

CONFERENCE ON CABLE DUPLICATION.

(PAPERS LAID BEFORE THE CONFERENCE.)

1. Proposals for a duplicate telegraph cable to connect the Australasian Colonies with the rest of the world.
2. A communication from Commodore Hoskins to His Excellency Sir Hercules Robinson, dated the 23rd January, 1877, on the subject of—
 - (1.) Reward for the apprehension of deserters from the Navy.
 - (2.) Free telegraph messages on purely Naval Service matters.
3. A report from the Eastern Extension Australasian and China Telegraph Company, dated 11th October, 1876.
4. A communication from J. G. Stewart, Secretary to the Victorian Humane Society, on the subject of life-saving apparatus at sea.
5. A letter from Mr. Audley Coote, dated 23rd January, and a supplementary letter, dated 25th January, on the subject of a duplicate cable.
6. A letter from Messrs. Knevett and Taylor, on behalf of the Eastern Extension Australasian and China Telegraph Company, notifying that they are in attendance on the Conference to afford information as to a duplicate cable.
7. Return showing Port Darwin telegraph line interruptions.
8. Return showing cable interruptions.
9. Statement showing the several proposals and suggestions in regard to the duplicate cable to connect Europe with the Australasian Colonies.
10. A communication from John Pender, Esq., M.P., Chairman of Eastern Extension Australasian and China Telegraph Company, on the subject of proposed additional telegraphic communication between England and Australia.
11. Telegram from John Pender, Esq., M.P., on the subject of duplication of telegraph cables.
12. A memorandum from Eugene C. Ainswick to Hugh George, Esq., General Manager of the *Argus*, on the subject of—
 - (1.) Delay in transmission of cable telegrams
 - (2.) Absence of official information as to interruption of lines.
 - (3.) Mutilation of messages.
13. Letter from Ed. Nutt, Director of the Interior of New Caledonia, in regard to mail communication to San Francisco via Noumea.
14. Letter from Eldred and Co., on behalf of Netherlands-India Steam Navigation Co., offering to run steamers with despatches between Batavia and Port Darwin, in the event of another break in the cable.
15. Submarine cable between New Zealand and Australia (Agreement).
16. Chart showing Telegraph Line from Adelaide to Port Darwin.

No. 1.

CABLE CONFERENCE.

[Laid before the Conference by the Chairman.]

PROPOSALS FOR A DUPLICATE TELEGRAPH CABLE TO CONNECT THE AUSTRALASIAN COLONIES WITH THE REST OF THE WORLD.

THE Colonial Secretary's letter on this subject was addressed to Victoria, Queensland, Tasmania, New Zealand, and South Australia. The following are the four routes indicated in it:—

1. Sydney to New Zealand, thence by the Sandwich Islands to San Francisco.
2. From Normanton by cable, the line ultimately taking the same course as 3 and 4.
3. From Port Darwin by cable, by the side of present cable, passing by land through Sumatra and *via* Malacca, instead of by cable to Singapore.
4. From Port Darwin by cable, touching at Copang.

The French Consul's letter concerning the co-operation of New Caledonia, was communicated to the same Colonies.

There is a letter from Mr. Audley Coote, dated June 5, in which he suggests three routes as preferable, for certain reasons, to those above mentioned—two of them by way of North-west Cape (Western Australia) and Singapore; the third by Perth and Ceylon.

This project of taking the line by way of Western Australia is also set forth in a letter from Mr. J. Hogan to the Postmaster-General. It also finds favor with Sir Julius Vogel and with the Governments of Western Australia and South Australia.

From all the Colonies replies have been received to Mr. Robertson's letter.

The Chief Secretary of Victoria says that the matter shall receive the earnest attention of his Government.

South Australia could not entertain 1 or 2, as too costly. It would be most advantageous to adopt 3 or 4, the selection being left to the Eastern Extension Telegraph Company; but if line be taken through Java the Company must have an independent land wire. But 2, other routes are suggested as worthy of consideration; (a) from North-west Cape, or Roeburne, by Java to Singapore; (b) from the west coast direct to Galle. A duplicate cable from Port Darwin would however be the readiest and cheapest. In any circumstances they ought not to be required to contribute to the cable subsidy. The overland telegraph line ought to be regarded as an intercolonial undertaking, and the cost should be borne by the Colonies using it. The E.E. Telegraph Company ought to be required to keep a steamer always near Port Darwin, and a continued interruption for a given time should entail deductions from the subsidy.

As to *Queensland*, the Postmaster-General stated that she was prepared to contribute to a subsidy for a cable from Kimberley (Norman Mouth) to Singapore, contributions being based on population. Telegram of 26 June says that without defined proposition from the other Colonies she cannot at present do anything.

The Colonial Secretary of *New Zealand* sends copies of a memorandum of the Commissioner of Telegraphs (Sir Julius Vogel). He is in favor of a cable from the West Coast, and proposes three lines, which are the same as those suggested by Mr. Audley Coote. (See above.) There are so many details that correspondence will not settle the matter; and for this reason, as well as for the discussion of many questions connected with cable communication, a Conference is desirable. With regard to Mr. Coote, Sir Julius Vogel points out that "his principals were not willing or not able to carry out the arrangements he formerly made."

From *Tasmania* there is only an acknowledgment.

Western Australia (not addressed by Mr. Robertson) sends a copy of a letter sent to New Zealand (in continuation of correspondence between the two Colonies), enclosing a minute of Executive Council on Sir Julius Vogel's memo. already mentioned. This Colony is favorable to the holding of a Conference, at which it is thought the Government of India ought to be represented. She is in favor of a cable from her west coast to Ceylon by way of the Cocos Islands. 20 July, 1876.

Later correspondence on this subject is noted below.

Mr. Cracknell, in his telegram of 9th September, from London, expresses the opinion that the cheapest and only necessary (for the present) duplication is one between Singapore and Banjowangie. He thinks that later a cable might be laid from Banjowangie to North-west Cape. (See his letter of 29th September, 1876).

The Secretary of State sends a communication from the Chairman of the Eastern Extension Telegraph Company setting forth a proposal for a cable from Penang to Rangoon, as supplementary to the line from Madras to Penang.

Mr. Audley Coote gives the Governments the choice of several projects so far as concerns terms; a guarantee of interest, a subsidy, or the direct purchase of a cable.

The Consul of France sends a letter from the Governor of New Caledonia, with enclosure, setting forth the advantages of a line of telegraph between Australia and America. This is a project which is admitted to be too expensive without the assistance of the United States.

The Agent-General encloses a communication from the Chairman of the Eastern Extension Telegraph Company. That Company being made aware of the correspondence that had passed in Australia, had considered the subject, and now desired to offer certain proposals, which are set forth at length in the printed paper. They have in view two routes—one from Port Darwin to Banjowangie, the other from North-west Cape to the same place—with a direct cable between Banjowangie and Singapore. The cost would be for these respective lines £540,000 and £500,000, and on either amount the Company would require a subsidy of 6 per cent., and 8 per cent. for a reserve fund for repairing and replacing the cable. The annual payments would be thus for the respective routes £48,800 and £45,000.

JOHN ROBERTSON.

January 5, 1876.

No. 2.

COMMODORE HOSKINS to HIS EXCELLENCY THE GOVERNOR, ON SUBJECT OF REWARDS FOR APPREHENSION OF DESERTERS FROM THE NAVY AND FREE TELEGRAPH MESSAGES ON NAVAL SERVICE.

H. M. Ship "Wolverine," at Sydney,
23rd January, 1877.

Sir,

The approaching Intercolonial Conference about to assemble here at your suggestion appears to me to afford an opportunity of arriving at an harmonious arrangement respecting two matters affecting our naval interests, and I would ask your Excellency, should you see no objection thereto, to direct the attention of the Conference to them.

The first is the payment of a reward of five pounds by the Governments of the several Colonies for the apprehension of deserters from the Navy, as a stimulus to activity on the part of the Police. The second is the payment for telegrams on purely Naval Service matters.

2. With respect to the first, the Government of New Zealand has for many years made such a payment, and with the best result; and though the practice has been suspended of late in the Australian Colonies, the order to make them appears never to have been rescinded, and I have received from yourself and the Governors of Victoria and Tasmania an intimation that your Governments are willing to renew it.

3. I attach great importance to it, as I have already explained to your Excellency in my letters of the 16th August and 21st November, 1876, as one means of checking the great loss of men by desertion which our ships now suffer on this station, a loss which bears hardly on our resources in men at home, and which must prevent not only an increase to the Force now on the station, but also any hopes of visits from the squadron which is kept up for the purpose of instruction and of periodically visiting our Foreign stations.

