

No. 54.

The AGENT-GENERAL to the Hon. the PREMIER.

SIR,— Westminster Chambers, 13, Victoria Street, London, S.W., 7th July, 1899.

I have the honour to forward herewith copies of the joint cable-messages addressed to Mr. Reid, Premier of New South Wales, for the information of the Governments of Australasia interested in the construction of the Pacific cable. I do not know that there is any important point in the proposals of Her Majesty's Government which is not explained in the cables, except that it was intimated by the Chancellor of the Exchequer that the Imperial Government, while undertaking to deal with any general claim for compensation which might be put forward by the Eastern Extension Telegraph Company, would leave any claim which might be made by the South Australian Government in respect of the overland route to be dealt with by the Australasian colonies concerned.

With reference to the number of delegates proposed to be assigned to Australasia on the provisional Board of Management for the cable, it may be well for me to explain that what happened at the interview with Mr. Chamberlain and Sir Michael Hicks-Beach on the 4th was this: Mr. Chamberlain proposed on behalf of the Imperial Government that the Board of Management should consist of eight delegates, three representing Great Britain, two Canada, two Australia, and one New Zealand. Sir Julian Salomons, Agent-General for New South Wales, somewhat warmly protested against this, on the ground that it was an unfair arrangement between Australia and New Zealand. He suggested that the Board be enlarged so that each Australasian colony concerned should have a delegate. The Secretary for the Colonies, however, objected to this. As unanimity on the part of the Agents-General was admittedly of importance, and time of value, I suggested that the disputed point should be left for the Australian Governments to settle with that of New Zealand. So far as I could observe, the objection of the Agent-General for New South Wales did not appear to be shared by any one else present at the interview. I was, and am, of opinion that it is so obviously just and necessary that New Zealand should have some sort of special representation—especially in view of the forthcoming federation of Australia—that I did not anticipate that you would have any difficulty in coming to an agreement on the subject with the Australian Colonies' Governments.

Since the interview, Mr. Tarte, a member of the Canadian Government, and Sir Sandford Fleming, have arrived in London, and we shall doubtless have the benefit of their sympathy and help in any further negotiations that may be necessary with regard to the Pacific cable.

I have, &c.,

The Hon. the Premier, Wellington.

W. P. REEVES, Agent-General.

Enclosure 1 in No. 54.

The AGENT-GENERAL for NEW SOUTH WALES, London, to the Hon. the PREMIER, Sydney.

(Telegram.)

London, 6th July, 1899.

PACIFIC CABLE meeting, Tuesday: Secretary of State for the Colonies and Chancellor of the Exchequer, with High Commissioner for Canada, and Agents-General for New South Wales, Victoria, New Zealand, and Queensland. Imperial Government now offers to co-operate fully with colonies in raising capital for cable, and in construction and management. Proposes this should be carried out by Board of Commissioners located in London, selected by contributing Governments as follows: The United Kingdom, three members; Canada, two; Australia and New Zealand, together, three. England asks for this proportion of representation as proposes virtually provide the capital, any annual deficiency for interest, and perhaps sinking fund, being met in proportions already agreed upon. Imperial Government suggests preliminary steps should be taken by provisional Board thus appointed to invite tenders, arrange scheme of management, settle rates, and other preliminaries with a view to preparing for legislation. Imperial Government suggests that rates should be unanimously agreed to at outset, any subsequent changes to be authorised by a fixed majority of Board. If you generally agree to scheme thus provisionally outlined, desirable that members of Board be nominated promptly and should be capable business-men. This message to be communicated by you to three colonies interested. [See also No. 66, F.-8, 1899.]

Enclosure 2 in No 54.

The AGENT-GENERAL for NEW SOUTH WALES, London, to the Hon. the PREMIER, Sydney.

(Telegram.)

London, 6th July, 1899.

PACIFIC CABLE: Message cabled to-day previously seen by Secretary of State for the Colonies, and cabled by High Commissioner to Canada. It was agreed at the suggestion of Secretary of State for the Colonies that it should be left to Australian and New Zealand Governments to decide whether one of three Australasian delegates should be specially representative of New Zealand. Please inform other Governments interested. [See also No. 66, F.-8, 1899; and Nos. 67-74, F.-8, 1899.]