

FURTHER PAPERS

RELATIVE TO A

TORRES STRAITS MAIL SERVICE.

(In continuation of Papers presented 14th June, 1870.)

PRESENTED TO BOTH HOUSES OF THE GENERAL ASSEMBLY BY COMMAND OF
HIS EXCELLENCY.

WELLINGTON.

1872.

SCHEDULE TO TORRES STRAITS MAIL SERVICE PAPERS.

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FURTHER PAPERS RELATIVE TO A TORRES STRAITS MAIL SERVICE.

No. 1.

The Hon. A. H. PALMER to the Hon. W. GISBORNE.

SIR,—

Colonial Secretary's Office, Brisbane, 14th May, 1872.

I have the honor to bring under the notice of your Government that a resolution has been adopted by both Houses of the Parliament of Queensland, in its present Session, that the present postal arrangements of this Colony with Great Britain are considered unsatisfactory, and that this Government be empowered to make arrangements for establishing steam communication by way of Java, at an annual cost to the Colony not exceeding the sum of £25,000; and that they be also authorized to negotiate with the Governments of the neighbouring Colonies, with the view of obtaining their concurrence and assistance in subsidizing the line.

I have now the honor to forward to you copies of these resolutions, and of former papers and correspondence in respect of the proposed mail service, which have been laid before both Houses of Parliament; also, copy of a letter of this date to the Government of New South Wales, on the same subject, to which your attention is invited. Not published.
Enclosure to this letter.

I am also in communication with the other Colonies interested, and hopes are entertained of securing their prompt co-operation; and, in the meantime, I should be glad to have, at your earliest convenience, an intimation of the views of your Government on the subject.

I have, &c.,

A. H. PALMER,

Colonial Secretary.

The Hon. the Colonial Secretary, New Zealand.

Enclosure in No. 1.

The Hon. A. H. PALMER to the Hon. the COLONIAL SECRETARY, New South Wales.

SIR,—

Colonial Secretary's Office, Brisbane, 14th May, 1872.

I have the honor to bring under the notice of your Government that a resolution has been adopted by both Houses of the Parliament of Queensland, in its present Session, that the present postal arrangements of this Colony with Great Britain are considered unsatisfactory, and that this Government be empowered to make arrangements for establishing steam communication by way of Java, at an annual cost to the Colony not exceeding the sum of £25,000; and that they be also authorized to negotiate with the Governments of the neighbouring Colonies, with the view of obtaining their concurrence and assistance in subsidizing the line.

I have now the honor to forward to you a copy of these resolutions, also copy of the printed Parliamentary papers respecting a proposed mail steam service between Sydney and Batavia, *via* Queensland and Torres Straits; and I beg to invite your special attention to a letter, No. 7, forming part of the correspondence, addressed by me on 14th October, 1871, in behalf of this Government, to the Colonial Secretary at that time of your Colony, on the subject of the co-operation sought for of New South Wales and Victoria in the proposed service.

This letter failed to elicit any reply, and no further action was taken in the matter at that time.

A strong feeling, however, now exists, both inside and outside the House, in favour of the Torres Straits route; and I trust that you will be good enough to furnish me with the views of your Government on this very important question, at your earliest convenience.

The advantages possessed by this route—in facility of communication with England—in opening a direct trade, through Batavia, with India, China, and the East, and the adaptation of ships of comparatively moderate power for the performance of the service—have been so frequently discussed, and brought before the public in such a prominent manner, that it is hardly necessary to repeat them here; whilst the experimental service conducted by this Government, in 1866, under very disadvantageous circumstances, has sufficiently demonstrated the safety and practicability of the route, which is eminently calculated to bring the several Australian Colonies into close connection with each other; and would also prove of the utmost service in connection with the direct telegraphic communication proposed to be established between Europe and Queensland, by way of Java, in the benefits of which all the Australian Colonies would participate.

In the experimental service in 1866, between Brisbane and Batavia, five trips each way were made, at a total cost of £27,881, towards which the sum of £6,362 was contributed by the Netherlands East India Government.

