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SUBMARINE TELEGRAPH CONTRACT (HALIFAX AND BERMUDA).

RETURN to an Order of the Honourable The House of Commons,  
dated 3 June 1889;—for,

COPY "of TREASURY MINUTE, dated the 3rd day of June 1889, relating to the CONTRACT, dated the 12th day of April 1889, for the Construction of a SUBMARINE TELEGRAPH LINE from *Halifax, Nova Scotia*, to the Island of *Bermuda* (in continuation of Parliamentary Paper, No. 120, of Session 1889)."

Treasury Chambers, }  
3 June 1889. }

W. L. JACKSON.

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My Lords have before them the Agreement dated the 12th April 1889, with the International Cable Company, for laying, working, and maintaining a Submarine Telegraph line from Halifax to Bermuda.

Clause 14 of the Contract runs as follows:—

"The Company shall, within one month from the date of the execution of this Agreement, or within seven days of the approval of this Agreement by the House of Commons, whichever date shall first happen, prove to the satisfaction of the Treasury that the sum of 100,000 *l.* portion of the capital of the Company has been subscribed and fully paid up, and that the Company has resolved that 80,000 *l.*, portion of the aforesaid sum of 100,000 *l.*, shall be specially and exclusively appropriated to the cost of constructing and laying such telegraph line."

The Agreement was executed on the 12th April, and was approved by the House of Commons on the 9th May; therefore, the date before which the conditions of Article 14, required under the Agreement to be fulfilled, was the 12th May.

Subsequent to the execution of the Agreement, but before it had been approved by the House of Commons, application was made by the Company for sanction to the transfer of the Agreement to a separate Company, to be specially formed for the purpose of carrying it out.

Such transfer was permissible with the consent of the Treasury under the Agreement (Clause 11), and would be in accordance with the course followed in previous similar cases.

The Company also represented that in the event of a transfer, and of the formation of a new and separate Company, the time allowed for fulfilling the condition of Clause 14 was short, and asked that it might be extended.

My Lords, however, postponed the consideration of the proposed transfer until the decision of the House of Commons as regards the approval of the Agreement should have been taken.

In anticipation of such approval, the Company, in support of their application for sanction to a transfer and for an extension of time, produced to their Lordships' solicitor, on the 9th May, original documents which proved to his satisfaction that capital in the proposed new Company to the extent of 100,000 *l.* had actually been underwritten by persons of undoubted responsibility.