

QUEENSLAND.

PROPOSED SUBMARINE AND LAND TELEGRAPH BETWEEN
SINGAPORE AND THE AUSTRALIAN COLONIES.

(FURTHER CORRESPONDENCE RESPECTING)

Presented to both Houses of Parliament by Command of His Excellency the Governor.

JOHN DOUGLAS, ESQUIRE, to THE HONORABLE THE POSTMASTER-GENERAL OF QUEENSLAND.

Queensland Government Offices,
32, Charing Cross, London, 16th June, 1870.

SIR,

I have to acknowledge the receipt of your telegram of the 20th April, and I now beg to enclose copies of a letter addressed by me to Mr. Earle, and of Mr. Earle's reply thereto.

I have had several personal interviews with Mr. Earle, and have, both verbally and in writing, pointed out to him the great delay which must result from the acceptance of such a proposal as that now made by the Government of South Australia.

My impression is that the British and Australian Telegraph Company are anxious to make the best use they can of the offer from South Australia, in order to induce the Eastern Colonies to connect Port Darwin with Burketown and Normanton.

I have made enquiries from the best sources of information open to me, and I am not encouraged to believe that it would be desirable for the Governments of the Australian Colonies to guarantee a rate of interest dependent upon the life of any portion of the cable.

But if it is considered expedient to facilitate the undertaking by any material assistance, I would suggest that this could probably be done more effectually by the Governments of the Australian Colonies undertaking to forward all oceanic messages at a minimum and uniform rate, or perhaps even free of charge altogether. Telegraphic communication between Australia and Great Britain must necessarily for many years be very expensive, and any combination having a tendency to cheapen it would be beneficial to the interests of all concerned. I may add that it would be a subject for congratulation if, in this matter of telegraphic communication, the Australian Colonies could be induced to enter into more confidential relations with one another, for the purpose of giving effect to united action in a branch of the administration which would be rendered more effectual by concentration.

I would further respectfully beg to suggest that, if it should be determined to hold out any such special advantages to the British and Australian Telegraph Company as those to which I have referred, the Governments of the Australian Colonies should claim some reciprocal advantages from the company; and among these I think it would be found advantageous to secure the right of priority of transmission for all messages sent from Australia in the service of Her Majesty.

I have, &c.,

JOHN DOUGLAS.

The Honorable the Postmaster-General, Queensland.

(COPY.)

Queensland Government Offices,
32, Charing Cross, London, 16th June, 1870.

SIR,

I have received instructions to inform the British and Australian Telegraph Company that the Government of Queensland have received a letter from Commander Noel Osborn, which will be acted on. I am also to inform the company that no advance has been made in carrying out the proposed line to Port Darwin across the continent of Australia, and an opinion is expressed by the head of the Telegraphic Department in Queensland that such a line could not be constructed in less than four years.

I am, &c.,

JOHN DOUGLAS.

C. W. Earle, Esquire, Managing Director,
British and Australian Telegraph Company.

(COPY)

SIR,

I beg to acknowledge receipt of your letter of the 13th instant, informing me that you have received instructions to acquaint this Company that your Government has received a letter from Commander Osborn which will be acted on.

With regard to the concluding paragraph of your letter, I have to inform you that no doubt is felt in South Australia as to the completion of the proposed line by the end of next year, and that we are waiting the sanction of Parliament to the scheme by which we shall be entirely relieved from all land lines.

I am, &c.,

C. W. EARLE,
Managing Director.

John Douglas, Esq., Agent-General for the Colony of Queensland.

THE HONORABLE THE COLONIAL SECRETARY OF QUEENSLAND to JOHN DOUGLAS, ESQUIRE.

Colonial Secretary's Office,
Brisbane, 11th July, 1870.

SIR,

Adverting to my letter of 11th June last, respecting an offer made by the British and Australian Telegraph Company to extend their cable to the mouth of the Norman River, in the Queensland Territory, I have again to press upon you the necessity of carrying out the object of this Government in securing the use of the cable for Queensland and New South Wales, and not to consent to any arrangement whatever that would admit of South Australia being connected with the Company's line.

The cable, avoiding any portion of the northern territory of South Australia, must be brought direct to a suitable point (such as Norman River) in this colony.

If the British Australian Telegraph Company, under pressure brought to bear upon them by the advocates of the South Australian line, will not bind themselves to this condition, the negotiation with them must terminate, and it will be desirable that efforts should be made to induce another company to undertake a scheme for connecting Queensland by a cable direct from East Java or Singapore.

I have, &c.,

A. H. PALMER.

The Agent-General for Queensland, London.

