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**NEW MARCONI AGREEMENT.**

*HC Deb 08 August 1913 vol 56 cc1939-2031*



*The FINANCIAL SECRETARY to the TREASURY (Mr. Masterman)* I beg to move, "That the Agreement between Marconi's Wireless Telegraph Company, Limited, Commendatore Guglielmo Marconi, and the Postmaster-General, with regard to the establishment of a chain of Imperial Wireless Stations (Parliamentary Paper, No. 217, of Session 1913) be approved."

In moving the Motion which stands in my name, and which I move on behalf of the Treasury, my observations will be much shortened and simplified by the fact that already hon. Members have in their possession a Treasury Minute which puts fully the Treasury case for the ratification of this contract. If hon. Members read that Treasury Minute in connection with much of the early evidence on the former contract which was given last autumn before the Committee that was inquiring into this subject, they will, I think, be in possession of facts which I can only briefly summarise today. The necessity for the immediate construction of a long-distance Imperial wireless station was urged upon the Treasury many months—almost years—ago. The plea came not only that it was something that was desirable, but that it was something that was essential. That plea to construct this chain came again and again, on the ground of urgent necessity. Some criticism has been made outside—I do not think inside—the House on this question of urgency. I do not think that anyone in this House is prepared to raise such criticism. The idea that because nothing has happened by virtue of delay, nothing will happen if that delay is continued, is not a statement that can be regarded as a matter of serious controversy. It would be as sane to say that if we dropped our shipbuilding programme for one year and were not involved in a war, that therefore we could safely drop our shipbuilding programme for all years; or that because a man has neglected to insure his house against fire for some time and nothing has happened, that therefore he may take it as absolutely certain that there is no need for fire insurance!

There is really no need for me to emphasise that point, because after hearing fully the evidence from the Admiralty, War Office, India Office, and representatives from South Africa, the Committee unanimously, on the Motion of the Noble Lord the Member for Hitchin, and, more than six months ago, laid down a very definite declaration, that having heard these various witnesses from Government Departments, they had arrived at the conclusion that it was a matter of urgency that a chain of Imperial wireless stations should be established. It would be impossible for the Treasury to go behind such a definite and unanimous statement from the House of Commons. The question therefore became not whether immediate action was desirable, but what sort of immediate action should be undertaken. I do not think I need defend the Treasury for having ruled out of consideration altogether the idea of allowing a private system to be established in this important matter. Strategic as well as commercial considerations enter into the arrangements. It would be a great mistake to create a private monopoly, and that therefore was immediately ruled out. There, therefore, came before the Lords of the Treasury three possible ways in which this work could be, or might be, immediately undertaken. The first was that it should be constructed either by one of the Departments of the Government or by some new Department created for the purpose by the Government. The second was that open tenders should be invited, and the most satisfactory accepted. The third was that if open tenders were impossible, that the work of construction should be given to any one of the wireless telegraphic companies. As to the first alternative, the Government constructing stations themselves, the first inquiry was as to whether any Government Department was in a position to do so. The Post Office was certainly not in such a position: they had no staff to deal with the matter. The Admiralty had a sufficient staff, but from the beginning they had expressed a reluctance—which increased with every application made to them—that their staff should be diverted from the Admiralty wireless work to the work of the construction of this wireless chain. On 13th January last they expressed themselves to the effect they adhered to the

view formerly expressed in the Admiralty letter of May, 1911, and since confirmed by Admiralty representatives in the various discussions that had taken place, that it is not desirable for the Admiralty to undertake the work of erecting or of working the Imperial wireless chain. All existing Government Departments being thus ruled out—and I think this is the most important question on this general discussion—the question arose whether the Treasury would be prepared to sanction, on application, the construction of a kind of Government Department, with a staff of engineers and experts, to undertake the work. I must honestly confess to the House that, under the circumstances, it would have been with the greatest reluctance that the Treasury would have assented to any such course. In the ordinary course, when ordinary work is to be done by men of experience, done normally in this country, or in some country under similar conditions, the Treasury scrutinise rather carefully the conditions under which suggestions of work of this kind is to be carried out. But when we are dealing with contractors outside this country under novel conditions, in regions such as Central Africa and Singapore, and urgency is the one constraining feature, it is no use for anyone to say that in a year, or two, or in five years, we shall have got our staff together. When, too, we consider that the Treasury would have to shoulder in the name of the taxpayer unlimited liability, and that even at the end they had no guarantee in this largely novel enterprise of long-distance telegraphy, I think those who study the interest of the taxpayer will approve of the action of the Treasury in only with extreme reluctance assenting to such a condition. Expert engineers would have to be collected together either in competition with, or actually obtained from, existing wireless companies.

*Mr. J. WARD* As in the case of the telephones.

*Mr. MASTERMAN* Yes; the buildings would have to be carried out and the various apparatus selected apart from and against the existing wireless companies. We should have no guarantee that any station would be erected for £60,000. Supposing a station was erected or was half erected and did not work it would be impossible to refuse another £30,000 or even £40,000 in order to try and make it work, and in the end if it was unable to work we should be blamed, as former Governments have been blamed on matters like railways attempted in tropical countries for having laid the country under heavy liabilities and enormously increased the cost to the taxpayer. Experience of such a simple thing as the construction of the Uganda Railway leads us to believe that so long as reasonable terms can be obtained from an outside contractor it is far better that the risk should be thrown upon that contractor than that the liability should be undertaken by the country. And beyond that the House must realise if we sanctioned such an arrangement not only would there be delay and liability, but there would be a very substantial contribution for royalties in connection with the patents. We do not get out of royalty payments by constructing stations. It would have to be made as the result of the judicial finding of the Lords of the Treasury, who would sit with experts, and we have no knowledge to-day and could not have how far royalty payments would be awarded. There was a very remarkable suggestion made, I think, in the Committee, and emphasised in certain newspapers, that the possibility of the judicial findings of the Lords of the Treasury in diminishing the royalties of any patent-owning company should be used in making a contract with that company to squeeze that company to accept lower terms. I do not know what would be the general opinion of a judge who, knowing he had a judicial question to decide in connection, say, with land, and that a company wished to purchase that land at a low price informed the company in question that he would modify or vary his judicial decision in accordance with whether they gave that low price for the land. I do not think blackmail would be any more reputable because it was empowered by a Government Department.

The land question is that of open tenders, which is the method, as anyone knows, the Treasury is always in favour of enforcing in all contracts that come under its notice. In the original contract which came before myself and the Treasury a year ago last March we were convinced by the representations made to us that there was only one company in a position to guarantee this long-distance wireless work. A year and a half has passed and we cannot find ourselves convinced that any other company is qualified. There are suggestions made in the Press and elsewhere that certain companies or systems are just on the brink of being able to effect this work, and that they have been gaining knowledge for many years. The Government, for immediate, urgent, strategic necessity, could not accept the verdict that a system was just upon the brink of being able to do the work. In that connection I think it right to emphasise the

Treasury point of view, as already put before the House by my right hon. Friend the Postmaster-General from his point of view, of the immense difference between a company that can show actual commercial work, day and night, over distances required for this Imperial chain and a company that can occasionally or even frequently swing messages through this new mysterious world whose laws at the present time no one can clearly understand, and produce results which seem for the moment sensational. One expert witness I think it was at the Select Committee, informed them that if his system had only a little more power applied to it, he would have no difficulty in sending a message round the world and hitting upon the back of his own head. Other companies have shown they are able to produce in certain conditions amazing results, but I do not think the Treasury could be blamed if they desired to see that the contract which the Postmaster-General is going to make is a contract with a company that has shown, not on certain days or weeks, but during long and persistent periods of time, it is able to carry out for commercial purposes a service day and night over more than 2,000 miles. In any case, the Treasury would prefer, if criticised, to refer to a Report no less important than the Report of the expert Committee appointed at the unanimous request of the Marconi Committee on the Motion of the Noble Lord -the Member for Hitchin (Lord Robert Cecil).

*Mr. BOOTH* Not unanimous.

*Mr. MASTERMAN* Well, I withdraw a "unanimous," but by a, very large majority, and I propose to read the whole of paragraph 24 from the expert Committee's Report as embodied in the Treasury minute:— "We report, therefore, that according to our investigation the Marconi system is at present the only system of which it can be said with any certainty that it is capable of fulfilling the requirements of the Imperial chain, but this must not be taken to imply that, in our opinion, the Marconi Company must necessarily be employed as contractors for all the work required for the Imperial chain. Indeed, in some respects it might, we think, be better for the Government themselves to undertake the construction and equipment of the necessary stations, acting for that purpose under the best technical and scientific advice which can be obtained, and employing the most suitable contractors for the various portions of the work or plant. On the other hand, it may be said, and is no doubt the fact, that at the present moment the Marconi Company alone has had practical experience of the sort of long-distance work required, including experience in putting down stations, in organising the traffic and staff and in coping with the difficulties that arise in a new industry, and the value of such experience and organisation may well outweigh other considerations, if rapid installation and immediate and trustworthy communication be desired." And as rapid installation and immediate and trustworthy communication are very essential in the contract, I think that is a report against which, if the Treasury went, they would be subject to severe blame in case of any breakdown of the arrangements. Therefore, our general consideration was this: if no reasonable terms could be obtained from a competing company, if the competing company, owing to the knowledge that it possessed a monopoly, tried to extract the utmost from the British taxpayer, we would, undoubtedly, have fallen back on sanctioning an attempt to construct a chain ourselves; and the last question, which is a question to which I shall not address myself at any length, because the Postmaster-General will deal with it in his speech, is: Are these terms so unreasonable that we should decline them with all the advantages we can obtain, and is the unreasonableness of the demands such that they should be refused? I do not want to go into the original contract itself or the various negotiations in connection with the making of it, except to say some emphasis has been laid in the Marconi Committee, and I think in the world outside, upon Treasury criticism of the old contract before it was signed by the Postmaster-General. I think that the emphasis on those criticisms arises from a misunderstanding as to the general attitude of the Treasury towards all Government Departments. I know of no contract—I do not know of any suggested expenditure of money—which has been brought before the Treasury which has not been subjected, and rightly subjected, to severe criticisms, and also in the great majority of cases sent back to the Department with the demand that they should press for certain other advantages. If after pressing for those advantages the Department finds itself unable to obtain them, and if as a consequence the contract is ratified or signed without those advantages, those criticisms cannot be rightly used as if there was a misunderstanding between the Department and the Treasury, or as if the Treasury did not approve of the result of the bargain.

I am very glad to be able to state to-day that the very points on which the Treasury pressed the Post Office in the original contract have been met owing to the hard and skilful bargaining of my right hon. Friend in a manner altogether satisfactory to the Department which pressed for those criticisms in the old contract. There were two points of criticism. We criticised especially the demand for 10 per cent. of the gross receipts if any patent of the company was in use, and we thought, and I believe also that a great majority of Members of the House thought, that supposing some small or non-essential patent which might be essential for one part of the chain but not for the other was to be used, it was too much to expect that we should have to pay 10 per cent. of the gross receipts. I am very glad that the Postmaster-General has been able to get a very valuable concession on that matter, and he has so arranged for the splitting up of the 10 per cent. between the various necessary apparatus for a wireless chain that any time any particular part of that apparatus, where it is clear that the patent is owned by the company, is used the royalties on the gross receipts are immediately to be reduced by a substantial amount. The second point on which we pressed the Postmaster-General originally was on the question of the right of inspection in other wireless stations, and there also, in Clause 19 of the new contract, the Postmaster-General has been able to effect a very substantial concession in which, in the first place, full satisfaction has been given to the Postmaster-General that there is a case for believing that their patents are being violated, and, secondly, that whatever examination takes place under those conditions shall be an examination conducted with complete secrecy, and with no giving away of information which might be harmful to the owner of the patents. Under these conditions I believe the Treasury have a, Clear and satisfied mind that the best possible bargain has been made and that the bargain is good in itself, and we have sanctioned the contract made by the Postmaster-General for the immediate erection first of three stations, and later of the complete chain which is required for Imperial and strategical needs.

The contract is not a very large sum in itself in comparison with the enormous, amounts of contracts which the Treasury has to supervise from time to time. I have no doubt at all that if the original licence which the company asked for had not been refused, and if in the two years since the company had actually erected these stations and were engaged in swinging, messages from London, South Africa, or Singapore, that the whole House would have been willing and anxious to purchase: that system on behalf of the Government, and would have been willing to have paid considerably more than the amount we, have to pay for it at the present time. We do not assume that any great profit will be made from the commercial working of the stations, but we cannot oppose the demand made in the name of those responsible for the Government of India, for the British Dominions in South. Africa, and for the non-self-governing Colonies that they should be allowed to have what, for example, the Government of Italy has working at the present time, namely, the possibility of communication between all parts of the Empire, even under circumstances in which all the actual sea cables are destroyed. Personally, I congratulate my right hon. Friend the Postmaster-General on this most desirable result of the immense labour and patience which he has given to the work. I ask that the action' of the Treasury in moving for the ratification of this agreement may be discussed free from all the passion and prejudice' which has surrounded the subject. I ask the House to say that the Treasury has a right to approve of this agreement, and I ask again that that agreement may be ratified by a Resolution of this House.

*Sir HENRY NORMAN* Before I turn to technical matters, many of which have been raised by the Financial Secretary to the Treasury in his interesting speech, I would like to be allowed to say a word regarding the attitude of those of us on this side of the House who opposed the previous contract, and still find ourselves constrained to oppose the ratification of this contract. Perhaps, to be strictly accurate, I ought to state that that is my own attitude in this matter. I have admired, as every Member of the House must have admired, the very great work and devotion which the Postmaster-General has shown in this matter. I have fully recognised, as he well knows, and as every hon. Member of the House must recognise, that in the whole of this matter the Postmaster-General has worked with a single eye to the public interest, and I cherish the hope that the right hon. Gentleman will be able to say the same thing of me. I should like to be allowed to add that in spite of our sharp differences of opinion there is nothing in the nature of personal tension between us. I desire to say, in order to avoid any misapprehension, that I have no prejudice whatever against the Marconi Company. I have never, in speech or in writing, spoken of Mr. Marconi's work without high appreciation,

and of himself otherwise than with perfect courtesy and respect. I know perfectly well that in the commercial organisation of wireless telegraphy to-day the Marconi Company is ahead of all its rivals, and, if Imperial and strategic urgency were proved, I, for my part, should not take the slightest objection to the Government purchasing outright any number of requisite Marconi stations at any price within reason, and, so far from appearing here as the advocate of any other company or syndicate or system, I am frankly opposed to them all on the terms of a contract like this. My attitude is simply that of an advocate of State-ownership, and of that complete liberty on the part of the Government which was so strongly recommended by Lord Parker's Committee. The Financial Secretary to the Treasury began by referring to the question of urgency. This question, as he truly says, is at the root of the whole matter. The contract with the Marconi Company at this moment is due to urgency and to urgency alone. I have no doubt that the Postmaster-General himself, except for urgency, would probably think it best to wait developments a little longer. Within a few months the Poulsen Company with their Irish station will either be communicating freely with Canada or they will have failed to do so. Within a few months the Goldschmidt Company will either be communicating regularly from their station near Hanover with the United States or they will have failed to do so. As regards this question of urgency, the Parker Committee, as the Financial Secretary to the Treasury very fairly pointed out, qualified their recommendation of the Marconi system by the words:— "If rapid installation and immediate and trustworthy communication be desired." The Postmaster-General recently desired to fortify himself further by referring this point once more to Lord Parker and Mr. Duddell. Both these gentlemen again made their views conditional on this question of urgency. Mr. Duddell said:— "If six months' delay did not much matter in the establishment of an efficient Imperial chain." And Lord Parker said:— "If the erection of wireless stations were a matter of urgency." Urgency, therefore, is vital to our decision to-day. If extreme urgency does not exist, there is no reason why we should ratify the contract now, and there are a good many weighty reasons why we should not ratify it. Does such urgency exist? We have been given in several quarters the bare assertion that it does exist; but I respectfully submit that this House is entitled to something more than a bare assertion to that effect. At any rate, we are surely entitled to bring our own intelligence to bear upon this aspect of the problem. What would in all human probability be the area of any naval war in which we could conceivably be engaged within the next six months? I submit that it requires no great knowledge and no great authority to answer that question. It must be in the North Sea, in the Eastern Atlantic, and in the Mediterranean. We have at this moment complete and efficient wireless communication with every point and every ship in the whole area. Within an hour an official message could be transmitted from London to the whole area, and indeed beyond. This is no secret. Every student of wireless knows it perfectly well. Therefore, I contend that no Imperial urgency can exist within that area. If it exists anywhere, it must exist in the Indian Ocean, to the Cape, or towards the China and the Australasian seas. That does not seem very likely, but, supposing it to be the case, then the first stations of the Imperial chain should be those in Egypt, East Africa; South Africa, and India; but one of the first three stations to be erected is in the Midlands, and when it is finished a year hence we shall be in precisely the same strategical communication within this range as we are at the present moment. And that is urgency! If the plea of urgency were well founded, the English station would be the last, and not the first to be constructed. I am as anxious as anybody can be to further Imperial security in every way, but I cannot bring myself to believe that such urgency exists beyond the Mediterranean, in spite of all our cable connections with other parts of the Empire and of the world, as to forbid a few months' delay for the sake of possible great advantages. In this connection, though it is not directly connected with it, I should like to allude to a statement made by the First Lord in this House on the question of the non-ratification of the contract. The First Lord said:— "This country has been deprived of the advantages in regard to wave length and priority, and no step which will now be taken can put us back into the position which has been lost." I asked the First Lord in a question for the grounds of that statement, because naturally those of us who had criticised the agreement felt that statement a somewhat severe reproach to us. It will probably be within the recollection of the House that I got no grounds for the statement whatever, but merely a reassertion of the fact. I deny that statement. I believe that I know the wave lengths of every big station in Europe. If I do not, I can very easily measure it at my own little station when next it is in operation. The only wave length adopted in Europe during last year which could possibly be a wave length of the Imperial station in Hanover's, which has a wave length of 7,500 metres, and, if the Goldschmidt system proves the success its promoters anticipate, you could erect a dozen of those

stations in England alone with wave lengths that would not conflict. I further submit that we have not lost any position of advantage for the simple reason that it is impossible to point to any country which has gained a position of advantage, and I think it was bad that such statements should be made in this House unsupported by any evidence whatever. I come to what in the minds of many of us is the most important question connected with the whole issue, and that is the erection of the stations by the State. Hon. Friends of mine on this side of the House and I myself have from the first contended that the Government should erect its own stations. The Postmaster-General has replied that the Post Office has neither staff nor experience, and that it cannot, and the Admiralty will not, erect the stations. The alternative, he said, is the creation of a new staff and the employment of a supervising engineer of distinction and capacity. To this course he saw numerous and fatal objections. First, there is no engineer who has already had the requisite experience. Secondly, there is no staff. Thirdly, the proposed initial cost might be exceeded. Fourthly, it would be troublesome to arrange the various royalty payments if the Government used its powers under the Patents and Designs Act. Finally, there would probably be some delay. I venture to think that it is almost as easy to supply the answers to these objections as it is to summarise them.

Take them in reverse order. There, no doubt, would be some delay, and that is admitted on all hands, but it would be more than compensated for by the greater advantages to be secured. It would be troublesome, no doubt, to arrange about royalties and patents in the different countries. There has already been some difficulty in discovering the nature of the royalties in some of the countries affected by the Imperial chain. But who should take trouble of that sort in a matter of this kind if not a Government Department, for do riot Government Departments exist precisely for purposes of that kind? Again, the initial cost it is said would probably be exceeded. But against that there would be great economical and financial saving subsequently. Then the suggestion is that we have no staff—no engineer of sufficient experience. Had the Australian Post Office a long-distance wireless staff and an experienced engineer ready to its hand? Yet without hesitation the Australian Postmaster-General decided to erect the Imperial station for the Imperial chain and he accordingly called for tenders. The obstacles which affright our Government apparently had no terrors for him. The American Bureau of Radiotelegraphy is under the control of a very eminent civilian scientist, Dr. Austin, and I am not aware that he had ever erected a long-distance station until the enterprise of the United States Government gave him the opportunity. The Canadian Postmaster-General does not think the Marconi system the only available one, for he gave a concession to the Poulsen Company. The United States Government is purchasing its Panama-Washington station, and the Australian Government its military station from the Poulsen Company. Our desire that the State should construct its own stations is absolutely and perfectly confirmed by the Report of the Parker Committee. Perhaps I may be allowed to read Clause 32 in that Report, because I attach to it the greatest importance. The Clause reads:— “For the purpose of testing, examining, and, if necessary, further developing any new invention or suggested improvement in wireless telegraphy, a trained staff with an engineer of special knowledge and standing at its head will be necessary. Under the guidance of such a staff and engineer we see no reason why the Post Office wireless stations should not be ultimately equipped with apparatus far more efficient than that now used in any so-called system, more especially as the Post Office will be able to combine, in spite of existing patent rights, apparatus or devices which, because of the existence of such rights, cannot now be combined by anyone else.” 1.0 P.M.

