, not on this contribution matter. I wired last night to Mr. Ward. That is how the matter stands.

The Hon. Mr. COOK: We stand in this position. Both Victoria and New South Wales came into this project, not because there was any intense feeling throughout the community that we ought to, or to gain any pressing commercial advantages. In that respect we are different from both Queensland and New Zealand. We came in without stipulation or reservation of any kind, and I do not see that the Colonies more directly interested should raise all these objections, trying to saddle the two older Colonies who are coming in purely on federal lines, for international purposes, with unequal responsibilities. I think we ought to meet fairly.

The Hon. Mr. DUFFY: My Government will have the same difficulty in this matter. We do not care two straws whether the cable is constructed or not, we come into it with a patriotic sentiment and a federal idea. It may benefit the whole of Australia, but we have a very fair cable service at present, efficiently conducted and not much too dear. Nevertheless, we are willing to come into this project on a fair basis, that is an equal one. Dr. Cockburn mentions Tasmania—well, it might fairly be made an exception, it is a little place outside Australia altogether, its telegrams are of little value—a few hundreds of pounds—so I think we might make it a negligible quantity altogether. But as far as the grown-up Colonies are concerned, it should be a *sine qua non* that they should enter on equal terms. We are entering on a large commercial and industrial undertaking, which we hope will be a success. We do not speak to Great Britain and Canada about a population basis, but of equal shares. I think we might fairly say, as Queensland has generously waived any claim to the idea of a population basis, and has offered to take her fair burden the same as the other Colonies, that South Australia should take the same view. I never dreamed New Zealand would want anything else; we are making her special concessions on account of her geographical position, but we never dreamed she would hesitate about coming in on equal terms. Dr. Cockburn's position is difficult, but I hope, as we are meeting here to deal with the matter fairly, and let us say generously, that he will see his way to see with us in the matter. It should not, and need not, form a precedent. (Dr. COCKBURN: That is always said, "it will not form a precedent.") Victoria has had little consideration in the past, and I think we are entitled in these days to a little fair play. Let some of the other Colonies help us a little bit.

The Hon. Dr. COCKBURN: I do not want the impression to gain either here or anywhere else that any difficulties are being raised by me, or any attempt being made to saddle the larger Colonies with anything unforeseen. It appears to me that it is the other way, this is something altogether new: it is not raised by South Australia or New Zealand, but by others, and it is altogether new to us, and it must be confessed that nothing of this sort has ever been mentioned directly or indirectly at any previous conferences, on this subject. I do not know whether it was mentioned, or even hinted at, in Canada.

The Hon. Mr. THYNNE: I do not think any discussion ever took place between the representatives of the Colonies as to any question of proportion. Perhaps Dr. Cockburn will allow me to say that this matter has come up in one or two different forms. In the first place, my Premier, Mr. Nelson, after thoroughly investigating all the information he could get about the Pacific cable, went so far as to advise his own Parliament that if the other Colonies did not co-operate, to take the responsibility of the whole third. (Dr. COCKBURN: The whole third?) Yes; and when we came to discuss the matter privately with Mr. Duffy and Mr. Cook, I stated on behalf of Queensland that we were prepared to take any reasonable part of

of the risk which they thought it a fair thing for us to take. Queensland has said it, and I expected New Zealand also would say that they are prepared to take their equal share with the other Colonies, and that is the reason why New South Wales and Victoria have taken up the matter so satisfactorily. If it had not been for that it would probably have been left for New Zealand and Queensland possibly to endeavour to get the cable constructed. Now four of the Colonies have combined to bring this matter before the Imperial Government, and have got a fairly satisfactory reply, and the present stage having been reached it is desirable that the Commissioners to be appointed for the Colonies should represent, if possible, the whole of Australasia. If the western Colonies do not see their way to come into it, the others will have to take their part and wait until those standing out intimate their willingness to co-operate. As to the amount of responsibility, what is it? The most extravagant calculation of the outlay is somewhere about £125,000 a year—principal, interest, and working expenses; of which it is proposed that 40 odd thousand be apportioned to Great Britain, the same to Canada, and the same to Australasia. And what is South Australia's share? The maximum would be £8,000 a year each, out of which come the share of the receipts from the cable. What is there to be afraid of? What is there in that little item for South Australia, Western Australia, and Tasmania to object to?

