

1878.

VICTORIA.

TELEGRAPHIC CABLE DUPLICATION.

RETURN to an Order of the *Legislative Assembly*,
Dated 1st October 1878, for—

A COPY of the Memorandum entered into between the Governments of the Australasian Colonies and the Eastern Extension Company for the duplication of the Telegraphic Cable.

(*Mr. Service.*)

Ordered by the Legislative Assembly to be printed, 15th October 1878.

DRAFT MEMORANDUM of Agreement between the Governments of New South Wales and Victoria, on behalf of the Australasian Colonies and New Zealand (hereinafter called the Governments), on the one part, and the Eastern Extension Australasia and China Telegraph Company, Limited (hereinafter called the Company), on the other.

1. That the Company shall, subject to the approval of the shareholders, contract with the Governments for the construction of a second cable from Singapore direct to Banjoewangie, and thence direct to Port Darwin, for an annual subsidy of £32,400.

2. That such subsidy shall be payable for a period of twenty years, subject to the provisions hereinafter contained.

3. That the Company shall, throughout the whole of the period during which such subsidy shall be payable, maintain in full working order, *force majeure* excepted, such second cable, and also its present lines of cable between Singapore and Batavia, and Banjoewangie and Port Darwin.

4. That the Company shall, before such subsidy shall become payable, lay a second cable between Singapore and Penang, and thereafter shall, in like manner, maintain the same, *force majeure* excepted, and its present lines of cable between Singapore and Penang, Penang and Madras, Penang and Rangoon, in full working order.

5. That the Company shall, in consideration of the subsidy herein agreed to be paid, and whilst that subsidy is payable, allow a rebate on Government messages, hereinafter defined, exchanged between England and Port Darwin, reducing their own proportion of the charge to the extent of 50 per cent. upon the present rate; and on press messages, exchanged between England and Port Darwin, as hereinafter defined, will reduce their own proportion of the charge to the extent of 75 per cent. upon the present rate: Provided that such reduction shall not be extended to any colony other than such as may contribute towards the subsidy.

6. That the Governments shall have the right, during the currency of the subsidy aforesaid, to purchase the Company's cable lines and other property, between Singapore and Port Darwin, on equitable terms, to be fixed, in case of difference, by arbitration; twelve months' previous notice to be given to the Company of the intention to exercise this right: Provided always that the right shall not be exercisable till the Company shall for five years have paid a dividend equal to 10 per cent.

7. That the Company shall complete and open for communication the second cables above mentioned between Singapore and Port Darwin and Singapore and Penang, within eight months from the date of the signing of the contract: Provided always that the Company shall not be held liable for any loss or damage which the Colonies may sustain, in consequence of delay in completing the said cables, in the event of such delay being caused by war, inevitable accident, or other contingency over which the Company can have no control.

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8. That in the event of the Company completing and having the duplicate cable above mentioned open for communication within the period herein contracted for, the subsidy payable by the Government shall commence and accrue four months after the signing of the contract ; but the Company shall not be entitled to any payment under this clause until the said cables shall have been actually completed and are open for communication as above stated.

9. That the said subsidy shall be payable quarterly in London to the Company in sterling money, free of all deductions.

10. That in the event of any total interruption in the communication between Port Darwin and Singapore, the subsidy shall cease *pro ratâ* for the period of such interruption : Provided that if the interruption be caused by reason of war or any such like cause the subsidy shall continue, but the Company shall be bound to restore such communication at the request and cost of the Governments so soon as the war or other contingencies shall have terminated.

11. The Company shall at all times hereafter give priority in transmission through the said cable to all Government messages ; being such as are exchanged between Her Majesty's Principal Secretary of State for the Colonies or the various Agents-General on the one hand, and the Governors or Chief Secretaries of the various Colonial Governments on the other, on matters relating to the administration of the Governments.

12. Press messages must be addressed to registered newspapers only, and shall be for *bonâ fide* publication in full. They must be English, in plain language, and intelligible ; no cypher, code, groups of figures or of letters, or words of concealed meaning to be used.

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