4. With respect to the telegraph question, it seems so obvious that the necessary official telegrams of a squadron maintained here for the benefit and protection of the Colonies should pass, like their own official telegrams, free of charge, that I am sure it is only necessary that it should be mentioned for the concession to be made; and I only consider it desirable to bring it forward in order to have the principle authoritatively established and recorded with the general consent of all the Colonies.

I have, &c.,

A. H. HOSKINS,
Commodore.

No. 3.

REPORT OF THE EASTERN EXTENSION AUSTRALASIA AND CHINA TELEGRAPH COMPANY, LIMITED.

DIRECTORS:

John Pender, Esq., M.P., Chairman
The Right Honorable W. N. Massey, M.P.,
Vice-Chairman.
Sir James Anderson.
Francis Augustus Bevan, Esq.
Baron Emile D'Erlanger.
Charles William Earle, Esq.

Sir Thomas Fairbairn, Bart.
Lord William Montagu Hay.
The Right Honorable Viscount Monck.
William McArthur, Esq., M.P.
George Garden Nicol, Esq.
Philip Rawson, Esq.

MANAGING DIRECTOR: Colonel T. G. Glover, R.E. ACTING SECRETARY: Mr. F. E. Hesse.

The Directors submit the annexed half-yearly report and balance sheet to the 30th June last.

The gross earnings for the half-year have amounted to £98,542 3s. 0d. The working expenses, cost of repairs, payment of income tax, interest on debentures, &c., amount to £43,910 19s. 8d. The sum of £581 3s. 2d., mentioned in the last half-yearly report as the expenses incidental to the issue of debentures and laying of the New Zealand cable has, with a small additional amount of £10 0s. 0d., been charged against the revenue of the half-year under review. The balance of profit amounts to £54,631 3s. 9d.

One interim dividend of 1½ per cent, amounting to £24,968 15s. 0d., has been paid, and another of similar amount is payable on the 16th instant, leaving the sum of £4,693 13s. 9d. to be carried forward.

The Directors regret that the Penang-Madras section of the Company's cables, which broke near the Nicobar Islands on the 27th March last, has not yet been repaired, owing to the continuance of the monsoon since that date. The repairing ship "Agnes" has been almost constantly on the site of the interruption, but the weather has been so severe as to frustrate all attempts at repair. The termination of the monsoon may now be daily expected, when there will be no difficulty in restoring the communication, the fault being in shallow water.

The Port Darwin section of the cable broke on the 24th April, and was repaired on the 7th August by the Company's S.S. "Edinburgh," which left her station for that purpose by permission of the Governments of New Zealand and New South Wales.

The duplicate cable to be laid between Penang and Rangoon, which was sanctioned at an extraordinary general meeting held on the 16th December, 1875, is in course of manufacture, and will be laid early next year.

Out of the total authorized issue of £320,000 6 per cent. Debentures, £278,500 were allotted up to the 30th June last. The balance has since been issued.

The South Australian land lines have been worked almost without interruption during the six months under review, and the Directors have great pleasure in making this public recognition of the energy of Mr. Todd, the Postmaster-General of South Australia, and his staff.

JOHN PENDER,
Chairman.

66, Old Broad street,
London, E.C., 11th October, 1876.

THE EASTERN EXTENSION AUSTRALASIA AND CHINA TELEGRAPH COMPANY (LIMITED).
REVENUE ACCOUNT for the half-year ending 30th June, 1876.

	£	s.	d.	£	s.	d.		£	s.	d.	£	s.	d.
To General Expenses in London	3,203	3	4				By Messages, &c.	33,884	14	3			
(See Abstract A.)							" New Zealand Cable Subsidies	2,717	9	3			
" General Expenses at Stations	19,190	11	2				" Tasmanian Cable Subsidy	2,100	0	0			
(See Abstract B.)							" Interest on Loans, &c.	283	2	0			
" Electrician's Retaining Fees	140	0	0				" Transfer Fees	56	17	6			
" Use of Patents	385	19	2								98,542	3	0
" Directors' Remuneration	1,875	0	0										
" Auditors' Fees	50	0	0										
" Expenses relating to Debenture Issue and laying of New Zealand Cable	591	4	0										
" Repairs to Cables	9,822	14	6										
				35,288	12	5							
To Income Tax	823	13	2										
" Interest on Mortgage Debenture Bonds	34	14	2										
" Interest on Debenture Bonds	7,763	19	6										
				8,622	6	10							
" Balance				54,631	3	9							
				£98,542	3	0					£98,542	3	0
To 1st Interim Dividend for 1876—													
2s. 6d. per Share, paid 16th July, 1876	£24,968	15	0				By Balance				54,631	3	9
" 2nd Interim Dividend for 1876—													
2s. 6d. per Share payable 16th October, 1876	24,968	15	0										
" Balance carried forward to next Account	4,693	13	9										
				£54,631	3	9					£54,631	3	9

ABSTRACT A.

ABSTRACT B.

STATEMENT OF GENERAL EXPENSES IN LONDON.

	£	s.	d.
Salaries and Wages	2,143	12	5
Office Expenses	399	15	1
Rent and Taxes	332	13	5
Stationery and Printing	149	12	1
Postage and other Stamps	111	9	7
Advertising	2	15	6
Repairs and Renewals to Furniture	88	5	3
Agencies	65	0	0
	<u>£3,283</u>	<u>3</u>	<u>4</u>

STATEMENT OF WORKING EXPENSES AT STATIONS.

	£	s.	d.
Salaries and Wages	9,775	13	10
Travelling Expenses	887	17	4
Rent, Taxes, House Allowances, &c.	1,323	3	6
Provision and Ration Allowances	192	0	0
Maintenance of Land Lines and Electrical Instruments	1,491	1	2
Repairs and renewals to Furniture and Buildings	529	16	5
Expenses of Maintenance ship "Agnes"	1,776	8	10
" " "Edinburgh"	1,618	10	5
Expenses of Cable Stores	109	19	4
Stationery and Printing	335	10	0
Office and Message Postages	120	16	3
Office and Petty Expenses	433	11	3
Medical Attendance, &c.	193	15	0
Insurance at Stations	102	15	5
Service Messages	87	2	5
Freights and Insurance	77	2	5
Expenses of Porthouse School	100	0	0
Legal Expenses	19	12	0
	<u>£19,130</u>	<u>11</u>	<u>2</u>

RESERVE FUND, 30th June, 1876.

	£	s.	d.		£	s.	d.
To loss on realisation of Russian Government 5 per cent. Loan (£10,000)	509	7	6	By Balance, as per Account, 31st December, 1875	117,916	0	8
" Balance carried down	119,303	3	0	" Profit on realisation of £93,000 of United States 5 per cent. Funded Loan	232	10	0
				" Interest Received on Investments to date	1,753	19	10
					<u>£119,902</u>	<u>10</u>	<u>6</u>
	<u>£119,902</u>	<u>10</u>	<u>6</u>	By Balance brought down	<u>£119,993</u>	<u>3</u>	<u>0</u>

BALANCE SHEET, 30th JUNE, 1876.

	£	s.	d.		£	s.	d.
To Capital—				By Capital Expenditure—			
300,000 Shares of £10 each £3,000,000 0 0				As per last Account ... 2,208,034 2 7			
Less 100,250 Shares of £10 unissued 1,002,500 0 0				Add final payments under New Zealand Cable Contract ... 60,050 0 0			
199,750 Shares of £10 each ... 1,997,500 0 0				" Cost of furniture, and sundry expenses in opening Sydney and Nelson stations ... 3,263 5 10			
" Mortgage Debenture Bonds—					<u>2,271,347</u>	<u>8</u>	<u>5</u>
As per last Account ... 3,200 0 0				" First payment under Bangoon and Penang Cable Contract ... 17,000 0 0			
Less redeemed during the half-year, 32 Bonds of £100 each ... 3,200 0 0				" Cost of s.s. "Edinburgh" and stores ... 15,000 0 0			
" Debenture Bonds—				" Spare Cable and other stores ... 10,359 11 2			
3,200 Bonds of £100 each at 6 o/o ... 3,200 0 0				" Bills receivable ... 40,094 15 1			
Less 415 unissued ...				" Remittances in transit ... 11,210 3 7			
2,785 Bonds of £100 each ... 278,500 0 0				" Investments on account of Reserve Fund—			
" Reserve Fund, as above ... 119,393 3 0				United States 5 o/o ... 51,331 5 0			
" Traffic and other Credit Balances ... 14,931 18 1				Funded Loan ... 4,992 0 0			
" Bills Payable ... 300 0 0				Portuguese Government 3 o/o bonds ... 56,323 5 0			
" Proprietors for Debenture Interest ... 6,960 17 7					<u>18,613</u>	<u>19</u>	<u>0</u>
" Proprietors for Dividends—				" Cash Balances—			
Unclaimed Dividends 135 1 6				At Stations ... 3,750 5 8			
First Interim Dividend, 2/6 per share, paid 15th July, 1876 ... 24,968 15 0				In London:—			
Second Interim Dividend, 2/6 per share, payable 15th October, 1876 ... 24,968 15 0				Current accounts ... 8,599 1 4			
				On deposit ... 20,000 0 0			
" Revenue Account Balance ... 4,693 13 9				In hand ... 13 14 8			
	<u>£2,472,252</u>	<u>3</u>	<u>11</u>		<u>32,363</u>	<u>1</u>	<u>8</u>
					<u>£2,472,252</u>	<u>3</u>	<u>11</u>

London, 4th October, 1876.