The Hon. Mr. REEVES: There is this, that I must respect the intimation of opinion from my Postmaster-General. I think it is a little unfortunate that we do not seem to have been prepared in all the Colonies to discuss this question at this Conference. I agree to a large extent with what Mr. Thynne has said, that the prospects of loss, of substantial loss, are comparatively remote. The standard of negotiation must be that of friendly settlement, a little give and take. But the position is, that my Government at this moment does not seem to be prepared to swallow the principle of equal responsibilities without some kind of *quid pro quo*, which Victoria and New South Wales do not seem inclined to grant.

The Hon. Mr. COOK: I do not, I say candidly. We give you the connections, and you take equal responsibilities.

The Hon. Dr. COCKBURN: I am placed in an unfortunate position. This is still more new to me. Like Mr. Reeves, I came here with certain indications as to the matters we were to discuss, but I wish I had known as much as the other Colonies appear to have been in a position to know. You place South Australia, and probably also New Zealand, in a very difficult position in inviting our attendance here to discuss certain questions which have been discussed before on a certain understanding, and then raising a question which has never been discussed publicly before, and it seems to me that it is placing my Colony at a disadvantage.

The Hon. Mr. COOK: Allow me to say that, wherever the idea has come from, we have always had an idea that New Zealand would willingly take an equal responsibility in this matter. I cannot say where it has come from, but there has always been that opinion.

The Hon. Dr. COCKBURN: There may have been communications from New Zealand (Mr. REEVES: "No!"), but there have been none from South Australia to that effect. It has always been recognised that the reason that Mr. Playford did not attend that deputation in England was because South Australia did not see that this was a matter necessitating the appointment of a Commission, and that was solely for the appointment of a Commission. I am sorry I have not been placed by my colleagues in possession of information on a question of this sort, which comes so completely new to me. Put yourselves in our position—the matter is not new to you; you have discussed it before, and possibly you cannot understand the difficulty and dilemma in which a person altogether ignorant of what has preceded is placed.

The Hon. Mr. COOK: We make every allowance for you; it is New Zealand we are surprised at. I told my Government repeatedly that the other Colonies respectively were willing to take equal shares in the scheme.

The Hon. Mr. REEVES: You will understand, while I regret that any obstacle should arise, I cannot take up an apologetic position on behalf of my Government, and do not do so, for I am totally unaware that any indication has ever been given by them that they would come in on your basis. I know nothing of the kind.

The Hon. Dr. COCKBURN: We all want to see business done; cannot we leave it open?

The Hon. Mr. THYNNE: If we leave this matter unsettled now, we may as well not do anything at all. If we cannot give some information to our Commissioners on this point, then you shift to London the whole burden of investigation, for one of the functions of that Commission will be the question of the apportionment of cost, and why should we refer to the Commissioners questions we ought to settle among ourselves? It means shunting the thing back here again, to be kicked about like a football, then another debate at a table like this two or three years hence. One of the functions of this Commission will be to prepare a Bill, to pass through all the different Parliaments, giving authority for entering into the liability necessary, and unless we give them our draft instructions, it would mean that the Commissioners in London would have to be continually cabling out to the different Colonies over questions, just in the way, perhaps, that South Australia and New Zealand will have to do now.

The Hon. Mr. REEVES: So the Commissioners will, surely; we are not binding our Governments over this. It will entirely depend upon the extent to which the proceedings of this Conference are ratified by the Governments.

The Hon. Dr. COCKBURN: We want to know more. The act of the Commissioners does not bind the Governments. If we were conversant with all the conditions, and able to take absolutely definite lines, the Commission would be a superfluity.

The Hon. Mr. DUFFY: We must see some *prima facie* chance of your joining in.

The Hon. Mr. REEVES: I think there is a *prima facie* chance. If we are not in accord on every point here, it does not mean that we shall never be so. I cannot believe it is impossible for four Governments to settle this question of the basis of contribution. I think they will say it will be possible, rather than see a magnificent project like this ruined. This question takes me absolutely, by surprise, and I tell you frankly I had no instructions on it.

The Hon. Dr. COCKBURN: We should make each step such as may form a basis for future operations. Do not despair because the common ground does not embrace everything at once. Let the Colonies who are agreed together express their opinion.

The Hon. Mr. COOK: That simply means waiving all this, then?

The Hon. Dr. COCKBURN: I am talking of that particular point.

The Hon. Mr. COOK: That point is the main point.

The Hon. Dr. COCKBURN: It does not necessarily involve all.

The Hon. Mr. COOK: Yes, it does.

The Hon. Mr. DUFFY: The word "equal" occurs.