That, stated with great lucidity and with unapproachable authority, is precisely what we have urged. And whether the Postmaster-General be right or wrong, it seems to me clear that, the question of urgency apart, the right hon. Gentleman is acting in direct contradiction to the scientific body which he himself appointed. It is clear from the paragraph after the most careful consideration there need be no difficulty whatever in discovering engineers with the requisite knowledge or a staff with the requisite competence. It has been stated that there is no guarantee that the station when erected would work. Surely that is the very elementary consideration which must have been present to the members of Lord Parker's Committee! They evidently had no misgivings on that point. They evidently believed that a telegraph station could be erected by the State with all the powers and all the advice it could get, and to say that it would not work is, I respectfully submit, hardly serious criticism. On this question of erecting stations a good deal of misapprehension prevails. I shall probably be correct in supposing that at least four-fifths of the work is ordinary

contractor's work. I read in the "Daily Chronicle" yesterday:— "The Universal Radio Syndicate, the British owner of the Poulsen system, is busy erecting its station near Ballybunion, co, Kerry, to begin its Transatlantic services between Ireland and Canada. Mr. Campbell Shaw—the son of the late Mr. Norman Shaw, is the constructional engineer of the station. Messrs. George Trollope and Sons, of London, are erecting the huge wooden towers necessary for the station, Mr. Palmer, of Palmer's Travelling Cradle Company, is supervising the erection of the wooden and steel towers, and a representative of Messrs. Humphreys is erecting the steel buildings." I know nothing of that statement, but it is just the way that a Government station should be built. It is precisely what has been done by the Australian Postmaster-General. The buildings, masts, wires, earth connections, water, lighting, steam plant, electric power plant, switchboards, and a good many other things—all these would be supplied by ordinary contractors to the Government specifications; and a good deal of the actual wireless apparatus itself, such as the condensers, could be supplied ready made within a very short time after the issue of the specifications calling for them. I cannot see any justification for the State employing-middlemen to purchase articles on ordinary tender or contract. It may be asked, Who is to supply these specifications? That, of course, is a vital question, and it brings me to the subject of the Admiralty. The Admiralty have been asked, as appears from the correspondence issued by the Postmaster-General, if they would erect a station. Of course they refused. It is not to be supposed for a moment that the Admiralty would detach a large number of expert officers from important daily naval duties to do work of that kind. I should like to ask the Postmaster-General this question: Have the Admiralty been asked if they would furnish specifications which would enable the Government to build the station? If they were asked, what was their reply? If they were not asked, then it is not correct to say that the Admiralty have' declined to assist, because the Postmaster-General has not availed himself of all the opportunities open to him. The Post Office appear to have asked the Admiralty to be contractors, whereas they should have asked the Department to act as consulting experts. A somewhat similar misapprehension appears to me to exist regarding the question of staff. There are two kinds of staff. The first, of course, is the eminent supervising expert staff and surely that. could be perfectly well undertaken by a small expert committee, or the Admiralty could spare for a time one of its expert officers to supervise the work during the first period! The second part of the staff consists, of course, of the ordinary operating staff, and the Government, I am convinced, has only to let it be known that, six months hence, they are prepared to receive application to enrol in the Civil Service a number of expert, experienced wireless operators, and they would have 50 or 100 qualified men offering their services at once.

It must be remembered, too, in connection with the question of erecting stations, that the most technical apparatus of all would be bought ready-made. The United States Government does it; the Australian Government does it. Whether it be the Poulsen generator or the Goldschmidt alternator, whatever it be, if after consideration and demonstration it was decided to install either of these, it is certain to be bought ready-made. These people would sell outright. My own opinion—I can only give that—is that I am sure that the Marconi Company would do the same. They simply could not afford to let such an opportunity and such an advertisement escape them. If they did, Parliament has already, under the Patents and Designs Act, given the Postmaster-General every power he wants. One other word upon this point. It is, of course, to the interest of some people to invest wireless telegraphy with an atmosphere of mystery and wonder, to have it regarded as a kind of hieroglyphics which only the rare few are able to decipher, and to have it thought something so marvellous and occult that the profane must stand afar off. I say quite frankly that it is not so. To use a colloquialism, it is very largely bluff, as every wireless expert knows perfectly well. In a moment of irritation at arguments of this kind I once made the remark that, after all, wireless telegraphy was only a superior kind of gasfitting. I was taken severely to task for that remark, but, considering the circumstances in which the exaggeration was made, it was really a fair retort. Of course, there are many problems of the utmost importance and delicacy upon which some of the keenest and ablest minds in Europe are at work, and upon which enormous progress will be made. I have had the opportunity of seeing every type of long-distance wireless station in operation, and I do not think I shall be contradicted by anybody who knows if I say that as regards the ordinary everyday working of any system, including the Marconi system, which is one of the simplest, any electrical and wireless expert could run it. I do not believe that a single independent expert would be found to contradict that statement. Furthermore, it should be borne in mind that independent scientific opinion is overwhelmingly in favour of State construction and unfettered State owner-ship. The

leading journal representing that opinion in this country is, of course, the "Electrician." A few weeks ago, in an editorial article, the "Electrician" said:— "It is agreed, on all hands in technical circles[...] that there must be at once created a strong Government Department to deal solely with radio-telegraphic matters. We subscribe to this view." There reached me this morning, as I was starting to come to the House, the number of the "Electrician" which appears to-day, in which I find the same view expressed with even greater force. This is the first part of the editorial of the "Electrician" of to-day's date:— "In our opinion, the most important point is the determination of the Government that, in view of the decisive statements of the Admiralty, War Office and Post Office, no steps are either desirable or possible towards the establishment of the Imperial Chain by a State Department, either existent or prospective. We greatly deplore this determination, which we regard as unwise, unstatesmanlike, and unjust to the scientific and engineering staff already in the service of the State, and also to the staff which we feel sure would be collected by the State without difficulty—a staff which we believe will of necessity have to be created before any long period elapses. We consider the present moment opportune for this important purpose, and refuse to believe for one moment that any serious obstacle to this advance exist which would not instantly disappear when it became known that the State was prepared to create a separate Department for the highly scientific and technical work which the provision of an Imperial Chain involves." For my own part, I am ashamed of the suggestion that there is not sufficient scientific knowledge in this country to undertake this task. We should lose a little time and a little money, but as an Englishman I do most earnestly desire to see my country present to the world a spectacle of due administrative courage and scientific competence. In this connection, if my hon. Friend the Member for Northampton (Mr. Chiozza Money) will permit me, I should like to say I was amused by one sentence in a recent interesting article he contributed to the "Daily Chronicle." He entered the lists on behalf of Mr. Marconi, feeling him to have been dealt with somewhat unjustly. But unfortunately for my hon. Friend's arguments, he is, as we all know, an able and brilliant advocate of State construction and State ownership on the largest scale and in the widest possible application. After giving many reasons why this contract should be ratified, he concluded with these words:— "I think that there can be no question that in the end there must be absolute State ownership and control." Precisely! My only difference with my hon. Friend is that what he wants "in the end," I want in the beginning. With regard to the views of hon. Members below the Gangway on this side of the House, it appears to me that this issue affords a test of their principles. They stand, if I understand their attitude aright, for the substitution of the State, so far as possible, for the limited liability company and for the elimination of the middleman. I cannot but believe that they must sympathise with this most legitimate proposal for State-ownership to-day.

Mr. J. PARKER The stations will be State-owned.

Sir H. NORMAN With regard to the contract which is before the House, I gladly recognise that the Postmaster-General has done his best in many ways, and with not a little success, to meet our criticisms. I earnestly wish I could support him in desiring the ratification of the contract in its improved form, but I am, with the best will in the World, unfortunately quite unable to do so. The highly objectionable royalty of 10 per cent. on gross receipts is, of course, gone, and it is divided up among individual stations and many different parts of apparatus. I do not think that will very much affect the result. Take an example. Supposing that under an arrangement of this sort there should be installed, as an integral part of a great plant, a big, heavy, fast-running machine, running under some patent for lubricated bearings. To escape the royalty payment for those patented bearings you would have to dismantle the whole machine and bring the working of the whole plant to a standstill for a considerable time. The engineer in charge would certainly say it was not worth while doing that, and those responsible would say, "We had better go on paying." That is what will happen if these Marconi stations are erected, because all the parts of the station, patented and non-patented, will form one whole installation, and it would be costly and difficult and involve delay to eliminate the royalty-paying parts. If you give a royalty on the gross receipts, however you may split and divide it up, you will weave about yourself a net in the interests of the contracting company which will endure for the whole of the royalty period. I object also to the definition of Marconi patents which remains still in the contract. We have in the House in the person of my hon. Friend (Sir G. Marks), a man who is recognised as being a patent expert, and I very much hope he has an opportunity



of speaking. He will state the objections far more clearly and with far greater authority than I could pretend to. I object also to Clause 15, Sub-section (4). I cannot understand why any new patent should have to have been used in a Government station before the Marconi Company are prevented from acquiring it for royalty purposes. I hold, in the words of the Parker Committee, that the Government ought to have "complete liberty" to negotiate for any new patent whether they have previously used it or not. And, of course, I still object in the strongest manner to the contract being framed in contradiction to Clause 31 of the Parker Committee Report which declares it to be— "undesirable that in constructing and equipping the stations of the Imperial chain the Post Office should be pledged to the continued use of any apparatus now used in any so-called system, or be subject to any penalty by way of continued royalties or otherwise for the disuse of any apparatus which may be installed in the first instance." As I understand it, the system of royalty payments and the conditions under which those royalties are to be paid or discontinued, are in complete contradiction to that most important recommendation of the Parker Committee Report. I do not understand the last paragraph of Clause 2 of the new agreement. That is the one which says that the Postmaster-General shall not instal any system for producing continuous waves if the Marconi Company can show that they can do the same thing with equal efficiency and economy.

*The POSTMASTER-GENERAL (Mr. Herbert Samuel).* That only applies to the option on the second three stations. We have complete control over all the stations once they are built.

*Sir H. NORMAN* I am much obliged for the correction. That limits, pro tanto, my criticism, which only refers to the three stations, as the Postmaster-General has explained, but even then I object to it for this reason. Either that Clause places another fresh handicap upon the Postmaster-General in the interests of the Marconi Company, or, if it does not, why is it there at all? I am greatly desirous that a schedule of patents upon which these royalties are paid should be attached to the contract. It seems to me the most elementary form of business. If I approach anyone with a contract offering to sell him the use of certain patents, the first thing he would ask for would be a list of the patents. I cannot understand why that schedule of patents cannot be given. Surely no one desires to buy or sell expired or non-essential patents or valuable patents which have not yet been invented. I hope we shall be informed during the course of the Debate in what way the Postmaster-General is giving effect to the recommendations of the Parker Committee in Clause 31, namely, that "the stations should be constructed and equipped with a view to the possible and probably rapid development of the art, and we think it would be wise that at any rate two of the stations should be used at once, not only for commercial purposes, but as experimental stations, in which the various high-frequency generators hereinbefore referred to and also any suggested improvements in any part of the apparatus should be installed." Are we to understand that the Marconi Company have undertaken to erect two experimental stations of form, dimensions, and character suitable for the immediate installation, if the Government should see fit, of both the Poulsen and the Goldschmidt system? With regard to this contract it is true, as far as I know, that no independent authority has supported it. More than that, it is also true that the only two independent expert authorities which were consulted upon the old contract, which is in principle the same as the present one, refused to support it. The whole contract principle was submitted to the small technical Sub-committee which, as came out in evidence before the Select Committee, recommended that further consideration should be given to it from the scientific point of view before it was ratified; and Lord Parker's Committee, although it was not within the terms of their reference positively went outside those terms. They said:— "Although the question was not specifically referred to us, nevertheless, nothing in this Report must be taken as signifying our approval of the contract as it stands" Therefore, not only has the contract not been approved by any independent authority outside, but it has been definitely disapproved, in some respects at any rate, by the only two independent authorities who considered the old one. There is one other point of the most urgent importance, that is the absolute necessity for a permanent laboratory of radio-telegraphic research. Such research as this cannot possibly be carried on at a commercial station. Research of this kind is being carried on in a number of Continental laboratories with highly expert and enthusiastic staffs. I had the pleasure recently of spending some hours with these different staffs at their different stations. It is urgently necessary that we should have the same thing in this country upon a permanent basis. The appointment of Mr. Duddell, in whatever capacity he has been appointed, is, of

course, in all respects an admirable one, but I want to submit to the Postmaster-General that the Committee analogous to Lord Parker's, which he proposes to call together as occasion arises, is too vague and nebulous for this purpose. I am not without reason to hope that he may be able to tell us to-day that he has decided to deal with this matter as we all desire that it should be dealt with, and as is essential in the public interests.

Finally, do the Government and does the House realise what is being done in long-distance wireless communication to-day? The Marconi Company is bringing actions against certain of these people for infringement of patents and has, in the first instance, won its case and litigation is now proceeding on appeal, but so far as I understand it that legal action on the part of the Marconi Company is chiefly based upon their famous master patent, which expires in April next year. Apart from the Marconi Company, there are all these quarters in which long-distance wireless is being pursued with varying degrees of success, but with success of a kind in every case. There is the United States Government which now has established a station at Washington in which they claim that they will be able to communicate with the United States warships at any time up to a distance of 2,400 miles. They have decided to purchase and instal the Poulsen system on the Isthmus of Panama to communicate with Washington, a distance of over 3,000 miles through, I presume, one of the most difficult districts in the whole world from the point of view of radio-telegraphy, because of the existence of electrical storms, not only in central America, but in the southern portions of the United States. The Telefunken Company from its great station at Nauen has already transmitted signals to the German Congo, which is a distance not far short of 4,000 miles, and they are pursuing their experiments with the view of making that a regular system. When I was in Germany they placed their log book in my hands, and all their records of failures and successes, to examine. It is beyond doubt that they have received not only signals but messages from the United States at Nauen. There is, of course, the Goldschmidt system which, immediately on being installed, succeeded in transmitting, not messages, but signals, to the United States. It has machines which can do that, and I saw them when I was in Berlin. They are quite competent to transmit signals, and it remains to be proved what those machines are capable of doing regularly. I do not pretend for a moment that they have yet been fully tested. They told me that those machines would be installed by to-day, 8th August. If those machines run, then practically the problem seems to be solved. At any rate, they are carrying out these experiments. There is the great station erected for the French Government by a distinguished French expert on the Eiffel Tower. Canada, as we all know, has given a concession to the Poulsen Company. There is also an interesting station at Laeken, near Brussels, which has been erected by the Belgian millionaire, M. Robert Goldschmidt, not Professor Goldschmidt, at his own expense, and on his own scientific knowledge. It has already transmitted signals to Morocco, and the object of the station, which is under the patronage of His Majesty the King of the Belgians, is to secure communication with the Belgian Congo. Experiments are being carried out by M. Goldschmidt with that object. Then there is our own Navy which has constructed long-distance stations of its own design with the greatest success. With the question of urgency out of the way, surely there is ground here for further investigation and consideration for a short time before we finally commit ourselves.

In conclusion, I must be allowed to say, as every Member of the House will recognise, that it is not very pleasant to find one's self in sharp opposition to one's own Government. I can only claim that this is a matter in which no Liberal principle whatever is involved. I have been for twenty years, I hope, a loyal Member of the Liberal party, and during the thirteen years I have been in the House I have only voted against my party once, and that on minor issue. No one appreciates more than I do the honour of Membership of this House, but much as I appreciate that honour, I would not hold my seat for a day if, in a matter which did not involve the political principles I have been elected to support, I was obliged, on a matter of commercial advantage to the country, and a matter of scientific propriety, blindly to follow the Chief Whip, and was not to be at liberty to exercise whatever judgment I have in the matter. I can only say therefore, that I regarded the Chief Whip's urgent communication to-day rather as a curiosity to be filed away in my family archives than as a summons to be obeyed. I venture to appeal to the Prime Minister—I am sorry he is not here—I appeal to the Government, even at this eleventh hour, to allow further consideration to be given to this subject; further consideration, in view of the lack of independent external support; further consideration, in view of the fact of

the opposition from influential quarters, and the Liberal press, further consideration, in view of the fact of the opposition of hon. Members—many of them of my own supporters. I appeal to them to give this consideration, so that, instead of being forced through Parliament by a severe exercise of the authority of the Whips, and possibly with a diminished party majority, this great Imperial scheme might be carried into effect, as it ought to be, by the unanimous vote of the whole House of Commons.

*Sir G. CROYDON MARKS* Like my Eon. Friend (Sir H. Norman) it is extremely distasteful to me to have been criticising that which is proposed by the leaders of my party; but in criticising this contract I consider that I am not criticising the Cabinet. Neither am I criticising the Minister responsible for it. I am criticising the Department that sent this contract here. I am also the more inclined to criticise the present contract when I remember that on the last occasion when we had the original contract before us we were told that the contract was, a good one, and an excellent bargain, and that it was to be sent through as quickly as possible. In fact, there was objection taken to those of us who did discuss it. Now we have another contract which alters in very material respects the original contract from the same officials and the same Department, and I am, therefore, inclined to ask myself and the House to consider whether the recommendation that comes from that Department is worth any more than the recommendation that came with the original contract which has been proved to be undesirable for the Service. As to the matter of delay I have suffered from the suspicions of my friends, and I have had unpleasant remarks made to me in this House concerning the attitude I have personally taken up. I have been called a rebel, and I have been spoken of as one who has been attacking my own Government inside and outside of this House. I am very glad to-day to stand here and ask the House to remember the criticisms I made last October, and to look at the contract now placed before us. I ask the House whether I was not amply justified in those criticisms, and whether they have not brought about a result which would not have been brought about but for the criticisms from this side of the House.

I remember that in last July when the original contract was presented, I saw privately Members of the Government concerning it, and that I did my best upon the knowledge I possessed to show that it was a monstrous contract, that it was about to perpetuate a monopoly, that it was about to create a trust, and that it was going to hold back electrical science during the whole time the contract was running. I asked if I could not point this out, and I was told that I did not know anything about it, and not only that, but from that day to this certain Ministers connected with the contract have appeared to think that I was a person to be shunned and of whom no notice should be taken in consequence of that which I felt it to be my duty to urge against that contract, and which I maintain has been amply justified by the new contract that is before us. I think that I have as much knowledge of the industries of the country as the ordinary Member of this House. I have been an engineer from my boyhood. I was for ten years in Government service, and, therefore, know what Government Departments can do. I have been practising as a consulting engineer for twenty-five years. I know what the industries of the country are like. I have been intimately associated with patents for over twenty years, and I think that I know something of what other people wish to do and how they wish to be protected in reference to that which they are doing. Consequently, when I see a Government Department asking a Minister to come here and present to the House a contract which, in my opinion, is going to hold the whole industry, a new industry, back, I find myself obliged, irrespective of the party ties that I feel hold me to those whose principles I endeavour to uphold in the country, to put all those on one side, and to ask myself whether my knowledge and my experience are to be thrown on one side, because of the loyalty which I may happen to possess with regard to something totally different from that which we are considering to-day.

I will now ask the House to look at the question of delay. Those who have criticised this contract have been charged both outside and inside with having been responsible for great delay. The fact is that there has been from the time when the proposal was first stated to be urgent by the Committee of Imperial Defence to the time when the Contract came before the House an interval of twenty-seven months. This House has had the matter only six months under its consideration. We cannot take what happened last August as being something which we had to consider, because it was practically the last date in the Session, and the matter was adjourned for consideration until October. What was

the result? A Committee was appointed to consider this contract. They went into it and became involved in something which did not touch the contract at all, and up to this day they have never reported to this House their opinion on the contract itself. One of the points upon which the Committee were to determine was whether this contract or any modification of it should be presented to this House. I had an Amendment on the Paper last October on the appointment of the Committee that it should not be for the Committee to say, "We ask this contract to be accepted." My Amendment was to suggest that an amended contract might be presented. The Committee were good enough to summon me as a witness. I went most unwillingly. I was there and saw something of their procedure and methods. I have given evidence in many places and before many judges, and once before the Parliamentary Committee, and I hope never to have that experience again. I presume that the evidence was intended to be of some use, otherwise I should not have been called there and kept four days. The Committee have given their Report, and the evidence, which includes hundreds of questions, has been printed and circulated, and not one single word of comment upon it has come to this House. Therefore, my time was wasted, the services of the Committee was wasted, and Government money wasted in printing answers to questions put to me. I consider that the Committee have not done their duty as they have ignored entirely one of the most important things that were alleged for their consideration. The result is that we are here to-day looking into a matter of this great technicality with no advice from the Committee that was appointed to examine into it and with a new contract presented to us by the same Department who presented the old contract.

I say that the Department presenting the old contract stands self-condemned by the new contract which they have now put forward. Therefore, the occurrence of delay cannot be charged to criticism of the contract which they had taken twenty-seven months to prepare. Another delay of six months possibly might bring about further experience and further information and fresh knowledge which no one in the world possesses to-day concerning the new subject of wireless telegraphy. Why, therefore, cannot we wait another six months when we waited twenty-seven months? Perhaps some Minister by-and-by will give us his opinion upon this point? When we criticised this contract the Postmaster-General told us that he was perfectly satisfied with it. Not only that, but he could not understand a statement of mine that anyone was not satisfied with it, and he very soon let us understand that; for when any intimation or any suggestion was made those who were present last October will remember the right hon. Gentleman either jumping up or turning round, or interrupting, or saying something which went to prove that he was taking all that was said as absolutely personal to him. Then I had to endeavour to administer from my humble position here the suggestion to him that the more usual form of Parliamentary discussion would be that he should speak when I had finished and not interrupt me when I was going on. That is the attitude of mind that the Postmaster-General had last October. He was wedded to the contract. Had he had his way the contract would have gone through. There would have been no discussion. He objected to the discussion. [HON. MEMBERS: "No."] He objected to the appointment of the Committee. He did his best to prevent the Committee being appointed. That is known to all those who have had anything to do with this matter.

