

1875.

NEW ZEALAND.

FURTHER PAPERS RELATING TO THE NEW ZEALAND ELECTRIC TELEGRAPH CABLE.

Presented to both Houses of the General Assembly by Command of His Excellency.

No. 1.

Mr. E. Fox to the Hon. Dr. POLLEN.

7, Westminster Chambers, Victoria Street, Westminster, S.W.,
9th July, 1875.

SIR,—

I have the honor to forward to you, by direction of Sir Julius Vogel, the accompanying synopsis of the Telegraph Cable Contract, which has this afternoon been received from Mr. Mackrell.

I have, &c.,

E. Fox.

The Hon. Dr. Pollen.

Enclosure in No. 1.

MESSRS JOHN MACKRELL and Co. to the Hon. Sir J. VOGEL, K.C.M.G., and Sir D. COOPER, Bart.

DEAR SIR,—

21, Cannon Street, E.C., London, 6th July, 1875.

In compliance with your instructions, we now report to you the arrangement which, after so much trouble, you have succeeded in concluding with the Eastern Extension, Australasia, and China Telegraph Company (Limited).

To enable the result of your negotiations to be duly appreciated, it should be borne in mind what was the extent of the obligation which the colonies were willing to come under in order to secure improved telegraphic communication with England, and cable communication between New Zealand and New South Wales.

For these purposes, according to the agreement entered into on behalf of the Governments of your colonies and the Government of Queensland, the three colonies were willing to take upon themselves the responsibility of a guarantee which might have extended to £62,000 a year, one-third of which was virtually to be considered as payable in respect of a cable to be laid between New Zealand and New South Wales, whilst the expected limit of cost of a message between those colonies was to be not exceeding 15s. for twenty words, and 9d. per additional word.

By the arrangement which you have concluded, as will be presently seen, not merely has all that is now apparently really necessary for the accommodation of your colonies been secured on much more favourable terms, in a financial point of view, but messages of not exceeding ten words will be transmissible between your colonies at half the cost contemplated, with the prospect of a future reduction in the tariff; besides which the opportunity is given to make arrangements on very favourable terms for a reduced tariff for messages between the colonies on the one hand, and London, Java, Singapore, India, Penang, and Hong Kong on the other.

The agreement you have now concluded bears date the 24th June, 1875, and purports to be made between His Excellency the Marquis of Normanby as Governor of New Zealand, and His Excellency Sir Hercules Robinson as Governor of New South Wales, with the Eastern Extension, Australasia, and China Telegraph Company (Limited).

The Governors are to permit the Company to lay a submarine cable between the coast of Blind Bay or Golden Bay, in New Zealand, and the Telegraph Station at Sydney.

The Company are, within a specified time, or such further time as may be allowed by the Governors, to enter into a *bonâ fide* contract with some responsible person or company for the construction of a cable according to a design to be approved on behalf of the Governors.

The cable is to be laid and opened for use, and all the necessary stations, operators, apparatus, instruments, appliances, &c., are to be erected or provided by the 30th April, 1876; but the Governors are to grant an extension of time, as they may think reasonable, if the laying of the cable be delayed by causes over which the Company have no control.

So long as any subsidy is payable to the Company, the cable is to be kept open for use and in good working order and condition, and properly supplied with operators, apparatus, &c., for which purpose the Company are to provide and keep properly equipped and ready for use a suitable steam vessel, which, when not in use, is to be stationed in some port in New Zealand, or at some port in Australia not nearer the equator than Brisbane; the Company being at liberty, however, to send the vessel, when not in use or required for the purposes of the agreement, to repair their Tasmanian cable, if necessary.

The Governors are to afford all reasonable facilities to enable the Company to lay the cable and keep the same in repair, and to acquire land for terminal stations; and if the Governors have at their respective disposal and in possession lands (not being in a town) suitable for such purpose, a free grant thereof is to be made to the Company.

By the time the cable is to be laid, the Governor of New Zealand is to cause the necessary land lines to be constructed, so as to enable messages to be transmitted to and from the cable over the telegraph system of that colony, and the Governor of New South Wales is to give facilities to enable the Company to carry their wires into the Telegraph Station at Sydney.

The Governors respectively are to provide the necessary operators, appliances, &c., to enable messages from or to the cable to be transmitted over the telegraph system of the two colonies respectively. During the continuance of the subsidy and for a period of ten years after, it shall cease to be payable; and so long thereafter as the tariff presently mentioned shall not be raised, the Governors respectively are to give the Company accommodation in their stations at the terminal points of the cable, with a view to the more speedy transfer and transmission of messages.

So long as the subsidy is payable and for ten years afterwards, the cable and telegraph instruments of the Company, and any new screw, shaft, boilers, piston rods, or tanks which the Company may send out for use in the said vessel, are to be relieved from Customs duties, and the vessel is to be exempt from all port dues in the colonies when engaged solely for the purposes of the agreement; and the vessel is always to be on a not less favourable footing than other vessels.

