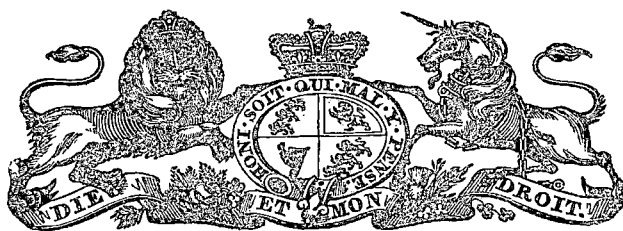


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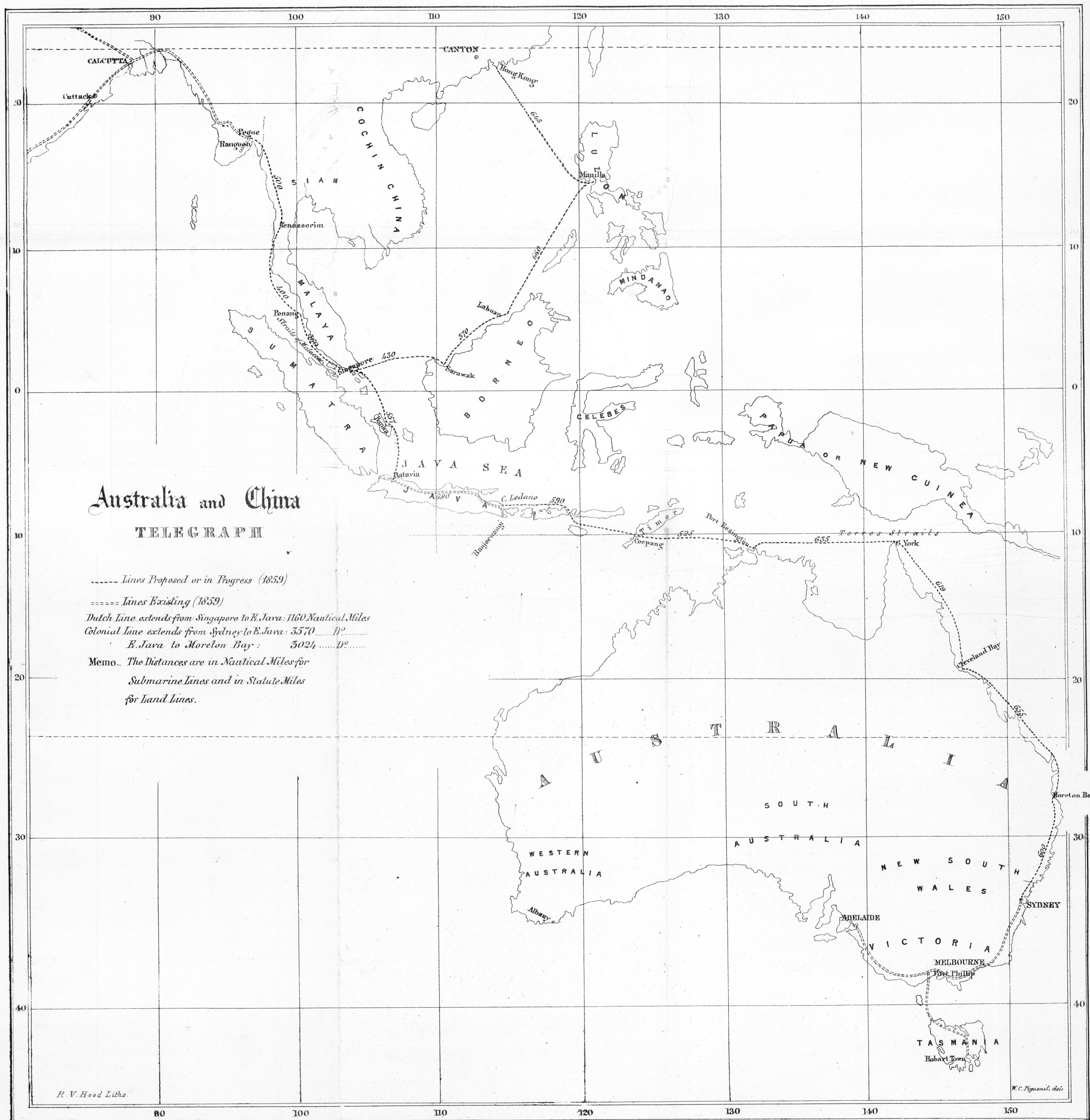


1859.

T A S M A N I A.

TELEGRAPHIC COMMUNICATION
BETWEEN ENGLAND AND AUSTRALIA.