The proposed service between Sydney and Batavia is to consist of thirteen trips each way annually, and the subsidy required to establish and maintain it is £35,000, of which the Government of Netherlands India have consented to contribute £10,000, conditionally upon the Colonial Governments of Australia providing the balance of £25,000; and I must again urge upon you the necessity of coming to a speedy decision in the matter, in order that the opportunity of making such a satisfactory arrangement as the one now offered may not be lost.

The first vessel employed in the service of 1866 was the "Souchays," which was afterwards replaced by the "Hero." Neither of these vessels was especially adapted for the service they were called upon

to perform at the time they were taken up; but, notwithstanding the difficulties which had to be overcome in opening up a new line, and the delays that took place which would be avoided by a well-established service, the experiment was sufficiently successful to show that, by the use of a proper class of steamers, it may be anticipated that the passage from Brisbane to Batavia, including stoppages, may be accomplished in fifteen days.

The present voyage from Batavia to Galle, including detention, occupies twelve days and a half; but it has been suggested that, instead of the mails being conveyed to Singapore, the route should be so changed as to connect with a branch steamer at Java Head; and if this change is adopted the voyage could be performed in eight days, thus effecting a saving of four days in the mail time between Batavia and Point-de-Galle.

Until the views of your Government on this subject are ascertained, it is not considered necessary to make any alteration in the proposals submitted in my former communication of 14th October last, to which I have already referred you.

Although of opinion that the advantages to be derived from the proposed service preponderate on the side of New South Wales, the Government are still prepared to adhere to their former offer—that in the event of one moiety of the amount required being contributed by New South Wales and Victoria, Queensland will take upon herself the responsibility of the other moiety.

It must, however, be borne in mind that Mr. Fraser's proposals that Sydney should be the terminus of each voyage in his mail line to Batavia, calling at Brisbane and Northern Queensland ports in the manner provided by paragraph 3 of the heads of agreement to form the basis of a contract, has only been assented to in contemplation of the Government of New South Wales joining with this Government in granting the subsidy asked for.

Mr. Fraser is prepared, in the event of the other Colonies refusing to support the line, to make Brisbane the terminus; and should such a necessity arise, the Government will have no hesitation in insisting upon the fulfilment of this condition.

A copy of this letter, with the enclosures referred to, will be forwarded for the information of the respective Governments of Victoria, New Zealand, and Tasmania; and pending further negotiation, I should be glad if you would favour me with the decision arrived at by your Government, at as early a date as possible.

The Hon. the Colonial Secretary, New South Wales.

I have, &c.,
A. H. PALMER.

No. 2.

The Hon. W. GISBORNE to the Hon. A. H. PALMER.

Colonial Secretary's Office, Wellington, 2nd July, 1872.

SIR,—

No. 1 of this series.

I have the honor to acknowledge the receipt of your letter of the 14th May last, in which you forward a resolution of the Houses of Parliament in Queensland, empowering the Government of that Colony to make arrangements for establishing steam postal communication with Great Britain, by way of Java, and request an intimation of the views of this Government on the subject of its concurrence and assistance in subsidizing that line.

Enclosure to this letter.

Your letter has been referred to the Postmaster-General of this Colony, and I enclose a copy of a letter which he has addressed to me on the subject. The Government concur in the views contained therein, and would be glad to see established, on the basis proposed by Mr. Vogel, an agreement between the two Colonies of Queensland and New Zealand, which would give them a common interest in a postal and commercial service circling the globe, and connecting them with each other and with Great Britain, through the United States on the one hand, and through Java and Singapore on the other.

It is unnecessary for me to add to what Mr. Vogel has already stated on the great advantages which such an arrangement, at a comparatively small cost, would secure to both Colonies; and I trust that your Government will be able to recommend its adoption to the Parliament of Queensland.

The Hon. the Colonial Secretary, Brisbane, Queensland.

I have, &c.,
W. GISBORNE.

Enclosure in No. 2.

The Hon. J. VOGEL to the Hon. W. GISBORNE.

SIR,—

Wellington, 21st June, 1872.

I have the honor, in compliance with your request, to report upon a proposal to establish a mail service to and from Great Britain *via* Java, as contained in correspondence forwarded by the Hon. Mr. Palmer, the Colonial Secretary of Queensland.

No. 1 of this series.

