

(No. 111.)



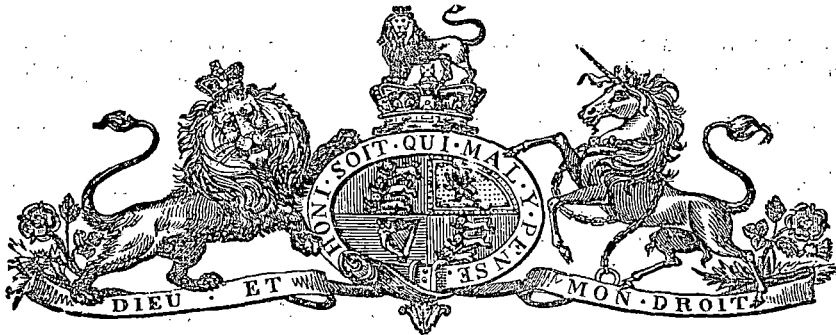
1869.

TASMANIA.

CAPTAIN GILMORE.

CORRESPONDENCE.

Laid upon the Table by the Colonial Treasurer, and ordered by the House to be printed, October 7, 1869.



6, Lime-street, E. C., London, 31st December, 1868.

SIR,

I HAVE the honor to bring under your notice that in January, 1868, I came out from England to Tasmania for the purpose of having an interview with the Government on the subject of the objections the Government entertained to ratify a Contract with the Telegraph Construction and Maintenance Company for the purpose of establishing a Telegraphic Communication by means of a Submarine Cable between the Colony of Tasmania and the Colony of Victoria.

After the receipt of your despatch in London, dated the 24th August, 1867, I considered that in order to prevent the entire failure of the negotiations it was better for me to proceed to Tasmania and to have a personal interview with the Executive.

You are aware that I arrived in March, 1868, and brought with me a revised Contract containing alterations made by the Telegraph Construction and Maintenance Company with a view to meet the suggestions of the Honorable the Attorney-General; as expressed in his memorandum of August, 1867; but the objectionable clause in reference to the risks the Government might incur from war or rebellion was still retained, the Company having declined to withdraw it.

This Contract was ratified by the Government; and in May, 1868, I returned to England, and continued to give my attention to forward the work.

I now beg to bring under the notice of the Executive that under these circumstances, and as the voyage to Tasmania and back was solely on the public service, and quite irrespective of any expenditure I calculated upon when undertaking the agency for this work, I trust the Government will allow me the cost of my passage and travelling expenses, amounting to the sum of Three hundred Pounds.

It is now two years ago since this Telegraph business was originated, and my attention more or less has been given to it during the whole of that period.

I have the honor to be,

Sir,

Your obedient Servant,

GEORGE GILMORE.

The Honorable the Colonial Secretary, Hobart Town.

London, 4th December, 1868.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 10th October, and I beg to inform you the misunderstanding which existed in reference to the Submarine Telegraph Contract has been entirely removed.

It was solely to be attributed to an error on the part of the legal adviser of the Telegraph Construction and Maintenance Company, who was under the impression that it was necessary the Contract should be returned to the Company after its ratification by the Government.

I am glad to say that the manufacture of the Cable is now nearly completed.

A screw steamship named the *Investigator* has been purchased by the Company from the Government here for the purpose of conveying the Cable to its destination, and to lay it down across Bass's Straits. She has been fitted with a tank, and in every way prepared for the service she has to perform.

The shipment of the Cable will commence next week, and in all probability the vessel will sail for Launceston about the 26th of this month.

As it is intended to steam some portion of the voyage, and to coal at the Cape Verd Islands, it is to be expected that early in March, 1869, the *Investigator* will be safe in Australian waters.

The staff of electricians will go out by the overland, and meet the ship on her arrival.

I have given Captain Osborn the survey of the entrance to Western Port, and the landing place chosen for the Cable near Cape Schank. I have also given him every information which I considered necessary in reference to local matters. I trust the Victorian Government are prepared to give every assistance to forward the working of the line.

I have the honor to be,

Sir,

Your obedient Servant,

GEORGE GILMORE.

The Honorable the Colonial Secretary, Tasmania.

6, *Lime-street, London, 1st January, 1869.*

SIR,

I HAVE the satisfaction to inform you that the Telegraph Submarine Cable for Tasmania is now in course of shipment on board the screw steamship *Investigator* at North Woolwich.

Upwards of one hundred miles of the Cable is on board, and in the course of another week or ten days the shipment will be completed, and the ship ready to take her departure for Tasmania.

The *Investigator* was lately purchased from the British Government by the Telegraph Construction and Maintenance Company for the special purpose to convey the Tasmanian Cable to its destination, and to lay it across Bass's Straits.

I have inspected the ship, and consider her in every way efficient and suitable for the work she has to perform.

The Submarine Cable is stowed away in a large iron tank which has been built in the main hold of the ship to receive it, and in which tank during the voyage to Australia it will be immersed, and the electrical current kept under test.

It is intended the *Investigator* shall steam most of the passage; and as she spreads much sail, and is to replenish her stock of fuel at the Island of St. Vincent, I consider she may be expected to arrive at Australia during the month of March next.