JOHN DOUGLAS, ESQUIRE, to THE HONORABLE THE COLONIAL SECRETARY OF QUEENSLAND.

Queensland Government Offices,
Charing Cross, London, 14th July, 1870.

SIR,

In reference to your letter of the 14th May (No. 117), forwarding copy of a Report from the Superintendent of Electric Telegraphs, together with copy of a telegram sent to me by the April mail, my previous correspondence will have placed you in possession of the representations I felt it my duty to make to Lord Monck, Mr. Earle, and other Directors of the British and Australian Telegraph Company.

2. I shall take care to make the directors of the company acquainted with the contents of Mr. Cracknell's Report of the 11th May, as also of his Report to the Postmaster-General of the 10th May.

3. Pending the decision of the Legislature of South Australia, or the combined action of the Australian Colonies, I do not think that any active steps will be taken to give immediate effect to the project of the company; and I understand that the manufacture of the cable for the Australian section is not at present being proceeded with.

I have, &c.,

JOHN DOUGLAS.

The Honorable the Colonial Secretary, Brisbane.

JOHN DOUGLAS, ESQUIRE, to THE HONORABLE THE COLONIAL SECRETARY, QUEENSLAND.

Queensland Government Offices,
Charing Cross, London, 1st August, 1870.

SIR,

I have to acknowledge the receipt of your telegram of the 14th July from Galle, instructing me to endeavor to secure the landing of the telegraph cable at the head of the Gulf of Carpentaria, instead of, as at present proposed, at Port Darwin.

The correspondence, a copy of which I now forward, will explain to you the representation which I felt it my duty to make; and though I regret to say that I have not succeeded in my endeavors to induce the British and Australian Telegraph Company to reconsider their position, I still hope that such steps may be taken in Australia as will secure to all the Colonies effectual means for enabling them to avail themselves in as complete a manner as possible of the benefits likely to arise from uninterrupted telegraphic communications with Asia and Europe.

In accordance with your instructions I supplied the British and Australian Telegraph Company with a copy of Mr. Cracknell's Report of the 10th May, and I also communicated that valuable paper to the Editor of the *Australian and New Zealand Gazette*, a weekly paper containing an epitome of news, which is widely circulated among Australian Colonists in England.

Mr. Cracknell's Report was reviewed and commented upon in a leading article.

I have thus done everything that I can to place this matter in its true light, and shall await your further instructions with interest.

I have, &c.,

JOHN DOUGLAS.

The Honorable the Colonial Secretary, Brisbane.

[COPY.]

JOHN DOUGLAS, ESQUIRE, to VISCOUNT MONCK, G.C.M.G., ETC., ETC., ETC.

Queensland Government Offices,
Charing Cross, 16th July, 1870.

MY LORD,

Early in May last, the Managing Director of the British and Australian Telegraph Company called upon me and informed me that the company had received an offer from the Government of South Australia, which might induce them to abandon their contemplated land line from Port Darwin to Burketown in Queensland.

In consequence of that communication I addressed a letter to your Lordship on the 10th of May, and endeavored then to point out the serious delay which might result, if the company relied too implicitly upon the excellent intentions of the Government of South Australia to complete their continental land line before the close of 1871.

On the 12th of May I received a reply from Mr. Earle, to the effect that, without in the least doubting the accuracy of the general views expressed by me, as to the most eligible route for telegraphic communication between the Australian Colonies and the rest of the world, he might take it upon himself to say, that in the opinion of the directors, the interests of the company would be best considered by an arrangement which would leave them free from the construction, working, and maintenance of land lines in Australia; and that the directors would accept the most eligible offer which might be made to them before the 7th of August. Mr. Earle added, that if the Government thought fit to make an offer, the company would give it their best attention, and their most careful consideration. I subsequently called upon Mr. Earle, and after some conversation with him, I communicated with my Government by telegram.

I am now authorized by the Government of Queensland, acting in conjunction with the Government of New South Wales, to offer to your company, that subject to the approval of Parliament, five per cent. should be guaranteed upon the cost of the additional length of cable required, so as to make the terminal station of the company at the head of the Gulf of Carpentaria, instead of at Port Darwin.

This offer is coupled with the conditions that the cable shall be laid direct from Keopang to Carpentaria, that the guarantee shall commence from the time when the cable is laid, and shall continue while it is in working order.

I yesterday waited on Mr. Earle, and acquainted him with the offer I was authorized to make. I had also the pleasure of seeing Sir James Anderson, and Lord William Hay, who are both of them, I believe, directors of your company. I was led to understand by all of these gentlemen, that in all probability my proposal would not be accepted; and the more so, as information had just been received of the passing of an Act by the Legislature of South Australia, authorising the construction of a land line from Port Augusta to Port Darwin.