There was a proposal to put this Committee in the position of ratifying that contract of which he was so enamoured without any discussion at all. [HON. MEMBERS: "No."] The only reason I am citing these facts is not to attack the Postmaster-General. He appears to think that I have attacked him from the manner in which he has rebuffed me. But the pin pricks do not get through the cloth, and I have not been hurt, and do not suppose that I shall be hurt by meriting the censure of the right hon. Gentleman. Why I am directing attention to this matter is this: The right hon. Gentleman asks us to consider this Contract No. 2, which he declares to be the one for the great advantage of the State. Either the Contract No. 2 is better than No. 1 that was presented, or it is worse. Perhaps by and by we shall know whether this is considered a better contract, but I think I shall be able to show that the eulogy which has been passed on him by the right hon. Gentleman the Secretary to the Treasury is well deserved, inasmuch as he has cut out of the contract many of the points and many clauses against which we had serious objections in the past. The old contract has been seriously disturbed as you will notice, if you look at it. Seven hundred and fifty-four words have been cut out of twenty-nine clauses, but 2,745 new words have been put in, which looks as though there is a very

careful revision going on, and, that being so, I want to know now whether we should not pause before considering a contract we have never had in our hands, a contract that has got 2,745 new words in it, and some 600 old words taken out. I consider that it is not good for a business community to have thrust upon it a contract of that character with these alterations in it, or that we should be asked here, practically in the last week of the Session, to determine something which is supposed to run for twenty-eight years. Look at the contract with regard to the next point—and I know there were fourteen points of which my hon. Friend the Member for Blackburn (Sir H. Norman) spoke, and as to which we took serious objections.

I should like to refer to those points. We objected, and either we were absolutely bound to object or else they have made a mistake in altering the contract. Point number one was that the term "Marconi Patents" was a most extraordinary term, and it still is to-day. We alleged that the term would cover any patent where they had a royalty on wireless telegraphy, and might cover a patent patent that the Marconi Company might purchase for use. That criticism was made in Committee, and the evidence given there has produced an alteration; so that the objection we took to the Marconi Contract has resulted in its being altered to cover only patents relating to wireless telegraphy. We objected to the idiotic definition of the Marconi system which told us that the Marconi system was a system of wireless telegraphy founded on the Marconi system. We objected to that as quite unintelligible, with the result that it has been deleted and cancelled entirely from the contract. I contended that after all there might be no patents in some of those countries where stations were to be erected. I suggested that, perhaps, it was not quite right to assume that anybody could claim, or endeavour to claim royalties when they had no patent. I did not like to put it in such bold language, but I ask that that should be revealed. I asked for a schedule of the patents, and the countries in which those patents had been obtained. That criticism has been met. They have been investigating, knowing possibly that some of the rest of us have been investigating, or they would not have put that down. What is the result? To-day they coolly tell us that they have not got any patent in the place where they are going to erect the largest station, and where they are going to get 10 per cent. royalty on the biggest station, though they have not got a single patent.

I, as a business man, looking at a contract from any person about to supply me with any piece of apparatus, should I find that he had done that, I would put myself to any amount of inconvenience, I would go all over the country, or anywhere else out of the country, rather than deal with a man who had endeavoured to take me in in that particular respect. I say that which applies to the individual certainly applies to the State, and when this House finds that there is a company claiming royalties when they have no patents on which to claim royalty, it should look very carefully indeed upon any proposal that is now made for giving the Government concession to a company with this particular idea of commercial morality. The point I raised that the patents might not exist, has been proved and accepted, and shown to be well founded; yet they come here now and say that the patents do not exist where they are about to put the largest station. I want to ask another question. I want to know where else they do not exist. I want to have every country in which it is proposed to put these stations set out. I want a schedule of the patents set out, so that I can find and know whether, if I am to pay 10 per cent., 4 per cent. on one, 2 per cent. on another, and 2 per cent. on another, and so on, I can feel that I am doing right by the country in permitting the same amount of royalty in any country where they have only got subsidiary patents, and no main patents upon which they are entitled, rightly entitled, to demand a higher rate elsewhere. The House will remember that in April of next year, the great patent., the only patent on which the Marconi Company have ever fought an action, comes to an end. That one patent which gives them power to hold control over all other persons will come to an end next April.

Mr. CHIOZZA MONEY It may.

Sir G. CROYDON MARKS My hon. Friend says it may come to an end. He is a good author, but a bad patents agent, because it does come to an end. Perhaps the hon. Gentleman, with his knowledge of every subject on which an article has been written, also knows that one can only get a patent extended by showing that one has made no money out of it. There was another patent they had which they would have liked to get extended, and they made an application, which they abandoned for reasons best known, of course, to themselves. When a patent is extended, what probably

would be the length of life given to it? It may be seven years. But this agreement is to run for twenty-eight years. Why a term of twenty-eight years has been introduced into the agreement which has been made in connection with a patent which, if only taken out to-day, could only last fourteen years, I cannot imagine, unless there is something behind which gives them the right to say, "We will claim the royalty on secrets which we put in that are not themselves covered by patent." I consider they are not entitled to do that, but that may be the idea in their minds. Be that as it may, why twenty-eight years should be inserted when you are dealing with a monopoly which is given for the benefit of the State, the King's Royal Letters Patent being limited to fourteen years, I do not know. Why, therefore, there should be in clause 17 the right to cancel this agreement after eighteen years, I do not know either. Obviously, if this fourteen years is extended, and they get a licence for another seven years, the patent will have expired, and also every patent now held will have expired, before the eighteen years can have been reached. That being so, I objected very seriously, and I also did so to the suggestion that here was a company that for five years endeavoured to prevent the Postmaster-General trying an experiment. Further than that, they had a clause in which they subsequently were advised was absolutely so monstrous as to make their contract bad. There was a clause in this contract which said that for five years no other person, no other firm, could supply the Government with anything in the matter of wireless telegraphy or plant, or stations to be erected by them. Now we have had it in evidence that in the wireless telegraphy stations and the plant connected with it and out of the £60,000 which it is going to cost in all probability about — 50,000 of it will be something the people will have to buy themselves. Therefore, that was an attempt on the part of the Marconi Company to get an increased advantage out of their patents, and by getting an increased advantage out of their patents they absolutely vitiated the contract and destroyed all the patent rights that they held while that thing remained there. In order that this may be quite understood, let me explain that in 1907, in this House, we passed a new Patents Act. The present Chancellor of the Exchequer was President of the Board of Trade at the time, and when that Act was brought in there was a printed memorandum, from which this is an extract:—

"Clause 11.—By this Clause an attempt is made to strengthen the existing Section by providing that the reasonable requirements of the public shall not be deemed to be satisfied if any trade or industry in the United Kingdom is unfairly prejudiced by the conditions attached by the patentee to the purchase, hire, or use of the patented article. At the present time the patentee can impose on the purchaser or hirer of the patented article any condition he likes, however unreasonable, and those conditions in certain cases bring about the result that the patentee acquires a larger monopoly than that granted by the patent. It is considered that if a patentee in this way takes advantage of his monopoly to unfairly prejudice any trade or industry in the United Kingdom a remedy should be provided against his so doing."

Consequently, in the Act then passed provision was made for that in Section 38, which sets out:— "It shall not be lawful in any contract made after the passing of this Act in relation to the sale or lease of or licence to use or work any article or process protected by patent to insert a condition the effect of which will be to prohibit or restrict the purchaser, lessee, or licensee from using any article or class of article, whether patented or not or any patented process supplied or owned by any person other than the seller, lessor, or licensee or his nominees." This is precisely what was provided for in this actual contract. They had the condition that for five years no one could supply the plant, that no one could supply a generator, and that no one could supply any piece of apparatus, which was not the subject of the patent, to be used in connection with wireless telegraphy, but themselves. We contended that that was not only unfair, but that it was illegal. The result, when it was pointed out to the Postmaster-General, privately pointed out to him, was that he was able to announce last August that within the last few days, it was probably the 3rd or 4th of August, he had received a letter from the Marconi Company, in which they graciously agreed to delete and take this part out of the contract. Consequently, in this new contract the five years' part has been cancelled. Then. No. 6, we also objected, and we said that the Marconi Company could buy any patents from any other firm that was doing any work for them, and then claim royalty on that patent if they bought it. That has also been met, and that clause has been cancelled in the new contract. We also suggested that the Postmaster-General, in submitting any improvement to the Marconi Company for advice, was going really to prejudice inventors and prejudice the industry. That has also been

recognised, and that particular clause has been cancelled and new safeguarding conditions put in. We also said that the Marconi Company had the right under the old contract to inspect themselves every fresh apparatus we got and to really put themselves in the position of seeing the secrets which members of the Service might have devised for strategic purposes. That has been recognised and that part of the clause has been cancelled and they cannot now inspect, but there must be an independent person to do so and not a Marconi Company's representative at all. We said the Crown should have the right to supply renewals and separate parts and there is a clause now which enables the Government to make those renewals and to make those separate parts. The royalty of 10 per cent. we maintained was too high and we said there ought to be a sliding scale. That sliding scale has been put in, but even now we consider it still begs the question we have always been asking for what we are paying this royalty. Are we paying them it on patents used, or are we paying it on ideas?

## 2.0. P.M.

There is a provision of the contract which goes to give pause to some of us who are considering this contract, because it is provided in Egypt where another station is to be erected, that if they do not happen to possess any registration in Egypt of their patents they should still get the royalty provided they have got patents in England for them. So here we start with the East Africa Protectorate with no patents at all and they claimed full royalty, and here in this contract we have it absolutely set out that if they do not happen to have any patent rights or protection rights in Egypt it does not matter they are still to have the royalty provided they have got those patents or patent rights at home. That appears to me to be unreasonable, unfair, and prejudicial to the interests of the country to be paying a royalty when no patent exists. Therefore, I suggest that we do need to further consider this before we go into the ratification of the contract. I would like also to ask how much the royalty is worth, and why there should not be set down in the contract an alternative to purchase these things outright without paying royalty at all. That was done with regard to the Norwegian Government and it is very useful for us to make a comparison to see what the royalty was worth. The price per station was to be £70,000 with a 10 per cent. royalty for twenty-five years, but the Government could at any time purchase the patents outright and be free from the royalty for £100,000. A sum of £30,000 thus represented per station that which the Marconi Company themselves considered to be the value of their royalty on a 10 per cent. basis for twenty-five years in Norway. I should like, therefore, to see an alternative arrangement provided in this contract whereby the royalty could be purchased at so many years' purchase on the receipts or a lump sum now fixed so as to leave ourselves free from having to submit to the Marconi Company presently, as we must. submit, a statement showing exactly what our receipts are, certified by certain officials, when they may have reason to believe there may be something wrong and may be under the suspicion that there may be a mistake, which may lead to a great deal of trouble while they are concerned in having portion of the receipts of that which we ourselves collect. It is interesting to note that in the last balance sheet published by the Marconi Company—1911—they put a value upon two wireless stations, and that value covers the buildings, the freehold land, and not only the stations and apparatus and everything else connected with them, but all the other movable plant at other places. The value they give for the two stations is £139,217. So that the Marconi Company's stations themselves, with all their land and everything else, are valued at £69,000 each. Therefore, when they ask us £60,000, they are not asking something which is not a commercial price, more particularly when the Admiralty engineers went into the price themselves and came to the conclusion that, if they had to erect them, they would cost them £60,300. Therefore the price is a good and fair price, and all we have to criticise is the payment of the royalty in connection with the patents. We urge strongly that it is not fair to other inventors that a Govern-men Department should be willing, when dealing with such a patented article, even to contemplate the payment of royalty for twenty-eight years. I am sure my right hon. Friend will be equally amused at this criticism as he was last October at my other criticisms. But I advance that criticism because I believe it, not because it is pleasant for me to do so. The Marconi Company having set out what they propose to do, and what by this arrangement they are excluding others from, we are entitled to ask ourselves what other people are doing. In this new industry there are thousands of people at work developing inventions exactly as the Marconi Company are doing. I have been over the whole of the patents applied for during the years from 1897 to 1912. There were 695 patents

applied for during that period in connection with wireless telegraphic apparatus. Out of that number the Marconi Company were responsible for only sixty-five, not one in ten. Therefore it cannot be alleged that they are the only company who have set themselves to work and devise improvements. There are ten times as many other people seeking to make improvements. It may be that the other people are groping in the dark and are not getting any better results than Mr. Marconi got when he started. I have said in this House, and also in the Committee, that no man has rendered so much service to electrical science or the world in connection with wireless telegraphy as Mr. Marconi has done. No man has rendered more services in connection with steam plant in this country and the economies to be effected by the use of the same than Sir Charles Parsons. Sir Charles Parsons re-revolutionised the industry of the world by his steam turbine. His patent runs for fourteen years. It was with extreme difficulty that an extension was obtained in relation to one of his patents. Even under that you get a run of only, say, twenty-one years. Here you have a contract, starting to-day, in which the Department contemplates twenty-eight years for patents now in existence. It is unsound commercially, wrong legally, and bad politically to be associated with anything that contemplates such a thing.

*Mr. HERBERT SAMUEL* Hear, hear.

*Sir G. C. MARKS* Why, then, was it put in? I am glad to have the agreement of the right hon. Gentleman that it is - wrong in the direction I have named. Why then put in twenty-eight years?

*Mr. HERBERT SAMUEL* There is no such provision.

*Sir G. C. MARKS* I am sorry I must trouble the House with the contract. Clause 15 provides:— “Subject to the provision for determination in Clause 17 hereof”— which is after eighteen years—that is, longer than the life of the patent— “and as to the provisions of this clause hereinafter contained...the Postmaster-General shall pay to the Company by way of royalty for the use of the Marconi patents in respect of each station at which a long-distance installation shall have been provided and installed upon the terms of this agreement during such period (not exceeding twenty-eight years from the date on which any royalty first becomes payable hereunder)...”

*Mr. HERBERT SAMUEL* Will the hon. Member read on! He is stopping at the important words.

*Sir G. C. MARKS* Certainly— “As he shall use at such stations apparatus covered, by any valid and still unexpired patent.[...].”

*Mr. HERBERT SAMUEL* Hear, hear. *Sir G. C. MARKS*: What does that mean?

*Mr. HERBERT SAMUEL* If the patents are expired, we do not pay the royalty.

*Sir G. C. MARKS* How can a patent run for twenty-eight years? This is the point with which all through we have been met—that this does not mean anything because a patent does not run so long. What it means is that if by and by the Marconi Company obtain any patent, however unimportant, and put it in, they are going to have a royalty for twenty-eight years. Why should they be permitted to have the same amount of royalty on something they acquire later, as that which they have now? They are to be paid hereafter upon a subsidiary device precisely the same royalty as they are being paid to-day upon a basic device. That is absolutely wrong alike in conception and in practice for a Department to put forward and for this House reasonably to consider.

*Mr. HERBERT SAMUEL* Hear, hear.

*Sir G. C. MARKS* The right hon. Gentleman agrees that it is wrong. I hope, therefore, that he will be able to explain why it is, when this contract has been referred to by the Marconi Company at any of their meetings, they have spoken of a 10 per cent royalty for many years to come, when their main patent expires next year. There is a difference of opinion in connection with this twenty-eight years; therefore I would like to have a schedule of patents attached to the



agreement, distinctly and clearly preventing the company hereafter from acquiring any other patent so as to run their royalty beyond the period which these patents give them. I further think it unwise to have a royalty of a fixed amount dependent upon a small article which may be running after two years when the main patent expires next year. There should be a pro rata payment made in connection with that which is put down for the payment of royalties dependent upon the value of the patent, or the importance of the piece of apparatus that is being used. If that were done, my criticism would be met. I want the Marconi Company to give us the benefit of their experience. I want to pay for it. There is no other company that has proved before the Scientific Committee that it possesses the experience that this company possesses. That is not to suggest that because they possess that experience to-day that they are to be placed in a position that would dominate all other inventions, and would deter inventors from coming to Government-Departments in connection with the agreement which is now before the House. I have criticised this agreement because I think it is a mistake. I criticise it because I think the resources of this State are not exhausted. We can carry this out ourselves quite easily. You might just as well say to the people at Woolwich Arsenal that they must not cast steel because at one time they could not cast it—that therefore they must buy it from Sheffield. You might just as well tell the War Office that they must not have a separate department and make their own torpedoes to-day because at one time when they tried to make them they failed. You might just as well say to the Admiralty that they must not make submarines because one or two experiments have been bad. You might as well tell the War Office that they shall have nothing to do with aeroplanes, and that they must get them from outside because of similar reasons. All this is to suggest that to-day we are in this impoverished condition; to suggest that Government Departments cannot do what private firms can do, that private firms possess information that Government Departments do not, and that private firms can design what Government Departments cannot design. Having been brought up in the Government service, I stand here to demand that what appears to be a libel on Government engineers should be removed—should be taken right away! "We can construct these things. We not only can construct them, but we are constructing them as far as the Admiralty is concerned. I ask this House whether we are to be dictated to by a body of officials of one Department because they do not appear to work well with a body of officials of another Department, because the one will not help the other, and because the one say that their Department is concerned with the sea and the Department of the other is concerned with the land? We have to tell these officials to do our bidding; not we theirs. We have to tell any company which comes to us asking for a contract that they must come in such a way as will enable the House to criticise all their proposals, to see that there is nothing in the way of taking advantage of the Government. So long as they leave out of their contract and specifications the countries covered by the patents from which they can claim royalty, so long will we be suspicious that the mistake they made—and they admit they made it in connection with East Africa in claiming a royalty when they had no patent—may be made in other directions. I, therefore, unwilling though I am to do anything which is partly opposed to those amongst whom I sit, shall go into the Lobby and support what may hereafter be proposed against the main proposal, not as a protest against the Government, not as a protest against the right hon. Gentleman, but as a protest against a Department endeavouring to override an industry to the prejudice of the country.

*Lord ROBERT CECIL* I beg to move, to leave out from the word "That" to the end of the Question, in order to add the words, "in the absence of a Report by any body independent of the Government on the desirability of any agreement with contractors for the erection of a wireless chain or on the terms of the proposed agreement with Marconi's Wireless Telegraph Company, this House is not prepared to approve of such agreement."

The House has listened to two speeches which I am sure everyone who heard them must regard as very interesting speeches, though what in my opinion is of greater importance was the obvious sincerity and conviction displayed. The House is perfectly well aware that the hon. Gentlemen I refer to have a very good title to express an opinion upon a subject of this kind. The hon. Member for Blackburn is interested specially in wireless telegraphy, whilst the hon. Gentleman who has just spoken is an authority on patents and patent law. The hon. Gentleman who has just sat down suggested—I hope he was under some mistake—that the action he has taken to-day will likely lead him to political trouble for himself. I must say that if any such result occurred, it would be a scandal and a disgrace to the House of Commons, and to the party to which he belongs. I do not conceive that the difficulties of this question are very great.

The negotiations and discussion which have led up to this contract have been very prolonged. They have involved agreements, correspondence, and interviews that have undoubtedly taken up a considerable time. That has been due not only to the inevitable results of trying to make a bargain, but most of all to the natural complexity and difficulty of the question. In addition to those two great difficulties, they have been added certain personal questions which I trust it will be only necessary to enter very slightly into on the present occasion. Those difficulties which existed last year, as they do now, led the House to desire that a Committee should be appointed to consider and report to the House. The terms of reference—let us get them right—were:— “...With regard to the establishment of a chain of Imperial Wireless Stations, and to report thereupon. and whether the agreement is desirable and should be approved.” As the House knows, for several months the Committee did investigate the question. I was not able to be present at all the meetings. The Committee, however, decided not to report upon the contract at all, and not to give the benefit of their assistance to the House. That merely throws the House back into this position: that we now have to make up our minds upon the question which was submitted to the Committee, without the assistance of that Committee. I do think it is rather unfortunate under those circumstances that the House has not been put in possession of documents which have been laid before that Committee, and which formed the subject of very lengthy evidence given by Sir Alexander King and other of the witnesses that followed. I put two or three questions to the Prime Minister suggesting that these documents should be submitted to the House. He promised to consider the matter. I do not think it is any breach of confidence to say that he asked me to suggest what documents I thought ought to be submitted to the House. Accordingly I did make such a suggestion in writing. I regret very much that I have received no reply whatever to those suggestions. No doubt it is due to the great pressure of the Prime Minister's political duties, and not due to any intentional discourtesy—I am not charging him with that—but I am left at a loss to know why these documents have not been presented to the House. It is suggested that they are confidential. So they are. So they were. But those for which I asked were all, I believe—certainly that was my intention, though it is not very easy to pick these things out with perfect accuracy—but I believe every one that I asked for was a document which had been the subject of public examination before the Committee. Therefore, these have no real secrecy attached to them. I must say I feel it my duty to say that the decision not to present these documents to the House when they had to consider the desirability of this contract was a very unfortunate decision indeed. It is necessary to say that it is all of a piece with the whole unfortunate transactions in connection with this whole business. There had always been an appearance—I believe in this case nothing more than an appearance—of a desire to keep something back; to make some secret where there was really no ground for making any secret at all. This has led to all sorts of unfortunate results with which the House is perfectly familiar.