I have given the Managing Director of the Telegraph Construction and Maintenance Company a chart containing the last survey of the entrance to Western Port, and the soundings in the vicinity of the landing-place proposed for the Cable, a few miles inside of Cape Schank. I have also supplied him with every information I possess for carrying out the work.

I trust that in a few months from the present date Telegraphic Communication will be established between Tasmania and the other Australian Colonies, and that it will prove a source of congratulation to the Government as well as to the public.

I have the honor to be,

Sir,

Your obedient Servant,

GEORGE GILMORE.

The Honorable the Colonial Secretary, Hobart Town, Tasmania.

Tasmania,
Colonial Secretary's Office, 29th January, 1869.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 4th ultimo, having reference to the Submarine Telegraph Contract, and to express the satisfaction of this Government at the progress which has been made with this important undertaking.

I have, &c.,

(Signed) RICHARD DRY.

G. GILMORE, Esq., 40, Old Broad-street, London.

Telegraph Construction and Maintenance Company, Limited,
Offices, 54, Old Broad-st., London, E.C., January 1st, 1869.

SIR,

I HAVE the satisfaction to inform you that, in fulfilment of our Contract with the Government of Tasmania, our steam ship *Investigator* will forthwith leave England for the purpose of laying an Electric Telegraph Cable across the Bass Straits. Our instructions to her Commander are to use all possible despatch, and we count upon the ship reaching Melbourne by about the 15th March. At that port she will take in coal, embark the Electricians (sent overland), and proceed at once to lay the Cable.

We feel confident from Captain Gilmore's assurances that every assistance will be rendered to facilitate this important operation by the Tasmanian Government; and we shall be further obliged by your securing us the kind co-operation of the Government of Victoria in a similar manner. For Captain Donald Cruikshank of the *Investigator*, entrusted with the submergence of the Cable, I would ask your kind consideration. He will report to me as soon as possible what measures we ought to take for the future maintenance of the Cable in an efficient and economical manner; the *Investigator* being, of course, far too large and expensive for such a purpose.

I will do myself the honor of communicating with you again by the Mail of the 23rd January on the subject of the tariff, and other matters connected with the undertaking; and

I have the honor to be,

Sir,

Your most obedient Servant,

SHERARD OSBORN, *Captain Royal Navy,*
Managing Director.

SIR RICHARD DRY, *Colonial Secretary, Tasmania.*

Tasmania,
Colonial Secretary's Office, 27th February, 1869.

SIR,

I HAVE the honor to inform you that the Submarine Cable about to be laid between Tasmania and Victoria has been shipped on board the *Investigator*, which may be expected to arrive about the middle of next month.

In order to carry out this important work satisfactorily, the Government of Tasmania desire the co-operation of your Government which was so effectively rendered on the last occasion. I have therefore the honor to request that you will sanction the employment of Captain Norman, who is so well acquainted with the coast and navigation of Bass's Straits, and H.M.C.S. *Victoria*, as it is most desirable to have a leading ship in advance of the vessel laying the Cable, to keep the direct route, and render any assistance that may be requisite.

In seeking this valuable assistance the Government of this Colony rely upon the liberality of the Government of Victoria, and the importance to your Colony of securing a successful issue.

I have the honor to be,

Sir,

Your very obedient Servant,

RICHARD DRY.

The Honorable the Chief Secretary, Victoria.

Victoria,
Chief Secretary's Office, Melbourne, 10th March, 1869.

SIR, I HAVE the honor to acknowledge the receipt of your letter of 27th February, applying for the assistance of the *Victoria* s.s. at the operation of laying the Submarine Cable across the Straits.

If the *Victoria* had not been laid up, and consequently unfit for sea service, it would have afforded the Government much pleasure to have complied with the requisition. Although she cannot be employed the Government are anxious to do all in their power to aid in the undertaking, and they will therefore lend the services of the *Pharos* s.s., a vessel of smaller size than the *Victoria*, but efficient, if she should be in port when the time arrives for laying the Cable.

I have the honor to be,
Sir,

Your most obedient Servant,

JAMES M'CULLOCH.

The Honorable the Colonial Secretary, Tasmania.

Tasmania,
Colonial Secretary's Office, 17th March, 1869.

SIR, I HAVE the honor to acknowledge, with the thanks of this Government, the receipt of your letter of the 10th instant, tendering the services of the Victorian screw steamer *Pharos*, in lieu of the *Victoria*, to assist in laying the Submarine Cable across the Straits.

I may add that the *Investigator*, with the Cable on board, may be expected to reach Melbourne any day from the present time, "the middle of March" having been named as the probable time of her arrival.

I have, &c.,

(Signed) RICHARD DRY.

The Honorable the Chief Secretary, Victoria.

Tasmania,
Colonial Secretary's Office, 19th March, 1869.

SIR, I HAVE the honor to enclose for your information copy of a letter received from the Chief Secretary of Victoria, in reply to an application made to the Government of that Colony for the assistance of the Colonial Screw Steamer *Victoria* in laying the Submarine Cable.

I would suggest that you should place yourself in communication with Mr. M'Culloch, in order, if possible, to secure the co-operation of the *Pharos*.

Trusting that you may be able to bring the important understanding to a successful issue,

I have, &c.,

(Signed) RICHARD DRY.

*The Chief Electrician in charge of the Submarine
Cable from Victoria to Tasmania.*

Melbourne, March 30th, 1869.

