

## Technical and Bibliographic Notes / Notes techniques et bibliographiques

The Institute has attempted to obtain the best original copy available for filming. Features of this copy which may be bibliographically unique, which may alter any of the images in the reproduction, or which may significantly change the usual method of filming are checked below.

- Coloured covers / Couverture de couleur
- Covers damaged / Couverture endommagée
- Covers restored and/or laminated / Couverture restaurée et/ou pelliculée
- Cover title missing / Le titre de couverture manque
- Coloured maps / Cartes géographiques en couleur
- Coloured ink (i.e. other than blue or black) / Encre de couleur (i.e. autre que bleue ou noire)
- Coloured plates and/or illustrations / Planches et/ou illustrations en couleur
- Bound with other material / Relié avec d'autres documents
- Only edition available / Seule édition disponible
- Tight binding may cause shadows or distortion along interior margin / La reliure serrée peut causer de l'ombre ou de la distorsion le long de la marge intérieure.
- Blank leaves added during restorations may appear within the text. Whenever possible, these have been omitted from filming / Il se peut que certaines pages blanches ajoutées lors d'une restauration apparaissent dans le texte, mais, lorsque cela était possible, ces pages n'ont pas été filmées.
- Additional comments / Commentaires supplémentaires: Cover title page is bound in as last page in book but filmed as first page on fiche.

L'Institut a microfilmé le meilleur exemplaire qu'il lui a été possible de se procurer. Les détails de cet exemplaire qui sont peut-être uniques du point de vue bibliographique, qui peuvent modifier une image reproduite, ou qui peuvent exiger une modification dans la méthode normale de filmage sont indiqués ci-dessous.

- Coloured pages / Pages de couleur
- Pages damaged / Pages endommagées
- Pages restored and/or laminated / Pages restaurées et/ou pelliculées
- Pages discoloured, stained or foxed / Pages décolorées, tachetées ou piquées
- Pages detached / Pages détachées
- Showthrough / Transparence
- Quality of print varies / Qualité inégale de l'impression
- Includes supplementary material / Comprend du matériel supplémentaire
- Pages wholly or partially obscured by errata slips, tissues, etc., have been refiled to ensure the best possible image / Les pages totalement ou partiellement obscurcies par un feuillet d'errata, une pelure, etc., ont été filmées à nouveau de façon à obtenir la meilleure image possible.
- Opposing pages with varying colouration or discolourations are filmed twice to ensure the best possible image / Les pages s'opposant ayant des colorations variables ou des décolorations sont filmées deux fois afin d'obtenir la meilleure image possible.

This item is filmed at the reduction ratio checked below /  
Ce document est filmé au taux de réduction indiqué ci-dessous.

<b>10x</b>		<b>14x</b>		<b>18x</b>		<b>22x</b>		<b>26x</b>		<b>30x</b>	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<b>12x</b>		<b>16x</b>		<b>20x</b>		<b>24x</b>		<b>28x</b>		<b>32x</b>

SUBMARINE TELEGRAPH CONTRACT  
(HALIFAX AND BERMUDA).

---

COPY of CONTRACT, dated 12 April 1889, for the  
Construction of a SUBMARINE TELEGRAPH LINE  
from *Halifax, Nova Scotia*, to the Island of *Ber-*  
*muda*, together with COPY of the MINUTE of the  
TREASURY with regard thereto.

(*Mr. Jackson.*)

---

*Ordered, by The House of Commons, to be Printed,*  
*16 April 1889.*

---

[*Price 1 d.*]

LONDON :  
PRINTED BY HENRY HANSARD AND SON ;  
AND  
Published by BYRE and SPOTTISWOODE, East Harding-street,  
London, E.C.,  
and 32, Abingdon-street, Westminster, S.W. ;  
ADAM and CHARLES BLACK, North Bridge, Edinburgh ;  
and HODGES, FIGGIS, and Co., 104, Grafton-street, Dublin.

120.

*Under 1 oz.*

H.—50.4.19.

15/

SUBMARINE TELEGRAPH CONTRACT  
(HALIFAX AND BERMUDA).

---

RETURN to an Order of the Honourable The House of Commons,  
dated 16 April 1889;—for,

COPY “ of 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*, together with COPY of the MINUTE of the TREASURY with regard thereto.”

---

Treasury Chambers, }  
16 April 1889. }

W. L. JACKSON.

---

— 1. —

SUBMARINE TELEGRAPH CONTRACT  
(HALIFAX AND BERMUDA).