After making that protest, I approach what are the two questions which I desire to submit to the House on the present occasion. There is the question which I shall have to devote most of my observations to, namely, Whether it is right that this wireless chain should be the subject of a contract at all or whether it should not be done by the State; whether the stations should not, in the first instance, be erected by the State, the latter, no doubt, arranging particular bits of work with anybody that it cares to arrange with, but not dealing with any company in the possession of patents in any way to bind themselves to any particular private company, as I cannot help thinking this agreement does mean binding the Government? That is the first question, and that is one on which I shall have to say something to the House in a moment. Then there is the second and entirely distinct question, Whether this particular agreement is a desirable agreement or not? On that matter I do not propose to trouble the House except with a very few words. In the first place, both hon. Members who preceded me have explained, with much more authority than I can, the objections they felt to this agreement, and with a great many of them I find myself in accord. And, in the second place, I do not think that the House of Commons is at all capable of detailed examination of contracts. It is an impossible thing for them to do. How can they form a judgment whether this particular clause or that particular clause is or is not desirable? This is an extremely difficult thing for them to consider, but it is a very proper thing for a Committee to consider, and the Committee did consider it at great length, but, unfortunately, we have not to-day the benefit of their assistance.

I shall, therefore, confine my observations to two clauses and two clauses only, not because I do not think there are other clauses open to criticism, but because I do not think it would be useful to take up the time of the House with criticism of that kind. In the first place there is clause 2, and I am still at a loss to understand—no doubt the Postmaster-General will explain—what is the purpose of the concluding paragraph of that clause. He says it only applies, which is quite true, to the three stations in Singapore, India, and South Africa, and what is the provision? The provision is that the Government are not to use any continuous wave system of wireless telegraphy if the Marconi Company are able to show that they can do the work with equal efficiency and economy—that is to say, they give a preference to the Marconi Company to that extent.

*Mr. HERBERT SAMUEL* Other things being equal.

*Lord ROBERT CECIL* Yes, other things being equal. I must say I think this unfortunate Clause does, and must, tie the Government to some extent to the Marconi Company, and it does, and must, enable the Marconi Company to approach those—this is a danger which some of us feared—who may be their rivals and likely to be approached by the Government, and say to them, "If you go to the Government, you must make out that your system is superior to ours, and if we can, at the last minute, manage to present something which cannot be shown to be inferior, it is very doubtful whether the Government would be at liberty to accept your system. Far better to sell your system to us. That gives them a preferential position and opportunity for carrying out what has been their policy for many years past. No one who has read the reports of the Marconi Company, as I have for many years past, can doubt that they have set out deliberately and perfectly legitimately—no one has a right to complain—to establish a world-wide monopoly of wireless telegraphy by a system of subsidiary companies by trying to obtain preferential legislation in various countries, and by, all sorts of devices. I am not condemning them. They are entitled to do that if they like, but that has been their object, and it is their object as far as I can tell at the present time, and it does appear to me that this House ought to be exceedingly careful that nothing it does should assist the Marconi Company to establish a monopoly which, however legitimate to the Marconi Company itself would, I am satisfied, be a great disaster to the civilised world if established.

Then as to the royalties. I am quite ready to believe that the splitting up of the royalties was designed to remove the preference, and to make some attempt to justify the recommendations of the Parker Committee against the penalty of continuous royalty. I cannot honestly say it is likely to be a very successful device. It is quite true it makes the position a little better than it was; but it is also true that the Marconi Company have got something; because it now turns out that they have no patent rights in East Africa at all, and if the contract stood as it was, there would be nothing at all to pay for the East African stations; so they have got something out of it. Indeed they may be better under the contract, as it now stands, than under the original agreement. I do not say that is unfair, but it cannot be regarded as a great concession which the Marconi Company have given to the Government. I should say the concession is rather the other way. As to the splitting up of the royalty, it, of course, diminishes the danger of their using the royalty as a means of putting pressure upon the Government not to introduce any rival system into their stations. The danger we feared was this: There would be some patent of a comparatively minor character which it would be very costly to get rid of, either for constructional or other reasons, and, therefore, the Government would hesitate to get rid of the Marconi patents altogether from their stations, because it would cost them a good deal of money. As long as there was a single patent available they would have to pay the 10 per cent., and that was what the Parker Committee called the penalty of continuous royalty. That is diminished or modified by having it split up. I confess I do not look with any favour on that clause of the agreement, but I do not wish to waste the time of the House by further detailed criticism of it. I wish to make some observations upon the main issue—the issue between the State and the contractor. I agree very much with what the hon. Member for Blackburn said, that the real question, and the only important advantage in employing contractors rather than allowing the State to do the work itself in this particular case, is the question of speed. I do not myself see any other advantage.

The right hon. Gentleman the Secretary to the Treasury said it was better for work which had to be done in tropical countries to be entrusted to a contractor rather than undertaken by the Government. With great respect to him, I do not think that that proposition could be admitted for a moment. It depends who the contractors are, and whether they have had experience in tropical countries. As far as I know, there has been little or no experience by the Marconi Company in tropical countries except in one of the Italian stations, and I do not think that that would necessarily apply at all to the East African station. It is said it is much better for a private company to do this, because there may be unlimited liability. I do not understand what he meant by that or what tremendous unlimited liability he looks for in a case of that kind; but if it be true that no one can foresee what these stations will cost to build—a proposition I accept with difficulty—then I do not think it will matter very much whether it is the State has to suffer that loss or private individuals for this reason, that if it is really true that these stations may turn out to be enormously costly, and the result is that that expenditure will fall upon the private company, the company will not be able to bear it, and you will not get your stations. If it is really so important and urgent that you should get your stations at all costs, I think it is better that the State should carry out the work itself. Something was said about it being uncertain how much royalty we should have to pay. It is true that that will have to be determined, but it will be determined no doubt quite fairly, and the right hon. Gentleman will have some security that you pay him the true value of the patents instead of what is, after all, a matter of pure estimate by the Post Office, and really rather a rule-of-thumb estimate, because it depends on the amount of work actually done in each of the stations, without regard to the intrinsic value of the patents, and without regard to the actual cost of working, which is a very curious method of providing for the remuneration of a patentee, and I should prefer having the matter determined by some judicial tribunal as to what they were entitled to do in each case. I only mention that because the right hon. Gentleman suggested that it had been intimated by somebody in the Committee that the State might blackmail the Marconi Company by threatening to give them too little royalties. I am not aware of that. I do not think my hon. Friend the Member for Gloucester made any such suggestion, although I know he made a different suggestion, and I am quite sure it is not a suggestion which will meet with any favour in this House. Therefore, I do not think very much, if I may say so respectfully, of the arguments put forward by the Secretary to the Treasury, with the exception of the argument of speed. On all other points I think the State would be the best. Instead of the right hon. Gentleman's fear of unlimited royalties, I believe the expenditure would be less if undertaken by the State than under this contract.

The Admiralty's first estimate of these stations, or, rather, for doing the work which would be required for these stations, was some £20,000 less than that of the company, though subsequently, when asked what they would estimate for doing the actual thing which this company proposes to do, they put it at substantially the same thing—I think it was a few hundred pounds more. At any rate, it does not show that the State erection of these stations would cost more, because they would employ not necessarily the Marconi system, but any system which they thought best, and with the unrivalled knowledge that the Navy undoubtedly possesses, and which it was admitted to possess before the Committee, personally, I think it is quite clear that there is, at least, a good chance of the Navy being able to do the work more cheaply than the private contractor. It is not, perhaps, sufficiently recognised in the House what enormous knowledge the Navy really have upon this question. Very properly they have kept their knowledge to themselves, but Sir Alexander King said in the plainest terms that in his opinion there was nobody who had so great a knowledge of wireless telegraphy as the Navy authorities of this country, and, therefore, the case is a very special one. It so happens that the State is really in possession of the greatest expert knowledge on this subject of anybody in the world. I think the efficiency would be great, and there is no doubt that Lord Parker's Committee were of the same opinion, because in paragraph 32 of the Report it says quite plainly that “under the guidance of such a staff of engineers we see no reason why the Post Office wireless stations should not be ultimately equipped with an apparatus far more efficient than that used in any other system.” No doubt Lord Parker thought the State was quite capable of establishing a far more efficient system. I do not think there is the slightest difficulty about obtaining the staff. I hear with a certain amount of impatience the suggestion that we cannot find in the United Kingdom engineers who are perfectly capable of doing this work. Of course we can, and there is no difficulty whatever about it. I recall very well that when we first suggested the appointment of an expert Committee the Postmaster-General came to the Marconi Committee and said

it would be extremely difficult to find an expert Committee which would be suitable for the examination of this question.

*Mr. BOOTH* But would it be impartial?

*Lord ROBERT CECIL* I have here the reference. The Postmaster-General came before the Committee on the 13th January, and in his evidence he said:— “I do not know whether the Committee have in their mind any particular name, but if so, I shall be glad to consider it. For my own part, after consulting with others, I can only say that the selection of such a Committee will be a task of the most formidable character.” That depended upon the great difficulty which the right hon. Gentleman anticipated in finding suitable people at all. I do not care whether he had that difficulty or not, because that difficulty disappeared instantly, when in spite of these observations, a most admirable expert Committee was formed within a very short time, and I do not think anybody has accused that Committee of a want of partiality or a want of confidence. I do not think there would be the slightest difficulty in forming an efficient staff for carrying out this work if it was necessary to do so. I now turn to the one question of the urgency of this work which is said to be so great, so enormously great, that we cannot afford to run even the risk of the delay of a few months. I do not wish to minimise the case for urgency, because I think it is a very strong one. There is the original recommendation of the Defence Committee. There is also the evidence which came before the Marconi Committee from the War Office and the Admiralty, and there is our own decision, which was unanimous, that it was a case of urgency. But urgency does not necessarily mean that you must not have any delay whatever, but it means that it is desirable that the thing should be done as soon as possible. I agree it is desirable that it should be done as soon as possible, but when you have to consider whether the advantage or disadvantage of a delay of a few months is the greater, then you have to set off against the desirability of getting the thing done as soon as possible the disadvantage that will accrue from doing the thing immediately, or doing it by a method which will preclude the possibility of delay, and you have to strike a balance between those advantages and disadvantages. What will the delay be? It is very difficult to say. I do not see why there should be any delay at all. I do not understand why it is said that there must be delay. If the right hon. Gentleman thinks he could not collect the staff for some months. I think myself if he were asked to do so by applying his great business talents to that object he would not find the least difficulty in getting the staff together in a few weeks. I do not think there would be the slightest difficulty in getting a thoroughly competent engineer to take charge of it or in getting an adequate staff. But, after all, say there was a delay of six months—it is really unreasonable to suppose it would be longer—what does it really mean? It means that if a war took place between, let us say, the period at which the present agreement would be operative—eighteen months from now and two years we should be without wireless communication in the Pacific and the East Indian Ocean. That is the whole thing. If a war happened to take place in those oceans we should not have wireless communication there. I do not know—of course the Government are more able to judge the possibility of such an event—but I should have thought it would not be a very serious or urgent risk. Still, it is quite right we should bear these things in mind—we should consider what is the actual risk we are running by a delay of six months. The hon. Gentleman opposite has pointed out that, as far as the Mediterranean and the North Atlantic are concerned, we have already wireless communications, and therefore the difficulty would only apply to the Pacific and the East Indian Ocean. It does not appear to me the danger is very great from a delay of six months in that regard. But you have to set off against the military risk of delay two considerations. In the first place, as I understand the evidence before the Committee, it is admitted that the Marconi station offers greater opportunities for attack than some of the other system on the ground that it occupies an area of something like 12 miles. I think the right hon. Gentleman will find that was the evidence before the Committee—12 miles in length.

*Mr. HERBERT SAMUEL* The stations are 12 miles apart.

*Lord ROBERT CECIL* Yes, and if you have complete security, you have to defend both stations. You could not come to the House of Commons with that—not even the right hon. Gentleman's skill in dialectics could induce the House of Commons to favour a proposal to defend only one of the stations.

Mr. CHIOZZA MONEY The other systems are not duplex.

Lord ROBERT CECIL If the hon. Gentleman had been allowed to see what he has not been, the Report of the Technical Sub-committee presented to the Postmaster-General, he would have known that they state definitely that they prefer very much a simplex system to a duplex system. That is the evidence they gave and the opinion to which they adhered. I agree it is not a very important matter. But there is another matter which seems to me to be of much greater importance, and that is the proposal that a contract of any kind—and this applies to the Marconi system more than to any other—should be entered into. You must look at this matter from the strategic point of view. You must, if you have a contract with a company, allow them not only to erect the station, but to work it. They would, therefore, know every detail of the working. Is it a desirable thing from a strategic point of view—is it right that a station of strategic importance for military communication, should be absolutely in every detail known to a private company? I cannot think it is desirable. It seems to me an undesirable state of things, and I am very much confirmed in that by what occurs in regard to the Navy. The Navy observe the greatest secrecy in regard to their wireless stations. No one knows exactly what the Navy are doing in reference to those stations. There is even a great dispute whether they are using the Marconi system or not or some modification of it. No one knows. Even the Parker Committee were not told exactly what the Navy were doing. They have considered it of very great importance to keep their stations absolutely secret, and I presume they have done so for strategic reasons. If that is so, is it not equally important that these stations should, at any rate as far as they can be, be secret and not common knowledge to a private company, so that that knowledge may be conveyed to any of our military or naval rivals? That seems to me to be a matter which ought to be very carefully considered. I am not an expert; I do not understand these matters. But we are told that one of the things that would be done in a war would be that the military would try to jamb the wireless stations of the enemy by sending out currents of such a wave length as would make it impossible to use the stations. It is evident that that could be done much more easily by the enemy if they knew exactly what the station was doing, and exactly what wave length was being used, and, if they knew exactly every detail, it would be much easier than if the whole thing were unknown to them and if they had to make a thorough investigation before they could do anything.

These considerations seem to me to be things which you may fairly set against the additional delay, or chance of additional delay, if you are going to assign this work to the State rather than to a private company. I am bound to add something, which I do with great reluctance, but it moves me very much, and I should not be candid with the House if I did not add it. I do not think it is possible to disregard some of the circumstances which have come out in reference to the merits of the Marconi Company in determining this question. I confess I am very much of the opinion of my right hon. Friend the Member for East Worcestershire (Mr. Austen Chamberlain), who said he did not like the management of the Marconi Company. Neither do I. I do not wish to make any attack on the present occasion against any Member of the Government. That is not my purpose at all. But it does appear to me—and I have so stated in print and in this House—that the manager of the Marconi Company, when he offered to a Member of the Government 100,000 shares in the American company, did take action which was, at any rate, susceptible of a very sinister explanation. I do not put it higher than that. It may be that any such suspicion or any such suggestion is unjust to the gentleman in question. I must fairly say—it would not be fair for me not to say it—that I did not form a very favourable opinion of this gentleman from what I saw of him in the box when questions were asked and answered, and I gather from the Chairman's Report that he did not form a very favourable opinion either. It may be that both of us were quite wrong, and it is right that I should say so, 'but I should very much like to know whether the Chairman of the Marconi Committee has expressed any opinion to the Government on this point or not. At any rate, no one has ever questioned his absolute impartiality. I am sorry that he is not in his place, and I should very much like to know whether he has expressed any opinion, and, if so, what it is. Apart from that, in which I may be quite wrong, I do say that this seems to be clearly within the rule which Sir Alexander King stated is applied to the Civil Service, and which says:—“We have had cases where a contractor has offered money to our men. We have had more than one. We have at once struck that man from our list, and I think it is very well known that will happen if ever money is offered or a consideration.” It is really right, however disagreeable it may be to say so, that this matter should be considered. It is a

matter of enormous importance. I agree, if you had a state of things in which it was absolutely inevitable that you should employ the Marconi Company, and that there was no possible way in which this wireless chain could be secured except by employing the company, that it would be right then to disregard such considerations and say, "However unfortunate, we must employ the company, although we disapprove of things they have done or which their managing director has done." But if there is no such necessity, then I do say that it is a matter of vital importance that we should adhere to this rule, which has been the rule of the Civil Service for many years past and which is a rule, I venture to think, of the greatest possible importance. I am anxious not to go more into that matter than is absolutely necessary. I have indicated to the House 'the opinion which I hold, and I hold it very strongly and with profound conviction. I think it right that they should have that before them when considering the alternative of approving of this contract or of asking the Government to carry out the work without any contract at all. It is really for those two reasons in the main that I am opposed to this contract being carried out, at any rate unless we have the verdict and advice of some absolutely impartial and independent body upon it. I am asked, "Why cannot you trust the Government? They have given a great deal of consideration to this matter, and they have arrived at the conclusion that this is the best thing." The consideration to which I have just alluded has no influence with me as to my trust in the Government. I do not suggest for a moment that the Government are moved by any interested motives in pressing this contract upon the House. I am quite sure that they are not. I think that this is a case of official obstinacy. I have a very great admiration, if he will allow me to say so, for the right hon. Gentleman. I yield to none in my admiration for his power of lucid statement, for his precision of thought, and for his indefatigable industry. If he has a fault, it is the fault of infallibility. And it appears to me that he and his Department arrived as long ago as November, 1910, at the conclusion that the Marconi Company were really the only people who could do this work. If any one likes to look up the evidence of Sir Alexander King, Questions 303–10, he will see that he expressed, quite confidently, the opinion that they were the only people. Having arrived at that conclusion before they received any adequate scientific advice, they have adhered to it ever since. They never did in my opinion have any effective scientific advice until the appointment of the Parker Committee. They never appointed any Committee of any kind, although they were urged to do so by several bodies, including the Admiralty, more than once, until January, 1912, and then, as the House will remember, they appointed a technical Sub-Committee consisting of the experts of the Admiralty, the War Office, and the Post Office to advise them. They advised strongly, at least that seems to me to the conclusion, against going on with the Marconi Company at that time, and in favour, at any rate, of some trial being given to the Poulsen people. I dare say that they were quite wrong; but that opinion, as the Postmaster-General is perfectly well aware, was never communicated either to the Imperial Wireless Committee, or to the Treasury, or to the Colonial Office, or to the War Office, or, I believe, to the Admiralty. It was never communicated to anybody at all. The Postmaster-General, exercising his discretion, said that he did not think it was sufficiently material to any of those bodies.

3.0 P.m.

The right hon. Gentleman will perhaps pardon me for saying that I looked up Sir Alexander King's evidence yesterday, and I am quite clear that what he told us was: "The conditions laid down by the Imperial Wireless Committee not being fulfilled by the Poulsen company, the Postmaster-General did not think that it was sufficiently material to send the findings of that Committee on to the various authorities who were considering this matter." I think that was a great responsibility for the right hon. Gentleman to take upon himself. This was the first authoritative scientific body to give its opinion, and the right hon. Gentleman preferred his own opinion, and did not think it was sufficiently material even for the Imperial Wireless Committee to have their opinion. I am bound to say I certainly understood from the evidence of the right hon. Gentleman that when the Parker Committee was suggested his opinion was strongly hostile to that suggestion. I may have misunderstood him, but that was the effect which his evidence left on my mind. I cannot help thinking that it is all part of a piece in this transaction. It was all prejudged from the outset. "Marconi is the only possible person. We cannot consider anybody else—Poulsen, Goldschmidt, or anybody else, nor will we consider the possibility of doing it ourselves. Marconi only is the way of carrying out this work." That, at any rate, is the impression left upon my mind.

*Mr. BOOTH* Do you apply that to Lord Parker?

*Lord ROBERT CECIL* No, I am talking of the Postmaster-General. I say with great confidence that as far as one can guess from their Report, what is the opinion of Lord Parker's Committee? Lord Parker would prefer that the State should do the work, subject only to the question of delay. I think that is clear from what he says in paragraphs 24, 31, and 32. It seems to me that is the clear conclusion. Therefore, wherever you turn you have it that this decision in favour of the Marconi Company is the decision of the Post Office and the Post Office alone, and in my judgment it is a wrong decision. I do not say if it could be shown that there was absolute necessity, that it would be wrong to employ the Marconi Company, but short of absolute necessity I think for the reasons I have given to the House that it is very undesirable that the Marconi Company should be employed. I confess that in the absence of any opinion expressed by anybody independent of the Government in favour of this course, I feel myself that it would be impossible for the House to ratify this contract at the present moment.