Audited and found correct.

JOHN BALL, }
HENRY DEVER, } Auditors.

THE HON. SECRETARY, VICTORIAN HUMANE SOCIETY to THE CHAIRMAN OF THE INTERCOLONIAL CONFERENCE.

On the subject of Life-Saving Apparatus at Sea.

Victorian Humane Society,

62, Collins street East, Melbourne, 19th January, 1877.

SIR,

1. I have the honor to state, for the information of yourself and the members of the Inter-colonial Conference, that the Directors of the Victorian Humane Society have lately had under their consideration the subject of Life-saving Apparatus to be used at sea, and the very inadequate law at present in force relating to ship-owners providing the same.

2. It is hoped that although the Conference is to be held for a special purpose, yet the great importance of this subject may have sufficient weight with yourself and colleagues, so that consideration may be given to it, with a view to the different Governments in Australia and New Zealand introducing an Act in their respective Legislatures that shall be uniform in its purpose, and by which ship-owners and others may be compelled to provide the most efficient and approved life-saving appliances on board all vessels registered in Australasia and New Zealand.

3. The Directors being sensible of the unsatisfactory state of the law in Victoria relating to this subject, which only requires that a limited number of life-boats and two (2) life-buoys shall be provided, irrespective of the number of passengers or crew, have presented a petition to the Government, praying that the existing law may be amended and a more stringent and comprehensive Act introduced and passed if possible, so that all sea-going vessels may be compelled to carry a supply of life-saving apparatus, in proportion to the number of persons on board.

4. The Premier of Victoria (the Hon. Sir Jas. McCulloch) has promised that the petition of the Directors shall have the careful consideration of the Government, with a view to legislating on this most important matter during the next session of Parliament.

5. The efforts of the Society, and any legislation arising therefrom, will but imperfectly attain the desired object, unless the whole of the Colonies unite and agree to pass an Act that shall be uniform in its provisions, and which, in the interest of humanity, is so urgently required.

6. The numerous disastrous shipwrecks, accompanied by loss of life, that have occurred in Australian waters have unfortunately "too clearly proved" how very imperfect are the arrangements made for the protection and possible preservation of human life at sea.

7. It is clearly the duty of ship-owners to take every precaution, in order that the lives of those entrusted to their care are protected by every means that science and ingenuity can devise, and a serious responsibility must rest on those who neglect to do so.

8. The attention of the ship-owners in Victoria has been directed to this most important question, and it has been suggested for their consideration that, after the successful experiments made in the English Channel in July last, for the purpose of testing various inventions of life-saving appliances, it is advisable that every steamer and other vessel (especially those carrying passengers) should be provided with a sufficient number of cork life-jackets, to permit the use of one by every person on board in case of accident.

9. It is gratifying to mention that Captain Wm. Howard Smith, steamship proprietor of this city, has adopted the suggestions of the Directors.

10. In suggesting the use of the life-jacket, the directors are impressed with the fact that it can be hung in every cabin, can be easily adjusted, and ready for use on every emergency.

11. The "*Merchant Shipping Acts Amendment Act*," passed during the last session of the Imperial Parliament, contains several provisions which might be adopted with advantage by the Colonial Legislatures when dealing with the desired amendment of the existing law relating to shipping passenger accommodation, &c., &c.

12. Any amendment of the present law should be with the object of preventing the over-crowding of either passengers or cargo, which not unfrequently occurs at the present time—a practice that is reprehensible in the extreme, and which cannot be too severely condemned and punished if persisted in.

13. The boat accommodation is also very imperfect, requiring stringent regulations respecting the class and capabilities of all boats carried, and the means for lowering the same.

14. As it is impossible that a more favorable opportunity can be desired for having this subject brought under the consideration of the representatives of the various Governments, I respectfully beg that an earnest attention may be given to it, and that a determined course of action may be jointly agreed upon, so that we may hope to have an uniform Act passed with the least possible delay, having for its object the better preservation of life at sea.

I have, &c.,

J. ELLIS STEWART,

Honorary Secretary, V.H.S.

AUDLEY COOTE, ESQUIRE, to THE POSTMASTER-GENERAL, SYDNEY.

Petty's Hotel, Sydney,

23rd January, 1877.

Re Duplicate Cable to London.

SIR,

Permit me to inform you that I reached here on the 19th instant, for the purpose of laying before your Government and the Representatives of the other Australian Governments attending the Duplicate Cable Conference in this City, an offer to connect Australia with London by a complete duplicate telegraph cable and wires.

I have

I have now the honor to submit, on behalf of the Messrs. Siemens Brothers, of London, and of the Indo-Australian Telegraph Company, the following proposals, viz.:—

- 1st.—By cable to be supplied from Normanton, or some other point in Queensland to be agreed upon, to Banjoewangi, for a subsidy of £40,000 a year for twenty years.
- 2nd.—By cable from Queensland to Singapore *via* Timor and Sourabaya, for a subsidy of £50,000.
- 3rd.—By cable from Queensland to False Point in India, touching at Timor, Sourabaya, Singapore, Penang, and Andaman Islands, £65,000. If allowed to go by cable from Penang to Rangoon, *via* Pakchan River instead of False Point, £60,000.
- 4th.—By cable to be supplied from a point in Western Australia to be agreed upon, to Singapore, £45,000.
- 5th.—By cable from Western Australia to Rangoon, *via* Singapore and Penang, £55,000.
- 6th.—By cable from Western Australia to False Point in India, *via* Singapore, £60,000.
- 7th.—By cable from Western Australia to Ceylon, *via* Anger, £60,000.

Permit me also to inform you that I have the above proposals with the subsidies and routes marked and laid down on an Admiralty Chart, which clearly shows each proposal and route; and as I have been in correspondence with all the Australian Governments on this important undertaking, I shall be glad if the Conference will grant me an interview, and so enable me to explain or answer any questions the delegates may think proper to ask.

In conclusion, permit me to add, that in all the proposals I have had the honor of submitting, a complete duplicate system to London is guaranteed.

I have, &c.,

AUDLEY COOTE.

No. 5.

AUDLEY COOTE, Esq., to THE POSTMASTER-GENERAL, SYDNEY.

Petty's Hotel, Sydney,

25th January, 1877.

Re Duplicate Cable to London.

SIR,

Permit me to confirm my letter to you of the 23rd instant, and allow me to add thereto, and I shall be glad if you will read therewith, in explanation to a point that has been named in the negotiations by the competing Company, viz.:—

"That in the event of a war in Europe the lines of the Company I represent might become interrupted."

In answer to this, permit me to say that our lines do not pass through Turkey, but traverse far to the north of any likely outbreak of war; and you will please note by the maps that where interruptions might take place, cables duplicating these wires have been laid all through the Persian Gulf, and during the Franco-Prussian war these lines were not interrupted for a single day, and therefore not likely to be interfered with now, making my principals to hope that this is one of the strongest points in their favor. "On the other hand," the competing Company who have raised this point would most assuredly have its cables cut directly war was declared, which could not be repaired for months, and then only to be cut again, which, in my humble opinion, will make it impossible to keep up communication without a complete duplicate line.

I have, &c.,

AUDLEY COOTE.

No. 6.

MESSRS. KNEVETT AND TAYLOR to PRESIDENT OF CONFERENCE.

Eastern Extension Australasia and China Telegraph Company (Limited),

Sydney, 26th January, 1877.

SIR,

We have the honor most respectfully to state, that the Chairman of this Company has desired us to place ourselves at the disposal of the Australasian Government Delegates in Conference assembled in Sydney.

We have been directed to supply them with any information in our power that may assist them in deciding upon the question of the Duplication of International Cables.

In pursuance thereof we shall have great pleasure in waiting upon the Honorable Delegates; and in the event of any further information being required, we shall be happy to obtain it direct and express from London.

We have, &c.,

SAMUEL KNEVETT,

Agent to the Company.

W. GRIGOR TAYLOR,

Superintendent and Electrician, New Zealand Cable.

No. 7.

CABLE CONFERENCE.

RETURNS LAID BEFORE THE CONFERENCE BY THE HON. SIR HENRY AYERS, K.C.M.G.
PORT DARWIN LINE INTERRUPTIONS.

