

1903.

NEW ZEALAND.

AGREEMENT ENTERED INTO BETWEEN COMMONWEALTH OF AUSTRALIA AND EASTERN EXTENSION TELEGRAPH COMPANY:

COPY OF LETTER WHICH APPEARED IN THE LONDON *TIMES* OF 9TH JUNE, 1903, FROM SIR HORACE TOZER; AND COPY OF LETTER WHICH APPEARED IN THE "BRITISH AUSTRAL-ASIAN" OF 28TH MAY, 1903, FROM SIR JOHN COCKBURN.

[Correspondence supplementary to F.-8A.]

Laid on the Table of both Houses of the General Assembly by Command.

AUSTRALIA AND THE PACIFIC CABLE.

[To the Editor of *The Times*.]

SIR,—

The outlying parts of the Empire have never forgotten that the success of this project was largely owing to your warm and consistent support. Equally widespread would be the regret if, after the publication by you of Sir John Cockburn's well-distributed *apologia*, space could not be afforded to a principal in the transaction to remove the cobwebs he has endeavoured to weave. It is truly said that anything can be explained; on the facts I propose to give, it will be difficult for any properly informed person to charge Canada with "an unwarrantable attack engendering widespread misrepresentation."

The negotiations for the Pacific-cable partnership occupied many years; and one of, if not the principal Australian representative at the Ottawa Conference in 1894 was the Hon. A. J. Thynne, M.L.C., for many years Postmaster-General of Queensland, and a gentleman of unblemished reputation. This is his view of the present position: "The honour of the Australian States is concerned; I fully and entirely sympathize with the views of the Canadian Government; in fact, I do not think that language is strong enough to adequately condemn the action taken by the State of New South Wales." And again: "Between partners in commercial life each are in honour bound to protect and conserve the interests of the others in the common enterprise; a breach of that honourable duty is often expressed by a very unpleasant-sounding term; and I cannot but think that, when within three weeks of the Pacific-cable partnership was entered into and after the proclamation of the Federation placing the Post Office within the jurisdiction of the Commonwealth Government, the making by New South Wales of the agreement with the Eastern Extension Company hereafter referred to was an outrageous act."

Since the year 1889 I have been intimately associated with the negotiations, first as a Minister, and since as the official representative of Queensland in London; and of Australia's quota I am the only one now in London who assisted to revive the scheme after the Colonial Conference of 1897, and took part in the negotiations up to the formation of the partnership. I have read the contract made by the State of New South Wales, have heard the position the Commonwealth Government propose to adopt in consequence of that contract, and feel bound to say that Mr. Thynne's views are identical with my own. Had the then representative for New South Wales even hinted at the possibility of his Government under any circumstances whatever entering into the contract objected to, I should never have signed the partnership arrangement for Queensland. Nor do I think any of the other partners would have considered the question for a single moment. What the late Sir Andrew Clarke thought on this subject can only now be gleaned from what he cabled to his Government on the 9th January, 1901: "Agents-General for New Zealand, Queensland, and myself most strongly deprecate accepting proposals of Eastern Company, as in our opinion result would seriously cripple Imperial Pacific cable. High Commissioner for Canada emphatically concurs." As will be seen, this protest reached Australia before New South Wales entered into the mischievous contract with the Eastern Company.