

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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