

CORRESPONDENCE RELATIVE TO PROPOSED SUBMARINE ELECTRIC CABLE  
BETWEEN AUSTRALIA AND NEW ZEALAND.

No. 1.

The Hon. I. E. FEATHERSTON and the Hon. F. D. BELL to the Hon. W. GISBORNE.  
(No. 11.)

SIR,—

London, 25th March, 1870.

We have the honor to transmit to you herewith a letter we have received from Mr. Henley, of the Telegraph Construction Company, offering to make a submarine cable between Australia and New Zealand. We should have recommended this proposal at once, but an offer of a similar kind will in all probability be made to us to-morrow (though too late for the mail) by the French Transatlantic Cable Company, one of whose directors, Lord William Hay, has just written to us to make an appointment with some influential gentlemen on the subject.

We shall acquaint you by telegram if any substantive offer is made by the latter Company.

We have, &c.,

F. D. BELL,

I. E. FEATHERSTON.

The Hon. the Colonial Secretary, New Zealand.

Enclosure in No. 1.

Mr. JOHN MORRISON to the Hon. I. E. FEATHERSTON and the Hon. F. D. BELL.

Office of the New Zealand Government Agency,

3, Adelaide Place, King William Street, E.C.,

London, 25th March, 1870.

GENTLEMEN,—

The enclosed letter, addressed to you by Mr. Henley, on the subject of a submarine cable between New Zealand and Australia, has just been sent to me. At his request, I beg to direct your attention to it.

Mr. Henley refers, I observe, to a letter he wrote to me in 1867, and encloses you a copy of it. The letter in question was never submitted to the Government, the guarantee in it being, in my opinion, so objectionable and fatal a condition to his proposal, that I did not trouble them with it; but as Mr. Henley who, you will remember, constructed and at his own risk submerged the Cook's Strait Cable, now offers to take steps to insure an efficient cable being laid between New Zealand and Australia, provided only an exclusive concession for twenty-one years is granted to him, you may perhaps see fit to transmit his offer to the Government by to-night's mail.

Mr. Henley also makes reference to the Tasmanian Cable. As you may like to see the conditions and terms granted by the Tasmanian Government, I enclose a copy of the contract.

I have, &c.,

JOHN MORRISON.

The Hon. Dr. I. E. Featherston and Hon. F. D. Bell.

Sub-Enclosure 1 to Enclosure in No. 1.

Mr. HENLEY to the Hon. I. E. FEATHERSTON and the Hon. F. D. BELL.

GENTLEMEN,—

27, Leadenhall Street, London, 24th March, 1870.

With reference to my letter of the 25th October, 1867, addressed to Mr. J. Morrison, in which I undertook, under certain conditions, to establish telegraphic communication between New Zealand and Australia, I now beg to re-open the subject.

As I mentioned in that letter, the most certain way of obtaining the desired object would be by the Government granting me an exclusive concession for landing cables between New Zealand and Australia for the term of forty years, accompanied by a guarantee of 6 per cent. interest on the capital embarked in the scheme during the time the cable remained in working order; but as I am informed that the Government of New Zealand will not grant such a guarantee (although there is a precedent in the Tasmanian Government having done so, and it having resulted in their having an efficient cable working to Australia), I will undertake, if you can obtain me the exclusive concessions above mentioned for the term of twenty-one years, to take such steps as will insure the laying of an efficient cable between New Zealand and Australia within two and a half years of the receipt of such concession. Details as to tariff, &c., could be mutually arranged.

I may further add that, in the event of the concession being granted to me, my connection with the Telegraph Construction and Maintenance Company justifies me in stating that I should have their cordial assistance and co-operation in carrying out the arrangements for the line, and I should have no objection, should you wish it, to the concession being granted in our joint names.

The Hon. the Commissioners

of the New Zealand Government, London.

I am, &c.,

W. T. HENLEY.

Sub-Enclosure 2 to Enclosure in No. 1.

Mr. HENLEY to Mr. J. MORRISON.

SIR,—

27, Leadenhall Street, London, 25th October, 1867.

As I hear you are about visiting the Colony, it has occurred to me you might use your influence in endeavouring to induce the Government of New Zealand to give their attention to the important