*Mr. HENRY TERRELL* I beg to second the Amendment. I join in the regret my Noble Friend expressed that the Government have not thought fit to place before the House a Blue Book containing the various documents relating to the matter which were placed before the Select Committee. That Committee had to consider whether or not this contract was a proper contract to be entered into. It was thought necessary for that purpose that the Committee should have these documents placed before them. If it was thought necessary that the Committee should have them in order to determine that question, it must be equally necessary that Members of this House should have the documents before them when they have to determine exactly the same question. I understand it is proposed to conclude this Debate at an early hour, therefore I refrain from going through some of the evidence given before the Committee which I should have desired to bring before the House. There is, however, one matter to which I wish to refer. It was suggested by the Secretary to the Treasury to-day that it had been suggested by some Member of the Select Committee, when examining Sir Alexander King, that the Treasury should have taken advantage of the power given to them under Section 29 of the Patents Act to fix the remuneration, to have extorted from the Marconi Company improved terms for the Government upon the basis that if they did not get those improved terms then the remuneration which the Treasury had to fix should be reduced in order to extort concessions. It has been suggested that I made that suggestion. I never made any such absurd suggestion as that. What I did suggest, and what I suggest now to the House, is this—I will read the questions I put to Sir Alexander King—I pointed out that under the Patents Act the Government had the right to use any patented invention, subject only to the liability to pay to the patentee such sums as the Treasury might determine were proper remuneration for the use of the invention. I would call the attention of the House particularly to the fact that under the condition contained in every patent the patentee is bound to supply the Government, whenever required, with the patented article at a reasonable price. It is a condition of the patent, and if not fulfilled the patent is revoked. The condition is:—

"If the said patentee shall not supply or cause to be supplied, for our service all such articles of the said invention as may be required by the officers or Commissioners administering any Department of our service in such manner, at such times, and at and upon such reasonable prices and terms as shall be settled in manner for the time being by law provided, then, and in any of the said cases, these our letters patent, and all privileges and advantages whatever hereby granted, shall determine and become void notwithstanding anything hereinbefore contained."

I pointed out that the Government, entering into these negotiations, were in the position, first, that they could use the patent subject only to paying reasonable remuneration; secondly, that they would be entitled to demand from the patentee whatever patented article he was using or had under his control, and if he did not supply them to the Government the patent lapsed; and, thirdly, I pointed out that in connection with wireless telegraphy nobody could use any apparatus without a licence from the Government. Those are the three things I pointed out. I pointed out to Sir Alexander King and suggested to him that these three facts placed the Government in a very strong position when they were negotiating with the Marconi Company. He agreed. I said to him:— "You said that the value of these patents was dependent upon the licence of the Government?— Yes." "That is what I put to you in the first instance and



understood you to agree?—No, I think my remark was that it would not be fair to drive a hard bargain with the company because they were at our mercy.” “You do not want to drive a hard bargain? I do not think it is fair to anyone to drive a hard bargain.” That is a rather curious statement and is made more curious because I heard the Secretary to the Treasury congratulating the Postmaster-General to-day upon having driven a hard bargain and having been able to extort a concession. That was the position suggested by me to Sir Alexander King. That the Treasury should threaten that when they came to fix the remuneration they would use their power of reducing the remuneration so as to extort concessions was never present to my mind, and was never suggested by me or anybody else. Let me pass from that and say a few words in regard to this agreement. It is very important to observe, in considering this agreement, that the Marconi Company wrote to the Postmaster-General and repudiated the first agreement. That was a binding agreement, subject to the sanction of this House. Before this House had given its sanction the Marconi Company repudiated the agreement. Then the Postmaster-General informed the House that the Government had no alternative in the matter, because they were advised that they could not enforce specific performance of the agreement, that their only remedy would be a suit for damages, and that it would not be worth while proceeding for damages. That applies to this agreement equally as to the old. If, after this agreement has been sanctioned, the Marconi Company find that it does not pay them to carry out any part of the agreement, the Government could not enforce specific performance of it, but could only have recourse to a suit for damages. They do not think it worth while to have recourse to a suit for damages. That really makes the Marconi Company masters of the situation. They get this contract and they can carry it out or not as they think fit. If they do not choose to carry it out, the Postmaster-General will say he cannot enforce specific performance and that his only remedy is a suit for damages.

*Mr. WILLIAM REDMOND* May I ask the hon. and learned Member whether it is not a fact that the Marconi Company are not to receive under this agreement one single farthing until the work is carried out?

*Mr. H. TERRELL* I am coming to that. They are not to receive anything until they get the first certificate. That is quite true. But supposing they do not do anything. They may find it does not pay them six months hence. Or they may do a certain amount of work and abandon it. Then what is the position of the Government? I submit to hon. Members that they have never seen a contract for the construction of great works which does not provide that if the contractor does not carry out the work and complete it in due time, the person with whom he has entered into the contract is entitled to go on and complete the work himself. That is the common form. There is no such provision here. The provision here, on the contrary, is that if they do not complete the work in due time, they are to pay for the delay, £150, a month.

*Mr. HERBERT SAMUEL* For each station.

*Mr. TERRELL* For each station, per month, £150. That is the measure of the urgency. So long as they pay their £150 per month they can take their time. That is the penalty which is attached to this contract. I submit to the House that that is very important in showing the view of the Government as to the real urgency of getting these installations ready to work and also very important in showing the advantage which the Marconi Company has got through this contract, and which no other contractor has ever had in the making of any contract for any great work. There is one other matter I should like to call attention to. In the Report of Lord Parker's Committee it will be found that the dominant idea which runs through the Report is that no one so-called system should be adopted for this work. They point out that it is quite wrong and misleading to speak of a system, and that what are called systems are merely that the owners of various patents describe the installations which they put up as systems; but the idea of Lord Parker's Committee is that you should take for each so-called system the best apparatus which they possess, combine this various apparatus together, and form one system which will combine all the best elements of every other system. The Committee are very careful, over and over again, to point out that there is no such thing as a system, but that every one of the patentees has some part of the apparatus which is better than that of any other, and then they conclude in paragraph (3) in these terms:— “Having regard to these facts, it is in our opinion, undesirable that in constructing and equipping the stations of the Imperial Chain the Post Office should be pledged to the continued use of any apparatus now used in any so-called system.” So that what they advise is that you should be at liberty to take any kind of apparatus, it matters

not to whom it belongs, if it is the best apparatus of its kind, and combine all this various apparatus so as to form one system which would be superior to any other system, and over and over again they emphasise that you Should not bind yourself to any one single so-called system. You are entering into a contract with the Marconi Company. Some part of their so-called system may be better than the Goldschmidt or the Poulsen. On the other hand, the Goldschmidt and the Poulsen may, in some respects, be better than the Marconi. But you are putting yourself in the hands of the Marconi Company to adopt their system, and their system alone. (HON. MEMBERS: "No."] The Marconi Company cannot use any Poulsen or any Goldschmidt or any other patent except their own.

Mr. CHIOZZA MONEY The Government can.

Mr. TERRELL They can under Section 29, of course, but this contract is not that. This contract is that these installations are to be put up by the Marconi Company according to their system, not according to the Goldschmidt or the Poulsen system, but their system, and it is their system that you are adopting for this purpose. I quite agree you take power to change it afterwards if you think fit, and, if you change it, so long as you change it entirely and do not use any single patented invention of the Marconi Company, you would cease to pay royalty to the Marconi Company, but for the present you are setting up the Marconi system, which the Parker Committee point out should not be done, and, as I read the Report, they indicate that that is the best course, and that the Government should take it no themselves and put it under the hand of some well-known wireless expert, and that they should be able to select from every system that which is best, and then you would have the best, possible system.

Mr. FALCONER That has been referred to two or three times. It is a complete misrepresentation according to my reading. Clause 32 begins:— “Even when all the stations are constructed, equipped and in working order, we do not think it would be wise to cease using some of the stations for experimental purposes.” Then they go on later in the same paragraph to suggest, "Under the guidance of such a staff and engineer we see no reason why the Post Office wireless stations should not be ultimately equipped," and so on. The Parker Committee clearly laid down the rule that the stations should be constructed and equipped. Their theory is that you should have an engineer and a staff to experiment and let the Government take over the working and construction of the stations itself.

Mr. TERRELL I am perfectly aware of that. The hon. Member need not have interrupted to put that before me. Look at paragraph (9) of their Report:— “The existence of a patent may seriously interfere with the normal development of an industry, for it tends to prevent the general use of the means best adapted for securing the end in view. It may well be that a competent engineer, if asked to erect and equip in the most efficient manner a chain of wireless stations, such as the Post Office contemplates, would desire to combine apparatus the combination of which is difficult, it not impossible, because of the existence of patent rights. In this connection we desire to lay stress on the fact that the Government is not fettered by considerations arising out of patent rights, but can use any patent on fair terms under Section fit of the Patents and Designs Act, 1907.” Then, following that up, they say in paragraph 31:— “Having regard to these facts it is, in our opinion, undesirable that in constructing and equipping the stations of the Imperial chain the Post Office should be pledged to the continued use of any apparatus now used in any so-called system, or be subject to any penalty by way of continued royalties or otherwise for the disuse of any apparatus which may be installed in the first instance. It is, we consider, imperative that in any contract which may be entered into the Post Office should reserve complete liberty of action in this respect.”

Mr. FALCONER In any contract that may be entered into.

Mr. TERRELL It is perfectly clear throughout the Report that the idea present to the mind of Lord Parker's Committee was that you should combine the various systems, and not pledge, yourself to anyone. Here you are binding yourself to one system which you cannot afterwards get rid of, except at what must be considerable cost. I do not wish to go through the details of the contract, but I do say that I have heard nothing, and that the House has heard nothing which can show any real reason why the Government should not adopt that which recommends itself, I think, to the mind of

every man who has gone through the evidence before the Select Committee, namely, that the work should not be entrusted to any company at all, but that it should be taken up by the Government, and that they should appoint, as they easily can, an expert competent to supervise it. Then we should get the best possible system, and, above all, we should get this. We should be free from that very heavy burden with which we are loaded under this contract of paying a heavy percentage—because it is not a royalty—not on profits, but on the gross receipts of all these wireless stations. That is a very serious burden which may last for many years. The burden will not be compensated by the saving of a few thousand pounds to-day, and I venture to submit that this contract should not be confirmed, but that the Government should be directed to do what the Parker Committee suggested, namely, to take up the work themselves.

*Mr. HERBERT SAMUEL* I much regret to be obliged to rise to take part in this Debate now, because I know that there are several hon. Members who wish to speak, including some of my hon. Friends behind me, who are anxious to express opinions in favour of the contract. It is, perhaps a somewhat unfortunate accident that all the speeches hitherto have been hostile. I regret also that an opportunity for being heard has not been afforded to the hon. Member for Cambridge University, whose views on this matter we were most anxious to hear. But I understand that the Leader of the Opposition and the Prime Minister wish to speak, and, therefore, I have no alternative but to make my remarks now. In the first place, I should like to deal with the speech of my hon. Friend, the Member for Blackburn (Sir H. Norman), who discusses this matter with perhaps more knowledge, and, if I may say so, more force than most of the other critics of the contract in this House. He dealt to-day with his objections fully one by one, but I noticed an omission of one point to which my hon. Friend attached great importance when he appeared as a witness before the Select Committee, and when he wrote his recent letter to the "Times." My hon. Friend the Member for Blackburn and the hon. Member for Launceston, who has also spoken to-day, declared that one of the chief proofs of the incapacity and incompetence of the Post Office in this matter was that they had entirely forgotten the agreement between the Post Office and the Marconi Company in the year 1909. That was an agreement by which the President of the Board of Trade, who was then Postmaster-General, purchased the Marconi Company's coast stations for a very small sum of money, the company being in financial difficulties. He made a comprehensive agreement to purchase the stations. My hon. Friend the Member for Blackburn said before the Committee that unless this agreement of 1909 has lapsed or become of no effect it would appear that the Postmaster-General has the rights which he now seeks to obtain in the new agreement. Then the hon. Member quoted the terms of the agreement, which he said go to show that the agreement gives me not only the present but all future patents, and all present and future information of secret processes and of everything else, and all assistance in carrying out these patent processes for all stations for the long-distance wireless communication. "I am not a lawyer," said my hon. Friend, "but it would appear to me that the Postmaster - General has acquired for a valuable consideration, namely, for a cash payment, every right he needs, and that a new agreement is superfluous." Recently, writing in the "Times," the hon. Member again made the same complaint, and emphasised it strongly, reflecting adversely upon the Post Office for having made any fresh agreement at all, instead of resting our case upon the agreement of 1909. My hon. Friend appears to have overlooked the fact that that agreement was strictly limited to the ship and shore stations, and expressly and in terms excluded any communication between this country and any foreign country or any Colonial Possession of the British Empire. My hon. Friend was not satisfied with that declaration of mine, and he asked me to present it to the Law Officers. I told him the case was clear, and I did not wish to submit it to the Law Officers. He still attached importance to it, and I asked the Solicitor-General's advice. I put the points specifically to him, whether the agreement of 1909 gave the Post Office the right to use the Marconi patents for the erection and operation of the stations of the Imperial wireless chain in the United Kingdom or any station outside the United Kingdom, and whether that agreement gave the right to the assistance of the Marconi Company in the erection of stations and the operation of their patents? The Solicitor-General gave them an unqualified and emphatic negative.

*Sir H. NORMAN* Perhaps, with my right hon. Friend's permission, I may interrupt him. It is quite true that I did attach very great importance to it. He was good enough to inform me of the view taken by the Solicitor-General. It is out of the question for me to discuss a matter of law with the Solicitor-General. I therefore took steps to secure an opinion

which would be worthy of consideration in this House, beside the opinion of the Solicitor-General. I instructed my solicitors to obtain the opinion of Sir Edward Clarke, but they were unable to do so as, owing to the holidays, he had left town. That is why I made no allusion to it to-day.

*Mr. HERBERT SAMUEL* I venture to express my suspicion that if Sir Edward Clarke had been in town, and his opinion had been obtained, my hon. Friend would have felt it still more desirable not to bring it before the House. My hon. Friend has a plan for the erection of the stations. It was expressed to-day and in the letter to the "Times." He suggested that the Parker Committee should be revived, that Lord Parker, Dr. Glazebrook, the head of the National Physical Laboratory, and the other three members of that Committee should meet together, that they should have added to them the engineers-in-chief of the Post Office and the chief inspector of wireless telegraphy in the Post Office, and that the Army and the Navy should send their wireless experts, and that this Committee of nine should also have power to add to their number, and he says— "Such a body would, in my judgment, be abundantly capable of designing and causing to be erected wireless, stations superior to any now existing." You might as well ask the Royal Academy to paint a picture as to get these nine gentlemen, with power to add to their number, to sit around a table with the distinguished Law Lord in the chair, to design a duplex or simplex high-speed wireless telegraphic stations, to be erected in various spots throughout the Empire. If I had seriously come to the House and said that that is my plan, I am afraid that my proposals would have received short shrift, and I am not sure that my hon. Friend himself would not have treated them with contumely. He says, further, that the wireless apparatus itself can be bought ready made from the respective companies. But what is to compel any company to provide apparatus? If we had rejected the Marconi Company our opinion is that the Marconi Company would have refused to supply their apparatus, because they would have felt. I feel convinced, that the Government would have had to come to them for their advice and assistance sooner or later. At all events, they would have proceeded upon that assumption. There is no power in the Patents Act to compel any manufacturer or contractor to supply his apparatus. You can use his patents against his will on payment, but you cannot compel him to supply the machinery by which his patents are used. The Parker Committee has declared that at the present time the Marconi apparatus is the only one that can be relied on with certainty. The Committee of nine presided over by Lord Parker, with power to add to their number, would have had to set to work as best they could to manufacture this highly technical and complicated apparatus for this special purpose. The process would not be easy or speedy, and certainly would not be cheap. My hon. Friend says in the "Times":— "It is preposterous to suggest that there is not in Great Britain enough engineering and electrical knowledge to do what other countries are undertaking without hesitation." Those who listened to his speech to-day would unquestionably have formed the impression that England alone, or almost alone, among the countries of the world is employing a contracting company for the erection of long-range commercial stations and that other countries are doing it by their own engineers and by purely State organisation. Now which countries are these? I will take them one by one. Germany is erecting long-range stations in her Pacific Dominions. She is employing a company to do that work and allowing them 25 per cent. of the receipts and giving them a large subsidy. She is employing the Telefunken Company, which is a company of proved capacity, though I think it has not done work over quite such a long range as we require. We did not think of employing that company, partly because it is a company which is in very close touch with a foreign Government and also because it is understood to have a working arrangement with the Marconi Company, and there would have been, in fact, no effective competition. Germany for her long-range stations has not established any State organisation. She is employing a contracting company. Norway is erecting long-range stations to be owned by the State and to communicate across the Atlantic. Norway has made a contract in the last few days, which has been ratified by her Parliament, with the Marconi Company and which is on all fours with the present contract, except that the terms are considerably less favourable and the price is higher than we have been able to secure under this contract.

*Mr. BONARLAW* What is the royalty?

*Mr. HERBERT SAMUEL* The royalty is 10 per cent. on gross receipts, With an option to the Government to commute the royalty for £30,000 lump sum, if they wish to do so. One of the conditions of the contract is that the money shall

be paid in instalments, as usual. They have not got the principle that we have secured, that nothing is to be paid until the station is at work. The Italian Government have taken stations erected by the Marconi Company. France recently has laid before her Parliament a very elaborate scheme by the French Postal administration for the erection of a large number of stations throughout the French Dominions. That scheme was referred to the Budget Committee of the French Chamber, a very powerful and large Committee, which examined it in detail. The Committee has presented its Report. The Committee approves of the general idea and recommends the French Parliament to vote over £600,000 for the erection of a certain number of stations, but in One course of the Report it surveys what is being done in other countries, and one of the countries is the United Kingdom. It dwells at great length on the recommendations of the Parker Committee, and in the Report there appears a paragraph of which the following is a translation:— “We have emphasised the fact that the Post Office”— that is the British Post Office— “had prudently stipulated that the acceptance and taking over of the stations would only take place after a six months' trial conducted at the cost of the company nudes financial conditions which, give full security, and we have recommended that the same wise precaution should be taken in our case also when the time arrives” There you see that the opinion of this French Committee is not that the proposed stations should be erected by the French Post Office itself or that the French Post Office should run the risk involved by the erecting of the stations by its own officers, but that it should follow the prudent example of the British Post Office and only take over the stations and pay for them after they have been proved to work properly by those who have worked them.

Sir H. NORMAN The only existing French station is a State-erected station.

Mr. HERBERT SAMUEL Yes, erected by the French War Office, and the system has been condemned by this Committee, which says that they should not be erected by the French War Office, and that future stations should not be so erected, but that the military and naval authorities should look after their own proper work. I do not know how far that station is efficient and successful. In Belgium a long-range station is being erected, not by the Government through its own officers, but, as the hon. Member has said, by a patriotic and enterprising individual who at his own cost is putting up a station on his own land by his own methods, and if it is successful the Belgian Government will take it over. In the United States of America, as far as I know, no commercial stations have been erected by the Government, and none are contemplated. There are one or two Admiralty stations, like our Admiralty stations, which are being erected by their naval authorities in much the same way as our naval authorities have erected stations purely for strategic purposes, and the Admiralty are making their own arrangements as our Admiralty have done. They are not commercial stations. In Canada it is not the case that any Government stations are being erected by the Poulsen Company, as has been represented in this House erroneously. What has happened has simply been that the Canadian Government has given a licence to the Poulsen Company to erect a station at their own cost, and at their own risk, to carry on their own business worked by their own staff. I also am giving a licence to the Poulsen Company to erect a corresponding station on this side under certain reasonable conditions that are enforced in all such cases, but there is nothing in the nature of a Government station, and the Canadian Government is not paying a single sixpence to the Poulsen Company for this station.

Major ARCHER-SHEE The statement which I made about the £15,000 subsidy was based on the original agreement drawn up between the Postmaster-General and the Poulsen Company. That was afterwards dropped, and the matter went through.

Mr. HERBERT SAMUEL There is no subsidy now, and, as it was laid before the Canadian Parliament, that proposal did not appear, and there is no subsidy of any kind. It is purely a private venture. The South African Government desire to erect a long range of wireless stations, and the South African Government are a party to this very contract. The South African Government made independent inquiries, and they employed their own advisers. They inquired into the Poulsen system and other systems, and they came to the conclusion that our own proposals were right, and they asked to be allowed to be parties to this contract. Therefore, in this very contract which we are now considering there is provision for a South African station, not to be erected by the South African Government at its own risk, but

erected by the Marconi Company. Over the whole world, so far as I know, there is only one case of a Government which is erecting. State-owned, long range commercial stations, and that is the Australian Government. They are employing an engineer of their own, Mr. Belsillic, who has a system of his own which he was developing in Europe. He was sued by the Marconi Company for infringement of their patents, and the Court decided that his patents were infringements of the patents; of the Marconi Company. He therefore stopped his work in this country and went to Australia. He became the engineer of the Australian Government., and he began erecting stations there. The Marconi Company have asked the Australian Court for an order to inspect the stations to see whether there was an infringement of their patent. The Australian Government resisted it, but the Australian Court decided in favour of the Marconi Company. They took the case to the Privy Council here, and the Privy Council has also decided in favour of the Marconi Company, and litigation is now about to proceed in Australia, I understand. In any case, the station has not been erected, and we do not know, first, whether it infringes the Marconi patents, and, secondly, when erected, whether it will fulfil all that is expected of it.