When Interrupted.	When Restored.	Where Between.
1872.		
27 August	30 August	Peake and Charlotte Waters.
18 November	21 November	" "
1873.		
28 January	1 February	Beltana and Strangway's Springs.
6 March	10 March	Peake and Charlotte Waters.
8 April	10 April	Katherine and Yam Creek.
28 May	31 May	Alice Springs and Barrow's Creek.
24 August	26 August	Daly Waters and Katherine.
16 September	18 September	Tenant's Creek and Powell's Creek.
4 December	7 December	Daly Waters and Katherine.
1874.		
17 January	20 January	Powell's Creek and Daly Waters.
23 March	25 March	Daly Waters and Katherine.
25 March	27 March	Port Augusta and Beltana.
21 May	23 May	" "
4 July	7 July	Daly Waters and Katherine.
14 August	16 August	" "
25 September	27 September	Charlotte Waters and Alice Springs.
9 October	13 October	Yam Creek and Southport.
1875.		
30 January	31 January	Charlotte Waters and Alice Springs.
18 March	21 March	Daly Waters and Katherine.
29 May	31 May	Beltana and Strangway's Springs.
10 June	12 June	Powell's Creek and Daly Waters.
15 August	17 August	Yam Creek and Southport.
3 September	5 September	Powell's Creek and Daly Waters.
18 October	21 October	Peake and Charlotte Waters.
10 December	12 December	Charlotte Waters and Alice Springs.
1876.		
26 February	28 February	Tennant's Creek and Powell's Creek.
15 March	17 March	Powell's Creek and Daly Waters.
26 April	29 April	Beltana and Strangway's Springs.
8 May	14 May	Port Augusta and Beltana.
29 May	31 May	Barrow's Creek and Tennant's Creek.
30 May	3 June	Peake and Charlotte Waters.
11 September	15 September	Beltana and Strangway's Springs.
12 September	15 September	Port Augusta and Beltana.
10 November	13 November	Beltana and Strangway's Springs.
27 December	30 December	Powell's Creek and Daly Waters.

No. 8.

CABLE INTERRUPTIONS.

When Interrupted.	When Restored.	Where between.
1872.		
22 June	20 October	Port Darwin and Banjoewangie.
1873.		
21 February	24 February	Land-line between Boeski and Banjoewangie.
31 March	2 April	Batavia and Singapore.
12 May	26 May	Penang and Madras.
11 July	13 July	Land-line 30 miles from Banjoewangie.
20 November	23 November	Singapore and Penang.
1874.		
20 May	31 May	Batavia and Singapore.
13 August	15 August	" "
16 August	23 August	" "
10 December	29 December	" "
Floating Station was established 16 miles from Batavia, with daily steam communication to Singapore, on the 18th December.		
1875.		
2 September	16 September	Batavia and Singapore.
5 November	8 November	" "
15 November	24 December	Penang and Madras.
1876.		
28 March	24 August	Penang and Madras.
24 April	7 August	Port Darwin and Java.
22 October	30 November	Batavia and Singapore.

No. 9.

CABLE CONFERENCE.

[Laid before the Conference.]

STATEMENT showing the several proposals and suggestions in regard to the DUPLICATE CABLE to connect EUROPE with the AUSTRALIAN COLONIES.

By whom proposed or suggested.	Route.	Estimated Length.	Estimated Amount of Subsidy per annum.	Remarks.
Sir Julius Vogel	Via India and Suez	Miles.	£	Route would not be through any Foreign country—See memo. of 4th April—fo. 1.
Colonial Secretary, New South Wales	Port Darwin, Malacca, and Sumatra	...	...	See Colonial Secretary's letter of 18th May, 1876—fos. 3 and 4.
	Port Darwin, Copang, Java, &c.	...	...	See Colonial Secretary's letter of 18th May, 1876—fos. 3 and 4, Estimated cost, £750,000.
Mr. S. W. McGowan	Point de Galle and Western Australia	...	...	See memo. of 28th May, 1876—fos. 4 and 5.
	Normantown, Timor, Batavia, India	...	40,000	See letter of 6th June—fo. 6, and letter of 19th June—fos. 6, 7, and 8. Will also reduce rates to £3 per message, and 6s. per word over ten words.
	Normantown, Timor, Sourabaya, India	...	55,000	
	Normantown, Penang, Port Blair, India	...	65,000	
	Exmouth Gulf, Western Australia, Banjoewangie, Batavia, India	...	80,000	
Captain Coote	Exmouth Gulf to Anger and India	...	85,000	In further letter of 18th July—See fos. 8 and 9. Geraldton is suggested as starting point in Western Australia instead of Exmouth Gulf.
	Perth to Ceylon	...	55,000	See letter and enclosures forwarded with dispatch from Secretary of State, dated 2nd June—fos. 12, 13, 14, and 15.
	Establishment of Line between Rangoon and Penang	...	...
	Singapore to Australia	...	6 per cent. on outlay, and 5 per cent. as a reserve fund	See papers accompanying despatch from Secretary of State, of 7th July—fos. 15, 16, and 17.
Eastern Extension Company	Darwin to Banjoewangie	2,151	6 per cent. on outlay, and 3 per cent. as a reserve fund	Outlay estimated to cost £540,000. See papers accompanying letter from Agent-General (Victoria), dated 27th October—fo. 18.
	N. W. Cape, Western Australia, to Banjoewangie, with direct cable to Singapore	1,973	6 per cent. on outlay, and 3 per cent. as a reserve fund	
Mr. Cricknell	Singapore to Banjoewangie	900	...	Outlay estimated to cost £500,000. Will also reduce present Tariff, if such reduction does not reduce present income.
				See letter from Mr. Cricknell, dated 23rd August—fo. 11, also telegrams of 12th September and 11 October—fos. 11 and 17.
Mr. Todd	Singapore to Banjoewangie	900	...	See papers accompanying letter from Chief Secretary, South Australia, dated 14th November—fo. 18.
Mr. F. Gisborne	Calcutta or Rangoon to Singapore and thence to Queensland	...	...	See letter from Mr. Gisborne, accompanying Mr. McGowan's letter of 28th November—fo. 19.
Mr. T. R. James	N. W. Cape Western Australia to Aden, via Mauritius	...	...	See Mr. James' memo. of 17th June—fo. 19.

No. 10.

CABLE CONFERENCE.

[Laid before the Conference.]

PROPOSED ADDITIONAL TELEGRAPHIC COMMUNICATION BETWEEN ENGLAND AND AUSTRALIA.

The Eastern Extension Australasia and China Telegraph Company (Limited),
66, Old Broad street, London, E.C.

3rd October, 1876.

A correspondence that has taken place between the different Australasian Colonies on the subject of additional Cable Telegraphic Communication having lately been officially published by the Government of South Australia, and the name of this Company having been prominently mentioned as the most fitting body to carry out the views therein expressed, the Directors have had the matter under their most serious consideration, and they offer the following proposals as the result of their deliberations:—

The present amount of traffic and the income derivable from it would not justify this Company in undertaking this large extension, which involves a very considerable outlay of money, without assistance on the part of the Colonies. The number of messages between Australia and all parts of the world during the year 1875 was 11,075, of twenty words each, averaging thirty-two messages daily, the transmission of which does not afford occupation for the present cable for more than two hours a-day. There has been no marked growth in the traffic since the opening of the line in 1872; the number of messages in 1873 being 11,047, and in 1874, 11,513, so that there would appear to be no great hope of any large extension in the future. During the year 1875 the income derived by the Company from Australian messages amounted to £62,172, but when from this is deducted the cost of working and of the maintenance and repair of the cable, it will be seen that a very small return remains on the capital of £600,000 which was originally invested in the scheme.

The

The duplication, as is above shown, not being necessary on account of the traffic, it is evident that if carried out it will be entirely in the interests of the Colonies, as an insurance against interruptions to which submarine cables are from time to time liable. Under these circumstances, it is but right that the Governments should bear the expense involved.

In order to lay down this cable it will be necessary that the money be raised by the Company on the security of its property in the public market. When laying down the New Zealand cable, the Company had to raise money at the rate of 6 per cent., nor does it see any reason for supposing that it will be able to obtain the large sum requisite for this scheme on more favorable terms. The Governments of Australia, however, might, by assisting the Company with a guarantee for the raising of this money, enable them to do so at a more favorable rate; in which case, of course, this advantage would be credited to those Governments. The Company would, therefore, require the Governments to subsidize them to the amount of the interest that would be payable on the capital obtained; and moreover, as cables are of a perishable nature, and it is necessary to renew them from time to time, it becomes imperative, in order to secure permanency of communication, that a reserve fund should be laid by annually, which by its accumulation would enable a new cable to be put down after a certain period. Experience does not exist as to the actual life of a cable, and indeed it must vary according to the surrounding circumstances; but taking into consideration the warm shallow seas in which the greater part of this cable is to be laid, teeming as they do with animal life, which has hitherto proved very destructive to the cables already submerged, it would not be fair in the present instance to estimate it at too long duration.