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The Hon. Dr. COCKBURN: I have come here to discuss and act on behalf of my Government in certain things; but no representative can act in respect of new things altogether. I do not say what the attitude of South Australia will be on this subject, but it is one which —

The Hon. Mr. COOK: Your case is not the serious one—New Zealand's is the serious one; it is an attitude which I confess I did not expect would be assumed.

The Hon. Mr. REEVES: Well, as I was saying, the coming up of the whole question took me by surprise.

The Hon. Dr. COCKBURN: Why not record that the Colonies of New South Wales, Victoria, and Queensland are of opinion that the contributions should be equal from the various Colonies, and that the delegates of New Zealand and South Australia, not having previously considered the question, did not concur?

The Hon. Mr. REEVES: And we ask that our Governments be allowed a further opportunity of considering?

The Hon. Dr. COCKBURN: We want to consider. We know Victoria is behaving in a very generous manner unquestionably, so is New South Wales—she is more interested than Victoria, but not so much as Queensland.

The Hon. Mr. DUFFY: We do not blame you at all; we blame New Zealand. I understood Mr. Ward agreed to join equally in the project.

The Hon. Dr. COCKBURN: Do not let it appear that Mr. Ward is absolutely hostile to this.

The Hon. Mr. COOK: It is no use talking unless there can be some fair dealing. We come back to the old position, and will have to put in a claim to have the landing place in Sydney; we have almost equal claims with Queensland, but surrender the point to get it settled, and now you ask us to carry you further; we do not think it is fair.

The Hon. Dr. COCKBURN: No; we do not ask that.

The Hon. Mr. REEVES: We ask that my Government be allowed further time to consider; I cannot see why the Conference cannot allow this to go, and leave it for the Governments to negotiate; it is purely a domestic matter.

The Hon. Mr. COOK [*With map.*]: There is New Zealand standing alone; we are taking a special line down to her at a cost of £114,800 on purpose to get New Zealand in, and she wants us to give her further guarantees.

The Hon. Mr. REEVES: Our guarantee would be a pretty heavy one anyhow for our population, and if you left New Zealand out it would not be an Australasian cable.

The Hon. Mr. COOK: No, it would be an Australian one.

The Hon. Mr. REEVES: I did not expect this to be the main business of the Conference. It seems to me it should be a matter of negotiation between the Governments. But it is not necessary to make a dead stop now just because New Zealand will not agree to come in on an equal basis.

The Hon. Mr. DUFFY: It is a curious combination—the Colony least interested and the Colony most interested will not come in.

The Hon. Dr. COCKBURN: You have discussed it before.

The Hon. Mr. COOK: This thing has been thrashed out with Mr. Ward, I understand.

The Hon. Mr. REEVES: I am not aware of that.

The Hon. Mr. COOK: Mr. Ward made a very astute bargain with us before, and he wants to make further good terms.

The Hon. Mr. REEVES: I have read Mr. Ward's speeches very carefully, and I do not see the faintest indication of the equal basis anywhere.

The Hon. Dr. COCKBURN: It has never been expressed or understood in any way whatever.

The Hon. Mr. COOK: Queensland recognises that they are getting some advantage in getting the landing place. I think we had better have a specific resolution on this matter of the contribution part from South Australia—take a vote on it—those who are not prepared to vote, let that be attached to the resolution.

The Hon. Mr. DUFFY moved,—“That the Colonies joining contribute equally to the undertaking.”

The Hon. Mr. THYNNE seconded.

The Hon. Mr. COOK: If New Zealand and South Australia do not agree, how shall we put it?

The Hon. Dr. COCKBURN: I do not say we agree or disagree, but as this is a new question, and never been considered by my Government, and a departure from all their recognised modes of undertaking federal affairs, and as it might be a bar to the facility with which they should be undertaken in future, I should like time to further consider it.

The Hon. Mr. COOK: Mr. Reeves has to go to-morrow—if he could stay over till Monday I would prefer postponing it.

The Hon. Mr. REEVES: My steamer leaves Brisbane on Tuesday.

The Hon. Mr. THYNNE: I think you could catch her at some of the ports by staying for the “Wodonga.”

The Hon. Mr. REEVES: I do not care to risk it. I shall simply not record my vote against it, so as to leave my Government a free hand, and will communicate the temper of the Conference and the gist of the opinions expressed by the Conference to my Government in writing.

The Hon. Mr. DUFFY: And the record will be that this was moved, and seconded, and carried—the representatives of South Australia and New Zealand refraining from voting pending further instructions.

The Hon. Dr. Cockburn and the Hon. Mr. Reeves appeared to assent to this, without saying anything.

