

MEMORANDUM FOR CABINET BY THE
HON. MINISTER OF AGRICULTURE, POWER AND COMMUNICATIONS

Licence to Messrs. Cable and Wireless Limited
to Continue to Operate
the External Telecommunications in Malta

The operating licences granted to Messrs. Cable and Wireless Limited by deeds dated 8th February, 1939, and the 17th November, 1954, expired on the 31st December, 1962. The Company, being desirous to continue to operate these services, submitted for Government consideration a draft agreement.

2. As instructed by Cabinet in its decision of the 15th October, 1963, this agreement has been re-drafted to give Government the best possible terms. The licence in its final draft has been vetted by the Deputy Crown Advocate-General.

3. A fee of £4,000 per annum is being requested from the Company instead of the former £16 and in addition the Company is being requested to share in varying degrees with the Malta Government its share of charges on all incoming and outgoing telecommunication services. It is also proposed to charge a fee of £20 on teleprinters installed in subscribers premises to be collected by the Company and paid to Government. In all it is estimated that the Company would have to pay Government a sum of about £20,000 per annum.

4. The Company will definitely resist these requests and it may also resist the penalty clauses which have been inserted in case of the abandonment or

/the

the non-renewal of the contract by the Company. The draft agreement proposes that the licence shall remain in force for a period of nine years, renewable at subsequent periods of three years unless determined at the end of any licence period.

5. The Managing Director of the Company is coming out to Malta on or shortly after the 18th August to negotiate and conclude the terms of the agreement.

6. According to Chapters 78 and 125 of the Revised Laws of Malta, the Hon. the Prime Minister is the Minister responsible for the grant of this licence and the Minister of Agriculture, Power and Communications was instructed to prepare the licence.

7. In view of the imminent visit to Malta of the Managing Director of the Company to conclude the agreement, it is necessary for a decision to be made as to whether the negotiations are to be conducted directly by the Hon. the Prime Minister or full powers to negotiate a final agreement be given to the Minister of Agriculture, Power and Communications.

12th August, 1965.