SIR, I HAVE the honor to acknowledge the receipt of your D 61 dated the 19th instant, with copy of a letter from Mr. M'Culloch enclosed. I will place myself in communication with the Chief Secretary at once.

The *Investigator* with the Cable has not yet arrived, but is hourly expected.

Thanking you for your kindness and good wishes,

I have the honor to be,

Sir,

Your most obedient Servant,

H. T. FISHER.

SIR RICHARD DRY, *Colonial Secretary's Office, Tasmania.*

H. M. S. "Pharos," Port Albert, April 4th, 1869.

SIR,

THE copy of a letter written by you to the Hon. the Chief Secretary of Victoria has been forwarded to me. The letter alluded to has the following Minute attached :—

"Minute by the Hon. the Chief Secretary.

"Victoria laid up. We shall be glad to aid the Government as far as is in our power. If the Steamer Pharos should be in Port at the time she will be available."

A letter was received by me from the Hydrographer of the Admiralty by last Mail from which I beg to make an extract :—"I am desirous that you should afford all necessary assistance to the layers of the Cable between Melbourne and Tasmania so far as examining the termini for the shore ends or piloting the vessel across Bass's Straits. I am of course anxious that the regular work of the Survey should not be interfered with more than is actually necessary."

This extract caused me to place myself in communication with Mr. Fisher, and to promise that gentleman that I would return to Melbourne in the *Pharos* whenever my services might be required.

It will give me great pleasure to aid in bringing the issue to a successful termination.

I have the honor to be,

Sir,

Your most obedient Servant,

H. J. STANLEY, *Lieut. R.N.,*
Admiralty Surveyor.

SIR RICHARD DRY, *Chief Secretary of Tasmania.*

Tasmania,
Colonial Secretary's Office, 14th April, 1869.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 4th instant relative to the laying of the Cable between Victoria and this Colony, and to convey to you the thanks of this Government for the expression of your willingness to aid in endeavouring to bring the undertaking in question to a successful issue.

I have, &c.

(Signed) RICHARD DRY.

H. J. STANLEY, *Esq., Lieutenant R.N.,*
Admiralty Surveyor.

Menzies' Hotel, Melbourne, April 12th, 1869.

SIR,

I HAVE the honor to inform you that the *Investigator* arrived this morning. I hope we shall have all in readiness to leave on Friday next, and, should all go well, to reach Tasmania on Sunday or Monday next.

I have the honor to be,

Sir,

Your obedient Servant,

H. T. FISHER.

The Hon. SIR RICHARD DRY, Tasmania.

Tasmania,
Colonial Secretary's Office, 17th April, 1869.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 12th instant, and to congratulate you upon the safe arrival of the ship *Investigator*, which you inform me reached Melbourne on that day.

I have, &c.

(Signed) RICHARD DRY.

H. T. FISHER, *Esq., Menzies' Hotel, Melbourne.*

TELEGRAM FOR THE CHIEF SECRETARY OF TASMANIA.

9-20 A.M., 26th April, 1869.

I TRUST that a letter of mine informing you of my instructions with reference to the Electric Cable has been received. To-morrow I leave Port Dalrymple to render what assistance may be necessary to the *Investigator*. If upon my return I can be of no further use, I purpose returning to my usual duties in Victoria.

H. J. STANLEY, *Lieut. R.N.*,
Low Head, April 25th.

TELEGRAM FOR THE POSTMASTER, LAUNCESTON.

2nd March, 1868.

Post accompanying Telegram to Captain Gilmore, by this day's mail.

(Signed) B. T. SOLLY.

TELEGRAM TO CAPTAIN GILMORE.

(Care of R. Webb & Co., 35, Leadenhall-street, London.)

2 March, 1868.

WITH reference to my private letter of yesterday, the Government have decided on accepting the proviso to Article No. 5, if the Company still insist on it. We hope, therefore, there will be no further delay.

(Signed) RICHARD DRY, *Colonial Secretary.*

Tasmania,
Colonial Secretary's Office, 28th March, 1868.

SIR,

IN accordance with the provisions of the 10th Article of Agreement between the Government of Tasmania and the Telegraph Construction and Maintenance Company, I have the honor to inform you that the Contract referred to in the above-named Article of Agreement was duly received at this Office by the last mail from England.

On thus ratifying the Contract the Government desire to express their conviction of the great importance of the work, and their hope that no delay may arise to prevent the laying of the Cable at the earliest possible date.

I have the honor to enclose old Articles of Agreement, being no longer operative.

I have, &c.,

(Signed) RICHARD DRY.

SHERARD OSBORNE, *Esq.*, *Managing Director Telegraph Construction and Maintenance Company, Old Bond-street.*

Hobart Town, 1st April, 1868.

SIR,

I HAVE the honor to bring under your notice that I arrived here by the last Overland Mail from England, solely for the purpose of communicating with the Government in reference to the objections made by them to the Contract for laying down a Submarine Cable between Tasmania and the Colony of Victoria.

After the receipt of your Despatch in London,—which was dated the 24th August, 1867, informing me that the Government could not accept the proviso contained in Clause No. 5,—I used every exertion on my part to induce the Directors of the Telegraph Construction and Maintenance Company to withdraw it. Having failed in this, I concluded my best course was to return immediately to Tasmania to have an interview with the Executive.