The resolution was carried. Hon. Dr. Cockburn and Hon. Mr. Reeves refraining from voting.

The Hon. Mr. COOK: Now to deal with this resolution:—

“In consideration of South Australia joining equally with the others in the Pacific Cable project, they will be prepared, with other countries interested, namely, Great Britain and Canada, to guarantee that Colony against actual loss in connection with their transcontinental line.”

The Hon. Dr. COCKBURN: With regard to this question of contribution, say “the terms on which South Australia would be prepared to join”—strike out the word “equal,” and use the word “join.” The resolution is already recorded, then we get common ground; the voting explains the position.

An alteration was made in the wording of the resolution, which was moved by the Hon. Mr. THYNNE, and seconded by the Hon. Mr. DUFFY, and put by the Chairman. The

The Hon. Mr. REEVES : I vote for that. Of course I may receive some instructions about it during the morning from my Government, but I take the responsibility meantime of voting for it.

The resolution was carried.

The Hon. Dr. COCKBURN : May I ask—it is not much difference—instead of “on behalf of his Government,” put (in yesterday’s resolution) that “Dr. Cockburn be invited to make a proposition embodying the terms on which South Australia would be prepared to join the other Colonies.” It expresses as much as I can do. I do not want to appear to be doing more. This was agreed to.

The Hon. Mr. COOK : Now, there is the question of delegates—two have been asked for.

The Hon. Dr. COCKBURN : Well, I have instructions from my Government to ask for the appointment of a delegate to represent the position of the Western Colonies, not with a view of influencing the voting, but simply to secure the position of these Colonies being brought before the Commissioners, and I am requested, as you all know, by Sir John Forrest, to press this matter on behalf of Western Australia, which I am prepared to do to the utmost. I also make the same request from Tasmania. The interests of Canada and Great Britain in this matter are homogeneous. They are one Government each. Here we have a number of Governments; and it seems to me that there will be a difficulty in selecting two Commissioners who will be expected to speak from the various points of view of all the parties concerned. I therefore respectfully ask the Conference to take this request into consideration—which I am deputed by South Australia as well as the other two Governments to make—and grant it.

The Hon. Mr. DUFFY : I am afraid it would look awkward if Australia is about to federate and cannot agree upon the appointment of delegates.

The Hon. Mr. COOK : The reason given for the special representation of South Australia is, their special interests—the same would apply to all the others—therefore, I don’t think he should press that matter any further under the circumstances. There is no reason for getting a special representative.

The Hon. Dr. COCKBURN : I am very sensible of the manner in which the Colonies have viewed the interests and claims of South Australia, and I am very anxious to see the Conference unanimous. Has any proposal as to representation been made?

The Hon. Mr. COOK : I am glad to say we did talk this matter over, and Mr. Duffy and I are strongly of opinion that since the matter is a federal one, representatives of the two large Colonies should sit on the Commission, stipulating that on all important matters they should consult with all the Agents-General.

The Hon. Dr. COCKBURN : That is, that the Commissioners representing Australia should, as far as possible, be the mouthpiece of the combined Agents-General. That, of course, to a great extent provides for unanimous action.

The Hon. Mr. COOK : I take it we are settling up all our differences here beforehand.

The Hon. Mr. REEVES : Do you mean that this Conference should suggest to the Commissioners—should send a kind of suggestive mandate—that they should consult the combined Agents-General in London?

The Hons. Messrs. COOK and DUFFY : Yes.

The Hon. Mr. THYNNE : I may say when Messrs. Duffy and Cook met me here before I suggested the names of two gentlemen, not Agents-General,—Lord Jersey, who is well acquainted with Australia, and Sir Edwyn Dawes, the latter a well-known financier, and a gentleman of great experience in large undertakings, such as the Suez Canal, of which he is Chairman.

The Hon. Dr. COCKBURN : Four names have been mentioned. Let it be distinctly understood before the personnel is agreed upon that they are to act in conjunction with the Agents-General, and to consult with them in reference to matters brought before the Commission.

The Hon. Mr. REEVES : I am indifferent on that point.

The Hon. Mr. THYNNE : Apparently my proposition is not received.

The Hon. Mr. REEVES : I would say at once it would suit our Colony perfectly—Lord Jersey and Sir Edwyn Dawes. I am prepared to support that.

The Hon. Mr. THYNNE : Men are wanted with special training in the management of large undertakings such as they have had. Those are the views of my Government.