I am instructed, however, to press this matter seriously upon the attention of the directors of the British and Australian Telegraph Company, and I have therefore to request your Lordship to obtain a definite decision from your board upon this subject, which is of some importance, not only to the province of South Australia, but to the whole community of Southern and Eastern Australia; and I have specially to express a hope that the company, in any engagements which they may enter into with the province of South Australia, will take care to secure for themselves uncontrolled means of connecting their cable at Port Darwin with subsidiary coast cables, or with such other alternative land lines as may be deemed essential in the interests of Australian telegraphy.

I should by no means wish it to be supposed that the Government of Queensland anticipate any abridgment of the ordinary facilities for the transit of telegraphic messages through South Australian territory; and the spirited determination to undertake the construction of a line across the continent, in spite of considerable natural obstacles, and at a cost which from a money point cannot be considered remunerative, forbids me to suppose that the Legislature of South Australia is actuated by any other motive than a healthy desire to promote the public interests.

But there are not wanting instances in Australian Legislature which seem to indicate that, at times, the special advantage of one province is not always held in due subordination to the interests of the community as a whole, and I have therefore ventured to direct the attention of the board of directors to this point.

I now beg to enclose copies of a Report addressed to the Colonial Secretary of Queensland, by Mr. Cracknell, the Superintendent of Telegraphs, together with other correspondence on this subject, published by the authority of the Queensland Legislature.

I have, &c.,

JOHN DOUGLAS.

Viscount Monck, G.C.M.G., &c., &c., &c.

GEORGE LYONS, ESQUIRE, to JOHN DOUGLAS, ESQUIRE.

British Australian Telegraph Company, Limited,
66, Old Broad street, London, E.C., 22nd July, 1870.

Sir,

I beg to acknowledge receipt of your letter dated the 16th July, addressed to the Right Honorable Viscount Menck, chairman of this company.

I am instructed to inform you that the same has been laid before the board, but they do not consider the terms offered by the Queensland Government such as they can entertain.

The board of directors would suggest, as they have already a provisional agreement with the South Australian Government for the construction of a land line from Port Darwin to Port Augusta, that you should put yourself in communication with Mr. Dutton, the Agent-General of South Australia, believing that it would be for the interest of this company, as well as for the Australian colonies generally, that there should be a connection with the north-eastern territory. Doubtless, with your influence, an amicable arrangement might be made. I shall be glad to hear if you should have any further communication to make.

I have, &c.,

GEORGE LYONS, Secretary.

John Douglas, Esquire, Agent-General for Queensland.

JOHN DOUGLAS, ESQUIRE, to THE SECRETARY OF THE BRITISH AND AUSTRALIAN TELEGRAPH COMPANY.

Queensland Government Offices,
Charing Cross, 28th July, 1870.

Sir,

I have the honor to acknowledge receipt of your letter of the 22nd instant, and regret to learn that your board of directors do not consider the terms offered by the Queensland Government such as they can entertain.

In spite of the determination of the Government of South Australia to push forward the construction of their land line from Port Augusta to Port Darwin, I must again beg very respectfully to express an opinion as to the very considerable difficulty of such an undertaking, and most decidedly as to the impossibility of completing such a line before the close of 1871. It is not for the interest of the company to depend solely on that land line across an arid and uninhabited country.

It is most certainly for their interest to secure communication through civilized territories, independent of such delays as must attend the construction of the line across the central deserts of Australia.

Neither is it for the interest of the eastern colonies of Australia that their right of communication with the British and Australian cable at Port Darwin should be controlled by South Australia. I am at present uninformed as to the conditions, if any, on which the South Australian Legislature propose to authorize a junction with their line at the Roper; and the Agent-General for South Australia, to whom, on your suggestions, I have applied, cannot supply me with any further information than that which I already possess; but in the interests both of the company and of the Colony of Queensland, who in this instance is acting in conjunction with the Colony of New South Wales, I beg to request that before the ratification of the provisional agreement with the South Australian Government, to which you refer, the shareholders of the company may be acquainted with the offer which I have been instructed to make.

I have, &c.,

JOHN DOUGLAS.

The Secretary of the British and Australian Telegraph Company.

JOHN DOUGLAS, ESQUIRE, to THE HONORABLE THE COLONIAL SECRETARY OF QUEENSLAND.

Queensland Government Offices,
Charing Cross, London, 9th August, 1870.