I trust the Government will, under these circumstances, allow me the expenses of my voyage, amounting in all to the sum of Two hundred and fifty Pounds (£250).

I beg to state that I shall be prepared to leave for London by the coming May mail, and to give my attention to forward the shipment of the Electric Cable to its destination.

I have the honor to be,
Sir,

Your obedient Servant,

GEORGE GILMORE.

The Hon. the Colonial Secretary.

*Telegraph Construction and Maintenance Company, Limited,
Offices 54, Old Broad-street, London, E.C., May 29th, 1868.*

SIR,

I HAVE the honor to acknowledge the receipt of your telegram of the 23rd March, and your letter dated March 28th, which reached this Office on the 18th instant.

You may rest assured that directly the official documents referred to in your letter reach us, no time will be lost in taking steps to have the necessary financial arrangements carried out for the completion of the contract. It was impossible for us, of course, to conclude such arrangements until the legal forms had all been complied with; but in the meantime we have manufactured the Core, which is the most important part of the Cable, and in other respects are in a position to carry out the work very expeditiously.

I have the honor to be,
Sir,

Your obedient humble Servant,

SHERARD OSBORN,

Captain Royal Navy, Managing Director.

Sir RICHARD DRY.

*Tasmania,
Colonial Secretary's Office, 13th August, 1868.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 29th May last, informing me that you had received my telegram of the 23rd March, and letter of the 28th of that month.

I trust that, before this, all the arrangements have been finally completed, and that we may shortly have the pleasure of hearing of the shipment of the Cable.

I have, &c.,

(Signed) RICHARD DRY.

*S. OSBORN, Esq., Managing Director, Telegraph Construction and Maintenance Company,
54, Old Broad-street, London, E.C.*

40, Old Broad-street, London, 14th August, 1868.

SIR,

I BEG to inform you that, on my arrival in London from Tasmania, I called at the Offices of the Telegraph Construction and Maintenance Company, and I find that the Submarine Cable for crossing Bass's Straits is in course of construction; but, as the Company have not received the Contract containing the Signature of the Government, the work is not proceeding as rapidly as I expected. I beg the Government will take steps to provide the Company with the Contract as soon as it is convenient to them.

I have the honor to be,
Sir,

Your obedient Servant,

GEORGE GILMORE.

The Honorable the Chief Secretary, Hobart Town, Tasmania.

Tasmania,
Colonial Secretary's Office, 10th October, 1868.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 14th August, in which you inform me that "as the Company have not received the Contract containing the Signature of the Government, the work is not proceeding as rapidly as I expected;" and you also "beg the Government will take steps to provide the Company with the Contract as soon as it is convenient to them."

I fear some misunderstanding exists as regards the action required by the Government to perfect the arrangements with the Company, and that this misunderstanding has delayed the construction of the Cable. The facts of the case appear to be that, on the 24th January last, you, as the accredited Agent of the Government, signed a Contract by which, on certain Conditions, the Telegraph Construction and Maintenance Company undertook to lay down a Cable between this Colony and Victoria.

The 10th Article of this Contract states—"The Government will notify to the Company by the first Mail leaving Tasmania after receipt of this Contract that the same has been duly received at the Government Office there."

Let me point out that the Contract does not require the Signature of the Government, for it is *made* by yourself, acting under the authority of the Resolution of the Parliament of Tasmania, and regularly accredited and empowered to act for the Government. The Signature of the Government, therefore, could not add to the validity of the instrument, provided all the contained Conditions were fulfilled.

On the 28th March, by the first Mail leaving the Colony after the receipt of the Contract, I wrote to the Managing Director as follows:—

"In accordance with the provisions of the 10th Article of Agreement between the Government of Tasmania and the Telegraph Construction and Maintenance Company, I have the honor to inform you that the Contract referred to in the above-named Article of Agreement was duly received at this Office by the last Mail from England.

"In thus ratifying the Contract the Government desire to express their conviction of the great importance of the work, and their hope that no delay may arise to prevent the laying of the Cable at the earliest possible date.

"I have the honor to enclose the old Articles of Agreement, being no longer operative."

In this letter I fulfilled the only Condition of the Contract requiring any act to be done by the Government; and, in the last paragraph, I use the express words "ratifying the Contract," thus expressly conveying the concurrence of the Government in the undertaking.

My reason for writing thus fully is to prove clearly that the delay which has occurred has not arisen from any *laches* of the Government: at the same time, lest unfortunately any further obstacle might arise to impede the progress of the Cable, I forward a printed Copy of the Articles of Agreement, endorsed with the ratification of the Government, and, for your use, three more copies of the Document as laid before Parliament.

I cannot for a moment imagine that the Directors anticipated the Government would return the original Articles of Agreement, forwarded in January last, the duplicate of which is, of course, in possession of the Directors,—each party thus retaining the legal security for the fulfilment of the Conditions.

I have, &c.,
(Signed) RICHARD DRY.

G. GILMORE, Esq., 40, Old Bond-street, London.

Tasmania,
Colonial Secretary's Office, 10th October, 1868.

SIR,

I HAVE the honor to forward copy of a letter I have addressed to Captain Gilmore, by this Mail, and to enclose a copy of the Contract with the ratification of this Government endorsed.

I trust that before this reaches you the Cable will be in course of shipment, so that it may arrive here in the most favourable season for laying.