---

AN AGREEMENT, made the 12th day of April 1889, *between* Sidney Herbert, Esquire (commonly called the Honourable Sidney Herbert) and Colonel William Hood Walrond, two of the Lords Commissioners of Her Majesty's Treasury, for and on behalf of Her Majesty's Government (hereinafter called the Treasury) of the one part, and the International Cable Company, Limited (hereinafter called the Company), of the other part.

WHEREAS the Company proposes to construct and lay a Submarine Telegraph Line from Halifax, Nova Scotia, to the Island of Bermuda, and to work the said Telegraph Line when constructed. Now these presents Witness, and it is hereby agreed and declared as follows :—

1. The Company shall, by means of money to be provided or procured by it, well and substantially, and in the best and most workmanlike manner, and in accordance with the specification and samples approved by the Treasury, and to the satisfaction of the officer to be appointed by the Treasury for that purpose, construct, submerge in proper working order, and establish, with proper stations and offices at Halifax and Bermuda, a line of Submarine Telegraph (hereinafter called such telegraph line) between Halifax and the said Island of Bermuda, and the Company shall thenceforth effectually work such telegraph line with a sufficient staff of proper and efficient officers being British subjects.

2. The shore ends of the cable of such telegraph line shall be landed in Halifax at such point as shall be approved by an officer to be appointed by the Treasury, and in Bermuda at such point as shall be approved by the Governor of Bermuda, and such points shall, if so required by Her Majesty's Government, be respectively within the circle of the defences of the fortresses of Halifax and Bermuda.

3. The cable of such telegraph line shall be capable of transmitting 15 words a minute.

4. The Company shall have the cable laid and open for the transmission of messages, and shall fulfil the conditions of Article 5 within five months

## 2 CONTRACT FOR THE CONSTRUCTION OF A SUBMARINE

from the approval of this Agreement by the House of Commons, unless such period shall be extended by the Treasury, in which event the cable shall be laid and open for traffic within such extended period.

5. The Company shall make suitable arrangements for the prompt transfer to and from the cables of an Atlantic Cable Company, having landing stations at Halifax, of all messages transmitted or intended for transmission by such telegraph line, so that a continuous and satisfactory service may be maintained between the United Kingdom and Bermuda. The Company shall also make similar arrangements with respect to messages to and from the land lines and cables now existing, having stations at Halifax, or which during the continuance of this Agreement may be constructed, belonging either to the Government of the Dominion of Canada, or to any Telegraph Company, with stations at Halifax, and to and from any other telegraph cable which may, during the continuance of this Agreement, be laid to the Colony of Bermuda.

6. All Government messages, whether Imperial or Colonial, shall be transmitted by such telegraph line in priority to all other messages at rates to be approved by the Treasury, not exceeding one half of those charged to the general public.

7. The stations of such telegraph line shall be open during 12 hours daily, from 8 a.m. to 8 p.m., and throughout the night, when required by Her Majesty's Government.

8. The Treasury shall from and after the effective completion of such telegraph line, and the opening thereof for the transmission of messages, provided such opening take place within the period mentioned in Article 4, or within such extended period as may be fixed by the Treasury as provided by that Article, pay, during the term of 20 years from the opening as aforesaid of such telegraph line, and thence next ensuing, to the Company an annual subsidy, or yearly sum of 8,100*l.*, subject, nevertheless, to the terms and conditions herein appearing.

9. The said annual subsidy or yearly sum shall be payable out of such aids or supplies as may from time to time be appropriated by Parliament for that purpose, and be deemed to accrue *de die in diem*, but shall be paid by quarterly payments at the Bank of England, the first payment thereof to be made at the expiration of three calendar months from the opening as aforesaid of such telegraph line.

10. If during the three months preceding any quarterly payment of the said annual subsidy or yearly sum such telegraph line has been maintained in good working order and condition, and the conditions of Article 5 have been fulfilled during such period of three months, so that a continuous service has (during such period of three months) been maintained between the United Kingdom and Bermuda, a full quarterly payment of the said annual subsidy or yearly sum shall be made, provided always, that if, during any portion of such period of three months preceding a quarterly payment, there has been an interruption in the good working order of such telegraph line, a deduction from a full quarterly payment shall be made, calculated according to the period during which such interruption in good working order has existed; provided, further, that in the event of interruption in such good working order as aforesaid of such telegraph line, a period of three calendar months from the date of such interruption shall be allowed for repairs. If such telegraph line be restored to working order within such aforesaid period, a full quarter's subsidy shall be payable in respect of such aforesaid period. If such telegraph line be not restored to working order within such aforesaid period, but be so restored within a period of six months from such interruption, a full quarter's subsidy, but no more, shall be payable in respect of the period from such interruption to such restoration to working order. If such telegraph line be not so restored to working order within six months from such interruption, the subsidy shall cease to be payable for any period subsequent to such interruption, except as hereinafter provided. Provided always, that if such telegraph line be not repaired, and in working order at the expiration of six calendar months  
from

