

(9.) From and after the opening for traffic of the Pacific or any other competing cable, nothing in this agreement contained shall prejudice the right of the Extension Company and the Cis-Indian Administrations to at any time reduce their proportion of the rates for the Commonwealth traffic, including Government and Press telegrams, and at pleasure to raise them, subject to the maximum limits in each case fixed by this agreement.

(10.) In the event of the full rates for the Commonwealth traffic being at any time reduced by the Extension Company and the Cis-Indian Administrations, the charge per word for Government telegrams shall not exceed the full outpayments for the time being charged by Governments and Administrations, and one-half of the rate retained by the Extension Company and the Cis-Indian Administrations for their own use and benefit.

(11.) The Government of the Commonwealth shall, in respect of telegrams transiting the Commonwealth, and not forming part of the Commonwealth traffic, be entitled to be paid out of the rates charged for transmitting such telegrams the same sum as they would for the time being be entitled to receive had such telegrams formed part of the Commonwealth traffic.

(12.) The Extension Company shall, within three months from the expiration of the year 1902, and within a like period from the expiration of each subsequent calendar year, send to the Federal Government an account showing the receipts of the Extension Company and the Cis-Indian Administrations from Australasian traffic during such year after deducting outpayments charged by other Governments and Administrations; and such accounts shall, when required by the Federal Government, be verified by the production in London of the account-books of the Extension Company kept in respect of or relating in any way whatever to the Australasian traffic, and when so required by a statutory declaration made by the manager, secretary, traffic accountant, or other duly authorised officer of the Extension Company.

(13.) The Commonwealth shall have the right to use the Extension Company's cable from Glenelg to Fremantle at the rate of 5d. per word, such right only to arise in the event of the land lines not being in working-order, it being understood that precedence shall always be given to international traffic. The cable between Fremantle and Glenelg shall not, as long as the land lines between the States of Western Australia and South Australia shall be in working-order, be used to transmit inter-State telegrams not forming part of the international traffic.

(14.) The Commonwealth shall, so soon as the next following clause comes into force, provide and maintain in efficient working-order at its own expense for the transmission of the Australasian traffic special wires on the Government posts between Adelaide and Melbourne and between Adelaide and Sydney. The Commonwealth shall also, if and when the Extension Company's traffic (number of words) to and from Queensland shall during one calendar year have amounted to three times the Extension Company's traffic to and from Queensland during the year 1902, provide and thenceforth maintain in efficient working-order and at its own expense for the transmission of the Extension Company's traffic a special wire on the Government posts between Sydney and Brisbane. The said special wires shall be respectively connected with the offices of the Extension Company in the several cities where they terminate, and shall always be at the service of and be worked by the staff of the Extension Company. The charges therefor to be paid by the Extension Company to the Commonwealth shall be the terminal rates mentioned in the said schedule, and shall be reduced under that schedule as occasion shall arise on reduction by the Extension Company of their cable charges.

(15.) The Extension Company shall, on and after the opening for traffic of the Pacific cable or any other competing cable, be entitled to open local offices and to collect direct from and to deliver direct to the public in the cities of Perth, Adelaide, Melbourne, Sydney, Brisbane, and Hobart any telegrams forming part of the Australasian traffic, and shall pay to the Commonwealth the terminal rates specified in the said schedule in respect of all such messages so collected or delivered.

(16.) The Federal Government shall at all times afford to the Extension Company similar advantages and facilities to those (if any) afforded to any competing cable as regards uniformity of terminal rates by all routes.

(17.) The Australasian traffic shall be transmitted *via* the new cable or *via* Port Darwin as the exigencies of the traffic of the Extension Company may require, but traffic received *via* Port Darwin for transmission to places beyond Adelaide shall be handed to the Extension Company at Adelaide for such transmission so soon as the company have their own offices and special wires as provided for in clauses 14 and 15 hereof.

(18.) The net charges of the Extension Company and the Eastern Telegraph Company (Limited), after deduction of outpayments for telegrams between the Commonwealth and Durban or Cape Town, shall not exceed 2s.

(19.) The Commonwealth shall pay to the Extension Company such sums as will be sufficient to recoup—

- (1.) Any moneys which the Extension Company are required to pay in any part of the Commonwealth for Customs duties on goods of any kind of the Extension Company which are used solely for the purpose of the cable business of the Extension Company, or for laying, repairing, or working any of their cables, land lines, or cable-ships; and
- (2.) Any moneys which the Extension Company are required to pay in the States of New South Wales, South Australia, Western Australia, and Tasmania for—
 - (a.) Wharfage rates on all goods of any kind of the Extension Company used solely as aforesaid; or
 - (b.) Port or light dues in respect to any vessel used by the Extension Company for laying or repairing any cable, or any vessel belonging to or chartered by the Extension Company in which goods of any kind of the Extension Company used solely as aforesaid are carried; or
 - (c.) Any income-tax and any rates or taxes, parliamentary or otherwise, except rates and taxes on premises occupied as local offices for the purpose referred to in clause 15 hereof.