I have, &c.,

(Signed) R. DRY.

SHERARD OSBORN, *Esq., Managing Director*
Telegraph Construction and Maintenance Company, Old Broad-street.

Telegraph Construction and Maintenance Company, Limited,
Offices, 54, Old Broad-street, London, E.C., 4th November, 1868.

SIR,

I HAVE much pleasure in informing you that the manufacture of the Submarine Cable from Tasmania across Bass's Straits is proceeding rapidly, and that it will leave this Country before Christmas, and be submerged, I trust, in conformance with our Agreement with the Tasmanian Government, in the first week of April next. The work would have been completed sooner, but for a misapprehension arising out of the telegram sent.

I have the honor to be,
Sir,

Your most obedient Servant,

SHERARD OSBORN, *Captain Royal Navy,*
Managing Director.

To the Colonial Secretary, Tasmania.

Bank of Van Diemen's Land, Launceston, 4th May, 1869.

MY DEAR SIR,

CAPTAIN GILMORE informed you by letter of 27th January last, from London, that Gunn and myself were his Attorneys to whom the amount due for negotiating the laying of the Telegraph Cable across Bass's Straits, and his expenses (in all £1000), will be payable as soon as all matters are arranged according to agreement.

The Cable having been laid, and as it continues to act, I presume Captain Gilmore's share of responsibility has ceased, and therefore the amount before named may, I presume, be demanded from your Government. It has occurred to me, however, that trouble on both sides might be saved by troubling you with these few lines of enquiry as to the form to be adopted in making application for the amount due to Captain Gilmore, when it will be payable, and what form of discharge you will require on behalf of the Government.

An answer at your convenience will oblige

Yours very faithfully,

CHAS. THOMSON.

THOMAS D. CHAPMAN, *Esq., Colonial Treasurer, Hobart Town.*

Colonial Treasury, 6th May, 1869.

SIR,

I AM in receipt of your letter of the 4th instant, in which you call my attention to a letter addressed to this Government by Captain Gilmore, dated London, 27th January last, in reference to the remuneration to be paid to him by the Government of Tasmania for services rendered in negotiating the contract with the Telegraph Construction and Maintenance Company for establishing and maintaining Telegraphic Communication between Tasmania and Victoria.

In reply, I have the honor of forwarding you a copy of the letter from Captain Gilmore, by which you will observe that he requests that the amount due to him may be paid over to yourself and Mr. Ronald Gunn as his Attorneys in this Colony.

On referring to the agreement entered into between Captain Gilmore and this Government the amount due to Captain Gilmore is found to be £700, as per account herewith; and on receiving the account duly signed by yourself and Mr. Gunn a cheque for that amount will be immediately granted.

I have the honor to be,

Sir,

Your obedient Servant,

THOS. D. CHAPMAN, *Colonial Treasurer.*

CHARLES THOMSON, *Esq., Bank of Van Diemen's Land, Launceston.*

Bank of Van Diemen's Land, Launceston, 7th May, 1869.

SIR,

I HAVE the honor to acknowledge receipt of your favour of yesterday's date, and to thank you for your courtesy in forwarding the necessary documents to enable Mr. Gunn and myself (as Attorneys for Captain Gilmore) to receive the amount now due to that gentleman upon completion of Telegraphic Communication between this Colony and Victoria, under the contract with the Telegraph Construction and Maintenance Company negotiated by Captain Gilmore.

I now return the account and receipt duly signed by Mr. Gunn and myself, but we have erased from the receipt the *addenda* of "and in full of all demands," as we have no authority from Captain Gilmore to grant such a release, but only for the £700 which is clearly payable in terms of the agreement with the Tasmanian Government contained in Captain Gilmore's letter of 20th November, 1866, and the Hon. James Whyte's of 21st November, 1866.

I have the honor to be,

Sir,

Your obedient Servant,

CHAS. THOMSON, *Attorney for GEORGE GILMORE.*

The Honorable the Colonial Treasurer, Hobart Town.

Colonial Treasury, 8th May, 1869.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of yesterday's date, and in reply I have the honor of informing you that, as the remuneration payable to Captain Gilmore for services rendered by him in negotiating the arrangements for the establishment of Telegraphic communication between Tasmania and Victoria was fixed at One per cent. on the amount on which interest is guaranteed by this Government, it became necessary that I should obtain a receipt showing that the Seven hundred Pounds payable to Captain Gilmore is in settlement in full of all demands against the Government for the services rendered. I have the honor, therefore, to return herewith the receipt you forwarded to me in your letter of yesterday, and beg to enclose another statement of account, showing Captain Gilmore's claim against the Government, with the receipt required to be signed by yourself and Mr. Gunn as attorneys for Captain Gilmore; and, on your returning the same duly signed and stamped to this Department, a cheque for the Seven hundred Pounds will be immediately forwarded to you.

I have the honor to be,

Sir,

Your obedient Servant,

THOS. D. CHAPMAN, *Colonial Treasurer.*

CHARLES THOMSON, *Esq., Bank of Van Diemen's Land,
Launceston.*

Bank of Van Diemen's Land, Launceston, 15th May, 1869.