Government messages are at all times to have priority in transmission through the cable.

So long as the subsidy is payable the tariff is to be 7s. 6d. for a message not exceeding ten words, and 9d. for each additional word, the names and addresses of the sender and addressee being counted as part of a message. This tariff is hereafter to be reduced to 5s. for a message not exceeding ten words, and 6d. for every additional word either if during any six months the number of messages amounts to 200 per day, excluding Sundays (it being provided that if such average number afterwards for a period of six months falls below such average, the deduction is to cease until the average is again reached, when the deduction is again to take place, and so on from time to time); or if the Governors or either of them agree to pay to the Company for the number of messages short of such average number, the Company being, however, entitled to the benefit of all messages in excess of such average.

During the continuance of the subsidy, undirected messages are to be sent over the Company's system, if in good working order, the Company allowing the route of the message to be therein indicated without charge.

So long as the subsidy is payable, and so long thereafter as the Company shall not raise their said tariff, the Governors are not to make any terminal charge, or make a charge for messages transmitted to or from the cable in excess of the lowest ordinary rates charged in the colonies respectively, according to the character of the message, and New Zealand messages to or from Port Darwin are to be forwarded from Sydney at rates not exceeding the rates charged for messages between Melbourne and Port Darwin.

If the Company enter into the said contract, and lay and complete the cable and open it for use by the time appointed, the Governor of New Zealand is to pay a subsidy of £5,000, and the Governor of New South Wales a subsidy of £2,500, a year, during a period of ten years, to be computed from the day when the cable is open for use; the same to be payable quarterly at the Treasuries of the colonies, the first payment being made at the end of three months after the cable is open for use.

Whilst the subsidy is payable, the Governors are respectively to recoup to the Company any taxes, Parliamentary or otherwise, which they may pay in the colonies.

If the cable is not in good working order for a period in the aggregate of ninety days in any year, computed from the day of its being opened for use, the subsidies are thereafter to be reduced in proportion for every day until the cable is again in good working order, or the subsidy is put an end to. Such period may, however, be extended by the Governors, if satisfied that the repair could not have been reasonably completed within the ninety days, on account of causes over which the Company had no control; but such extension of time is not to apply in case the subsidy is put an end to.

If the cable is not in good working order and condition, and open for use for a continuous period of 183 days, either of the Governors may, by notice in writing delivered to the Company in London, put an end to the contract so far as regards the subsidy payable by the colony by whose Governor the notice is given, it being nevertheless agreed that if the Company can satisfy the Chief Justice of either of the colonies if both Governors shall give the notice, or of the colony whose Governor shall give the notice, that all reasonable efforts have been made to repair and replace the cable without delay, he may extend such period of 183 days as he shall think right. If the Company can satisfy him that any new cable obtained to replace the cable has been lost or damaged in transit, he may further extend the time, but no extension of time is to be granted in excess of a period of eighteen calendar months; it being agreed, however, that if the subsidy is put an end to, the Company are to have and retain the other rights and privileges granted to them by the agreement.

The Company undertake to reduce their tariff for messages over their lines and cables as presently mentioned, if the Governors and the respective Governors for the time being of the other Australian colonies, or any of them, will agree to pay the Company (in addition to the said subsidy) an aggregate of subsidies amounting to £20,000 a year, payable quarterly, for a period of ten years at their Colonial Treasuries, free of income tax, such subsidies nevertheless being subject to be reduced *pro rata* if necessary by £100 per annum for every 100 messages beyond 30,000 transmitted in any year.

The tariff thus referred to is to be reduced as follows:—For a message not exceeding ten words between Port Darwin and London to 60s., and 6s. 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 between Port Darwin and Java to 20s., and 2s. for each additional word; between Port Darwin, Singapore, India, or Penang, to 30s., and 3s. per additional word; and between Port Darwin and Hong Kong to 60s., and 6s. per additional word. The Company being, however, at liberty to charge (except as to messages between Port Darwin and London) any transmission or transit charges of the Governments of the countries at which the message will have to be delivered, or through which it will be transmitted.

If the rates the Company may have to pay between Madras and London are hereafter reduced more than 1s. below £1 7s., including the charges made by the Indian Government, then during the continuance of such reduction, the tariff between Port Darwin and London is to be reduced in like manner; but if the Company have to pay an increased rate beyond the present rate, they may determine the arrangement as to the reduced tariff, in which case the subsidies of £20,000 are to cease to be payable.

If the subsidies of £20,000 become payable, then, so long as the same are payable, the Company are to keep open for use and in good repair and condition all lines of cables or telegraph wire belonging to or worked by them between any of the places previously mentioned, except between Singapore and Hong Kong.