The Hon. Mr. DUFFY : My Government is very strong on the point of the two Agents-General. They are capable men, in full touch with the Colonies, and if they are directed to consult with the Agents-General of Australasia, these would have control over them, which could not be in the case of Lord Jersey or Sir Edwyn Dawes. As regards Lord Jersey, he is an admirable man, but probably the Home Government will appoint him as one of their own Commissioners. Sir Saul Samuel and Mr. Duncan Gillies are familiar with the affairs of the Colonies, and the Parliaments of the Colonies have after all to be consulted over these things. It would facilitate matters if, when things are discussed, our interests are looked after by men in touch with ourselves. My Government is very strong about that.

The Hon. Mr. REEVES : Do we wish to interfere with the Commissioners after they are appointed, other than by general directions? They go in to probe matters to the bottom and give their own opinion.

The Hon. Mr. COOK : There will still be the acceptance or rejection after a scheme has been prepared. Supposing you have your own Agents-General to consult, you could say to them what you could not say to an outsider—“If this is carried in a certain way, we cannot join the undertaking.” If you had independent Commissioners who would be disposed to take an Imperial as against a Colonial view of a matter, it would be very much more difficult. That is the feeling. Imperial considerations may conflict with Colonial, and as the policies in that respect of England and the Colonies differ very materially on some points, it would be an advantage to have people directly under our own control to whom we can talk freely. Here is another reason—I put it to you in all candour: Sir Saul Samuel is now old; he has been there thirteen or fourteen years; he has done our business so splendidly that he has acquired a sort of proprietary right in his office;—it might be that younger men would have more energy, but it would not be a gracious action in his old age to snub him in any way, or to make an invidious distinction. We feel that if the matter were referred to the Agents-General themselves, Mr. Gillies and Sir Saul Samuel would be selected as being the senior.

The Hon. Mr. REEVES : The question is, are we called upon to decide on the ground of seniority? I would much sooner be in a position to talk on this matter without my remarks being taken down.

(Shorthand writer requested to stop note-taking.)

After a time,—

The Hon. Mr. THYNNE : To bring the matter to a point, I formally move, “That Lord Jersey and Sir Edwyn Dawes be nominated as the representatives.”

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The Hon. Mr. REEVES seconded.

The Hon. Mr. COOK: Put it "That Lord Jersey and Sir Edwyn Dawes be the two Commissioners in London."

(On a vote—2 for, 3 against.)

The Hon. Mr. DUFFY: And that they be requested in any important questions arising to consult with the Agents-General.

The Hon. Dr. COCKBURN read a telegram he had received from Tasmania *re* giving his vote on the appointment of the Commissioners. I recognise that the terms of the resolution moved by Mr. Duffy (providing that those who are appointed should take the opportunity of consulting with the other Agents-General) remove very much the difficulty I would otherwise feel in voting for it, and I am bound to be swayed by the mode in which the resolution has been brought forward, and the kindly feeling shown, and further, will admit the cogent reason that I see no prospect of the ideas of the Colonies I represent in this matter being met. I therefore support the resolution.

The Hon. Mr. COOK moved, and Mr. DUFFY seconded: "That Sir Saul Samuel and Mr. Gillies be appointed as representatives of the Australasian Colonies as delegates on the Commission in connection with the Pacific cable, and that they be requested to consult in all important points with the Agents-General of the other Australian Colonies."

The resolution was put.

The Hon. Mr. REEVES: I could not vote for that. I do not know what view our Government may take of our action here. Some may dissent. As a matter of courtesy, I think what we do here should be communicated to our Governments. Ought we to take upon ourselves the responsibility of sending these resolutions on to the Commissioners?

The Hon. Mr. DUFFY: Oh, no, no; that is not proposed. There will be another resolution that our Governments be requested to do that. Pass this first, then we can have another motion.

The Hon. Dr. COCKBURN: Will you allow me to record a motion to show those Governments with which I am not connected that I have at least not lost sight of their special mandate. Each has given instructions, and I would like to have a motion tabled that an additional Commissioner be appointed to represent the views of the Western Colonies; although I suppose it is no use asking for a seconder.

The main resolution (The Hon. Mr. Cook's) was then carried, and it was understood that the other delegates consented to record The Hon. Dr. Cockburn's motion *re* third Commissioner.

The Hon. Dr. COCKBURN submitted a resolution: "That the Commission be asked, in any recommendations they may make, to take into consideration the outlay incurred by South and Western Australia in providing telegraphic communication with the outside world." Sir John Forrest authorised me to represent Western Australia only on one point, but I do not think he meant—I do not want to take him absolutely at his word, especially as my own Government ask for consideration. Western Australia has certainly done something, though not as much as South Australia.