SIR,

I HAVE the honor to acknowledge receipt of your favour of 8th instant, enclosing another account for signature by Mr. Gunn and myself (as attorneys of Captain George Gilmore), with receipt in "full of all demands in settlement of his claim against Her Majesty's Government for services rendered in negotiating the establishing of Telegraphic communication between Victoria and this Colony."

I regret to inform you that Mr. Gunn and myself cannot accept the £700 upon these terms, in the absence of special instructions to that effect, and with the knowledge that Captain Gilmore has made a further claim upon your Government, as contained in the following extract from his letter to me of 28th January last; viz.—

“I sent an official letter to the Chief Secretary by the last mail, asking for the expenses of my voyage out and home during the last year, as it was solely undertaken on public business, and in consequence of a despatch I received from the Government refusing to ratify the Telegraph Contract. I have claimed £300, which I think is moderate; and, under the circumstances, I think when the work is done the Government can hardly refuse it, for I have had a vast quantity of work about that Cable business I never anticipated, and it was extended over more than two years.”

Unless, therefore, you can place Mr. Gunn and myself in a position to receive this sum of £700 without prejudice to Captain Gilmore's further demand of £300, you must see that it would be impossible, without exceeding our powers, to grant such a discharge as you demand.

May I ask the favour of your seriously re-considering the case, and of a prompt reply, as, in the event of your not altering your determination in this matter, it will be necessary that we should communicate with our principal by next week's out-going mail for England.

I have the honor to be,
Sir,

Your obedient Servant,

CHAS. THOMSON,
Attorney for GEORGE GILMORE.

To the Honorable the Colonial Treasurer, Hobart Town.

Colonial Treasury, 19th May, 1869.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 15th instant, and in reply I have the honor of informing you that, after full consideration of all the circumstances in connexion with the claim made by Captain Gilmore for the services rendered by him to this Government in negotiating the Contract with the Telegraph Construction and Maintenance Company for laying down the Submarine Cable between Tasmania and Victoria, the Executive Government feel that they would not be justified in paying more than the amount voted by Parliament for those services,—viz., £700.

I have the honor to be,
Sir,

Your obedient Servant,

THOS. D. CHAPMAN, *Colonial Treasurer.*

CHARLES THOMSON, *Esq., Bank of Van Diemen's Land,
Launceston.*

*Bank of Van Diemen's Land, Launceston,
30th September, 1869.*

SIR,

I HAVE the honor to address you again on the subject of Captain Gilmore's demand for £700 for services rendered to the Government of Tasmania in negotiating with the Telegraph Construction and Maintenance Company for the laying and keeping in working order of the Cable across Bass's Straits under the agreement of 20th & 21st November, 1866.

Captain Gilmore assumes that in asking for a “receipt in full of all demands” from his Attorneys here before paying the £700, (the sum agreed to in the first instance for the services above stated), you are only conforming to official rules applicable to all cases of the kind where payments are made under a special vote of Parliament, and not with a view to preclude from consideration his further claim for other services not contemplated when the original agreement was made with the Tasmanian Government, and therefore not coming within the scope of, or being included by, the wording of that agreement.

Seven hundred pounds is little enough remuneration for the successful completion of such a negotiation attended with much trouble and extending as it did over two years; and it is by no means reasonable to suppose the item of “Travelling Expenses” (mentioned in the original agreement as to be included)—intended to apply wholly to England—could be construed into including a voyage to this Colony and back,—a voyage, moreover, rendered necessary in consequence of unsatisfactory replies from Government to his correspondence, and without which the negotiation must have been broken off, and the importance of Telegraphic communication with the adjacent Colonies postponed for an indefinite period. The Honorable Mr. Whyte, if referred to, would, I am confident, confirm this view of the case.

Captain Gilmore is confident neither the Parliament nor Government of Tasmania could expect him to perform such services as he has happily succeeded in accomplishing in respect to the Cable for little more than a half per cent. on the cost, and can only believe that you feel a difficulty in satisfying his further demand without the consent of Parliament, to whom he trusts (if such be the case) you will submit it for consideration during this Session.

If Captain Gilmore is correct in these views, and the opinion of your Government coincides therewith, I am instructed to receive the £700, giving a receipt in "full of all demands."

May I beg the favor of an early reply.

I have the honor to be,

Sir,

Your obedient Servant,

CHAS. THOMSON.

To the Honorable the Colonial Treasurer, Hobart Town.

Tasmania.

Colonial Treasury, Hobart Town, 1st October, 1869.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of yesterday's date in reference to Captain Gilmore's claim against the Government for negotiating the Contract with the Telegraph Construction and Maintenance Company for laying and maintaining the Submarine Cable between Tasmania and Victoria; and in reply I have the honor of informing you that the Executive Government can only pay the amount sanctioned by Parliament.

I enclose herewith statement of the claim as recognised by the Government,—viz., £700,—and on your signing the receipt in full of all demands and forwarding the same to this Department a cheque for the amount will be forwarded to you.

I have the honor to be,

Sir,

Your obedient Servant,

THOS. D. CHAPMAN, Colonial Treasurer.

CHARLES THOMSON, Esq., Manager
Bank of Van Diemen's Land, Launceston.