So far as foreign countries are concerned, I must say that, from my hon. Friend's reference to them in his letter which appeared in the "Times," readers would be convinced that the British Government is the only one which is weakly and slackly looking for outside assistance, instead of erecting these stations by their own engineers. Why precisely the opposite is the case, and it is only in Australia and then under the circumstances which I have described, that there is any case of the Government itself running the risk, the great risk, of the erection of stations by officers of the State. My hon. Friend said that the Parker Report, and other hon. Members have said the same thing, in effect urged the erection and equipment of the stations by the Government engineers. He draws attention to clause 32 in support of that. My hon. Friend the Member for Forfarshire (Mr. Falconer) pointed out, in an interruption he made a few minutes ago, that the clause distinctly relates, and solely relates, to the state of things after the stations are erected, and the Committee say that when the stations have been erected and are in working order, it is of immense importance that they should be used for experimental purposes, and, also "for the purpose of testing, examining, and if necessary further developing any new invention or suggested improvement in wireless telegraphy." With that I entirely agree, and I shall have something to say later upon it, as the Government are intending to carry out that recommendation; but I suppose that no one is better qualified to say what the Parker Committee intended to report than Lord Parker himself. I put the question to Lord Parker, and his reply is given in a letter which is published in the Parliamentary Papers. He said:—"The Advisory Committee were of opinion that if the erection of the stations were a matter of urgency, it, would be better for the Government to utilise the experience of the Marconi Company than to carry out the work themselves, more especially, if in any contract with the Marconi Company, they could reserve full freedom to adopt at any time any other system. The Marconi Company, with their staff of engineers and their knowledge of practical detail, no doubt could erect the stations and get them into working order in a shorter time than could be done if the Government had to form a special engineering staff and make their own plans and specifications for the purpose." I hardly think it was right that my hon. Friend should suggest that the Parker Committee really recommended that the Government, and not a contractor, should erect those stations. My hon. Friend first wandered into the field of legal interpretation and engineering details, and then he came to the sphere of strategy and told the Select Committee that he is opposed to the application of the agreement without further investigation, on the ground that the alleged urgency does not exist. He has said to-day that it is quite unnecessary to press on the matter, and that a few months' delay is of no very great importance; that if we were engaged in war he supposed the operations would be principally in the North Sea and the Mediterranean, where there are ample communications, and that we need not be disturbed about the outlying parts of the Empire. That is my hon. Friend's view. It does not need the Fleet to cut the cables, and these wireless stations are not only necessary for communication with the Fleet, which the cables cannot reach when engaged in naval operations, but also for maintaining communication with the outlying parts of the Empire if the cables were cut. That is really the strategic suggestion for those cables. They are both for communicating with the Fleet on the high seas and for communicating with outlying Dominions in case the cables are cut. The Sub-Committee of the Committee of Imperial Defence two years ago expressed their views on this point very clearly. The Select Committee of this, House made, I think, only two recommendations in the course of its long career, dealing with the

merits of this question. One conclusion to which they came has been already quoted—that it is a matter of urgency that a long range of Imperial wireless stations should be established. The other conclusion was that the controversies between the various systems should be referred to an expert Committee. It would be hard and almost verging on the ludicrous if the only two specific recommendations made by that Select Committee were both to be ignored by this House, and if the Committee, having reported it as a matter of urgency, the House were to say that the matter is not urgent; and the Committee, having suggested that the Expert Committee should decide between the Poulsen and the Marconi Company, and having decided in favour of Marconi as against Poulsen, the House should go back, and desire that the battle should again be fought out. The Select Committee came to the conclusion that the matter was urgent. I received within the last day or so an expression of opinion from the Army Council, which I think I ought to give to the House, now that they are to decide for or against the immediate ratification of this contract:— “The Army Council regard the establishment of a long range of wireless stations at the places proposed a factor of the highest importance for the proper equipment of the Empire for the purposes of defence. In the event of war, circumstances might well arise in which the possession of this means of communication would be of the utmost value and, unless the risk of war is to be regarded as negligible, the Army Council consider that the provision of such stations is undoubtedly a matter of urgency.” I commend that opinion to hon. Members who are interested in Imperial Defence. I have also obtained the Board of Admiralty's views, which are:— “From the strategic point of view the Imperial Wireless Telegraphy Chain would in time of war or emergency, form a valuable reserve, and in addition to the cable communication which is liable to be cut, and would also enable communication to be made with the Fleet at sea as well as with the stations on the chain. From this point of view it is essential that action should not be delayed. Although the advantage to be gained by being first in the field has been lost, the strategic necessity still remains and affects us as the largest Maritime Power to a greater extent than it affects any other nation, and it is the Admiralty's opinion that if war broke out or an emergency occurred the Fleet would be at a distant disadvantage by an omission or delay to take the opportunity to erect stations.” The Government have not been able to ignore those repeated expressions of opinion on the part of the authorities who are responsible for the defence of the Empire, and I venture respectfully to suggest that the House of Commons cannot ignore them also. The reality of the urgency was not questioned in the last Debate. And now, if we were to accept this advice and say, “We will leave this over; we will wait for a year or six months to see what system has been developed; we will not hurry about it,” at once hon. Members opposite would turn round and say, “How dare you leave this great Imperial question unsolved! How dare you ignore the repeated Reports of your Committee of Imperial Defence, of a Select Committee of this House, of the Admiralty, and of the War Office, because, forsooth, your experts have quarrelled whether one system is really more efficient than another; or, because we have a pettifogging Postmaster-General, who is trying to save £1,000 here or there, you leave unprotected all these great Imperial interests!” I venture to say that the loudest protests would come from some of the hon. Members who have been most active in this matter. My hon. Friend the Member for Blackburn (Sir H. Norman) has another complaint. He says, if there is urgency, why not adopt this alternative: go to the Marconi Company, offer them a handsome price—these are his own words — “without further parley,” for two or three stations to be bought outright without any payment for royalty. Suppose I had done that, what would my critics in this House and elsewhere have said then? They would have said, “Here are stations the intrinsic worth of which is probably £60,000, and you are paying, whatever it may be, say £100,000 for them, in order to be free from royalty, while there are certain patents which are on the point of expiring, and there are other patents which will expire in three or four or five years.” They would say also, “The Poulsen system is showing progress, the Goldschmidt system is being experimented with, and one or other of those in a few years may prove themselves more efficient than the Marconi system. Yet you are actually paying £40,000 in commuted royalties for patents which may be wholly superseded within a very limited space of time. What waste and improvidence! Surely the businesslike method would be to pay the actual cost of the stations, £60,000, and pay them a royalty per annum, which you could terminate at any moment when you ceased to use their patents and substituted some other system.” I am afraid, with all my respect for the hon. Member for Blackburn, if I had followed his leadership, he would be the first to hold up the mirage of the agreement of 1909, which does not apply to this case, he would then have led me into the quagmire of his Committee of nine, with power to add to their number, who are to sit round a table to work out the designs of the stations. Finally, he would have left

me in the pit of the handsome price offered to the Marconi Company, which would have been denounced, and I think properly denounced, as giving them undue favour and a large sum of money which might have been saved.

Then my hon. Friend quarrels with the contract further because, he says, we have not a schedule of patents to it, and that we ought to have a list of patents and schedule them to the agreement. What difference would it make if we did? We know the main patents; we know quite well the main patents. Anybody can get information about patents by applying to the Patent Office and paying a few pence. We know that there are six patents of real importance. One of them expires next year unless it is renewed in the United Kingdom, and one in 1918, and one in 1919, and one in 1921, and one in 1923, and another in 1925, and there are about thirty other minor patents of value, but not of first importance, which could, if necessary, be done without. Before any contract was entered into, when the negotiations were first begun, the patent position was examined with the aid of experts of the Government Department with a view to seeing if we could attach a lump sum value to those patents. The company asked a payment of £250,000 for the unrestricted use in perpetuity of all their patents throughout the Empire. We went into their offer very carefully, and I was advised that although £250,000 was very excessive, those patents were, in the opinion of our advisers, worth a very large sum. It is not expedient to mention the sum, but it was very large. The company would accept nothing less than £250,000, and the whole of that negotiation proved abortive and fell through, and we have not bought the unrestricted use for all purposes apart from the Imperial chain. It is certain that the patents are of very considerable value, and there are other patents now being taken out in addition. This contract gives us the right not only to use existing patents, but any future Marconi patents if we wish to use them. There is no obligation to put them in, as the hon. Member for Launceston seems to suppose. If we wish to use them we have them without any additional payment. You cannot schedule unborn patents, and it would be very futile to put a list of existing patents when the contract really covers all future patents as well. I am told by the officers of the Contract Department of the Admiralty and the War Office that it would be most unusual to schedule the patents, and Mr. Duddell, the consulting engineer who is assisting me in this matter, says he has never heard of such a thing being done. There is no reason for it, and we have the complete right to use all or any patents we wish. I am advised that there is no reason for a schedule. If the Marconi Company have neglected to patent any of their inventions in outlying parts of the world, so much the better for us. We shall not lose thereby. I shall be only too glad if they have been neglectful, because in that case we shall be able to stop the payment of royalties, sooner perhaps than we should otherwise be. I have dealt with all these matters, but I do not propose, if the hon. Member for Launceston will excuse me, to go into all his points, as I have many others to refer to, not because they are unanswerable; very much the reverse. I should have no easier task than to deal with his arguments, but time, I am afraid, will not allow. I have been engaged now in these negotiations for two years. I should have been only too pleased at any time if any of my critics would have relieved me of the task. It was the decision of the Government as a Government to proceed with the erection of these stations straight away. I was advised by my experts that you could not trust systems of wireless telegraphy which had not proved themselves by actual test again and again. The Admiralty told me that they were unwilling to undertake this work. There are serious drawbacks to the creation of a new staff, to which I will refer presently. The Committee of Imperial Defence, the Cable Landing Rights Committee, the Imperial Wireless Committee, all favoured negotiating with the Marconi Company. Therefore, as the agent of the Government, acting for the Government, my duty was to negotiate with the Marconi Company. On the other hand, the company were very fully alive to the situation. They had spent vast sums of money on experiments with very little profit; they had now brought their undertaking to the stage of commercial utility so far as long-range telegraphy is concerned, and they were quite determined not to make any contract which would be unsatisfactory to themselves. That was the position from the point of view of the negotiators. At the same time, the whole situation was very much complicated by all the extraneous and personal issues that were raised. I could wish no worse fate for any of my critics than that in the next world they should be condemned to conduct in perpetuity negotiations of this character under these circumstances.

4.0 P.m.



The outcome is, on the whole, in my view, satisfactory. The House is accustomed to hear Ministers at this box expounding the provisions of Bills or of Resolutions which they themselves have drawn up or caused to be drawn up, for which they themselves are responsible, and every clause or sentence, in which expresses, or ought to express their opinions for which they have to accept responsibility. But a contract is something different. A contract represents the views of two parties. If I were given a sheet of paper and asked to write down the conditions on which I should like the Marconi Company to erect these stations, they would no doubt be considerably different from those which are in the Paper now before the House. I should certainly have put down a smaller royalty. I have tried very hard to get a smaller royalty scale. I should have omitted the provision at the end of Clause 2, to which the Noble Lord drew attention, though I do not think that provision is of very great importance. I have been fortunate in securing that the royalty should be split up, and that it should be payable only on each portion of the station separately, instead of on the whole station. As a commercial agreement representing the views of two parties I can recommend it to the House. I believe it is better than any of the alternatives at present open. What do the company give under this contract? They give a guarantee of working. To that I attach the first importance. They take all risks. I think the Government have been very fortunate in finding a contracting company willing to invest half a million of capital, to receive no payment on account, and to receive no payment at all unless the stations are absolutely satisfactory in every particular. I confess that still, after all the experiments and tests which have been made, I have in my own mind some feeling of scepticism as to whether everything that is promised can actually be performed. I believe that in all probability it can, but there is a risk. I should certainly have been most reluctant to come to the House of Commons and ask them to vote for my expenditure of this large sum of money and to take the risk of the stations, and, after all, not being able to carry the traffic with sufficient speed, accuracy, and reliability to render them a commercial success.

If the Marconi Company do fulfil these conditions, we shall get a large revenue and the stations will be profitable. If they fail to fulfil these conditions, they get no payment. It is not a question for a Court of Law to decide, as to whether or not the conditions have been fulfilled. The conditions have to be fulfilled to the satisfaction of the Postmaster-General. Secondly, they provide us with duplex working, which, I am advised, is a very great advantage, especially in a chain of consecutive stations; and this no other system provides. They guarantee to give us a speed in automatic working which is higher than the speed of transmission between two stations in the case of the ordinary cables. These speeds will be about, the same after allowing for the necessary repetitions. They give us all their present inventions and patents, and the wider the definition of these is, the better and not the worse for the Government. We are not obliged to use them but we have the right to do so. Therefore, we gain by the width of the definition of the inventions and patents. We get the benefit of all their experience, which is of the greatest value. We secure the use of their future patents, have the use of their present patents, and of everybody else's patents of which they have the use in their own stations. If the agreement does continue for twenty-eight years, at the end of that time we have the right to continue, free from any royalty, any patent that may have been in use before, no matter how new. Again, we have the great advantage of Mr. Marconi's personal assistance in this undertaking. He is himself part of the contract. We have the advantage of his experience, of his advice, and of his inventive powers. Surely, if you have genius at hand ready for your service, it is folly to reject it! I agree that it would perhaps be more in keeping with the way great inventors have been treated by Governments in this land other-countries if I had treated Mr. Marconi with coldness, and have threatened, as the hon. Member for Gloucester suggested before the Select Committee, to take away the licence for his existing stations—

Mr. TERRELL I never suggested it. Will the right hon. Gentleman call the attention of the House to the passage?

Mr. HERBERT SAMUEL There are 1,500 pages of the Report.

Mr. TERRELL I never said anything of the kind.

Mr. HERBERT SAMUEL I do not wish to misrepresent the hon. Gentleman, but I certainly understood that was his suggestion to Sir Alexander King, that if the Marconi Company did not meet us in what we considered a reasonable

way as to price that might discontinue the existing licences for their stations in this country.

*Mr. TERRELL* No. The Marconi Company have a contract with the Government to continue their licences. It is quite true that the licences are from year to year only, but if they contract for a full licence you cannot discontinue it.

*Mr. HERBERT SAMUEL* I think that was discovered subsequently, and when I came before the Committee. However, I am quite willing to withdraw if the hon. Gentleman assures me that I misunderstood him. If Mr. Marconi were hampered in the conduct of his enterprise in this country, the consequence would be that he would transfer it elsewhere. I think that would be a great disadvantage to the United Kingdom. He employs here hundreds of workpeople. He has equipped 600 ships with wireless telegraphy. He has built the stations all round our coasts. His inventive power has resulted in the saving of the lives of hundreds of people. I think it right to tell the House that Mr. Marconi has felt most deeply the way in which his name, his honoured name, has been made into a bye-word, a political catch word, almost a term of abuse—[HON. MEMBERS: "No," and "Whose fault?"]

*Mr. W. REDMOND* Your fault!

*Mr. HERBERT SAMUEL* So much so that he was most reluctant to enter into any personal obligation in the new contract, and it was only at my repeated personal request, that he consented again to sign the contract and to enter into a personal engagement on his own behalf. We get the advantage under this contract of his help and inventive powers. I wish to inform the House that he is now experimenting on a new machine to which he attaches the greatest importance, and which will mean a very considerable economy in work. This machine cannot be substituted for the present machine, but it can be used for electrical disturbances. I will not go into the detailed points of the contract. Many matters are left, not for the decision of the Courts, but for the Postmaster-General, who must be satisfied that the specifications are fully carried out and that the execution of the work should be satisfactory and so forth. The payment for all this is to be £60,000 per station, plus the amount of the ascertained increase on the price of material since the previous contract was entered into, as determined by the engineering chief of the Post Office; not by arbitration. My hon. Friend the Member for Blackburn said if the Government were to erect the stations themselves the initial cost would be higher, and my hon. Friend the Member for Launceston says in regard to this sum that it is a very fair price. The price may be varied and the specification may be varied. We may have to use internal combustion engines, and the price would be raised proportionately, but we should have the advantage of considerable economy in working. The interest on the capital expenditure is only to be paid at the rate of 2 percent. The royalties will be on the gross receipts from public telegrams—Government telegrams will go free. It is on gross receipts, because we are very anxious that the company should have no voice whatever in the management of the stations, and if it were to be only on profits the company could not be excluded from determining how the stations were to be run and what rates were to be charged to the public, otherwise no profits might be reached. A private firm is always working for profit and the Government may not be working for profit, but to reduce rates. We cannot accept payment per patent because we include all future patents as well as present. Further, it might be very uneconomical to do so if it was found that the receipts from the public are small. The amount of royalty cannot be settled because we do not yet know what rates will be charged and also we do not know how much traffic will be obtained. It is not anticipated it will reach anything like the colossal sum suggested by hon. Members opposite. In previous Debates it was suggested by the hon. Member for Central Finsbury that it would amount to £80,000 a year. That would involve a revenue of £800,000 a year. I only hope we shall be able to obtain so much.

*Major ARCHER-SHEE* That is half the revenue of the cable companies operating over the same areas

*Mr. HERBERT SAMUEL* I only hope we shall be able to get so much from our wireless chain. If so, we could pay the capital cost of all these stations in the first year, and afterwards we should be able to pay all these royalties, all our working expenses, and make a net profit of £500,000 a year.

*Major ARCHER-SHEE* That £80,000 is half the gross receipts, and not half the profits.

*Mr. HERBERT SAMUEL* That is what I said. We should make a profit of half a million a year, and I am sure the House would be very grateful to the Marconi Company. If we have gross receipts, a total of £80,000 a year, we should be able to pay all the royalties, all our working expenses, which will not be large, and we should have £500,000 out of this £800,000 as clear profit. We paint no such rosy picture. If we were to obtain the use of the royalty patents we should not get them free. An award has been made under the order of the Court by the Board of Trade with respect to the lodge patent, and the royalty to be paid by any person using the lodge patent is £10 per kilowatt at each station. That would mean £6,000 per station for that one patent alone. Of course, the suggestion that we should continue to pay the royalty for the use of a single unimportant patent is absurd. If it was found that in one portion of the stations we were free of Marconi patents, so far as essentials were concerned, but were using some useful though unimportant patent and paying a royalty for it, obviously we should not be so foolish as to sit down and say, "We will continue to pay you thousands of pounds a year for the use of this trivial thing." We should take it out and put in something not quite so good perhaps, but still useful, and say to the company, "If you will let us have this small but useful patent we will pay you a small royalty." It is absurd to think that the Government would continue to pay these large sums for unimportant patents.

*Mr. DENNISS* Do I understand you to say that the Marconi Company would commute the royalties for £250,000?

*Mr. HERBERT SAMUEL* No. They would have given us the use of their patents for all other purposes throughout the Empire, that is for strategic purposes, military stations, and so on, except ship and shore stations. My hon. Friend the Member for Blackburn (Sir Henry Norman) says that what he is chiefly anxious to secure is State-ownership and complete liberty on the part of the Government. That is what I also have worked to secure, and what I have succeeded in securing. In voting for this contract the House will be voting for State-ownership and complete liberty on the part of the Government to do absolutely what they like with these stations in the future, to use whatever patents they like, to turn out the Marconi Company at any moment, and to instal any other system in the whole or any part of the stations. I have no time to go into the question of other companies. That question was disposed of in the previous Debate, and also by the Parker Committee who reported that the Marconi Company was the only one which could be relied upon to do the work, and also by the opinions held by the engineering chief of the Post Office and the inspector of wireless telegraphy, all of whom were practically of opinion that we could not rely upon other systems at the present time. All these opinions, of course, may be wrong, all these experts may be mistaken, the Parker Committee may have been in error when they declared that the Marconi system was the only- one that could be relied upon. But, for my own part, I should prefer to accept the judgment of those authorities, rather than the ex parte statements of the solicitor to the Poulsen company or others who are special pleaders in this case.

The Financial Secretary to the Treasury has already pointed out the objections to the appointment of a special staff of State engineers, which was the only real alternative Open to us. It is not the case that we have placed ourselves solely in the hands of the Marconi Company. Had the company been unreasonable we should have faced the erection of these stations by State engineers with all the risks and all the expense, but we thought if there was a reasonable alternative open to us in the interests of the taxpayer and of the strategic considerations to which I have referred, that was preferable. Viewed, therefore, from a business point of view; this contract is clearly right. The advantages outweigh the disadvantages, and it is only a question for the House whether there is any other reason such as the Noble Lord has indicated why we should depart from the line which is most in the public interest. Questions about flotation of shares, the violent personal controversy that has raged round certain investments—are these reasons why the Post Office and the Government of India and of South Africa should reject the services of Mr. Marconi and his staff in dealing with this engineering problem? The Government as a Government, came to the conclusion that they are not. We should regard the matter in a spirit of detachment, apart from any of these extraneous circumstances, and make the best arrangement we can for the erection of these stations in the places where they are needed. I must leave out many of the points to which I should wish to reply if time allowed.