In his circular letter to you, Mr. Palmer says, "I should be glad to have, at your earliest convenience, an intimation of the views of your Government on the subject." This invitation may be construed to mean, either that Mr. Palmer simply desires an expression of opinion whether this Government would be willing to contribute towards the subsidy which the Queensland Government propose to pay, or that he desires to know the views of this Government upon the whole question of mail services.

I will presume, for the present, that the latter is intended; and, therefore, will not confine myself to reporting upon the proposal that this Government should contribute towards a subsidy of £25,000.

The contract into which the Queensland Government has entered is, I observe, for a service from Batavia to Sydney; but it also seems to be specified in the memorandum of agreement, that the mails are to be delivered at Singapore. I presume it is intended that there shall be a branch service from Batavia to Singapore. I fail to discover that provision has been made for communication between Singapore and England; but I suppose that an arrangement could without difficulty be made, under

which the mails to and from England could be despatched from or received at Singapore. Whether the English Government will, without a subsidy, consent to include such a service amongst those performed by the P. and O. Company, seems to me to be doubtful. The charge made to the Colonies by the Government for the conveyance of mails between England and Galle during the year 1871, was £28,480.

As far as New Zealand is concerned, there is certainly a very noticeable omission from the heads of agreement between the Queensland Government and Mr. Fraser. Provision is not made for the conveyance of mails between Brisbane or Sydney and a New Zealand port. Without such a provision, the service would, I think, be wholly useless to this Colony. It is not more reasonable for Queensland to ask New Zealand to contribute towards the cost of a service which is to end at Sydney, than it would be for New Zealand to ask Queensland to contribute to one ending at Auckland or Wellington.

The specified speed (nine knots an hour) does not appear to me to be sufficient to enable the stipulation contained in clause 1 of the provisional contract to be carried out, and the service to be made a fortnightly one, except for Queensland.

I desire to refer briefly to the Californian service. In Sydney, recently, I had the pleasure of meeting the Postmaster-General of Queensland, the Hon. M. Prior, to whom I communicated that the Government of New Zealand were willing to enter into a contract with his Government, for connecting Queensland with the Californian service. I submitted to Mr. Prior certain terms as bases for such a contract; but, after considering them, and consulting with his Government, he was not able to accept the terms, and the negotiation ended.

I proposed to Mr. Prior to connect Brisbane with the Californian service by steamers from Auckland, running either by way of Sydney or direct; Queensland's contribution in the former case being £8,000, and in the latter £15,000.

For a yearly payment of £15,000, not only would Queensland have been connected with the Californian service, but the direct steamer would have brought that Colony into intimate commercial relations with New Zealand, whilst the Queensland mails for Europe would have been delivered more quickly than *via* Suez, whether by the northern or the southern route. In my proposals to Mr. Prior, it is to be observed, the connection of Queensland with the Californian steamers at Auckland was a primary condition; but, as I have pointed out, the Queensland proposal does not involve any analogous condition in the interest of New Zealand.

Were it possible to make an arrangement under which a steamer connecting with a service *via* Java should come on from Brisbane to New Zealand, I think that this Government might well entertain a proposal to contribute towards that service; but, in the absence of such connection, I fail to discover what advantage New Zealand would secure as the equivalent of its contribution. Supposing provision were made for a vessel to connect between New Zealand and the service to Batavia, I am of opinion that New Zealand's contribution should rather be made for the purpose of obtaining direct communication with Queensland itself, and with India, than for the purpose of a European mail service. The Batavian line will not, I think, afford New Zealand a mail communication with Europe so satisfactory as that *via* California, or that *via* King George's Sound.

The commercial benefits to Queensland from a connection with New Zealand and with the Californian service deserve notice. Queensland is likely to become a large supplier of tropical and semi-tropical products; but New Zealand has essentially a temperate climate. A regular and direct steam service between the two Colonies would open a wide field for supplying the natural products of Queensland, not only to all parts of New Zealand, but, to a moderate extent, to California. Queensland might, on the other hand, with advantage, take many of the products of New Zealand. In fact, a large trade between the two Colonies might with certainty be calculated upon, and New Zealand equally with Queensland be benefited.