Articles of Agreement made this Twenty-fourth day of January One thousand eight hundred and sixty-eight between the Government of Tasmania, hereinafter called "The Government," by George Gilmore, of Hobart Town, in Tasmania, (acting under the authority of the Resolution of the Parliament of Tasmania hereinafter recited, and instructions from the Chief Secretary of the said Government) of the one part, and the Telegraph Construction and Maintenance Company, Limited, hereinafter called "The Company," of the other part. **Whereas** by a Resolution of the Parliament of Tasmania passed on or about the Seventh day of September One thousand eight hundred and sixty-six it was resolved, that, for the purpose of promoting the establishing of Telegraphic Communication between Tasmania and the Continent of Australia, it was considered desirable that the Government of Tasmania should be authorised to guarantee to any persons willing to construct and lay a Submarine Cable across Bass's Straits an annual rate of not more than six per cent. on the cost of such works: **And whereas** the Government have proposed to the said Company to undertake, and the said Company have agreed to undertake, the laying down of a Submarine Electric Telegraph Cable between Tasmania and the Continent of Australia upon the terms and conditions hereinafter contained: Now, for the considerations herein appearing, it is hereby mutually covenanted and agreed between the Government on the one hand, and the Company their successors and assigns on the other hand, as follows:—

ARTICLE 1.—The Company will manufacture and within fifteen months from the date hereof lay down an Electric Telegraph Cable for establishing Telegraphic Communication between the terminate of the land Telegraph Lines in Tasmania at the Low Heads, at the entrance of the River Tamar, and the terminate of the land Telegraph Lines at or near Cape Schank on the north side of Bass's Straits in the Colony of Victoria.

ARTICLE 2.—The Cable shall be constructed of good and suitable materials in all respects, and shall be efficiently adapted for the purposes of such communication, and shall be equal to specimens in duplicate marked by the said George Gilmore and Captain Sherard Osborn, managing Director of the Company.

ARTICLE 3.—The Government hereby guarantee and agree to pay to the Company, their successors, nominees, and assigns, interest at the rate of Six per cent. per annum on the sum of Seventy thousand Pounds, which sum is hereby agreed upon as the amount of the expenditure of the Company for establishing such communication and for all purposes of this Contract is the cost of the Line; such guaranteed interest to be from time to time paid to the Company, their successors, nominees, and assigns, quarterly upon the adjustment of the Accounts as mentioned in Article 7 hereof, the first payment to be made at the expiration of Three months after the Telegraph has been laid and the communication established.

ARTICLE 4.—The Guarantee of the Government shall continue and remain in force while the communication remains in good working order and uninterrupted; and in the event of a cessation of communication for a period of Thirty consecutive days, the said Guarantee shall be suspended until the Line has again been placed in working order (without prejudice, however, to the payment of any moneys due on the Guarantee up to the stoppage), but should an interruption in such communication extend beyond Twelve months the responsibility of the said Government in respect of the said Guarantee shall cease and determine: Provided that if any interruption to such communication shall arise from destruction or injury of the Cable by reason of War, Rebellion, or any such like cause the Guarantee shall continue, but the Company, their successors or assigns, shall in such event be bound, at the request and cost of the Government, to restore such communication.

ARTICLE 5.—If the net profits arising in one year from the said Line of Telegraph, after payment of all expenses on and incidental to the working and maintenance thereof, together with any amount paid by the said Government in respect of their Guarantee, shall exceed in that year Seven thousand Pounds, being ten per cent. on the said sum of Seventy thousand Pounds, the Company shall, to the extent of any moneys paid by the Government in and in respect of that year upon their said Guarantee, refund to the Government any such excess over Seven thousand Pounds; but in no event shall the Company be required to pay or refund to the Government more than the amount which the Government shall have so paid in such year.

ARTICLE 6.—The Company, their successors and assigns, shall have the exclusive right of Submarine Telegraph communication between the Colony of Victoria and the Colony of Tasmania for a period of Twenty years, to commence from the time when the Company first open Telegraphic communication between the said Colonies; and such right shall continue in force subject only to determination in case the responsibility of the Government in respect of the said Guarantee shall cease and determine under the provisions of Article 4, and in that event the exclusive right of Submarine Telegraphic communication hereby granted shall cease and determine with that responsibility.

ARTICLE 7.—All accounts between the Government and the Company, their successors and assigns, shall be adjusted and the balance paid over quarterly. The Government to have the right to inspect the books of the Company to verify the accounts.

ARTICLE 8.—The Government shall on the ground of public service be entitled to priority in sending Government messages required by the Ministry or a Government Official authorised by them, and shall also be entitled to obtain and have the exclusive use of the said Submarine Telegraph upon giving reasonable notice to the Company, their successors or assigns, and upon payment to them of an amount equivalent to the cost of the Line and the value of the profits thereof including the Government Guarantee, the same to be determined in case of difference by the arbitration of disinterested persons.

ARTICLE 9.—The Government will give to the Company, their successors and assigns, all reasonable facilities in carrying out the works hereby agreed upon and in working with traffic.

ARTICLE 10.—The Government will notify to the Company by the first Mail leaving Tasmania after receipt of this Contract that the same has been duly received at the Government Office there.

ARTICLE 11.—The Company shall forthwith begin to manufacture the Cable, and if they fail to perform their obligation under this Contract in respect to the making and laying of the said Cable they shall pay to the Government the sum of Two thousand Pounds; but no penalty shall be payable if the failure arise from any act or default of the Government or of the Government of the Colony of Victoria, or if after shipping the Cable the Company fail to lay the same from any accident or other cause beyond their control.

