

In moving the resolution that the Canadian Government be requested to consider the propriety of sending as a Commissioner to Australia a Cabinet Minister, or other person, to endeavour to bring all the partners in the Pacific cable to a mutually satisfactory understanding, I shall only say that if the resolution be carried and acted on I have no fear of the result. There has been a long struggle between the broad principle of State ownership in the means of postal and telegraph communication and the narrow interests of a powerful private monopoly—that is to say, there has been a prolonged conflict between public and private interests. The former gained a signal triumph when it was decided to lay the Pacific cable by the six Governments, but since that day the adversary has been rallying his forces, sapping the walls, and preparing for a final onslaught. I venture to think that there will be nothing to fear if we succeed in turning aside the present difficulty in Australia. At this juncture a wise Commissioner can remove all friction. He can do much more. He can submit to our fellow-subjects in Australia a solution to the problem which would benefit them far more than the Pacific cable already has done. That solution will be found set forth in Chapter ix. of Mr. George Johnson's new book, "The All-Red Line." In that chapter Dr. Morse ably discusses "Imperial Partnership in a Cable System." Before this young century is much older I make bold to think it will be generally regarded that Dr. Morse advocates the true and only remedy for any such difficulties as have been hatched—a remedy which will provide the means, based on interest and sentiment, of cementing enduring friendship between the Commonwealth and the Dominion.

The Commissioner from Canada sent on his mission of peace and good-will would carry with him the true remedy for all the difficulties which have been raised. He would have it in his power to offer a solution which would forever set at rest all such difficulties as have been caused by the private monopoly. I have pointed out that Canada has already done much service to Australia in saving her people an enormous annual expenditure in holding communication with the rest of the world. I am convinced that the new appeal from Canada will prove even more fruitful—that its effect would be greatly to benefit Australia financially, and materially promote Imperial unity.

Resolution unanimously adopted.

Moved by Sir Sandford Fleming; seconded by Mr. Archibald McGoun: "Resolved, That the Canadian Government be requested to consider the propriety of sending a Cabinet Minister or other person as a Commissioner to Australia to endeavour to bring the partners in the Pacific cable to a mutually satisfactory understanding with respect to its working and other matters relating thereto."

No. 3.

The Right Hon. Sir EDMUND BARTON to

Commonwealth of Australia, (Department of External Affairs),
Melbourne, 17th July, 1903.

SIR,—

I have the honour to acknowledge the receipt of your letter of the 29th June with reference to the new agreement between the Eastern Extension Company and this Government.

I observe that you have not been convinced by the arguments in my last letter, and I regret that you do not now, any more than in your previous communication, show—(1) in what way the Commonwealth could have removed the difficulties which it found existing on its inception; (2) (perhaps this is the more important) in what way the Pacific cable has been prejudiced by the action of this Government.

Your colleague's remarks have been read with interest. Sir Joseph Ward fully recognises the position of this Government in the concluding passage of his minute, and concurs in the view that, while the action of New South Wales may be regretted (which I must not be taken to admit), it is impossible by any means that are practicable to reverse the arrangements then made. If you concur with Sir Joseph, it is a little surprising that you continue to blame this Government.

May I refer you to a letter published in the English papers, and written by Sir John Cockburn. The concluding paragraph seems to me peculiarly applicable. In case you have not read it, I transcribe the passage referred to and enclose it herewith.

The remarks of Sir Sandford Fleming, of which he forwarded me a copy, have been perused with the attention and respect they deserve as the views of an old and ardent advocate of the Pacific cable; but I am quite unable to see how the proposed action of the Commonwealth, which must tend to the ultimate benefit of the Pacific cable, can occasion a difficulty of such far-reaching influence as he fears. The prospects of the British people, and the future of the Empire as a whole, will not, in my opinion, be affected, unless favourably, by proceedings which, in the only honourable way open to it, the Commonwealth is taking to remove what is said to be an impediment to the progress of the Pacific cable.

It is my intention to submit the agreement to Parliament at an early date for ratification.

I have, &c.,

EDMUND BARTON.