[The shorthand writer was asked not to take down remarks at this stage.]

Subsequently, The Hon. Dr. Cockburn's resolution was read.

The Hon. Mr. COOK: Is that necessary?

The Hon. Dr. COCKBURN: Well, I would like to move it; but if it does not meet with general consent I will not press it.

The Hon. Mr. THYNNE: What about communicating the results of this Conference to delegates?

The Hon. Mr. DUFFY: That should be done by the Governments when they are appointed. We will recommend that our suggestions be conveyed to our Governments.

The Hon. Mr. COOK: I think what is wanted is a short explanation or report—a sort of explanatory report, with the votes and proceedings.

The Hon. Dr. COCKBURN: And on the appointment of the Commission by the respective Governments, a copy of the proceedings of this Conference be furnished to them.

The Hon. Mr. COOK: We have to report to someone; that someone is our respective Governments, and we had better have an explanatory report.

The Hon. Mr. THYNNE: If you have a report of that kind, of course it would have to be brought up and considered.

The Hon. Mr. REEVES: I move, "That it be a recommendation to the Governments represented at this Conference to forward the foregoing resolutions to the Australian Commissioners."—Carried.

The Hon. Mr. DUFFY: What about the Press?

The Hon. Mr. REEVES: I suppose they ought to get the resolutions with some general statements.

The Hon. Mr. COOK: Ought they to get the resolutions? There should be a general statement. I would suggest that Mr. Duffy and Mr. Reeves—as two old pressmen—make out a statement.

The Hon. Mr. REEVES: The only thing is, I am very much pressed for time. I have to pack up for to-morrow.

Nothing definite was decided upon, and the Conference adjourned at about 12.30 p.m.

MONDAY, 20 JANUARY, 1896.

Hon. Mr. Cook took the Chair at 11 a.m.

It was decided that as the London Postal Authorities requested that all proceedings connected with the preparation of the invitation for tenders for the Federal Mail Contract should be considered as confidential, it was not expedient to admit the Press.

On the Secretary reading the minutes of Saturday's proceedings, conversation took place on several points, and some alterations were made. The minutes were then confirmed, *nem con*.

The Hon. Mr. COOK: Nothing remains but the consideration of these mail conditions. At the last Conference we made a number of stipulations with regard to the next contract; they were duly forwarded to London and considered there. In reply there came out on the 29th March last year a reply to the representations of the Hobart Conference. I see by a later letter from London that the only two points that now present any difficulty are the questions of cold storage and coloured labour. I think we are pretty well

well agreed not to insist upon the mail boats providing cold storage for Australian products. We recognise that England must have a large say in this matter as well as ourselves, she being the largest contributor and has a very strong feeling in the matter. Some of her arguments, no doubt, are very cogent—for instance, that in which she says she could not be expected to contribute towards the cost of carrying Australian produce. I think we might very well let that go by the board. With regard to the other matter, that of manning the boats with white labour only; that is one that does not present difficulties of the kind which the other does. The London Office goes into the question at some length, and makes, I may say, some rather sarcastic remarks. There is some fine irony in the sentence in which they “see a difficulty in defining the shade of colour which would render sailors eligible, &c.” I have only to say in reply to that that we are forced from our point of view to raise this question, and we are forced by reason that the shipowners themselves make a choice between the two kinds of labour. If they simply left the matter open and employed indiscriminately black or white labour as it came along, it would be different; but they themselves religiously exclude from their boats any white labour whatever so far as the lower class of labour is concerned. (Dr. COCKBURN: You don’t say the “Orient”?) I am speaking of course of the P. and O. Company only. So that while it may be a point of difficulty with the British Government, it is also a point of difficulty with regard to the Colonies. We are compelled to make a choice because the company, with the concurrence evidently of the British Government, makes a choice which involves the exclusion of white labor; and in self defence, and in justice to our own people living amongst us and subject to the same conditions of life as we are, I think we should simply say—“Since we have to pay these ships handsomely for carrying our mails, they should carry our own labour in preference to that which does not assimilate to our mode of life. That is my view of the matter, and I hold it very strongly.”