There will doubtless be other Companies offering to provide a new cable; but this Company cannot see how, in the face of the present traffic, an independent Company could exist. Contractors for their own personal gain may endeavor to get up an opposition cable, but it would only be at a loss to the shareholders who might take the property off their hands. The result, therefore, of another and second independent line would be that there would be two struggling Companies, each trying to procure a livelihood from an insufficient traffic, which would prove so unremunerative that in case of accident to either of them it would become a question with the shareholders whether it would be worth their while to repair the line by further outlay. The consequence would be that the Colonies would be again reduced to a single line, and the object of the attempted duplication would be defeated.

The only hope of duplication is in the present Company, which already possesses one line, and which, with a subsidy and the amount of its present traffic, would be in a position to maintain the two lines in fair and efficient order.

It may also be noted that the duplication now under consideration extends only as far as Singapore, so that any new Company that might undertake it would have to continue the extension to India, in which case the expense would be so great that any subsidy, unless very large, would be inadequate. This Company, however, already possesses one line between Singapore and India, and has entered into a contract for a second, which will be laid down by the end of the present year. The Colonies, therefore, would be in possession of a duplicate line the whole way between India and Australia, should they complete negotiations with this Company.

With regard to the reduction of the tariff which is also mooted, this question is entirely separate from the foregoing.

The present cable derives an income of £62,172 per annum, which, as has already been observed, is very inadequate for the service performed and the risky nature of the property. Should the Colonies require any reduction of the present tariff, the Company will be happy to meet their views, but they cannot assent to any proposal that would diminish their present income. The negotiations, therefore, will have to be based upon a calculation which would make up to the Company the sum that they would lose by the reduction of the tariff that might be agreed upon.

While on this subject it may, however, be worth observation that the cry against the present tariff is not altogether just. The telegraph is employed almost exclusively for commercial purposes, and every mercantile house possesses a code of its own, which by the use of one word conveys the meaning of a sentence. The Company charges for this one word only; but if the sender of the message were to divide the cost of this word over the words whose meaning it secretly conveys, it would be found that the expense is not so very great. Again, admitting that a reduction may be feasible to the extent of one-half of the present rate, it would still be found that the tariff would be so high that no very great extension of traffic would follow, certainly not in proportion to the ratio of decrease of cost, and the result would consequently be a loss to the Company. At the recent Convention at St. Petersburg it was the unanimous opinion of all Submarine Companies that the expansion of communication was very disappointing, and that at the existing rates the business was not remunerative.

It appears to the Company that the shortest route for the new cable would be the best, as requiring the least expenditure of capital, and therefore the most advantageous to the Colonies.

There are two routes which in this view suggest themselves—the one going from Port Darwin and following the line of the present cable to Banjoewangie, and the other starting from North-west Cape, in Western Australia, and going to the same point. Whichever of these schemes may be adopted, the Company would propose to carry on the communication to Singapore by a cable laid direct between there and Banjoewangie, in place of taking the messages over the lines of the Java Government.

In case of the cable from Port Darwin to Singapore touching at Banjoewangie, the distance would be 2,151 miles, and its cost £540,000; in case of the cable going from North-west Cape, also touching at Banjoewangie, the distance would be 1,973 miles, costing about £500,000.

The Company would require a subsidy of 6 per cent. on these sums, according to whichever route may be adopted. This amount is necessary in order to pay the interest on the capital that would have to be raised in the open market. In addition to this, the Company would require a sum of 3 per cent. to be laid by as a reserve to meet any repairs that might be necessary to the cable, and also to provide a sum for replacing it as it may become worn out. This sum would have to be guaranteed for a term of twenty-two years, in which time it is calculated that if 3 per cent. on any sum is laid by annually and invested at 4 per cent., the original capital will be reproduced. The sums therefore, required would be, if the cable went from Port Darwin, £48,600, or, if from North-west Cape, £45,000 per annum.

JOHN PENDER, Chairman,
Eastern Extension Australasia and China
Telegraph Company.

No. 11.

CABLE CONFERENCE.

[Laid before the Conference by the Chairman.]

TELEGRAM FROM JOHN PENDER, ESQ., M.P., ON THE SUBJECT OF DUPLICATION OF TELEGRAPH CABLES.

President Telegraphic Conference Sydney The Conference being about to meet we have instructed our agents Messrs. Taylor and Knerett to place themselves at your disposal and in the event of your wishing to communicate direct with the Company our telegraphic system is at your service free of charge We shall be happy to telegraph you every information you may desire being anxious to meet wishes and give every facility for carrying out object of Conference With respect to route for duplicate cable, we find that from North-west Cape to Galle full of danger repairs in deep water almost impossible on account of prevailing trade-winds.

No. 12.

CABLE CONFERENCE.

[Laid before the Conference by the Honorable R. Ramsay.]

Respecting delays in the transmission of Cable Telegrams.
Absence of official information as to interruption on Lines.
Mutilation of Messages.

MEMORANDUM FOR HUGH GEORGE, ESQ., GENERAL MANAGER.

"The Argus."

As a conference of representatives from the several Colonies is about to assemble in Sydney for the discussion of Telegraph Cable matters, I accept this as a favorable opportunity of bringing under your notice the various complaints which have from time to time arisen, and continue to arise, in connection with the cable messages received by "The Argus" on behalf of the Associated Press. These complaints are principally delays in transmission, the absence of official information as to interruptions on the lines, and the mutilation of messages; and with these I propose to deal singly.

"The Argus" is the only newspaper receiving Press telegrams of public news through the cable and, as representing the Associated Press, all such messages addressed to "The Argus" are distributed, over the whole Press in Victoria, New South Wales, South Australia, Queensland, Tasmania, and New Zealand.

DELAYS IN TRANSMISSION.

From some cause, at present not sufficiently traceable, "The Argus" messages from Singapore and London have not latterly been transmitted over the lines with that despatch formerly employed, and the consequence is that the messages bearing early dates at either or both of these points of departure seldom reach their destination until a very late hour of the night, which apart from being highly inconvenient, causes the loss of valuable news to a large section of the country press in all the Colonies. Not unfrequently we obtain advice of a batch of cable messages "coming," and often have to wait an hour or even two, before they actually arrive. In such case the delay must rest with the Telegraph Department of South Australia.

NOTICE OF INTERRUPTIONS.

We have very frequently had to complain of the absence of all information in regard to interruptions, whether on the cable or land line; and it has very often happened that until the repairs are effected no official information has been given that any interruption has taken place. A number of country stations are nightly kept on hand, in anticipation of cable news, and cannot be released from duty until some notification is received from Adelaide, and therefore early intimation of interruptions on the lines would save much loss of time, trouble, and expense. To the reading public, too, who follow the progress of events in Europe from day to day, some explanation should be afforded for the non-appearance of cable intelligence. If the general rule was followed to give priority to Press messages after those of the Government, much inconvenience, I think, would be obviated, and much loss of time saved, as at present, hours are frequently wasted to no purpose. Mr. Todd, in a letter under date 10th January, 1875, and addressed to you, says, "This office (South Australia) shall be advised if there is no message for your newspaper, which advice will be at once repeated to the Melbourne office." This, I regret to say, has not been acted upon.

THE MUTILATION OF MESSAGES.

The messages addressed to "The Argus" are seldom, if ever, correctly interpreted, and the wording is so terribly mutilated in the course of transmission as to render their deciphering an operation of the utmost difficulty. Thus, it often happens that we find different interpretations of the same messages given in all the Colonies, owing, in a great measure, to so much being left to mere guess work. This mutilation is said to have its origin in Java, where the messages pass through the hands of Dutch operators, and this statement is to a great extent confirmed from the fact that nearly all the "repeats of corrections" come from Batavia. The majority of our messages containing general news are sent from Singapore, and it can scarcely be credited that the telegrams could be received in Java from Singapore through only a short line of cable in such a state as we invariably receive them. Although there is some slight difference between the alphabets adopted on the cable and land lines, the errors that would be thereby caused are so simple and few that they could, as a rule, be easily detected. If each newspaper had to find its own interpretation of the originals the results would be simply absurd. The effect of these mutilations is obvious, and as an illustration I append a few specimens of some of the messages received only during the last month, and the sample affords a very fair specimen of the bulk:—

"Singapore (no date).

"Depetris declared Italy cannot abandon Treaty Paris All essays approval all reftrentum Gratinffs proposal despoleres approving their decisions Kabinck defered resolution occupation Bulgaria pending reference Queen. Propose 6,000 Belgians occupy. Disrealig Fortress Belgrade fired Australian monitor."

"Singapore

"Singapore, 15th Dec.