Presented by Mr. Colonial Treasurer, and ordered by the House to be printed,
5 August, 1859.





Melbourne, 6th July, 1859.

SIR,

I HAVE the honor to enclose a letter of introduction given me by Sir E. B. Lytton to you ; also copy of a document dated the 19th of March last, containing the arrangement I made with the Netherland Government on behalf of the promoters of the Australian Telegraph for the construction by that Government of a Submarine Line from Singapore to Batavia this year, and other matters also set out in it.

I also enclose the conditions under which Her Majesty's Government granted the Netherland Government permission to land their cable and to establish a station at Singapore for the purpose of working the line ; also a Map showing the course of the proposed Australian Telegraph, and a Prospectus of the Red Sea and India Telegraph Company. I send by post a sample of the Red Sea cable.

I am come out on behalf of the promoters of the Australian Telegraph, to make a proposal to the several Colonial Governments to complete the link of telegraphic communication between England and Australia which will still be wanting when the lines now in course of construction by Her Majesty's and the Netherland Governments are completed.

The Indian line is now laid to Aden, and the remaining portion to Kurrachee is manufactured and will be laid next December. From Kurrachee there exist land lines as far as Rangoon, and the Indian Government has bound itself to complete the Telegraph to Singapore.

The Dutch cable from Singapore to Batavia is manufactured and will be laid next October. From Batavia there exists a land line to Banjouwangi (E. Java) ; so that my mission is to induce the Australian Governments to extend the Dutch line from E. Java to Moreton Bay as a submarine line, and thence to Sydney by land.

An examination of the Admiralty charts will show that the submarine cable will, throughout its course, follow a chain of islands or the Australian Coast in very shallow seas, whence it can be easily picked up for repairs and where intermediate stations can be multiplied at pleasure, and will everywhere lie on a soft bed of sand or mud.

The promoters propose that £800,000 be raised for the submarine line between E. Java and Moreton Bay, (this sum includes a sufficient reserve fund), and that the several Colonies contribute towards it in the same proportions as they now contribute towards their moiety of the Postal subsidy.

This basis would leave Tasmania, as I am informed, to contribute $5\frac{1}{16}$ per cent. of the capital.

This is, of course, merely a suggestion, but it proceeds upon the supposition that the number of messages sent and received will be in analogy to the number of letters sent and received.

The class of cable on which the estimates have been founded, and the prices, *mutatis mutandis*, are the same as have been approved of in the case of the Indian Telegraph by Her Majesty's and the Indian Governments.

The Australian line will be completed in two years at farthest, and will be laid at the risk of the contractors.

Whether the line shall be held and worked by the several Colonial Governments as their joint property, or whether a private Company shall hold and work it, are points which the promoters desire to leave entirely to the decision of the Colonies.

If the line is to belong to the Colonial Governments, the necessary capital will have to be raised either out of surplus revenue or as a public debt by means of bonds.

If a Company is to be formed, a guarantee of 6 per cent. on the capital must be given. In either case there will be a liability to be apportioned among the Colonies.

I have as yet seen none of the Colonial authorities, having only arrived to-day from England, and am ignorant of their views, but I will ask you to communicate on this subject with the other Governors. I hope soon to visit Hobart Town, but from Melbourne I first proceed to Sydney.

I need hardly observe, that the wire will convey the news to Melbourne, Hobart Town, and Adelaide at the same instant as to Sydney.

I have the honor to remain,
Your obedient Servant,
F. GISBORNE.

His Excellency
SIR H. E. F. YOUNG, C.B.

Downing-street, 2nd May, 1859.

(Separate.)

SIR,
WITH reference to my predecessor's Circular Despatch of the 29th May, and to mine of the 27th July last, I have to inform you that Mr. F. Gisborne, brother of the gentleman whose project of a Telegraphic communication by way of India between this Country and Australia was then announced to you, is now on his way to New South Wales and contemplates visiting several of the Australian Colonies.

Mr. Gisborne has been represented to me as a gentleman of character and intelligence, and of great experience in all matters of the above description, but I must leave him to explain for himself the object which he has in view; for although I consider that the execution of such a scheme would confer the greatest benefit on the Australian Colonies and the Empire, I cannot undertake to express an opinion on the merits of particular plans for accomplishing the object.

I take this opportunity of calling your attention, in connection with this subject, to two principles which, after considerable recent discussion, have been at length acquiesced in and adopted generally, and on which Her Majesty's Government are prepared to act in cases of a character similar to the present: first,—to grant no exclusive privileges; and secondly,—to provide that any guarantees of interest should only take effect after the Lines are in working order, and for so long only as they continue to remain in that condition.