In witness whereof the said George Gilmore hath hereunto set his hand and seal, and the Company have caused their common seal to be affixed, the day and year first above written.

GEORGE GILMORE.

Signed, sealed, and delivered by the above-named
George Gilmore in the presence of

C. E. HINDRY,
40, Old Broad-street, E. C.,
January 24, 1868.

SHERARD OSBORN, *Director*.
W. SHUTER, *Secretary*.

*Electric Telegraph Department, Office of the General Superintendent,
Melbourne, 24th March, 1868.*

SIR,

I HAVE examined the specimen patterns of Submarine Cable (shore end and deep sea) proposed for the new telegraphic connection between Victoria and Tasmania.

The form of the Cable appears to me as being in all respects satisfactory; well adapted to the purpose for which it has been designed; and possessing the most recently applied improvements in material and manufacture.

I have the honor to be,

Sir,

Your obedient Servant,

SAML. W. M'GOWAN.

Captain GEORGE GILMORE.

40, Old Broad-street, London, 25th January, 1868.

MY DEAR SIR,

I BEG to acquaint you that the Contract originally signed by me on behalf of the Tasmanian Government, in or about May last, is now in the hands of the Government; but, inasmuch as it is superseded by the Contract signed this day, it is to be considered as cancelled; and I undertake to return the document to you as soon as I arrive at Hobart Town.

I am,

Yours very truly,

GEORGE GILMORE.

WM. SHUTER, *Esq.*

40, Old Broad-street, E.C., London, 24th December, 1867.

SIR,

I HAVE the honor to confirm my letter to you, of the 26th ultimo, on the subject of the Contract for effecting Telegraphic Communication between Tasmania and the Colony of Victoria.

I have devoted a very considerable amount of time and attention to this negotiation, with a view to meeting the wishes of the Government as regards the proviso in Clause 5 of the proposed Contract.

The Telegraph Construction Company lay great stress upon the fact that the Clause by which the Government is expected to bind itself to restore the Cable in the event of its destruction by foreign or civil war, is a Condition which they have always inserted in similar Contracts, and which they conceive no Government can fairly refuse to agree to. They observe that, if such a contingency is remote, as signified in your letter of the 24th August, there ought not to be an objection to undertake the responsibility; and, on the other hand, if the contingency is not remote, they contend that such a liability as the restoring of the Cable ought not, in justice, to devolve on them.

I feel compelled to submit this point for the re-consideration of the Government, as I am convinced it will not be possible to overcome the difficulty occasioned by the rejection of the Clause in question; and, up to this time, I have not been able to devise any middle course which would meet the requirements of the Company and probably satisfy the Government.

I venture to press upon the Government to weigh well the fact, that no charge is made on them except the Cable is efficient as regards communication; and, so long as it remains so, the responsibility of the Company embraces the construction of an efficient Line, and its perfect working; and, if these results are accomplished, it is not an unreasonable demand that they should ask exemption from the consequences which might spring out of a state of war or rebellion, which is utterly beyond their control. Looking at the importance of the work to the Colony—and, as I conceive, the improbability of such an injury to the Cable as we are discussing—I am induced to think that the Government will not object to meet the requirements of the Company on the point in question.

I have the honor to be,

Sir,

Your very obedient Servant,

GEORGE GILMORE.

The Honorable Sir RICHARD DRY, *Colonial Secretary,
Hobart Town, Tasmania.*

See House of Assembly Journals, Vol. 14, September 2, 1866, Paper No. 1, and Vol. 15, September, 1867, Paper No. 7, for Correspondence in reference to the re-establishment of Submarine Telegraph between Tasmania and Victoria.

Department of Electric Telegraph, Melbourne, 25th March, 1862.

MEMORANDUM.

It is proposed by the Government of Tasmania that the Bass's Straits Submarine Telegraph between Cape Otway, Victoria, and George Town, Tasmania, be transferred gratuitously to private individuals on condition that the Cable be thoroughly repaired, and that the communication be restored and permanently maintained between the Colonies of Victoria and Tasmania within a reasonable period after the necessary arrangements may have been made completed.

It is also proposed by the Government of Tasmania that Captain George Gilmore, lately Master Warden at Launceston, who is now proceeding to England, be, and is hereby, authorised to negotiate the matter with any person or persons in Great Britain who may be disposed to accept the work on the terms stated.

The concurrence of the Government of Victoria in the above propositions is now invited, on the distinct understanding that neither Colony shall be involved in any further pecuniary liability on account of the work under mention.

The Government of Tasmania to initiate whatever proceedings may be conducted through the intervention of Captain Gilmore, and to convey to him the necessary instructions as to the several details of conditions requisite in completing the proposed arrangement; the Government of Victoria to be fully apprised on the subject at proper periods.

I RECOMMEND this Government to accede to the proposal of the Tasmanian Government to lease the Submarine Telegraph for a term of years, subject to proper guarantees and conditions to secure the repair and maintenance of the line, to preclude an increase of traffic for conveyance of messages, and to conserve the right of this Government to use the Telegraph, and securing this Government against any further pecuniary liability.

G. S. EVANS,
27th March, 1862.

[This Memorandum submitted to the Cabinet 27th March, 1862, and approved.]