The Hon. Mr. DUFFY: Of course, the difficulty in this matter is that we are not the predominant partner. Not only is the Imperial Government the largest proprietor, but we are not even a united Australia ourselves, as Sir John Forrest takes the trouble to remind us by telegram. Mr. Eysh is indifferent in the matter, and I understand that Queensland is practically indifferent also. Only three Colonies, therefore—South Australia, Victoria, and New South Wales—take any real interest in the matter. No doubt in Victoria there is a very strong feeling held that owners of mail boats should not employ coloured labour, and strong prejudice is felt in favour of the Orient as against the P. and O. Company; and we are corroborated in the practicability of this course by the action Queensland has taken already. I understand they have a mail contract with the British-India Company, under which the Company is prohibited from bringing coloured labour into Queensland, and they arrange accordingly. They employ it in other contracts, but when sending ships to Queensland they don’t have a coloured crew on board. I don’t know if it would be practicable for the successful tenderer for the Federal Service to adopt such a plan. Of course, if we were conducting our own mail service, I presume there would be no difficulty about it; but we only take fifteen thirty-fourths, and England nineteen thirty-fourths, and even of that smaller part, fifteen thirty-fourths, only some contributors have an interest in this question. It is very difficult, and I am not prepared to say how far we should go. At present I think we ought to wait until we get the letter from England on which that telegram we have received is based. It says “letter following,” and it is this letter with full explanations which may place us in a better position to judge; but unless the arguments are absolutely overwhelming we ought to send a reply to the Imperial Government that certain Colonies must insist that coloured labour must not be employed, or if it is we fear there will be a difficulty with our Parliaments in getting the necessary votes passed. I understand Queensland is prepared to back up the other three Colonies as regards that proceeding at all events.

The Hon. Mr. COOK: I would like to say what I omitted a moment ago, that I have just concluded an agreement with the Canadian Pacific Company, owned by Mr. Huddart, and in that agreement it is stipulated clearly that no coloured labour shall be employed, and I may say that Mr. Huddart cheerfully assented to that.

The Hon. Mr. THYNNE: It seems to me that there should be no difficulty whatever in any contract in which the Colonies have a controlling power in making such a stipulation, and it is in accordance with Australian sentiment that it should be observed. As stated by Mr. Duffy, in our contracts we have had that stipulation for many years, and in our negotiations for a renewal of the agreement as a refrigerating cargo service the same stipulation is inserted. Our Government would like to see the stipulation applicable to the Suez mail contract if it could possibly be done. Where we are lukewarm is not in the desire to have white labour employed, but in the belief that we are at all likely to succeed in getting the Imperial Government to consent to such a stipulation being inserted. We have already pressed the matter strongly on the Imperial Government, and they—although we have not yet received their full explanation as to the reasons why they refuse—we can quite see that the Imperial Government are in a difficult position, having its duties to a large number of subjects who are not white, and to whom they owe care and attention just the same as to the people of our own race. They no doubt are embarrassed with this question, and it is a matter for us to consider how far we should press upon the Imperial Government the insertion of a clause which would greatly embarrass them. That is the view which I expressed on behalf of the Queensland Government, and which I think I conveyed to the meeting of Postmasters-General which I attended at Adelaide last year. (Mr. Thynne here read a copy of the letter which he had written to Dr. Cockburn in June last, relative to the manning of mail boats by white labour, and hoping that the British Government would waive its objections in the matter.) I think that, Mr. Chairman, expresses the views which my Government holds in this matter, and which have been, I believe, communicated to the Agent-General in London in some correspondence. I should be very glad if you think there is any possibility of succeeding, to support you in this question.

The Hon. Dr. COCKBURN: It is with regret that I see no prospect of carrying out the wishes of South Australia, and of several other Colonies, in reference to cold storage, but I recognise difficulties in the way of this. There is no unanimity on the part of the Colonies; there are difficulties from the Imperial point of view, and, more than that, the requirements of the Colonies in this respect are from time to time being met by other than the mail boats, which of course alters the aspect of the case which it assumed at previous Conferences. I am reluctantly bound to admit that we cannot further press the question. About the coloured labour question, I think the best interests of the Imperial Government, the Colonies, and all English-speaking races, are identical in this matter, and I certainly think we should relax no effort to obtain the retention of this clause. (Mr. DUFFY: Hear, hear.) That is the opinion strongly held by South Australia; in fact, I raised the point at the New Zealand Conference, and supported the Chairman when

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he went into it still more fully at the Hobart Conference. Of course, as the Conference is aware, I have also to place before it that Western Australia does not share these views, and in recording my vote according to the commissions placed in my hands by Sir John Forrest, I shall record the vote for Western Australia in favour of the view expressed by the British Post Office, but at the same time for South Australia in the other direction.

(Some conversation ensued as regards the telegram from the London Office requesting a reply by telegraph.)