"French Ministry remodelled Simon Premier Interior Martha Justice Others remain
This serious conflict M'Mahon left indeed."

"Singapore 6th December.

"Kistmaryk Reichstach Russia seeku not great conquests, asks Ris only cooperan conference
amelooran Christian's triple alliance subsists Germany's friendship England equally traditional believed
difference England and Russia be arranged Germany's task medcate Powers lokalize war if efforts fudle
cannot conjecture future."

In other messages "special" was given in place of "speech," at the commencement of a message;
"Pow" for population, "collander" for commander, "mountin" for maintain, "revny" for recently; and
other errors too numerous to mention.

But such extraordinary contortions often serve to destroy the whole meaning of a sentence. For
instance, the word "Costi" in a message relating to the Eastern Question, was quite unintelligible, and
had to be omitted. These instances could be multiplied to any extent, and are sometimes most aggravating
as well as perplexing. The word "Powers" for "Porte" entirely subverted the whole meaning of a
message.

EUGENE C. AMSWICK, R.A.P.

January, 15, 1877.

No. 13.

CABLE CONFERENCE.

[Laid before the Conference by the Chairman.]

Translation.

MR. E. NUTT to THE COLONIAL SECRETARY.

No. 14.

Noumea, 23rd January, 1877.

SIR,

I have the honor to inform you that, from information which has lately reached me, and which
appears to have a certain consistency, it would seem that the Austral-American Company, which at the
present time manages the Sydney, Auckland, and San Francisco line, is about to annul its contract, and
that communication by the large packet-boats and Fiji will also be suppressed.

Should this information be correct, I shall be very much obliged to you if you will be kind enough
to let me know whether a new enterprise going to San Francisco would be disposed to call at Noumea,
and in that case to tell me what would be the amount of the subsidy which would be required by the
Government for serving our Colony.

I should then have to consider what propositions I could make to the Governor of New Caledonia,
in relation to our financial resources.

Accept, sir, the assurance of my high consideration.

ED. NUTT,

Director of the Interior.

No. 14.

CABLE CONFERENCE.

[Laid before the Conference by the Chairman.]

ELDERED AND CO. (ON BEHALF OF NETHERLANDS-INDIA STEAM NAVIGATION CO.) to THE COLONIAL
SECRETARY.

Offering to run Steamer with Despatches between Banjoewangie and Port Darwin in the event of another
break in Cable.

Sydney, 29th January, 1877.

SIR,

We have the honor to inform you that we are authorised by the Netherlands-India Steam
Navigation Company to contract on their behalf with your Government to run one of their fine steamers
with telegraphic despatches between Banjoewangie and Port Darwin, in the event of the service again
becoming necessary by another break in the Cable.

The Company will undertake to have at Banjoewangie within eight days, or as much sooner after
the breakage is known as possible, a steamer to carry telegraphic messages to Port Darwin and back, and
keep the vessel (or her substitute) running at a minimum speed of 8 knots between the two Ports, until
the cable be repaired, for the sum of £1,200 for each voyage from Banjoewangie to Port Darwin and
back: together with exemption from all Port charges at the latter place.

The Company possesses a large fleet of fine steamers, and any contract entered into would be
faithfully carried out.

We have, &c.,

ELDERED AND CO.

No. 15.

CABLE CONFERENCE.

[Laid before Conference.]

AGREEMENT RELATING TO SUBMARINE CABLE BETWEEN NEW ZEALAND AND AUSTRALIA, &c.
 ARTICLES OF AGREEMENT entered into this twenty-fourth day of June one thousand eight hundred and seventy-five between His Excellency the Most Honorable George Augustus Constantine Marquis of Normanby Earl of Mulgrave Viscount Normanby and Baron Mulgrave of Mulgrave in the County of York and in the Peerage of the United Kingdom and Baron Muirgrave of New Ross in the County of Wexford in the Peerage of Ireland a Member of Her Majesty's Most Honorable Privy Council and Knight Commander of the most distinguished Order of St. Michael and St. George the Governor and Commander-in-Chief in and over Her Majesty's Colony of New Zealand and its dependencies and Vice-Admiral of the same for and on behalf of the said Colony of the first part His Excellency Sir Hercules Robinson a Knight Commander of the most distinguished Order of St. Michael and St. George the Governor and Commander-in-Chief in and over Her Majesty's Colony of New South Wales and its dependencies and Vice-Admiral of the same for and on behalf of the said Colony of the second part and The Eastern Extension Australasia and China Telegraph Company Limited of the third part Witness that for the considerations herein appearing the said George Augustus Constantine Marquis of Normanby for himself separately and his successors in office Governors and Commanders-in-Chief for the time being in and over the said Colony of New Zealand and its dependencies and not for the said Sir Hercules Robinson and his successors in office Doth hereby for and on behalf of the same Colony so far as the agreements hereinafter contained are to be observed and performed on the part of the Governor or the Government of New Zealand. And the said Sir Hercules Robinson for himself separately and his successors in office Governors and Commanders-in-Chief for the time being in and over the said Colony of New South Wales and not for the said George Augustus Constantine Marquis of Normanby and his successors in office Doth hereby for and on behalf of the same Colony so far as the agreements hereinafter contained are to be observed and performed on the part of the Governor or the Government of New South Wales agree with the said Company their successors and assigns And the said Company for themselves their successors and assigns do hereby so far as the agreements hereinafter contained are to be observed and performed on their part agree with the Governor or the Government of New Zealand and his successors and the Governor or the Government of New South Wales and his successors and also as a separate agreement with each of the said Governors and his successors for and on behalf of the said respective Colonies separately in manner following that is to say

1. In the construction of these presents the following words and expressions shall mean and include (unless such meaning shall be inconsistent with the context) as follows "The Governor of New Zealand" means the Governor for the time being of that Colony and includes also the Government for the time being of that Colony "The Governor of New South Wales" means the Governor for the time being of that Colony and includes also the Government for the time being of that Colony "The Governors" mean the Governor of New Zealand and the Governor of New South Wales "The Company" means the said Company of the third part their successors and assigns "The said cable" means the cable hereinafter contracted to be laid and any cable or cables which may be laid in substitution thereof or in addition thereto And whenever it is hereinafter agreed that the Governors shall do any act the meaning is hereby declared to be that the Governor of New Zealand shall be required to do such act so far as such act ought to be done in or in respect of or in relation to New Zealand and the Governor of New South Wales shall be required to do such act so far as such act ought to be done in or in respect of or in relation to New South Wales or by the Governor of New South Wales and that the Governor of New Zealand shall not be liable for the not doing of any act which ought to be done in or in respect of or in relation to New South Wales or by the Governor of New South Wales and that the Governor of New South Wales shall not be liable for the not doing of any act which ought to be done in or in respect of or in relation to New Zealand or by the Governor of New Zealand but that each Governor shall be liable only for his own default and not for the default of the other.

2. The Governors shall permit the Company to lay a submarine telegraph cable between New Zealand and Sydney in the said Colony of New South Wales the terminal point in New Zealand to be on the coast of Blind Bay or Golden Bay and the terminal point at Sydney to be the telegraph station there.

3. The Company shall within fourteen days after the day of the date of these presents or within such further time as shall be approved by the Governors obtain a *bond fide* contract to be entered into with them by some competent and responsible person or persons or Company or Companies to make and construct a suitable submarine cable to be laid between the said terminal points according to such a specification pattern or design as shall have been or shall be approved in writing on behalf of the Governors or one of them and shall as soon as shall be practicable produce the said contract to the solicitors in England of the Governors for inspection.

4. On or before the thirtieth day of April one thousand eight hundred and seventy-six the Company shall properly lay the said cable between the said terminal points and erect and provide the stations operators clerks apparatus instruments appliances and materials necessary for the proper and continuous use and effective working of the said cable and shall open and use the said cable for the transmission of messages through the same but if the laying the said cable shall be delayed by causes over which the Company shall have no control the time within which the same is to be laid as aforesaid shall be extended to such further time as the Governors shall in their absolute discretion determine to be just and reasonable.

5. From time to time and at all times after the said cable shall have been opened for the transmission of messages and while any subsidies or subsidy shall be payable by the said Governments or either of them the Company shall keep open and use the same for such purpose and keep and maintain the same in good working order and condition and properly supplied with all such operators clerks apparatus instruments appliances and materials as shall be requisite or necessary for the proper and regular use and working of the said cable and shall for the purposes in this clause mentioned provide and keep properly equipped

Verbatim.

Interpretation.

Governors to authorize such marine cable to be laid between New Zealand and New South Wales.

Company within fourteen days to obtain contract for construction of cable.

Company to lay cable with all necessary appliances and to open same for public use before 30th April 1876 or extended time.

Company to keep cable so, in good repair.