The subsidies of £20,000 are to be reduced for every day during which the lines of cable or telegraph wire lastly mentioned are not in good working order and condition and open for use, in excess of an aggregate period of thirty days in any year computed from the day when the subsidies of £20,000 shall commence, until the cable or wire shall be again in good working order and condition and open for use for a continuous period of 183 days. The Governors of the colony or either of them contributing the subsidies may give notice to the Company in London to determine the agreement as regards such colony; but if the Company can satisfy the Governors or Governor giving the notice that all reasonable efforts to repair or replace without delay the cable or wire thus out of repair have been and are being made, then such period is to be extended as the Governor or Governors shall determine, but no extension is to be granted to make up a period in excess of eighteen calendar months.

The agreement then provides as to how notices, &c., on behalf of the Governors or Australian Governments are to be given. It also provides how notices may be served on the Company; and lastly, it stipulates that neither the Governors nor yourselves shall be individually personally responsible in respect of the said agreement.

An arrangement has been come to between the Company and the Telegraph Construction and Maintenance Company for the necessary cable according to a new design, which, after a thorough investigation by Messrs. Clarke, Ford and Co., the Engineers of the Eastern Extension &c. Telegraph Company, has been approved by them, and we are daily expecting to receive a copy of their report, that you may approve the form of cable.

We think that the colonies may be congratulated upon the arrangements you have secured for them—and this practically without imposing any burden upon them, for it cannot be doubted that the subsidy which has to be paid will be adequately compensated for in the reduced tariff for messages which you have, in consideration thereof, secured.

It is to be hoped that the other Australian colonies will see the great importance of securing the reduced tariff by the cable north of Port Darwin, which will more than compensate for the subsidies they may have to contribute.

The Hon. Sir J. Vogel and Sir D. Cooper.

We have, &c.,
JOHN MACKRELL AND CO.

No. 2.

MESSRS. JOHN MACKRELL AND CO., to the Hon. the COLONIAL SECRETARY.

SIR,—

21 Cannon Street, London, 9th July, 1875.

We have received at the last moment of the mail leaving, from the Eastern Extension, Australasia, and China Telegraph Company (Limited) a copy of the report of their Engineers upon the cable proposed to be laid down between New Zealand and Sydney.

We have no instructions from Sir Julius Vogel as to forwarding this to you, and have not time to obtain any before the mail leaves; but as a copy has, by the directions of Sir Daniel Cooper, been sent to the Colonial Secretary at Sydney, we think it right a copy should be forwarded to you, and therefore enclose the same herewith.

The Hon. the Colonial Secretary, Wellington.

We have, &c.,
JOHN MACKRELL AND CO.

Enclosure in No. 2.

MESSRS. CLARKE, FORD, and Co., to the EASTERN EXTENSION &c. TELEGRAPH COMPANY.

New Zealand Cable.

GENTLEMEN,—

2, Pope's Head Alley, Lombard Street, 1st July, 1875.

We have made several experiments on the new form of cable proposed by the Telegraph Construction and Maintenance Company to be laid between Australia and New Zealand; and as we understand from you that time presses, we hasten to give you the benefit of our opinion, so far as it goes, up to the present time.

We consider that the cable in question has much to recommend it as an economical form of deep-sea cable for depths exceeding 800 or 1,000 fathoms, and we have no doubt that it is one that will probably be much used in the future where economy is essential.

In some respects, especially as regards durability of the outer covering, it is superior to the present type of Atlantic cable, which is in our opinion the best type of deep-sea cable up to this time adopted.

There can be no doubt it can be paid out and also picked up in depths of 2,000 to 2,600 fathoms (the maximum depth indicated between Sydney and New Zealand), and that both operations could be performed with about the same facility as with the type of cable hitherto in use, seeing that each cable will support about the same length of itself in water, about 6,500 fathoms.

This new form of cable is rather cheaper when laid, and therefore, having less material, it has not quite the same absolute strength as the ordinary type of cable. There will therefore be necessarily slightly more risk in manipulating this cable in deep water than those of the Falmouth and Gibraltar, or Brazilian patterns.

On your system of lines, there is no type of cable in any way similar to the proposed new form.

Upon the whole, we consider the latter as a deep-sea cable superior in mechanical construction to the line laid between Madras and Singapore, which is, so far as we can judge from the charts, the deepest section in your system.

We can therefore, in the terms of your resolution, report that the new form of cable "is in every respect as suitable as the present cables of your Company."

The actual breaking strain of the type originally recommended by us is 108 cwt., and that of the projected new type between 90 and 100 cwt.; but as it is a lighter cable, and has a smoother and smaller exterior surface, the diminished friction will in a great measure compensate for the difference in absolute strength; and it is at the same time likely to prove a more durable form of cable.

The form of cable which has been submitted to us is very scientifically designed, and gives more value for the money than the form hitherto in use; at the same time it requires a very careful selection of materials to obtain the full benefit of the mode of construction, and without this careful selection it would not compare so well to the forms in ordinary use.

We remain, &c.,
CLARKE, FORD, AND CO.

By Authority: GEORGE DIDSBUXY, Government Printer, Wellington.—1875.

Price 3d.]