The Hon. Dr. COCKBURN: I should like to remove some misapprehension which may possibly have arisen in regard to the wording of that telegram. It reads, "Please telegraph acquiescence." Those are the words of the British Post Office, not my own. I never heard till yesterday that there was any ambiguity. I forwarded it on in the first instance with no comment, merely for circulation to all concerned. I was surprised when I heard that Queensland read those words as coming from myself.

A resolution was then drafted by The Hon. Mr. Cook, who remarked that Mr. Reeves had authorised him to record the New Zealand vote. When the resolution was finally revised by the delegates, it was read by the Chairman.

The Hon. Dr. COCKBURN: Wait a minute; I don't quite know what to do in regard to Tasmania.

The Hon. Mr. COOK: I have a similar telegram from Mr. Fysh regretting he could not accept our invitation, and instructing you to represent that Colony.

The Hon. Dr. COCKBURN: I am not very sure how strong their attitude was.

The Hon. Mr. DUFFY read a telegram from Mr. Fysh, remarking that they did not seem inclined to fight.

The Hon. Mr. COOK: You are quite safe in holding up your hand against it.

The Hon. Mr. DUFFY: Western Australia is distinctly adverse.

The Hon. Dr. COCKBURN: If I place on record that Tasmania is in favour of acquiescence in the views of the London Post Office, and that Western Australia desires her vote to be recorded against the resolution—

The Hon. Mr. DUFFY: This is quite confidential—you have only to report that it was carried, and Western Australia dissented.

The Hon. Mr. COOK: Just say "carried."

The motion was then put:—

"This Conference having considered the reply of the London Office to the stipulation of the Hobart Conference, with regard to the manning of the Mail Boats by white instead of coloured labour, recognises fully the force of the reason given by the Imperial Government against insisting on the exclusion of coloured labour, viz., the necessity of discriminating between various classes of British subjects; but in reply would respectfully point out that by some Steamship Companies the labour of the contributing Colonies is excluded from employment, and an invidious preference given to the labour of countries which do not contribute to the maintenance of the service. No injustice would thus be done by the stipulation that the labour of the countries subsidising the service only should be employed. And, therefore, this Conference is of opinion that the mails to and from Australia and Great Britain should be carried by ships manned with white crews only."

It was added: "That this Conference concurs with the London Office on the other points in connection with the new mail tenders."

A cablegram embodying the decision of the Conference was framed to send to London Post Office, and the Conference adjourned at 1 p.m. to 10 a.m. Tuesday, to sign report, &c.

The Hon. Mr. THYNNE said, that before separating he desired to move a cordial vote of thanks to the Chairman, the Honorable Mr. Cook, for his valuable services and courtesy in presiding over the Conference. He felt sure that the satisfactory conclusion of their work had been materially assisted by Mr. Cook's special fact and ability in the matters which had been before them for discussion, and it was a pleasure to move that a hearty vote of thanks be accorded to him.

The Hon. Dr. COCKBURN seconded the vote, saying he was glad they had been able to meet in a friendly way, and discuss matters of general interest to the Colonies in regard to telegraph affairs, &c. In thus mutually meeting one another, and acting as far as possible co-operatively, they were carrying out the spirit which had characterised the transactions of Australasian Conferences in the past. He expressed to Mr. Cook his indebtedness for the hospitality and courtesy with which that gentleman had, on behalf of his Government, administered to the comfort of the delegates and their friends during their visit to Sydney.

The Hon. Mr. COOK: Gentlemen, I am only going to say that I am obliged to you for the vote of thanks you have so kindly accorded to me. I think we have every reason to congratulate ourselves on the amicable arrangements that have been made. I think they must be satisfactory on further reflection to all who are represented here. I express what I believe to be the feeling of the larger colonies when I say we are very glad that South Australia has shown a spirit of reciprocity in joining in the contract in regard to the Pacific Cable; and I am sure that the other colonies will maintain the friendly attitude which they have taken up. I hope the way is now clear, and that ere long United Australia will see the accomplishment of the Pacific Cable. The views we have expressed here will stand as an indication of the way in which the various conflicting interests of the colonies may be dealt with. He thanked the delegates for their kindly expressions towards himself.

The vote of thanks was passed.

The Hon. Mr. DUFFY moved a vote of thanks to Mr. James Dalgarno, for the efficient manner in which he had carried out the duties of Secretary to the Conference, and The Hon. Mr. THYNNE seconded.

The Hon. Mr. COOK said he had much pleasure in putting the resolution to the meeting.

The vote was carried.

Mr. DALGARNO acknowledged the compliment.