

No. 27.

The Hon. the COLONIAL SECRETARY, New South Wales, to the Hon. J. VOGEL and
the Hon. W. H. REYNOLDS.

GENTLEMEN,—

Colonial Secretary's Office, Sydney, 22nd February, 1873.

No. 24 of this
series.

This Government has had under its consideration your letter of the 30th January, on the subject of the Ocean Mail Service established by contract between Mr. Webb, of New York, and the Government of New Zealand, and it has examined the proposals therein contained, with the advantage of the further information communicated by you personally. I desire to explain that your letter was not considered during the sittings of the Intercolonial Conference, because it did not appear to me desirable that the representatives of two of the Colonies should enter into separate negotiations on a branch of one of the questions,—namely, “A scheme of Ocean Mail Service which would meet the demands of all the Australian Colonies and New Zealand,”—for the consideration of which the Conference was expressly convened.

2. In your letter of the 30th ultimo you propose to vary the New Zealand contract so as to extend the existing service to the Australian Colonies, and make Sydney the port of connection, “the boat from Sydney always performing the up service, and all the main boats visiting Sydney in their turn.” You state that “in arranging the new contract you should be willing to give to New South Wales a fair share in the decision of all questions affecting the service.” For these advantages you ask no subsidy whatever from this Colony, and only the postages on the mail matter carried for the Colony to the extent of £5,000.

3. This “very liberal offer,” as you characterize it, is made, however, subject to the conditions that the Government of New South Wales shall “refrain from entering into a separate contract for a Californian service,” and agree with the New Zealand Government in obtaining, or endeavouring to obtain, “an Imperial subsidy of £20,000.”

4. In considering your proposal, supposing that there were no causes of disagreement apart from the merits of the service, the objection at once presents itself that the vessels of this service have not hitherto performed the voyages to and from San Francisco within such periods as would justify the expectation of punctual mail deliveries in England and Australia within the stipulated number of days, which must be an absolute condition in any contract to which this Colony is a party. Recent occurrences make it more than ever necessary that the contract time of any new service subsidized by this Colony should be as short as possible. But this Government feels constrained to decline your offer, on grounds which do not admit of considering the value of its alleged advantages. If it is admitted that the mail service, established under the New Zealand contract, is of the valuable character which you have represented it to be, it follows that you offer New South Wales a substantial interest in that service, free of cost, in consideration of the assistance to be given by this Colony in obtaining from the Imperial Government in its support an annual grant of £20,000. It does not appear to the Government of New South Wales that this is a transaction in which this Colony ought to engage in view of any monetary or other substantial consideration whatever. A broad distinction is drawn between the position in which you propose to place New South Wales and the part she might be asked to take in co-operation with one or more of the other Colonies in any undertaking of a national character in which the mother country was believed to be interested, and towards the cost of which each Colony and the mother country might be honorably expected to contribute in equitable proportion.

5. Besides this grave ground of objection in the nature of your proposal, this Government cannot dissociate from your present offer the adverse attitude assumed by the representatives of New Zealand against the just interests of New South Wales, in the proceedings of the late Conference on the question of the terminus of the Suez Mail Service. In your interview with several of my colleagues and myself on the 18th instant, Mr. Vogel openly avowed that, if the New South Wales delegates, at the commencement of the Conference, had come to an understanding with you, as the delegates of New Zealand on the Webb Mail Service, he would not have interfered in the question of the terminus of the Suez line. In the face of this admission, your persistent hostility to New South Wales in the consideration of the proposals of the Lords of the Treasury by the Conference can only be regarded as an attempt to force this Colony to become a party to the New Zealand contract. It is difficult to suppose that you seriously entertain the belief that any offers which New Zealand could make would induce the Government of New South Wales to fall in with this design, even if the Colony were not required for a consideration to assist in obtaining a money grant from the British Government.

6. In declining your proposals, this Government deeply regrets that, under present circumstances, there is so slight a prospect that it will be able to co-operate with New Zealand in organizing an efficient and economical mail service between these Colonies and England by way of America. In former years New South Wales bore an equal share with New Zealand, for a lengthened period, in establishing the first line of mail steamers across the Pacific; and up to the present time the other Australian Colonies have all refused to grant aid to the Trans-Pacific lines of communication which have been opened. It was hoped that the knowledge of this co-operation in the past might have served to promote a cordial desire for united action in the future; and this Government still looks forward to the time when the two Colonies may join in good faith and on equal terms in supporting the Trans-Pacific Mail Service. Should such time arrive when a service can be proposed in the interest of the two Colonies with satisfactory guarantees for the regular delivery of its mails, and on conditions honorable alike to both, it will be gratifying to this Government to be enabled to co-operate with the Government of New Zealand. No mail service across the Pacific, however, will now be satisfactory to this Colony unless the English and Australian mails in both directions are delivered within forty-five days.

The Hon. Julius Vogel, C.M.G.
The Hon. W. H. Reynolds.

I have, &c.,
HENRY PARKES.