

Section 85.—It is agreed that such legislation shall be enacted as shall be necessary in order to secure the preservation of secrecy in relation to the contents of all telegraph messages passing through the telegraph system under the control of the Contractor, such as the exclusion of all persons except telegraph operators of the offices from the telegraph offices, the imposition of penalties upon all persons guilty of, or parties to, the violation of secrecy, and other such similar provisions.

Section 86.—It is understood that the undertaking on the part of the Contractor to operate the present Government lines shall be construed to include the continuance of the several offices in operation at the time of the making of this contract.

Section 87.—It is further agreed that for a period of six years, no operators or other servants in the employ of the Government in or upon the said Government offices or lines at the time of the making of this contract shall be dismissed or discharged, except with the approval of the Government or for sufficient cause.

Section 88.—It is further agreed that the Contractor shall at his own cost, within two years from the making of this contract, construct telegraph lines to, and establish offices at the following places :—

The Gravels (Port au Port) ; Salvage (Bonavista Bay) ; Moreton's Harbour and Exploits Burnt Islands (Notre Dame Bay). And shall at his own cost maintain the said lines and offices in operation in the same manner and subject to the same provisions and conditions as are contained in this contract in respect of the lines and offices hereby transferred.

Section 89.—The Contractor shall at all times afford every reasonable facility for the inspection of all telegraph lines comprehended under this contract, by such persons as the Government may appoint for that purpose.

Section 90.—The Contractor agrees, at the option of the Government, to be signified within one year from the date of this contract, to purchase and take over the interest and property of the Government in and to the telegraph lines, material and property of and pertaining to the Government telegraphic system hereinbefore described, subject to the several terms and conditions of this contract of maintenance and operation, and to pay the Government as compensation or purchase money therefor the sum of \$125,000, payable on the 15th April, A.D. 1904.

Section 91.—The Government undertakes to procure the enactment of all such legislation by way of charter or otherwise as may be necessary to secure to the Contractor the power and privilege of maintaining and operating the said telegraph lines, and such additions and extensions thereto as the Contractor may desire to construct and operate.

The said telegraph line and property shall be exempt from municipal or local taxation.

7. Memorialists respectfully urge that the said sections or some of them confer powers and privileges upon the Contractor which are in breach and violation of the powers and privileges vested in memorialists under the said Act 17 Victoria, chapter 2, and if the said contract is adopted, and confirmed by the Legislature in its present form, the rights and privileges of your memorialists will be invaded and prejudiced, and much damage will be occasioned to their rights and property.

8. Under the Act 17 Victoria, chapter 2, memorialists claim that they have the sole and exclusive right (1) to construct and operate all land telegraphs in Newfoundland except such lines as are established by the Colony at its own expense under the proviso contained in section 6 and (2) to build, make, occupy, purchase, take, operate or work ; (a) all land lines in Newfoundland, and (b) all submarine cables or wires between Newfoundland and any other country or place. Memorialists further claim that the proviso contained in section 6 read in conjunction with section 14 of said Act, does not confer upon the Government of Newfoundland any authority or right to transfer any land lines established under the proviso contained in section 6 to any person or persons other than your memorialists for purposes of operation or otherwise.

9. Memorialists respectfully urge that the sections of the railway contract hereinbefore set forth, will prejudice and damage and in some cases will absolutely confiscate,