Sir,

I have the honor to acknowledge receipt, on the 8th instant, of your telegram from Sydney of the 29th June, in reference to telegraphic communication. The Australian mail, *via* Suez, will not be delivered in London until the 22nd instant, in consequence of the double break-down both at Galle and Bombay.

I regret, therefore, that I am not in possession of those detailed instructions, without which I should not feel justified in enlarging the terms and conditions named in your telegram of the 14th July, from Galle, which, on being submitted to the British and Australian Telegraph Company, were declined by them.

A general meeting of the shareholders of that company was held to-day, and deeming it desirable to be present on this occasion, I purchased a few shares in order to secure the right. I was thus enabled to draw the attention of the shareholders to the terms which had been offered by the Government of Queensland, which I endeavored to explain as being in reality more likely to subserve the interest of the company than those which were offered by the Government of South Australia.

It was originally intended that a resolution should be passed ratifying the provisional agreement made by the directors with the Government of South Australia.

A modified form, however, of this resolution was adopted, and the directors were authorized to enter into arrangements with the Governments of South Australia and Queensland as they might deem expedient.

I felt justified in attending this meeting as a shareholder; for, had I not done so, no reference would have been made to the offers of guarantee made by the Queensland Government.

I have, &c.,

JOHN DOUGLAS.

The Honorable the Colonial Secretary, Brisbane.

Queensland Government Offices,

Charing Cross, London, 11th August, 1870.

SIR,

I have the honor to acknowledge the receipt of your telegram of the 6th of August, from Galle, instructing me specially to secure the landing of a cable at Normanton.

I have written on several of the directors of the British and Australian Telegraph Company, and have addressed a letter to the Chairman of the Board on the subject, a copy of which I now enclose.

I also forward herewith copy of resolutions passed at the extraordinary general meeting.

These resolutions, you will observe, leave much to the discretion of the directors, and I think it must be apparent to them that they must seriously consider the claims of Queensland.

I have, &c.,

JOHN DOUGLAS.

The Honorable the Colonial Secretary, Brisbane.

[COPY.]

JOHN DOUGLAS, ESQUIRE, to VISCOUNT MONCK, G.C.M.G., ETC., ETC., ETC.

Queensland Government Offices,

Charing Cross, 11th August, 1870.

MY LORD,

On the 28th July, I addressed a letter to the Secretary of the British and Australian Telegraph Company, expressing my regret that the directors had seen fit to decline the offer made by the Government of Queensland, acting in conjunction with the Government of New South Wales, and expressing a hope that they would be good enough, at the general meeting held to consider the proposition made by the Government of South Australia, to inform the shareholders of the offer which I had been instructed to make.

I, also, at the same time, availed myself of the opportunity to forward certain reports and correspondence in reference to the contemplated overland line from Port Darwin to Port Augusta.

I have not yet been favored with an acknowledgment of that letter, nor, I regret to say, did the directors appear to consider the offer I had been instructed to make of sufficient importance to bring the matter under the notice of the shareholders; and it was left to me in my capacity as a shareholder, to elicit the information from your Lordship.

I have now the honor to inform your Lordship that I have received instructions to state to the British and Australian Telegraph Company that it is not the intention of the Government of Queensland to undertake at present the construction of any land lines beyond Normanton, a small township on a navigable river at the head of the Gulf of Carpentaria. It will thus become apparent that the alternative land line, contemplated by a junction of the Queensland lines with the contemplated South Australian line at the Roper or Nicholson, can no longer be depended on; and the company must therefore understand that, in that direction, they must depend solely on the contemplated land line through the territory of South Australia.

I am, however, further instructed to secure the landing of a cable at Normanton simultaneously with that which it is the intention of the company to land at Port Darwin; and I am authorised to offer such a guaranteed interest as it is believed will be sufficient to secure the cost of a cable for such a purpose. I am prepared, therefore, to pledge my Government to co-operate heartily with your company in the manner described; and I trust that I may anticipate equivalent good-will from the board of directors in a matter which very vitally concerns the interests of the shareholders.

I have, &c.,

JOHN DOUGLAS.

Viscount Monck, G.C.M.G., Chairman of the British and Australian Telegraph Company.

Proposed by VISCOUNT MONCK, Seconded by LORD WILLIAM HAY.

That the Directors be empowered to conclude such arrangements with the Governments of South Australia and Queensland as may seem expedient.

Carried unanimously.

Proposed by VISCOUNT MONCK, Seconded by Wm. McARTHUR, Esquire, M.P.

That the Directors be empowered to make such modifications in their cables and lines as the agreements with the Governments of Australia necessitate, and generally to take such steps as may be conducive to the interests of the company in relation thereto.