from the interruption of working order, the failure to repair within such period of six months, being a breach of this Agreement, Her Majesty's Government shall be at liberty to take possession of such telegraph line, and to repair and work it, taking all receipts for the unexpired portion of the aforesaid period of 20 years, or to hand over such telegraph line to a Company, to be worked by such Company, or to make such other arrangements for securing telegraphic communication between Halifax and Bermuda, as to Her Majesty's Government shall seem fit, without any claim on the part of the Company to compensation, or to a revival of the said annual subsidy, provided always that if such telegraph line be restored to working order while in the possession of Her Majesty's Government, the Company shall be at liberty to resume possession of such telegraph line on paying to Her Majesty's Government the cost of restoring and working such telegraph line while in the possession of Her Majesty's Government, which cost the Company undertake to pay to the Treasury on demand, notwithstanding that such cost may have been already paid out of the security mentioned in Article 15, the intention being that such security shall be kept, if practicable, at the maximum of 15,000 *l.* during the whole currency of this Agreement. On and from the Company's resuming possession of such telegraph line, after payment of such cost as aforesaid, the said annual subsidy shall revive for the period during which such telegraph line shall thenceforth be maintained in working order, and shall be duly worked, and shall be payable subject to the conditions hereinbefore in this Article stated. If such telegraph line shall be in the possession of Her Majesty's Government at the expiration of the aforesaid term of 20 years, the Company shall not be at liberty to resume possession of such telegraph line on the expiration of such term until the Company has paid to the Treasury the cost (if any) incurred by Her Majesty's Government in restoring and working such telegraph line beyond the amount in respect of such restoration and working recovered by the Treasury out of the security mentioned in Article 15, the Company being allowed to set off against such aforesaid cost a proportionate part of the annual subsidy in respect of the period between the restoration of such telegraph line to working order and the expiration of the aforesaid term of 20 years.

11. The Company shall not assign, lease, or cede the benefit of this Agreement, and the said annual subsidy or any part thereof without the previous consent of the Treasury.

12. In case of war, rebellion, or other emergency, Her Majesty's Government may take possession of such telegraph line, and of the stations, offices, and apparatus on such telegraph line; may keep possession thereof for so long as Her Majesty's Government may think requisite, and may, while such telegraph line, &c., is in possession of Her Majesty's Government, work such telegraph line by Government servants; and Her Majesty's Government shall make to the Company such compensation in money for all loss suffered by the Company by the exercise of the powers by this clause conferred, other than loss calculated on the basis of an assumed increase of receipts, while such telegraph line remains in the hands of Her Majesty's Government, as shall be admitted or determined, in case of dispute, by arbitration to be reasonable in that behalf.

13. No liability shall attach to Her Majesty's Government under this Agreement other than the liability to pay the annual subsidy as provided by Articles 9 and 10, and to make compensation as provided by Article 12.

14. 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.

15. The Company shall also, within one month from the date of the approval of this Agreement by the House of Commons, deposit with Her

#### 4 CONTRACT FOR THE CONSTRUCTION OF A SUBMARINE

Majesty's Paymaster General stock approved by the Treasury to the amount of 15,000 £., to secure the due performance by the Company of Articles 4, 5, and 10 of this Agreement. The half-yearly dividends on the approved stock deposited shall be paid to the Company, and on the determination of this Agreement by effluxion of the period of 20 years herein mentioned, such Agreement having been duly performed during such period by the Company, the deposited stock shall be re-transferred to the Company.

16. Such telegraph line shall be worked under and subject to the provisions of the International Telegraph Convention of St. Petersburg of the 10<sup>th</sup> July 1875, or under and subject to any regulations in force for the time being in substitution therefor.

17. In the event of any difference or dispute arising between Her Majesty's Government and the Company regarding this Agreement, or any matter or thing therein contained or relating thereto, the said parties hereby agree that every such matter in difference or dispute shall be settled and determined by the arbitration of three competent and impartial persons in manner following, that is to say, the Treasury shall nominate and appoint one such person, the Company shall nominate and appoint one other such person, and the two thus appointed shall nominate and appoint a third such person, and the matter in difference or dispute shall be determined by the said three persons, or a majority of them, whose decision shall be binding and conclusive on the parties respectively. If either party to the difference make default in appointing an arbitrator for 21 days after the other party has given them notice to appoint the same, such other party may appoint an arbitrator to act in the place of the arbitrator of the defaulting party, and if from any cause whatever a third arbitrator is not appointed when required, an appointment shall be made in manner directed by "The Common Law Procedure Act, 1854."