And to provide
and keep a vessel
for such purposes

equipped and ready for use a suitable steam-vessel which when not in use for the same purposes shall be kept stationed at some port in New Zealand or at some port in Australia not situated nearer to the equator than the Port of Brisbane but if such vessel shall not be in use or required for such purposes the Company shall be at liberty to send the same to repair their Tasmanian cable if necessary.

Governors to
give facilities
for laying cable
and land for
terminal
stations.

6. The Governors respectively shall afford to the Company all proper and reasonable facilities to enable the Company to lay the said cable and to keep the same in repair and to acquire any land necessary for their terminal stations in the respective Colonies and in the event of the Governors having at their respective disposal and in possession lands not being land in a town suitable for such purpose the Governors respectively shall and will make a free grant thereof to the Company.

Governor of New
Zealand to con-
struct necessary
land from the
New South
Wales to permit
line to be
carried into
Spence's Office.

7. Before the time hereinbefore appointed for opening the said cable the Governor of New Zealand shall cause to be constructed such land line or lines of telegraph wires as it shall be necessary to construct to enable messages to be transmitted from the said terminal station of the said cable in New Zealand to and over the existing system of telegraph wires in that Colony and the Governor of New South Wales shall afford to the Company the necessary facilities for enabling the Company to carry their wires into the Telegraph Station at Sydney and the Governors respectively shall provide such operators clerks apparatus instruments appliances and materials as shall be requisite or necessary for enabling messages which are to be or have been transmitted through the said cable to be transmitted over the telegraph systems of New Zealand and New South Wales respectively.

Governors to
give to Company
the use of a room
in the Govern-
ment Office at
the terminal
points.

8. With a view to the more speedy transfer and transmission of messages the Governors respectively shall until the said subsidy shall cease to be payable and for a period of ten years afterwards and for so long thereafter as the tariff shall not be in excess of the charges mentioned in clause No. 11 of these presents give to the Company accommodation in their Telegraph Stations respectively at the terminal points of the said cable which the Company shall use for the transmission of messages through the said cable.

Governors to
cause telegraph
instruments &c.
to be relieved
from Customs
duties and vessel
to be exempt
from port dues.

9. The Governors respectively shall until the said subsidy shall cease to be payable and for a period of ten years afterwards cause the said cable and the telegraph instruments of the Company and all new screws shafts boilers piston-rods or tanks which the Company may send out to the said Colonies respectively for use in the said steam-vessel to be relieved from Custom duties and the said vessel to be exempt from all port dues in the Colonies respectively when engaged solely in carrying out the purposes mentioned in clause No. 5 of these presents and such vessel shall always be on a not less favourable footing than other vessels.

Governments
messages to have
priority.

10. The Company shall at all times hereafter give priority in transmission through the said cable to all messages sent by Her Majesty the Queen or the Governor or the Governors of any Australian Colony respectively or any department or official (as such) of the Government of Her Majesty or of the Colony of New Zealand or of any Australian Colony respectively.

and.

11. The Company shall not during the continuance of the subsidies hereinafter firstly mentioned respectively make any charge for the transmission of messages through the said cable exceeding seven shillings and sixpence for a message not exceeding ten words and ninepence for every additional word (the names and addresses of the sender and addressee being counted as part of the message) and shall reduce the said charge to a charge not exceeding five shillings for every message not exceeding ten words and sixpence for every additional word in either of the following cases that is to say in case during any period of six calendar months the average number of messages delivered or forwarded for transmission through the said cable shall have amounted to two hundred per day excluding Sundays in which case the said reduction shall commence from and after the expiration of such six calendar months but if the average number of messages after having amounted to such an average of two hundred per day as aforesaid shall again fall for a period of six calendar months below such average then the said reduction shall cease until the said average shall be again reached when the said reduction shall again take place and so on from time to time. Or in case the Governors or either of them shall at any time or from time to time deliver any notices or notice whereby they or he shall agree to make payment for the period mentioned in such notices or notice to the Company for the number by which the messages actually delivered or forwarded for transmission through the said cable during such period shall fall short of an average number of two hundred messages per day excluding Sundays during the period mentioned in such notices or notice the Company being nevertheless entitled to the full benefit of the moneys received for transmission of messages through the said cable if the average number of messages per day excluding Sundays shall during such period exceed two hundred.

Undirected
messages to be
sent over the
Company's
system.

12. The Governors respectively shall during the continuance of the said subsidies respectively cause all messages for transmission between New South Wales and New Zealand and *vice versa* to be sent through the said cable unless otherwise directed and all messages for transmission beyond the said Colonies not otherwise directed to be sent by the sender to be transmitted over the telegraph system of the Company so far as the same can be used and if the same be in good working order and shall at all times hereafter afford to the Company similar advantages to those (if any) afforded to any other Company of allowing the route of a message to be indicated therein by the words "ad Darwin" or like words without any charge for the same.

Governors not
to make terminal
charge or
charges beyond
ordinary rates.

13. The Governors respectively shall not make any terminal charge or make any charge for any message transmitted over the lines of telegraph belonging to the said Colonies respectively to or from the said cable in excess of the lowest ordinary rates according to the character of the message so long as the said subsidies respectively shall continue to be payable nor after the said subsidies respectively shall have ceased to be payable so long as the Company shall not increase their rates beyond the rates chargeable as hereinbefore mentioned. And so long as the said subsidies respectively shall continue to be payable the Governor of New South Wales shall cause New Zealand messages to or from Darwin to be transmitted from or to Sydney at rates not exceeding the rates not charged for messages between Melbourne and Darwin.

14. If the Company shall perform their undertaking contained in the 3rd clause of these presents and if the said cable shall be laid and completed and opened for use before the 30th day of April 1876 or within such extended time as aforesaid the Governor of New Zealand shall pay to the Company a subsidy of Five thousand pounds and the Governor of New South Wales shall pay to the Company a subsidy of Two thousand five hundred pounds respectively during a period of ten years to be computed from the day when the said cable shall be completed and shall be actually opened and used for the transmission of messages such subsidies to be respectively payable by equal quarterly payments at the Treasuries of the said Colonies respectively the first quarterly payment whereof respectively shall be made at the expiration of three calendar months after the day from which the said subsidies respectively shall have commenced to be payable the said subsidies respectively nevertheless to be subject to reduction or determination as hereinafter mentioned.

Governors to pay subsidies of £7,500 a year.

15. The Governors respectively shall from time to time pay to the Company in addition to the said subsidies so long as the same shall be payable respectively such sums as will be sufficient to recoup to the Company any taxes parliamentary or otherwise which they shall pay in the said Colonies respectively.

Subsidies to be free of taxes.

16. Provided always that if at any time or from time to time the said cable shall not be in good working order and condition and open for use any day or number of days in excess of an aggregate period of ninety days in any one year computed from the day on which the said subsidies respectively shall commence to be payable as aforesaid the Governors respectively shall and may from time to time deduct from any moneys payable by the Governors respectively to the Company a proportionate part of the said subsidies respectively for and in respect of each and every day so in excess of the said aggregate period of ninety days during which the said cable shall not be in good working order and condition and open for use until the said cable shall be in good working order and condition and open for use or until the said subsidies respectively shall be determined under the next clause of these presents it being nevertheless agreed that if the Company shall be able at any time or from time to time to satisfy the Governors that the repair of the said cable could not have been reasonably effected and completed within the said period of ninety days on account of causes over which the Company shall have had no control the said aggregate of ninety days shall on the occasion in question be extended to such an aggregate period as the Governors shall determine to be just and reasonable. Provided nevertheless that any such extension of time shall not entitle the Company to payment of any subsidy in excess of the said period of ninety days if in consequence of the said cable continuing to be not in good working order and condition and open for use the said subsidies shall cease to be payable as in the next clause of these presents mentioned.

In what case subsidies may be reduced.