I must, however, say, in conclusion what the proposals of the Government are with regard to the future organisation of the wireless service. These stations, when built, will be under the entire control of the State. Stations will be built in the future, very probably, in other parts of the Empire, similarly under the control of the State. We have already in the hands of the State all the coast stations round our shores, and it is, in our view, essential that the State should fit itself to secure the proper management and the proper development, with full scientific knowledge, of the systems of wireless telegraphy. What the proper organisation should be has received and is receiving the most careful consideration. There is for these new functions to be a small Engineering Committee, consisting of Post Office engineers and possibly one or two from the Admiralty, and presided over by Mr. Duddell, who will watch the erection of these stations, order experiments to be made, and consider technical problems from week to week. The staff to work the stations will be entirely a Government staff from the beginning, and the Committee will secure that the staff shall be properly trained. There will be an Establishment Committee dealing with other matters under the secretary of the Post Office. The Parker Committee will be maintained as a Standing Committee, and Lord Parker has been kind enough to promise his continued co-operation. Dr. Glazebrook, the president of the National Physical Laboratory, and Mr. Duddell, and others will be added to them as occasion requires, and any large and difficult problems which arise as between the various existing systems or any other systems of the kind will be referred to them for their judgment; but it is also important that the State should have some organisation for scientific research into these problems, that we should keep in touch with foreign discoveries, a point to which my hon. Friend very properly attached so much importance, that we should be continually at work at the solution of the problems which this science presents, and that we should have some State system of testing the comparative values of private commercial companies. We need something more than exists now in the laboratory of the engineering chief at the Post Office, or in the "Vernon," the experimental ship of the Admiralty. I have been in consultation with my right hon. Friend the Lord Chancellor, with the Admiralty, and with the Director of the National Physical Laboratory, and a scheme is being evolved, but is not yet quite complete, for doing this work on an adequate scale. I hope to be able long before next Session to have this system in working order, so that there may be continual laboratory research and continual scientific investigations into the various problems of wireless telegraphy. By that means we shall have an efficient organisation under Government auspices which will in the future render the State independent of commercial companies, and will enable it to be equipped to develop on its own lines by the most effective and progressive methods the use of this marvellous invention which science has given for the service of mankind.

*Mr. BONARLAW* The right hon. Gentleman, in the course of his very interesting and very able speech, referred to the way in which Mr. Marconi's name had been used in this controversy. I sympathise with all he said in regard to that, and I am not going to be tempted to ask—whose fault is it that it has been so used? We all know that party feeling has, in some extraordinary way, got mixed up with a purely trading company. I cannot recollect any previous instance of the same kind in our history. I think it is very undesirable. I can imagine no subject for which it is less suited. This is and ought to be a purely business question, decided purely on business grounds. Of course, I cannot claim—and I do not pretend that it is treated in that way, either on one side or the other, but it is really from that point of view that I shall try—and I hope I shall succeed—in examining this contract. The right hon. Gentleman has put it forward as a business proposition that this is obviously the best arrangement. I take a different view. Having considered it as carefully as I can, I think it is a bad arrangement for this country, and I think so for two main reasons: First, I hold that it is a needlessly bad bargain, and, secondly, my reason is—and at the moment I hold it is equally important—the whole industry is in such a transitory state, and will be so for a long time to come—it is rapidly changing from month to month—that it seems to me extremely undesirable, merely because we are not going to have an autumn Session, we should deprive ourselves of the advantage of knowing what will be known in a month or two—what can be done by other systems of wireless telegraphy.

The right hon. Gentleman the Financial Secretary complimented the right hon. Gentleman on his bargaining capacity. Nobody really has a greater respect for the abilities of the right hon. Gentleman in many ways—as he has proved them—but the conclusion I have come to is this, that the faculty which he lacks is the power of making a decent bargain.

That is only a recent discovery. I should have held an exactly opposite opinion, but after studying, as well as I could, the way in which this Marconi business has been arranged, I think it is a good thing the right hon. Gentleman, who is a member of a business family, has followed a correct instinct and has sought some other method of distinguishing himself. I am certain he would not have done it in ordinary trading. Let us look at this bargain first, from a comparatively new point of view and see the way in which it has been dealt with. The Marconi Company cancelled their contract, and the right hon. Gentleman, although evidently he did not think they had a right to do so, accepted the cancellation. But then the company came to him and actually asked for more money than they had asked for under the old contract. That, to me, was extremely surprising, although not quite so surprising as that the right hon. Gentleman should have given it. On what ground did they ask? First, that there was a rise in the price of materials. That surprised me, for I thought I had noticed that prices were easier than a year ago. I made inquiries. I suppose the articles chiefly used are steel and copper. Copper to-day is £10 cheaper than twelve months ago. Steel, in England, owing to a combination, is nominally at the same price as a year ago, but on the Continent it is 20 per cent. cheaper. In this White Paper we are told that it is an undoubted fact that materials have risen. I should like to know what material has risen. It seems to me amazing that a statement of that kind should have been accepted without verification. It is not important, I admit, although I do not understand that the extra price is not to be paid unless on examination it is shown to be so. Why should the claim have been made? Why should it be said that prices have gone up if they have not gone up? That does not seem to be a reasonable way of dealing with the matter from the point of view of the Post Office.

Look at the other point, which is also comparatively unimportant. The Postmaster-General agreed to the company's request to pay them a larger sum of money by way of interest because money had gone up in value. I took the trouble to look that up also. It is true that at the beginning of August last year the Bank rate was 3 per cent. The contract was only signed in July, and nobody would have considered it unreasonable if its ratification had been delayed until the Debate had taken place in October. Will the House believe that when the Debate took place in October the Bank rate, which is a fair test of the value of money, was 5 per cent. and it is now 4½ per cent.? Yet the Postmaster-General gives the company 2 per cent. on account of the rise in the value of money. That does not seem to show very great bargaining capacity. I shall deal with the terms of the contract in general later on I would now ask the House to look at the other ground upon which I say we ought not to carry this contract through now—that is, the rapid change which is taking place in regard to the whole question of wireless telegraphy. That is pointed out by the Parker Committee, who point out that it is in a transitional stage. Something else is evident from the Papers which are laid before us. It is quite evident that the Marconi Company themselves are in a transitional stage.

We are told that it is not desired to bring in these other companies because they have not done anything on a commercial basis, and that all they are doing is of an experimental character. But the Marconi Company have not done anything like what they have undertaken to do under this contract on a commercial basis. You are taking them on faith, just as you would be taking the other companies on faith. Let me point this out to the Postmaster-General. I do not wish to pretend to have expert knowledge upon this subject which I have not got, but it so happens that of the first duties I had as an official was as Chairman of the Cable Landing Rights Committee, which had to examine the position of wireless telegraphy ten years ago, and I have taken a certain amount of interest in it ever since. Lord Parker's Committee pointed out that the future system is a system of continuous waves. That is not the system which is being commercially used by the Marconi Company. Therefore, they, too, are waiting on developments in order to enable them to fulfil the contract the terms of which are now before the House. There is something else worthy of consideration. Last year a specification was before us giving very definite details as to the erection of the stations. This year in most important respects, in regard to areas, in regard to the power which is to be employed, everything is left blank, and it is to be sufficient for what is necessary. The Marconi Company now say that they knew how they were going to carry it out best this year, learning probably by the experience of their rivals, they were experimenting—they do not know what they are going to do—so that they may adapt their system as circumstances show to be necessary.

I will point out another thing as a proof of good bargaining. The contract price is based on the specific power that is wanted. It may be reduced. If so, the stations will cost a great deal less and there is no arrangement that the less expenditure will benefit the State for the Marconi Company will get the same, even though it costs less to work the stations. The whole thing is in a transition state. I admit the urgency, but just consider the difference between what was actually offered to the Post Office by the Poulsen company and what the Government are paying the Marconi Company. I have seen no one connected with either system and I can only go by the documents which are presented to the House. The Poulsen company have offered to give precisely the service the Government ask and they offer to give guarantees which the Marconi Company have not given. They offer to do it for £40,000 a station, including all royalties for patents. They are working a station now in Ireland and the United States Government have a station of their own at work. In a few months it will be known whether or not that system can give the desired results. Suppose, when we come here next Session the Prime Minister finds that what this country wants can be given for £40,000 without any royalties, how will he feel when he finds he has committed us to £60,000 with a royalty the extent of which no one can foresee, and which is, I think, the worst feature of the bargain which the Government have made with the Marconi Company? I admit the urgency, but the thing is in a transitional state, and I would ask the House to remember that we cannot believe anything we are told by those interested in any of these companies. We accept it with the same hesitation that we did what was said about horse racing in a case before the Courts recently. I would not attach any value to anything told us by any of the companies. But we know something about the Poulsen. The right hon. Gentleman himself pointed out that it is being used now by the United States Government. The United States Government has a far more efficient technical staff dealing with radio-telegraphy than we have. They have examined all the systems, and it is stated, and, I believe it is true, that they have given the contract for the Panama station, which is to convey messages a 50 per cent. greater distance than we require, to the Poulsen company. That surely would make any reasonable man say that is something which is worth considering, and it is worth waiting a month or two at least to see whether or not it can do it before we pay a higher price to someone else.

It is not merely the United States. In the early stages of this discussion there was a Departmental Committee inquiring into it. The terms of reference were drawn up by Sir Alexander King. The question was asked, "Although the Poulsen Company have not done this, is there good reason to believe that they are capable of doing it?" The answer was "Yes, there is." And, after stating their strong objections to employing the Poulsen Company, the Technical Committee gave this Report:— "On the other hand, we are satisfied that the system is a sound one and that it is fully capable of being made to do this work." Is it not worth while waiting three months to save something like £120,000, apart from the royalties, on the chance that the Technical Committee is right, and that this system is capable of doing that work?

*Mr. HERBERT SAMUEL* That Report is eight months old.

*Mr. BONARLAW* Are they less efficient now? Some hon. Member—I forget who it was—said that this thing ought to be settled by the unanimous feeling of the House. I agree, and I will give the House the reasons why I consider that that would be the businesslike way of doing it. The contract has not been subjected to the examination of any competent body. It is purely the word of the Post Office which we have, and we can judge, I think, how competent that Department is to decide questions of this kind by the fact that the right hon. Gentleman always says that they are perfectly incompetent to undertake, under any circumstances, the erection of the stations. There has been no examination by any other body. Let me point out that the Technical Committee urged that a committee of experts should examine the contract. That was urged upon the Government, but the Postmaster-General did not think it worth while, and the thing was never done. Then the contract was referred last year to a Select Committee of this House to examine and to see whether it was a proper contract. They have never given any Report. The Marconi Company chose to cancel the contract, and by eau-ceiling it they prevented that Committee from giving judgment on the questions which were put to them by the House of Commons. If it was necessary to have the contract examined last year, is it less necessary to have it examined now? How can the House be satisfied after we have seen the changes in the contract which the Postmaster-General recommended last year with quite as much cocksureness as he has

recommended this contract to-day, and when we find it is altered in most material respects? Would any Government or any business company be willing to risk this enormous amount of money on the statement of the Post Office that this is the best method of carrying out the business?

I wish to deal with the contract on the worst side of it, and that is the royalty. The right hon. Gentleman has mentioned, much to my surprise, that another foreign country was pledged to a system of royalties on gross receipts, and when asked for information he explained that this other country had the business genius to make a bargain that they should have the right to commute the royalties for a certain sum. If the Post Office were able to commute the royalties in that way, I might not object so much. I say this contract as it stands means this, either there is going to be a complete failure or you are going to pay for these patents an amount out of all proportion to what they are worth. There is absolutely no check upon the amount we are going to pay to the Marconi Company. If this were done by any business firm, what would be the first, thing they would do? I am going to assume that the Marconi Company is the only company available. They would say, "The Marconi Company agree to do the work at a certain price, but we wish to see if there is any other method by which it can be done cheaper, and we will make a comparison between the two." The Post Office made no such comparison. It is quite easy to do it. The cost of erecting the stations could be got at by the chief engineer of the Post Office. He would know what it would cost if he made an estimate, and by contrasting that estimate with what you will have to pay to the Marconi Company, we would know—we do not know it now—what you are paying the Marconi Company for the use of the patents. I would be willing to pay the Marconi Company a great deal more than the cost of the stations for the sake of the experience which, I admit, they have got. But I should like to know how much more I am paying, and should like to be sure that that is the end of it, and that I am not going to continue indefinitely paying an unlimited sum. The right hon. Gentleman says that if he makes a proposal of the kind, the Marconi Company will not accept it. They will never accept it if, on every occasion, he says, as he did, to the Committee and to this House, that we have no alternative but to take what the Marconi Committee offers us. If I were making that bargain, when I made a speech here, I would say, "The Marconi Company have made such and such proposals, but we have the power to do what we like in reference to them. I am going closely into them, and after that I will consider whether we will accept the offer of the Marconi Company." Everything which he said implies that he is in the hands of the Marconi Company, and that he has got to do whatever they ask. Nothing is more absurd, and without unfairness to the Marconi Company, he could make tomorrow an estimate of the cost of these stations supplied by the Marconi Company. I think the probability is that there is a very big profit on the cost of these stations. Has the right hon. Gentleman got an estimate?

*Mr. HERBERT SAMUEL* Yes.

*Mr. BONAR LAW* Why is it not before the House?

*Mr. HERBERT SAMUEL* There was an estimate which was over £60,000, but I have just received also an estimate of Mr. Duddell, which is over £60,000.

*Mr. BONAR LAW* I should like very much to see the actual way in which it is made up. It is one of these things in which, when the schedule is given, it would be seen that a great bulk of the work is not a question of patents at all, and that it can be done by dozens of contractors, and I should like to see a price against each item of plant, and so on, so that we might know how much we were paying for the special articles of the Marconi patents. In spite of what the right hon. Gentleman said, I think that they are getting a profit on the erection of the stations, and probably a big one, but he says that they are not compelled to supply the material. Well, he is wrong there. They are bound to supply any patent article at a reasonable price to the Government, under the Patents Act, and it is perfectly easy to work out what it would cost by one method and what it would cost by the other. They have never done that. I ask the House to consider what the royalty means. That is what I really object to. It is what in my mind absolutely condemns the contract. I have never in all my business experience known any arrangement by which royalty is paid on gross receipts. There may be circumstances which justify it, but I cannot conceive them. It is an absolutely absurd method of

paying royalty. As far as I can see there is no possibility of this ever paying 10 per cent. upon the gross receipts, and therefore what the Government are doing is giving the Marconi Company all and more than all the profit that the stations may ever make. And it is far worse than that. Will the House believe that by this arrangement the State must for years lose money, and as the business improves no matter how much the State is losing the Marconi Company is making more in proportion to the loss of the State!

The right hon. Gentleman himself referred to the question of what reasonable sum would be necessary to run these six stations, considering what the working charges will be and what amount of revenue will be necessary before they pay. I asked an engineering friend of mine to give a rough estimate of what that would be, and he said that it could not be less than £200,000. The right hon. Gentleman rather confirms that, for he talks of gross receipts of £800,000, and a profit of £500,000, so that his estimate of working expenses is something like £300,000. It is necessary to have a surplus of £200,000 before the stations pay their way, for the royalty to the Marconi Company is £200,000 a year, and spread over twenty-eight years, if it lasts as long, we are paying them £500,000 sterling for the use of these patents, and while that is going on the State is losing all the time by carrying out these arrangements. Such an arrangement seems to me one that no business man could justify, and the least that ought to be insisted on by this House is that there should be some arrangement by which the royalty can be commuted, that you can make sure of the amount you are actually paying, and that you are not paying in the dark on losses. This subject is changing so rapidly that more and more competent examination is necessary before we make an arrangement of this character. The very success of other systems, which are willing to do the work for much less than half the amount, taking the royalty into consideration, must justify delay and suspicion as to whether the Government are right. Finally, I do say that whilst admitting urgency, when you yourselves put in your contract that there was only to be a penalty of £155 per month for delay on each station, it means that if they are delayed for two or three years the amount will hardly be more than the extra amount which has been paid on account of interest to the Marconi Company; and when we realise that they attach so little value to expedition, that they do not make the penalty a real one, I do say that nothing could be more absurd than that. When your own advisers tell you that in a few months you will know whether or not other systems will do it more cheaply and do it properly, it is childish for the sake of a month or a few months, and because there is no Autumn Session, to rush this thing through instead of giving it reasonable consideration.

*The PRIME MINISTER (Mr. Asquith)* I confess that I look at this matter from a rather different point of view from that which has been taken by some preceding speakers. My interest in it arises from, and is largely governed by, those important strategic considerations which are constantly coming before me and those who are responsible for our national defence. It is two years now since the Committee on Imperial Defence, of which I am Chairman, considered a Report of one of their Sub-Committees, which inquired into this matter, and came to the conclusion that it was of the utmost urgency in the defence of the Empire that this chain of wireless stations should be erected and brought into use. Two years have elapsed and nothing has yet been done. Though the right hon. Gentleman speaks rather lightly of the delay of a month or a couple of months, I confess that I regard it as most disquieting, and although that is no justification for rushing improvidently into an unwise contract it does make it a matter of urgency for this House to consider whether or not we cannot at once put this work in hand. I do not think there is any difference of opinion about that. I would greatly have preferred myself, and so I believe would my colleagues, that the work from beginning to end should have been done by the Government without the intervention of any contracting companies of any sort. I would prefer it now, if I thought it was practicable. It is only because we are satisfied that if Departments of the Government were to undertake this task, it would involve the taxpayer in enormous additional expense and would also involve the Empire in prolonged delay and consequent risks, that we came to the conclusion if a reasonable contract could be obtained from a company, which was *primâ facie* capable of carrying it into effect, for the erection of those stations, that that was the course which, in the interests of the Empire, we were bound to pursue. It is for that reason that we submit this contract—for its urgency. In my opinion the only alternative would be for the Government to undertake the work themselves—I do not mean to hand it over to one or other of the other companies, and I am not now saying anything against these companies, the Poulsen, the Goldschmidt, or whatever they may be—I am not



saying anything against them. I am not criticising their merits or demerits. The only alternative to the acceptance of this contract is the undertaking of the work by the Government and Government Departments. That is, as I say, not because I have scepticism or disbelief in the capacity and competence of those who are in the Government service, but because, that would involve enormous expenditure and very prolonged delay. Take the case of the Admiralty. There is no Department which is more familiar with this subject than the Admiralty. They have carried out, I think, with the greatest success, and they are carrying out in the Navy in our ships, developments of the system of wireless telegraphy, and I am sure my right hon. Friend who sits here (Mr. Churchill) will confirm me when I say that the whole resources of the Admiralty are employed and are absorbed, and I would almost say more than absorbed, in that necessary way so that they cannot spare a man from the duties for which he is primarily responsible. I am sure my right hon. Friend will agree that one single man cannot be spared for any extraneous purposes, however important and desirable it may be. The same thing can be said of the War Office, though their responsibility in the matter is much lighter. Really unless you are to starve and cripple, so far as the Admiralty is concerned, the all-important work of equipping our Navy for its purpose, a work which is increasing day by day with every new class of ship produced, I cannot, as one who is responsible for the defences of the Empire, honestly say that I can recommend to the House to entrust this work to a Government Department. What you would gain, if you did gain anything, with regard to this particular contract and the erection of these six stations, you would lose, and more than lose, in your Navy, which is after all even more important.

With regard to the contract itself, I am not competent to go into many of the matters which the right hon. Gentleman has just touched. I confess until he said so I never doubted the bargaining powers of my right hon. Friend the Postmaster-General. I do not think any man is better equipped in that way for bargaining in this matter as a human bargaining instrument than my right hon. Friend, and I must say I think the right hon. Gentleman did less than justice to what my right hon. Friend actually achieved in this particular matter. I will only take one illustration. The right hon. Gentleman re-referred to the clause whereby it is now agreed there may be a readjustment of the price of £60,000 per station because the cost of material has risen since last year, and that price may be exceeded. Yes, of course, but it may be diminished. What possible harm is done? I am not a business man, though I have seen a great deal of business men and have had to advise them when they were in difficulties. Looking at it from that point of view, if a business man were to ask me for my advice I should say you cannot do better than put into the contract a clause which, while, if cost of materials may have gone up, you may have to pay, and, while the cost of materials may have gone down, you may have to pay less, the arbitrament is not to be left to arbitrators or to a Court of Law but to your own engineer and representative. A more businesslike arrangement, I think, could not be conceived. There is one other point to which I will refer. The right hon. Gentleman quoted from a Report more than a year old with regard to the capacity of some other companies to do this work, and he said, "Wait two or three months and see whether or not they can establish their capacity." Let me once more call attention to the last two pages of the White Paper in which you have the opinion, given as lately as the month of July of the present year, of Lord Parker, the Chairman of the Advisory Committee, and Mr. Duddell, the engineer, both of whom clearly say that if you are to go outside the Government Departments and invoke the intervention and aid of an outside company in the erection of these stations, the Marconi Company, and the Marconi Company alone, is in a position to do the requisite work in a satisfactory way. We are told, as the Noble Lord suggests in his Amendment, that in this matter the Government are relying on the Post Office alone. That is not the case, because all the other Departments were taken into council, and the whole matter has been subjected to the most rigorous scrutiny by the Treasury.