I have the honor to be,
Sir,
Your most obedient humble Servant,
CARNARVON,
(*In the absence of* SIR E. B. LYTTON.)

Governor SIR H. E. F. YOUNG, C.B.
Tasmania.

(Copie.)

La Haye, le 19 Mars, 1859.

MONSIEUR,

J'ai l'honneur de porter à votre connaissance que Sa Majesté le Roi m'autorise à accepter la proposition que vous avez faite au Gouvernement de Sa Majesté au nom de votre frère le Sieur Lionel Gisborne, tendant à annuler la concession qui lui a été accordée sous date du 16 Janvier, 1858, pour l'établissement, le service, et l'exploitation d'une ligne sous-marine et de stations télégraphiques dans les possessions du Royaume des Pays-bas aux Indes Orientales, reliant les lignes télégraphiques des possessions Anglaises aux dites Indes et celles du Continent d'Australie.

Quant aux trois conditions qui servent de base à la dite proposition, je m'empresse de vous faire part,—

- 1°. Que je viens de signer un contrat entre le Gouvernement de Sa Majesté le Roi et Messieurs Newall et Cie., pour la pose d'un télégraphe sous-marin entre Batavia et Singapore dans le cours de l'année 1859.
- 2°. Que le Gouvernement de Sa Majesté le Roi autorise les entrepreneurs de télégraphe Australien, qui sont ou seront représentés par vous, d'établir et d'administrer une station à Coupang (Timor), et de rattacher leurs fils télégraphiques, venant de l'Australie, aux lignes télégraphiques du Gouvernement des Indes Néerlandaises à Banjouwangi (côte orientale de Java), et que le dit Gouvernement ajoutera un fil à la ligne existante de Batavia à Banjouwangi, aussitôt que ce dernier lieu sera relié à l'Australie, pour la transmission des dépêches allant à ou venant de l'Australie ; le Gouvernement de Sa Majesté le Roi se réserve la faculté d'employer ses propres agents pour la transmission des dépêches Néerlandaises à la station de Coupang, et à trois autres stations sur la ligne qui unira les possessions Néerlandaises avec l'Australie.
- 3°. Que les bases pour la transmission des dépêches privées allant à ou venant de l'Australie sur les lignes du Gouvernement de Sa Majesté le Roi entre Singapore et Banjouwangi sont acceptées par le Gouvernement de Sa Majesté comme suit :—
 1. Les dépêches privées allant à ou venant de l'Australie pourront être transmises sur les lignes télégraphiques Néerlandaises entre Singapore et Banjouwangi en chiffres ou autres signes aussi bien que de la manière ordinaire.
 2. Les dites dépêches ne seront examinées que pour le contrôle du tarif.
 3. Les employés de la Compagnie à former pour l'établissement du télégraphe Australien, nécessaires pour la transmission des dites dépêches, aux Stations de Singapore, de Batavia, et de Banjouwangi, seront agréés par le Gouverneur-Général des Indes Néerlandaises, sur la proposition d'un agent de la dite Compagnie.
 4. Le tarif des dites dépêches sera réglé entre les Gouvernements Britannique et Néerlandais de commun accord avec la Compagnie à former.
 5. On observera de part et d'autre parfaite égalité quant à l'ordre de l'expédition ou la transmission des dépêches privées.
 6. Les dépêches officielles et privées Néerlandaises seront sur un pied égal quant au tarif sur les lignes qui uniront l'Australie aux possessions Néerlandaises, avec les dépêches officielles et privées Britanniques.

Le Gouvernement de Sa Majesté le Roi sera libéré de tout engagement envers les entrepreneurs du télégraphe Australien représentés par vous, si dans le terme de quatre ans, à partir de ce jour, ils n'auront pas réuni les possessions Néerlandaises dans l'Inde avec l'Australie ; mais pendant ce terme il ne traitera qu'avec eux.

Dans le cas que les Gouvernements de l'Australie préféreront de tenir dans leur mains la pose et l'administration des lignes télégraphiques qui uniront l'Australie avec l'Inde Néerlandaise, ils seront admis à remplacer les entrepreneurs ou la Compagnie privée sous tous les rapports.

Le Ministre d'Etat, Ministre des Colonies,
(Signé) ROCHUSSEN.

A Monsieur FRANCIS GIBBORNE,
Hôtel Paulez.