17. Provided also that if at any time or times the said cable shall not be in good working order and condition and open for use for and during any continuous period of one hundred and eighty-three days or any such extended period as hereinafter mentioned as the case may be it shall be lawful for each or either of the Governors at any time thereafter by notice in writing to be delivered to the Company in London to determine and put an end to the Contract hereby made so far as regards the Colony by whose Governor the notice is given and the subsidy payable by that Colony and the provisions herein contained which are conditional on the subsistence of the Company's right to the same subsidy in which case the said subsidy shall cease to be payable it being hereby agreed and declared that if the Company can satisfy the Chief Justice of either of the said Colonies if both Governors shall so give notice or of the Colony whose Governor shall so give notice that the Company have been and are making all reasonable efforts to repair or replace the said cable without delay and he shall determine that the said period of one hundred and eighty-three days ought under the circumstances to be extended then the said period of one hundred and eighty-three days shall be extended to such a period as the said Chief Justice shall determine and if the Company can satisfy the said Chief Justice that any new cable which the Company may have obtained to replace the said cable has been lost or damaged in transit and the said Chief Justice shall determine that the said period of one hundred and eighty-three days ought in consequence to be further extended then the said period shall be further extended to such a period as the said Chief Justice shall determine. It being nevertheless expressly agreed and declared that the Company shall not be entitled to or allowed under any circumstances any extension of the said period of one hundred and eighty-three days so as to make up in the whole a period in excess of eighteen calendar months. And it being further agreed that in the event of the Contracts hereby made and the said subsidies or either of them being so determined and put an end to as aforesaid the Company shall have and retain their property in New Zealand and New South Wales respectively with all such similar rights of working and using the said cable and repairing the same as they would have had and been entitled to if the Company had laid the said cable with the approval of the Governors without any provision having been made for payment of any subsidy by the Governors or either of them to the Company and that while the Company shall duly observe and perform all the provisions and agreements herein contained on their part to be observed and performed which are not conditional on the subsistence of their right to a subsidy they shall retain all other rights hereby granted to them which are not conditional on the subsistence of their right to a subsidy.

In what case subsidies may be determined.

18. The Company shall reduce their charges for messages over their lines and cables as hereinafter mentioned if the Governors and the respective Governors for the time being of the other Australian Colonies or any of them shall enter or be ready and willing and offer to enter into an agreement or agreements with the Company for the payment to the Company in addition to any other subsidy payable under these presents of an aggregate of subsidies amounting to twenty thousand pounds per annum payable quarterly during a period of ten years at the respective Treasuries of the Colonies free of income or property tax (if any payable) in the Colonies respectively such subsidies nevertheless being subject to be reduced (*pro rata* if necessary) by one hundred pounds per annum for or in respect of every one hundred messages beyond thirty thousand messages which shall be transmitted in any year to be computed from the day from which the said subsidies shall commence to be payable and the said subsidies being also nevertheless subject to suspension or determination as hereinafter mentioned.

If New Zealand and Australian Governments grant subsidies of £20,000 a year free of income tax existing tariffs to be reduced.

19. During the continuance of the subsidies in the last preceding clause mentioned the Company shall not in the event last aforesaid make any charge for the transmission of such messages as hereinafter mentioned in excess of the charges hereinafter mentioned, that is to say—For a message not exceeding ten words

How tariff to be reduced.

words to or from Port Darwin from or to London sixty shillings and six shillings for each additional word the names and addresses of the sender and addressee thereof being counted as part of the message. For a like message to or from Port Darwin from or to Java twenty shillings and two shillings for each additional word in addition to any terminal or transit charges of the Governments of the respective countries at which the message shall have to be delivered or through which it shall have to be transmitted. For a like message to or from Port Darwin from or to Singapore India or Penang thirty shillings and three shillings for each additional word in addition to any such terminal or transit charges as aforesaid. And for a like message to or from Port Darwin from or to Hong Kong sixty shillings and six shillings for each additional word in addition to any such terminal or transit charges as aforesaid. And in case the rates the Company may have to pay for transmission of a message between Madras and London shall at any time or from time to time be reduced more than one shilling below the rate of one pound seven shillings including the charges made by the Indian Government then during the continuance of such reduction the rate above mentioned for a message to or from Port Darwin from or to London shall be reduced to the extent of such reduction beyond the one shilling and if at any time the rate the Company may have to pay for transmission of a message between Madras and London shall be increased beyond the present rate the Company shall be at liberty to determine and put an end to the arrangement as to reduced rates in this clause mentioned in which case the said subsidies amounting to twenty thousand pounds shall cease to be payable.

20. The Company shall in the event mentioned in clause No. 18 of these presents from time to time and at all times after the said last-mentioned subsidy shall commence to be and so long as the same shall be payable keep open and use for the transmission of messages all the lines of cable or telegraph wire belonging to or worked by them between any of the places in the last preceding clause mentioned except between Singapore and Hong Kong and shall keep and maintain the same in good working order and condition and properly supplied with all such operators clerks apparatus instruments appliances and materials as shall be requisite or necessary for the proper and regular use and working of the same.

21. Provided always that if at any time or from time to time any of the lines of cable or telegraph wire between the places in clause No. 19 of these presents mentioned except between Singapore and Hong Kong shall not be in good working order and condition and open for use so as to enable any of such messages as in the same clause mentioned to be transmitted for any day or number of days in excess of an aggregate period of thirty days in any one year computed from the day on which the said last-mentioned subsidies shall commence to be payable the Governors of the Colonies liable to pay the same or any of either of them shall and may from time to time deduct from any moneys payable by such Governors respectively to the Company a proportionate part of the subsidy payable by such Governors respectively for and in respect of each day or days so in excess of the said aggregate period of thirty days during which any of the same lines of cable or telegraph wire shall not be in good working order and condition and open for use until the said cable shall be in good working order and condition and open for use or until the said subsidy shall be determined under the next clause of these presents.

22. Provided also that if at any time or times any of the said lines of cable or telegraph wire between the places in clause No. 19 of these presents mentioned except between Singapore and Hong Kong shall not be in good working order and condition and open for use so as to enable any of such messages as in the same clause mentioned to be transmitted for and during any continuous period of one hundred and eighty-three days or any such extended period as hereinafter mentioned as the case may be it shall and may be lawful for the Governors or either of them or the Governors of the other Australian Colonies or any of them or any of such Governors at any time thereafter or from time to time by notice in writing delivered to the Company in London to determine and put an end to the agreement for the payment of the said last-mentioned subsidies in which case the same shall cease to be payable it being hereby agreed and declared that if the Company can satisfy the Governors or Governor giving the said last-mentioned notice that all reasonable efforts to repair or replace without delay the line of cable or telegraph wire which shall then be out of repair have been and are being made then the said period of one hundred and eighty-three days shall be extended to such a period as the Governors or Governor respectively giving the said last-mentioned notice shall determine it being nevertheless expressly agreed and declared that the Company shall not be entitled to or be allowed under any circumstances any extension of the said last-mentioned period so as to make up in the whole a period in excess of eighteen calendar months.

23. Any appointment approval inspection notice or act which may have to be given made or done by the Governors or either of them or by or on behalf of the Governor of any of the Australian Colonies for any of the purposes of these presents may be given made or done by any person or persons from time to time authorized by writing under hand to act on behalf of the Governor or Government or by the Colonial Treasurer or Postmaster-General for the time being of the Colony in question or by any person or persons authorized for the purpose under the hand of such Colonial Treasurer or Postmaster-General or by the Minister for the time being of the Colony in question having charge of telegraphs in that Colony or by any person or persons authorized for the purpose by the same Minister of New Zealand and New South Wales respectively.

24. The Company shall appoint a person in the said Colonies of New Zealand and New South Wales respectively and also a person in each of the other Australian Colonies the Governor or Governors of which shall agree to pay any subsidy to the Company upon whom any notice which may have to be given to the Company and which is hereby not expressly provided to be given to the Company in London may be served and in default of such appointment and of notice thereof being given to the Government of the Colony any such notice may be served on any operator clerk or officer of the Company in the Colony on behalf of the Governor of which the notice may have to be served and any such service as aforesaid shall be deemed to be a good service upon the Company and take effect accordingly except in cases where service on the Company is provided for.

25. No individual personal responsibility shall be incurred by the Governors or by the Honorable Sir Julius Vogel a Knight Commander of the said Most Distinguished Order of Saint Michael and Saint George or by Sir Daniel Cooper Baronet by whom on behalf of the Governor of New Zealand and the Governor of New South Wales respectively it is intended that these presents shall be signed or by any Governor of New Zealand or of any of the Australian Colonies in respect of any of the matters aforesaid.

Company to keep their cables north of Port Darwin in good repair.

In what case subsidies of £20,000 may be reduced.

In what case subsidies of £20,000 may be determined.

How notice to be given to the Governors or Australian Colonies to be given.

How notice to be served on the Company.

Governors not to be individually responsible.

In testimony whereof the said Sir Julius Vogel has signed the same in the name and on behalf of the said George Augustus Constantine Marquis of Normanby and the said Sir Daniel Cooper has signed these presents in the name and on behalf of the said Sir Hercules Robinson and the Company have hereunto affixed their Common Seal.

NORMANBY.

By JULIUS VOGEL,

Postmaster-General of New Zealand.

HERCULES ROBINSON.

By DANIEL COOPER.



Signed by the above-named George Augustus Constantine Marquis of Normanby by the above-named Sir Julius Vogel and by the above-named Sir Hercules Robinson by Sir Daniel Cooper in the presence of—

JNO. MACKRELL,

Solicitor,

21, Cannon street.

The Common Seal of the Eastern Extension Australasia and China Telegraph Company was affixed in the presence of—

JOHN PENDER, Director (Chairman).

GEORGE LYONS, Secretary.