Turning to the proposal now under consideration, it is difficult to understand what advantages the Government of Queensland expect that that Colony will derive from a service by way of Java, except as a means of communication between different ports within the Colony. Indeed, it is fairly to be suggested that Queensland will, as regards commercial results, suffer from such a service; for sugar is largely produced in Java, and thus a formidable rivalry is likely to be created, to the injury of the Queensland sugar-producing interest, which is already, I understand, of importance to the Colony. If that industry is to be developed, difficulties must for some years be contended with—especially as labour is not likely to be so cheap in the Colony as in Java. But it is clear that intimate communication between Java and Queensland, and the other Australian Colonies, will place the sugar-producing interest of Queensland at a disadvantage, rather than relieve it of its early difficulties. The same remarks will apply to coffee and other articles of commerce, which are being produced in Queensland as well as in Java.

Taking all these circumstances into consideration, I am of opinion it is very desirable there should be direct communication between Queensland and New Zealand; but that it would probably be better that such service should be so arranged as to bring Queensland into connection with the Californian line, than that New Zealand should be brought into connection with a Batavian line. As a through mail service, the Californian service would certainly be valuable to Queensland; whilst, as a through service, a Batavian line would be of very little use to New Zealand, although New Zealand would be sensibly benefited by direct communication with Queensland. I think, therefore, that if Queensland accepted the offer already made to her through Mr. Prior, and agreed to pay £15,000 a year for a direct boat between Brisbane and Auckland, and the use of the Californian service, the Government of New Zealand might propose to the Assembly to contribute £4,000 or £5,000 towards that amount, as a subsidy for the direct service between the two Colonies. It might be made a stipulation that, for such an amount as first stated, New Zealand mails should be carried by the Batavian route; but I am of opinion that New Zealand would make only a very limited use of that route. If, as is to be presumed, some of the Colonies on the main line contributed towards the subsidy which Queensland now proposes to pay, then Queensland, with the aid of the contribution which I have suggested New Zealand should make, would have a service round the world at a not very heavy expense.

Of the £15,000 which Queensland has been asked to contribute for direct connection with the Californian service, £9,000 was to pass to the Australasian Steam Navigation Company for running the direct boat. Should Queensland now consent to make such a contribution, the Australasian Steam Navigation Company would, no doubt, still require £9,000, and the remaining £6,000 would (speaking generally) be equally divided between Victoria, New Zealand, and the Contractors for the main line.

As I am of opinion that after a year or two the trade between Queensland and New Zealand would be such as to encourage the Australasian Steam Navigation Company to keep on the boat for a very moderate payment, I believe that the subsidy of £15,000 might be materially reduced after one or two years. I would, therefore, suggest that Queensland should agree to pay the £15,000 for two years only, and that New Zealand's agreement to contribute in reduction of the £15,000 should extend over a like period, with a view to endeavouring to arrange subsequently for a direct service at a less cost. The Australasian Steam Navigation Company, in fixing the price they would require for putting on a direct boat, avowedly named a high one, because of the risks incidental to a new service.

Supposing Queensland to accept the offer made to her, the time occupied in the service between San Francisco and Auckland would be 600 hours; and between Auckland and Brisbane direct, 150 hours. At present, about nineteen days are required for the service between San Francisco and England; but it is probable that a reduction to about sixteen days will before long be effected, by steamers conveying the mails to and from Halifax and England, instead of to and from New York, and by improvements connected with the trans-continental railway arrangements. The carriage of mails from England to San Francisco, and from San Francisco to England, is provided for under a convention between Great Britain and the United States; the necessary payments to the United States Government, which are very small, being made by the Imperial Post Office authorities, in consideration of their retaining the postages received in Great Britain. But the receipts are considerably in excess of the payments; and it is felt that Great Britain ought to make a really substantial contribution towards the cost of the line. Representations on the subject have already been made to the Imperial Post Office; and it is reasonably to be expected that, if properly pressed, those representations will prove successful. It is understood that, should such a contribution be obtained, the amount will be divided between the subsidizing Colonies, in proportion to their respective subsidies. It may fairly be assumed, therefore, that the amount which Queensland is asked to pay will be considerably reduced, apart from the payment in aid which I propose New Zealand shall make, in view of the commercial advantages which this Colony will obtain from a direct communication with the principal port of Queensland.

I have only to add, that Queensland should be asked to return an early reply.

The Hon. the Colonial Secretary.

I have, &c.,

JULIUS VOGEL.