*CONDITIONS under which the British Government granted the Netherland Government permission to land a Submarine Telegraph Cable, and to establish and administer a Station at Singapore.**

1st Condition. That the Netherland Government will not grant any monopoly, tending to prevent the establishment at any future time of new Telegraphic lines between its Indian possessions and Australia on the one hand, and Singapore on the other, but they may exercise their discretion in admitting the principle of competition. Protection may, however, be granted to the promoters of any Australian line during a reasonable period of construction. As regards the Telegraphic communication between the Netherland Indian Possessions and Singapore, the Netherland Government is not bound to admit the competition of any other line with that in their own hands, except in the case provided for in the Clause marked (b) of the 5th Condition.

2nd Condition. That the Telegraph in question shall always be available for the use of the British Government and Public, and be considered as a component part of the line between Great Britain and Australia.

* Communicated to me by M. Rochussen, Minister of the Dutch Colonies, on the 24th March, 1859.—F. G.

3rd Condition. That the British Government shall be placed on the same footing as the Dutch Government as regards priority of Messages.

4th Condition. That the Messages of the British Government may be sent in cypher, and shall not be subject to examination.

5th Condition. That, in case the Government Cable between Singapore and Batavia should at any time be proved inadequate to meet the requirements of the Public, the Netherland Government will, at their option,

(a.) Lay down one or more additional Cables, or

(b.) Grant a concession for laying such additional Cable or Cables either to the British Government or to a private Company.

The Netherland Government shall always provide the requisite number of Land Wires between Batavia and the points where the Australian Cables are landed.

6th Condition. That the employment of British Agents shall be allowed at all Stations corresponding to points of junction of a Submarine Cable with a Land Line on the direct route between the British Possessions and Australia.

7th Condition. That the Tariff for through Messages shall be adjusted in conjunction with Her Majesty's Government, and shall not be fixed or altered without their previous consent.

Her Majesty's Government will admit the principle of reciprocity in the application of these conditions to that portion of the Telegraphic line of communication with Her Majesty's Dominions which is in the hands of Her Majesty's Government.

EXTRACT out of the Prospectus of the Red Sea and India Telegraph Company.

ABSTRACT of the Terms agreed with the Lords Commissioners of Her Majesty's Treasury :—

The Red Sea and India Telegraph Company to contract with the Lords Commissioners of Her Majesty's Treasury for the construction of a line of Telegraph from Alexandria to Kurrachee, by the Red Sea and Aden, on the following terms :—

1. The immediate operation to be limited to Aden.
2. A Capital to be raised not exceeding £800,000, and 5 per cent. upon the whole amount of Capital subscribed to be paid up forthwith.
3. The Treasury to guarantee a rate of Interest on the amount of Capital paid up from time to time of $4\frac{1}{2}$ per cent. per annum, payable half-yearly, for the term of fifty years certain.
4. The portion of the Line between Alexandria and Aden to be immediately commenced through the agency of contractors of the largest experience in Telegraphic operations, who are to lay the Line, and transfer it to the Company in an efficient state, on their own responsibility.
5. The Company to work the Line, and to keep proper Accounts.
6. The appropriation of the Half-year's Receipts to be as follows :—
 - 1st. To defray the working expenses.
 - 2nd. The surplus receipts above the working expenses to be applied in relief of the Government guarantee.
 - 3rd. If the surplus receipts should exceed the guarantee, One-third to repay any advance of interest made by Government, One-third to be applied towards forming a Reserve Fund (not exceeding £80,000), and the remainder to increase the dividend of the Shareholders up to 10 per cent. per annum.
 - 4th. If there should be no debt for Government advances, and no deficiency in the Reserve Fund of £80,000, the whole profits to be applied to make up a dividend at the rate of 10 per cent. per annum.
 - 5th. All surplus and unappropriated profits beyond 10 per cent. per annum to be applied either in reduction of the Tariff, the creation of a fund to redeem the guarantee, or otherwise, at the discretion of the Government.
7. The Reserve Fund and surplus or unemployed Capital to be applicable to the maintenance or restoration of the cable, and to make good any deficiency in the receipts to cover the working expenses should such a contingency arise, so that the Government guarantee of $4\frac{1}{2}$ per cent. shall be the minimum rate of dividend.
8. All Government Messages, subject to the terms of the concessions from the Turkish Government, are to have priority over private messages, but will be paid for at the same rate.
9. The Lords Commissioners to appoint two ex officio Directors, without whose sanction and concurrence no Contracts or other proceedings of the Company will be valid.
10. In case of default by the Company in completing or reinstating the Line, or working it efficiently, the Directors of the Company to be required to give up the Line to the Lords Commissioners of the Treasury on the latter paying off the Capital paid up, with interest at $4\frac{1}{2}$ per cent. per annum from the date of the last dividend.
11. The powers to give effect to this arrangement are to be obtained through an Act of Parliament, to be applied for with the sanction of Her Majesty's Government.