Carried unanimously.

True extract.

(Signed)

GEORGE LYONS,

Secretary.

[COPY.]

Queensland,

Colonial Secretary's Office,

Brisbane, 4th October, 1870.

SIR,

Referring to your letters of 9th and 11th August respectively (Nos. 120-70 and 51-70), detailing your proceedings and covering correspondence with the British and Australian Telegraph Company relative to the proposed line of communication between Great Britain and these Colonies, I am instructed to inform you that the Government approve of the action taken by you, and appreciate the zeal and energy you have displayed in attempting to carry out their wishes. It is a matter of regret that your exertions have not led to a more satisfactory issue.

By a telegram of the 30th September last (copy of which is appended for your information), you will perceive that there is a project in view for establishing an alternative line between the first point of communication (Port Darwin) and the neighboring colonies.

I am instructed to assure you that the Government will adhere to their former intention, of which you are already in possession, and will not undertake, at present, the construction of any land line beyond Normanton, so that the project of establishing an alternative line, by effecting a junction of the South Australian and Queensland lines at the Roper or the Nicholson, must at once be abandoned by the British and Australian Telegraph Company, who will have to rely entirely on the contemplated land line connecting Port Darwin and Port Augusta.

As it may be regarded almost as a certainty that this line will never be finished within the time specified for its completion, any connection with it would manifestly be to the disadvantage of this Colony, and will not be consented to.

It is still advisable that you should continue your negotiations for the construction of a separate cable to be landed at Normanton, with the British and Australian Telegraph Company, or, failing them, with some other reliable company willing to accept the guarantee you have already been authorized to give on behalf of the Queensland Government.

It has incidentally come to the knowledge of the Government that the British and Australian Telegraph Company demand, or are likely to demand, a guarantee of (5) five per cent. free of all deduction. If by this expression is meant that they are to receive a bonus of five per cent. upon the actual outlay incurred in laying the cable, the demand is manifestly absurd, and cannot for a moment be entertained.

In the event of no company being found willing to accept the terms offered to them, it may be a matter for consideration of this Government whether it would not be desirable to place themselves in a position to compete with the South Australian line, and to enter into an undertaking, in which, possibly, New South Wales and New Zealand would join, for the construction and laying down of a small cable from the Norman to East Java, whence a connection with Singapore could be secured by the lines of the Netherlands Indian Government.

Some communication has already been made on this subject, to which, however, it is not necessary more particularly to advert at present.

The Government are still in favor of giving a guarantee to a company willing to construct the line, in preference to entering into a contract themselves, to which end they are desirous that you should still continue to direct your attention.

I have, &c.,

H. H. MASSIE,
Under Colonial Secretary.

The Agent-General for Queensland, London.

TELEGRAM.

THE HONORABLE THE COLONIAL SECRETARY OF QUEENSLAND to THE HONORABLE THE COLONIAL SECRETARY OF NEW SOUTH WALES.

Brisbane, 29th September, 1870.

We have heard from Douglas that B. A. Co. decline to take cable to Normantown, and that they ask for a payment of five per cent. on their outlay, free of deduction. Would it not be better for New South Wales and Queensland to raise money and construct line themselves, in proportion of two-thirds New South Wales, one-third Queensland? We think a line of two thousand (2,000) miles, from Normantown to Java, would be laid for £350,000 (three hundred and fifty thousand pounds), which would, at five (5) per cent., be six thousand, Queensland; twelve thousand, New South Wales, per annum. New Zealand would, probably, take a share. Say whether you will submit such a project to your Parliament.

A. H. PALMER,
Colonial Secretary.

TELEGRAM.

THE HONORABLE THE COLONIAL SECRETARY OF NEW SOUTH WALES to THE HONORABLE THE COLONIAL SECRETARY OF QUEENSLAND.

Sydney, 4th October, 1870.

We consider it not desirable to have competing lines from Java, but that the preferable plan would be to connect with South Australian Line from Port Darwin. The Queensland Government would be almost certain to have the messages if, as is expected, the South Australian Line from Port Darwin to Port Augusta proves a failure. But we do not feel justified in joining in the construction of a second line.

CHAS. COWPER,
Colonial Secretary.

TELEGRAM.

THE HONORABLE THE COLONIAL SECRETARY OF QUEENSLAND to THE HONORABLE THE COLONIAL SECRETARY OF NEW SOUTH WALES.

Brisbane, 5th October, 1870.

Oblige by reserving your decision until receipt of my letter of to-day. I hope you have not communicated with South Australia. We are positively determined not to connect at the Roper.

A. H. PALMER,
Colonial Secretary.