18. Should any original of this Agreement be lost or destroyed, then and in such case, whichever of the parties hereto may then possess an original of such lost or destroyed Agreement, shall be bound, upon the application in writing of the other party, to furnish such party with a duly certified and authenticated copy thereof.

19. If the Company fail to fulfil any of the conditions of Articles 14 and 15, this Agreement shall thereupon absolutely cease and determine.

20. This Agreement shall not be binding on the said parties hereto until it shall have been approved of by a Vote of the House of Commons and a General Meeting of the Company, which shall be held within a week of the approval of this Agreement by the House of Commons.

21. In this Agreement the expression "Her Majesty's Government" means the Lords Commissioners of the Treasury for the time being, Her Majesty's Principal Secretary of State for the Colonies for the time being, the Governor or other Officer administering the Government of Bermuda for the time being, and the Governor General or other Officer administering the Government of the Dominion of Canada for the time being, or any one of them, and the expression the Treasury means the Lords Commissioners of the Treasury or the Secretary to the Treasury for the time being.

IN WITNESS whereof the said Sidney Herbert and William Hood Walrond have, to one part of this Agreement, set their hands and seals, and the Company have, to another part of this Agreement, caused their Common Seal to be affixed the day and year above stated.

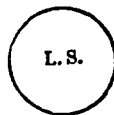
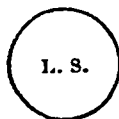
SIDNEY HERBERT.

WILLIAM HOOD WALROND.

The Common Seal of the Company was hereunto affixed in the presence of

W. J. THOMPSON, }  
J. W. ADAMSON, } Directors.

SAMUEL C. FOX, Secretary.



— 2. —

COPY of TREASURY MINUTE, dated 16 April 1889.

THE Lords Commissioners of Her Majesty's Treasury have before them the Agreement dated 12th April 1889, which has been entered into by their Board with the International Cable Company, Limited, for the construction, laying, maintenance, and working of a submarine telegraph line from Halifax, Nova Scotia, to the Island of Bermuda.

The establishment of telegraphic communication between Halifax and Bermuda has for many years been contemplated by successive Governments, its importance for strategic reasons having been frequently urged by the War Office and Admiralty, and supported by the Colonial Defence Committee.

Until the year 1885 a service of steam vessels was maintained between Halifax and Bermuda, at a cost of 17,500 *l.* a year, chiefly for military and naval purposes. In that year fresh tenders for the service were invited, and the offer of a reduction to 14,500 *l.* obtained. It appeared, however, that military and naval as well as postal requirements could be met without maintaining the service of direct steamers between the two ports, and it was therefore decided to discontinue that service, and to proceed to the establishment of telegraphic communication. Tenders were accordingly invited in 1886 for laying, maintaining, and working a cable between Halifax and Bermuda, and were received as follows:—

	Subsidies for 20 Years.
	£.
Telegraphic Construction and Maintenance Company - - - -	20,000
India Rubber, Gutta Percha, and Telegraphic Works Company - -	12,800
Messrs. Siemens - - - - - - - - - - - - - - - - - -	12,000
International Cable Company - - - - - - - - - - - -	8,000

The amount of the subsidies demanded appearing excessive, none of the tenders were accepted; and in 1888 fresh tenders were invited, on the conditions of which a copy is appended to this Minute. Three of the Companies again tendered at the following rates:—

	Subsidies for 20 Years.
	£.
India Rubber, Gutta Percha, and Telegraphic Works Company - -	11,500
Telegraphic Construction and Maintenance Company - - - - -	14,000
International Cable Company - - - - - - - - - - - - -	6,923

Subsequently the International Cable Company applied to be allowed to modify its tender in consequence of the rise in prices since its original tender was sent in. The other Companies were therefore asked whether they also wished to modify their tenders. The final offers of the Companies then appeared as follows:—

	Subsidies for 20 Years.
	£.
Telegraphic Construction and Maintenance Company - - - - -	10,500
India Rubber, Gutta Percha, and Telegraphic Works Company - -	11,500
International Cable Company - - - - - - - - - - - - -	8,100

## 6 CONTRACT FOR THE CONSTRUCTION OF A SUBMARINE

In accordance with the conditions of tender, samples of the cable proposed to be used were submitted with each tender, and the Engineer in Chief of the Post Office reported that, assuming the bulk of the material used to be up to sample, any of the cables would answer sufficiently well, and that, assuming also due security for the proper performance of the service, the lowest tender might be accepted.

The object of the Government in laying the cable being entirely strategical, special security for the provision and maintenance of communication appeared to my Lords to be necessary, the ordinary difficulties of maintenance and repair being in the case of this line of cable enhanced by physical and other circumstances. Accordingly, before accepting the tender of the International Cable Company, my Lords, after consulting the War Office, Admiralty, and Colonial Office, felt it necessary to require special securities for the due performance of the Contract.

The special conditions, as ultimately agreed upon with the Company, are chiefly embodied in Articles 10, 14, and 15 of the Agreement. Article 14 provides that capital of the Company to the amount of 100,000 *l.* shall be subscribed and fully paid up. Article 10 provides for the contingency of the Company failing to maintain the cable in working order, and Article 15 provides security of 15,000 *l.* to the Government for the due performance of the essential provisions of the Agreement.

A copy of the Agreement is annexed.\*

Apart from the special conditions referred to above, its main provisions are that—

1. The Company shall construct, lay, and establish in working order a cable between Halifax and Bermuda, of approved manufacture, within five months of the approval of the Agreement by the House of Commons, unless the period be extended by the Treasury, and shall thenceforward work the cable with a sufficient staff.

2. Government messages shall be charged not more than half the rates charged to the general public.

3. The Treasury shall pay in quarterly instalments a subsidy of 8,100 *l.* per annum for a term of 20 years, subject to the observance by the Company of the conditions of the Agreement.

4. Three months shall be allowed for repairs in case of the interruption of communication.

---

— 3. —

### APPENDIX.

#### TENDERS for Laying, Maintaining, and Working a TELEGRAPH CABLE between *Halifax (Nova Scotia)* and *Bermuda*.

General Post Office, 10 April 1888.

HER Majesty's Government are prepared to recommend Parliament to grant a subsidy to a contractor, who will undertake to lay, maintain, and work a Submarine Telegraph Cable from Halifax (Nova Scotia) to Bermuda.

2. The contractors will be required to land the shore end of the cable in Bermuda at such point as shall be approved by the Governor of that Colony.

3. The contractor must undertake to make suitable arrangements for the prompt transfer to and from the cables of the Atlantic Cable Companies of all messages transmitted or intended for transmission by the proposed cable, so that a continuous and satisfactory service may be maintained between the United Kingdom and Bermuda. The contractor must also undertake to make similar arrangements with respect to messages to and from the land lines and cables now existing, or hereafter to be constructed,  
belonging



belonging either to the Government of the Dominion of Canada, or to any Telegraph Company which may at any time during the continuance of the proposed Contract be open for the transmission of telegraphic messages to and from Halifax, and also to and from any other telegraph cable which may during the continuance of the proposed Contract be laid to the Colony of Bermuda and opened for traffic.

4. Her Majesty's Government will have no liability or responsibility in respect of the cable beyond the payment of the subsidy.

5. The contractor must state the amount of subsidy required, and the period, not exceeding 20 years, for which it is to run.

6. The subsidy will be payable quarterly, provided that the cable has been maintained in good working order, and has been efficiently worked; that a continuous service between the United Kingdom and Bermuda has been, in fact, maintained; and that the stipulated arrangements for the transfer of messages have been made and continued in operation.

7. Messages on the service of the Imperial or Colonial Governments must have priority when desired, and must be transmitted at half rates, which shall not exceed a sum to be agreed upon.

8. The whole of the receipts earned in respect of the transmission over the proposed cable of messages of all kinds will, so far as the British and Colonial Governments are concerned, belong to the contractor, who will bear the expense of providing and maintaining the necessary stations and staff for working the cable.

9. In case of war the Government may occupy any of the stations and work the cable by its own servants.

10. The Treasury will appoint a representative to serve on the Board of Directors of the Company, whose tender may be accepted, in order to certify to the opening and efficient maintenance and working of the line, and every assistance and information must be afforded to him by the Company.

11. It must be stated within what period, from the date of the approval of the Contract by Parliament, the contractor will undertake to establish the communication in efficient working order.

12. The tender must be accompanied by a specification giving full particulars of the type and details of the cable proposed to be laid, together with samples of the materials which will be used in its manufacture, as well as a specimen of the cable itself.

13. The Government may appoint an officer under whose inspection and to whose approval the cable shall be manufactured.

14. The last day for the reception of tenders is Monday, the 30th instant. They must be enclosed in sealed covers, marked "Tender for Bermuda Cable," must be addressed to the Secretary, General Post Office, E.C., and be delivered by 12 o'clock (noon) on that day.

15. Her Majesty's Government do not bind themselves to accept the lowest or any tender.

By Order of the Postmaster General.