When we are told that the Government is relying entirely on its own resources and on its own judgment, you have there the confirmatory opinion of two absolutely independent and indisputably competent authorities that at this moment there is no other company which could possibly from a business point of view be safely entrusted with this contract. I finish by repeating that with which I began. In my judgment—and I speak with a full sense of responsibility—this is a work which ought not to be delayed for a month; it ought to be begun at the earliest possible moment. The

Government cannot undertake it by their own agents and under their own supervision—I wish they could. This is the only alternative. The hands of the Government remain perfectly free—at any rate,

*the bargaining power of my right hon. Friend has secured this result. In the development of this new art, which I quite admit as constantly shifting and changing, the hands of the Government remain perfectly free at any moment with regard to any of these stations to use any other improvements which science or art can produce. We are dealing here merely with a contract for the erection of the stations. The country will get the benefit of all the developments of electrical science in the future. Therefore, I venture to commend the acceptance of this contract to the judgment of the House.*

*Question put, "That the words proposed to be left out stand part of the Question."*

*The House divided: Ayes, 221; Noes, 140.*

Division No. 266.]	AYES.	[5.10 p.m.
Abraham, William (Dublin, Harbour)	Doris, William	Leach, Charles
Acland, Francis Dyke	Duffy, William J.	Levy, Sir Maurice
Addison, Dr. Christopher	Duncan, C. (Barrow-in Furness)	Lewis, Rt. Hon. John Herbert
Agar-Rabartes, Hon. T. C. R.	Edwards, Clement (Glamorgan, E.)	Lundon, Thomas
Alden, Percy	Esmonde, Dr. John (Tipperary, N.)	Lynch, A. A.
Allen, Rt. Hon Charles P. (Stroud)	Esmonde, Sir Thomas (Wexford, N.)	Macdonald, J. Ramsay (Leicester)
Asquith, Rt. Hon. Herbert Henry	Essex, Sir Richard Walter	McGhee, Richard
Atherley-Jones,lewellyn A.	Falconer, James	Maclean, Donald
Baker, Joseph Allen (Finsbury, E.)	Ferens, Rt. Hon. Thomas Robinson	Macnamara, Rt. Hon. Dr. T. J.
Balfour, Sir Robert (Lanark)	Ffrench, Peter	MacNeill, J. G. Swift (Donegal, South)
Barnes, George N.	Field, William	Macpherson, James Ian
Barran, Sir John N. (Hawick Burghs)	Fitzgibbon, John	MacVeagh, Jeremiah
Beale, Sir William Phipson	Flavin, Michael Joseph	M'Callum, Sir John M.
Beauchamp, Sir Edward	George, Rt. Hon. D. Lloyd	M'Curdy, C. A.
Beck, Arthur Cecil	Gill, A. H.	McKenna, Rt. Hon. Reginald
Berm, W. W. (T, Hamlets, St. George)	Gladstone, W. G. C.	M'Laren, Hon. F.W.S, (Lines, Spalding)
Bethell, Sir John Henry	Goldstone, Frank	Manfield, Harry
Birrell, Rt. Hon. Augustine	Greig, Colonel J. W.	Marshall, Arthur Harold
Boland, John Pius	Griffith, Ellis Jones	Masternnan, Rt. Hon. C. F. G.
Booth, Frederick Handel	Guest, Hon. Frederick E. (Dorset, E.)	Meagher, Michael
Bowerman, Charles W.	Gwynn, Stephen Lucius (Galway)	Meehan, Francis E. (Leitrim, N.)
Boyle, Daniel (Mayo, North)	Hackett, John	Meehan, Patrick J. (Queen's Co., Leix)
Brady, Patrick Joseph	Harcourt, Rt. Hon. Lewis (Rossendale)	Molloy, Michael
Brocklehurst, William B.	Hardie, J. Keir	Money L.G. Chiozza
Burke, E. Haviland-	Harmsworth, Cecil (Luton, Beds)	Montagu, Hon. E. S.
Burns, Rt. Hon. John	Hayden, John Patrick	Mooney, John J.
Buxton, Noel (Norfolk, North)	Hazleton, Richard	Morgan, George Hay
Byles, Sir William Pollard	Henderson, J. M. (Aberdeen, W.)	Morrell, Philip
Carr-Gomm, H. W.	Henry, Sir Charles	Morison, Hector
Cawley, Sir Frederick (Prestwich)	Higham, John Sharp	Morton, Alpheus Cleophas
Chancellor, Henry George	Hinds, John	Muldoon, John
Chapple, Dr. William Allen	Hodge, John	Munro, Robert
Churchill, Rt. Hon. Winston S.	Hogg, David C.	Munro-Ferguson, Rt. Hon. R.C.
Clancy, John Joseph	Hogge, James Myles	Murphy, Martin J.
Clough, William	Holmes, Daniel Turner	Murphy, Martin J. Murray, Captain Hon. Arthur C.
Condon, Thomas Joseph	Howard, Hon. Geoffrey	Neilson, Francis

Cory, Sir Clifford John	Hudson, Walter	Nolan, Joseph
Cotton, William Francis	Hughes, Spencer Leigh	Norton, Captain Cecil W.
Craig, Herbert J. (Tynemouth)	Jones, Rt.Hon.Sir D.Brynmor (Swansea)	Nugent, Sir Walter Richard
Crumley, Patrick	Jones, J. Towyn (Carmarthen, East)	O'Brien, Patrick (Kilkenny)
Cullinan, John	Jones, William (Carnarvonshire)	O'Connor, John (Kildare, N.)
Davies, David (Montgomery Co.)	Joyce, Michael	O'Connor, T. P. (Liverpool)
Davies, Ellis William (Eifion)	Keating, Matthew	O'Doherty, Philip
Davies, Timothy (Lincs., Louth)	Kellaway, Frederick George	O'Donnell, Thomas
Davies, Sir W. Howell (Bristol, S.)	Kelly, Edward	O'Dowd, John
De Forest, Baron	Kennedy, Vincent Paul	O'Grady, James
Delany, William	Kilbride, Denis	O'Kelly, Edward P. (Wicklow, W.)
Denman, Hon. R. D.	King, Joseph	O'Kelly, James (Roscommon, N.)
Devlin, Joseph	Lambert, Richard (Wilts, Cricklade)	O'Malley, William
Dickinson, W. H.	Lardner, James C.R.	O'Neill, Dr. Charles (Armagh, S.)
Dillon, John	Law, Hugh A. (Donegal, West)	O'Shaughnessy, P. J.
Donelan, Captain A.	Lawson, Sir W. (Cumb'rld, Cockerm'th)	O'Shee, James John
O'Sullivan, Timothy	Roberts, George H. (Norwich)	Thorne, G. R. (Wolverhampton)
Outhwaite, R. L.	Robertson, Sir G. Scott (Bradford)	Thorne, William (West Ham)
Palmer, Godfrey Mark	Robertson, John M. (Tyneside)	Toulmin, Sir George
Parker, James (Halifax)	Roche, Augustine (Louth)	Ure, Rt. Hon. Alexander
Pearce, Robert (Staffs, Leek)	Roe, Sir Thomas	Walters, Sir John Tudor
Pearson, Hon. Weetman H. M.	Rowlands, James	Ward, John (Stoke-upon-Trent)
Pease, Rt. Hon. Joseph A. (Rotherham)	Samuel, Rt. Hon. H. L. (Cleveland)	Wardle, George J.
Phillips, John (Longford, S.)	Samuel, J. (Stockton-on-Tees)	Waring, Walter
Ponsonby, Arthur A. W. H.	Samuel, Sir Stuart M. (Whitechapel)	Warner, Sir Thomas Courtenay
Price, C. E. (Edinburgh, Central)	Scanlan, Thomas	Webb, H.
Primrose, Hon. Neil James	Scott, A. MacCallum (Glas., Bridgeton)	White, J. Dundas (Glasgow, Tradeston)
Pringle, William M. R.	Seely, Rt. Hon. Colonel J. E. B.	White, Patrick (Meath, North)
Radford, G. H.	Sheehy, David	Williams, Llewelyn (Carmarthen)
Rattan, Peter Wilson	Shortt, Edward	Williamson, Sir Archibald
Rea, Rt. Hon. Russell (South Shields)	Simon, Rt. Hon. Sir John Allsebrook	Wilson, Rt. Hon. J. W. (Worcs., N.)
Rea, Walter Russell (Scarborough)	Smith, Albert (Lancs., Clitheroe)	Wilson, W. T. (Westhoughton)
Reddy, Michael	Smyth, Thomas F. (Leltrim, S.)	Wood, Rt Hon. T. McKinnon (Glasgow)
Redmond, John E. (Waterford)	Snowden, Philip	Young, William (Perthshire, East)
Redmond, William (Clare, E.)	Strauss, Edward A. (Southwark, West)	Yoxall, Sir James Henry
Redmond, William Archer (Tyrone, E.)	Sutton, John E.	
Richardson, Albion (Peckham)	Taylor, Thomas (Bolton)	TELLERS FOR THE AYES.—Mr. Illingworth and Mr. Gulland.
Richardson, Thomas (Whitehaven)	Tennant, Harold John	
Roberts, Charles H. (Lincoln)	Thomas, J. H.	
NOES.		
Anson, Rt. Hon. Sir William R.	Falle, Bertram Godfray	M'Neill, Ronald (Kent, St. Augustine's)
Archer-Shee, Major M.	Fell, Arthur	Malcolm, Ian
Astor, Waldorf	Fisher, Rt. Hon. W. Hayes	Mildmay, Francis Bingham
Baird, John Lawrence	Fitzroy, Hon. Edward A.	Mills, Hon. Charles Thomas
Baker, Sir Randall L. (Dorset, N.)	Fleming, Valentine	Neville, Reginald J. N.
Baldwin, Stanley	Fletcher, John Samuel	Newdegate, F. A.
Banbury, Sir rederick George	Forster, Henry William	Newman, John R. P.
Barlow, Montague (Salford, South)	Foster, Philip Staveley	Nicholson, William G. (Petersfield)
Barnston, H.	Gardner, Ernest	Nield, Herbert
Bathurst, Hon. A. B. (Glouc., E.)	Gastrell, Major W. Houghton	Perkins, Walter Frank
Bathurst, C. (Wilts, Wilton)	Gibbs, G. A.	Pollock, Ernest Murray
Beach, Hon. Michael Hugh Hicks	Gilmour, Captain John	Rawlinson, John Frederick Peel

Beckett, Hon. Gervase	Goldsmith, Frank	Rawson, Colonel R. H.
Benn, Arthur Shirley (Plymouth)	Gordon, Hon. John Edward (Brighton)	Remnant, James Farquharson
Benn, Ion Hamilton (Greenwich)	Grant, J. A.	Rolleston, Sir John
Bennett-Goldney, Francis	Gretton, John	Ronaldsnay, Earl of
Blair, Reginald	Guinness, Hon. Rupert (Essex, S.E.)	Royds, Edmund
Boles Lieut.-Colonel Dennis Fortescue	Guinness, Hon. W. E. (Bury S. Edmunds)	Salter, Arthur Clavell
Boyle, William (Norfolk, Mid)	Haddock, George Bahr	Samuel, Samuel (Wandsworth)
Boyton, James	Hall, Frederick (Dulwich)	Sanders, Robert Arthur
Brassey, H. Leonard Campbell	Harris, Henry Percy	Stanley, Hon. G. F. (Preston)
Bridgeman, William Clive	Helmsley, Viscount	Stanley, Hon. Arthur (Ormskirk)
Bull, Sir William James	Henderson, Major H. (Berks, Abingdon)	Starkey, John R.
Burdett-Coutts, W.	Henderson, Sir A. St. Geo., Han. Sq.)	Stewart, Gershom
Burn, Colonel C. R.	Hewins, William Albert Samuel	Swift, Rigby
Campbell, Captain Duncan F. (Ayr, N.)	Hills, John Waller	Sykes, Alan John (Ches., Knutsford)
Cassel, Felix	Hoare, Samuel John Gurney	Terrell, George (Wilts, N.W.)
Castlereagh, Viscount	Mohler, G. F.	Terrell, Henry (Gloucester)
Cator, John	Hope, Major J. A. (Midlothian)	Thompson, Robert (Belfast, N.)
Cautley, H. S.	Hunt, Rowland	Thynne, Lord Alexander
Cecil, Evelyn (Aston Manor)	Hunter, Sir C. R.	Tobin, Alfred Asplnall
Cecil, Lord Hugh (Oxford University)	Ingleby, Holcombe	Tryon, Captain George Clement
Cecil, Lord R. (Herts, Hitchin)	Jessel, Captain H. M.	Valentia, Viscount
Chaloner, Colonel R. G. W.	Kerr-Smiley, Peter Kerr	Walrond, Hon. Lionel
Clay, Captain H. H. Spender	Kerry, Earl of	Ward, A. S. (Herts, Watford)
Clive, Captain Percy Archer	Kinloch-Cooke, Sir Clement	Warde, Col. C. E. (Kent, Mid)
Coates, Major Sir Edward Feetham	Kyffin-Taylor, G.	Wheler, Granville C. H.
Cooper, Richard Ashmole	Larmor, Sir J.	White, Major G. D. (Lancs., Southport)
Craik, Sir Henry	Law, Rt. Hon. A. Bonar (Bootle)	Wills, Sir Gilbert
Dalziel, Davison (Brixton)	Lee, Arthur Hamilton	Welmer, Viscount
Denison-Pender, J. C.	Lewisham, Viscount	Wood, Hon. E. F. L. (Ripon)
Denniss, E. R. B.	Lloyd, George Ambrose (Stafford, W.)	Worthington-Evans, L.
Dickson, Rt. Hon. C. Scott	Lloyd, George Butler (Shrewsbury)	Yate, Colonel Charles Edward
Du Cros, Arthur Philip	Locker-Lampson, G. (Salisbury)	Younger, Sir George
Duke, Henry Edward	Lonsdale, Sir John Brownlee	
Duncannon, Viscount	Lowe, Sir F. W. (Birm., Edgbaston)	TELLERS FOR THE NOES.—Lord Edmund Talbot and Mr. Pike Pease.
Eyres-Monsell, Bolton M.	MacCaw, Wm. J. MacGeagh	
Faber, George Denison (Clapham)	Mackinder, Hallord J.	

Main Question put. The House divided; Ayes, 210; Noes, 138.

Division No. 267.]

AYES

[5.20 p.m.

Abraham, William (Dublin, Harbour)	Agar-Robartes, Hon. T. C. R.	Asquith, Rt. Hon. Herbert Henry
Acland, Francis Dyke	Alden, Percy	Atherley-Jones, Llewellyn A.
Addison, Dr. Christopher	Allen, Rt. Hon. Charles P. (Stroud)	Baker, Joseph Allen (Finsbury, E.)
Balfour, Sir Robert (Lanark)	Henry, Sir Charles	O'Grady, James
Barnes, George N.	Higham, John Sharp	O'Kelly, Edward P. (Wicklow, W.)
Barran, Sir John N. (Hawick)	Hinds, John	O'Kelly, James (Roscommon, N.)
Beale, Sir William Phipson	Hodge, John	O'Malley, William
Beauchamp, Sir Edward	Hogg, David C.	O'Neill, Dr. Charles (Armagh, S.)
Beck, Arthur Cecil	Hogge, James Myles	O'Shaughnessy, P. J.

Benn, W. W. (T. Hamlets, St. George)	Holmes, Daniel Turner	O'Shee, James John
Bethell, Sir John Henry	Howard, Hon. Geoffrey	O'Sullivan, Timothy
Birrell, Rt. Hon. Augustine	Hudson, Walter	Outhwaite, R. L.
Boland, John Pius	Hughes, Spencer Leigh	Palmer, Godfrey Mark
Booth, Frederick Handel	Jones, Rt.Hon. Sir D.Brynmor (Swansea)	Parker, James (Halifax)
Bowernnan, Charles W.	Jones, J. Towyn (Carmarthen, East)	Pearce, Robert (Staffs, Leek)
Boyle, Daniel (Mayo, North)	Jones, William (Carnarvonshire)	Pearson, Hon. Weetman H. M.
Brady, Patrick Joseph	Joyce, Michael	Pease, Rt. Hon. Joseph A. (Rotherham)
Brocklehurst, William B.	Keating, Matthew	Phillips, John (Longford, S.)
Burke, E. Haviland-	Kellaway, Frederick George	Ponsonby, Arthur A. W. H.
Burns, Rt. Hon. John	Kelly, Edward	Pringle, William M. R.
Buxton, Noel (Norfolk, North)	Kennedy, Vincent Paul	Radford, G, H
Byles, Sir William Pollard	Kilbride, Denis	Rattan, Peter Wilson
Carr-Gomm, H. W.	King, J.	Rea, Rt. Hen. Russell (South Shields)
Cawley. Sir Frederick (Prestwich)	Lambert, Richard (Wilts, Cricklade)	Rea, Walter Russell (Scarborough)
Chancellor, Henry George	Lardner, James C. R.	Reddy, Michael
Clancy, John Joseph	Law, Hugh A. (Donegal, West)	Redmond, John E (Waterford)
Clough, William	Lawson, Sir W. (Cumb'rld, Cockerm'th)	Redmond, William (Clare, E.)
Condon, Thomas Joseph	Leach, Charles	Redmond, William Archer (Tyrone, E.)
Cory, Sir Clifford John	Levy, Sir Maurice	Richardson, Albion (Peckham)
Cotton. William Francis	Lundon, Thomas	Richardson, Thomas (Whitehaven)
Craig. Herbert J. (Tynemouth)	Lynch, A. A.	Roberts, Charles H. (Lincoln)
Crumley, Patrick	Macdonald, J. Ramsay (Leicester)	Roberts, George H. (Norwich)
Cullinan, John	McGhee, Richard	Robertson, Sir G. Scott (Bradford)
Davies, David (Montgomery Co.)	Maclean, Donald	Robertson, John M. (Tyneside)
Devies, Ellis William (Eition)	Macnamara, Rt. Hon. Dr. T. J.	Roche, Augustine (Louth)
Davies. Timothy (Lincs., Louth)	MacNeill, J. G. Swift (Donegal, South)	Roe, Sir Thomas
Davies, Sir W. Howell (Bristol, S.)	Macpherson, James Ian	Rowlands, James
De Forest. Baron	MacVeagh, Jeremiah	Samuel, Rt. Hon. H. L, (Cleveland)
Delany, William	M'Callum, Sir John M.	Samuel, J. (Stockton-on-Tees)
Denman, Hon. Richard Douglas	M'Curdy, C. A.	Samuel, Sir Stuart M. (Whitechapel)
Devlin, Joseph	McKenna, Rt. Hon. Reginald	Scanlan, Thomas

Dickinson, W. H.	M'Laren, Hon. F.W.S (Lincs,Spaidding)	Scott, A. MacCallum (Glas., Bridgeton)
Dillon, John	Manfield, Harry	Seely, Rt. Hon.Colonel J. E. B.
Donelan, Captain A.	Marshall, Arthur Harold	Sheehy, David
Doris, William	Masterman, Rt. Hon. C. F. G.	Shertt, Edward
Duffy, William J.	Meagher, Michael	Simon, Rt Hon. Sir John Allsebrook
Duncan. C. (Barrow-in-Furness)	Meehan, Francis E. (Leitrim, N.)	Smyth, Thomas F. (Leitrim, S.)
Edwards, Clement (Glamorgan, E.)	Meehan, Patrick J (Queen's Co., Leix)	Snowden, Philip
Esmonde, Dr. John (Tipperary, N.)	Molloy, Michael	Strauss, Edward A. (Southwark, West)
Esmonde, Sir Thomas (Wexford, N.)	Money, L. G. Chiozza	Taylor, Thomas (Bolton)
Essex, Sir Richard Walter	Montagu, Hon. E. S.	Tennant, Harold John
Falconer, James	Mooney, John J.	Thomas, J. H.
Ferens. Rt. Hon. Thomas Robinson	Morgan, George Hay	Thorne. G. R. (Wolverhampton)
Ffrench. Peter	Morrell, Philip	Thorne, William (West Ham)
Field, William	Morison, Hector	Toulmin, Sir George
Fitzgibbon, John	Morton, Alpheus Cleophas	Ure. Rt. Hon. Alexander
Flavin. Michael Joseph	Muldoon, John	Walters, Sir John Tudor
George, Rt. Hon. D. Lloyd	Munro, Robert	Ward, John (Stoke-upon-Trent)
Gladstone, W. G. C.	Munro-Ferguson, Rt. Hon. R. C.	Wardle, George J.
Goldstone, Frank	Murphy, Martin J.	Warner, Sir Thomas Courtenay
Greig, Colonel J. W.	Murray, Captain Hon. Arthur C.	Webb, H.
Griffith, Ellis Jones	Neilson, Francis	White, J. Dundas (Glasgow, Tradeston)
Guest, Hon. Frederick E. (Dorset, E.)	Nolan, Joseph	White, Patrick (Meath, North)
Gwynn, Stephen Lucius (Galway)	Norton, Captain Cecil W.	Williamson, Sir Archibald
Hackett, John	Nugent, Sir Walter Richard	Wilson, Rt. Hon. J. W. (Worcs., N.)
Harcourt, Rt Hon. Lewis (Rossendale)	O'Brien, Patrick (Kilkenny)	Wood, Rt. Hon. T. McKinnon (Glasgow)
Hardie, J. Keir	O'Connor, John (Kildare, N.)	Young, William (Perthshire, East)
Harmsworth, Cecil (Luton, Beds)	O'Connor, T. P. (Liverpool)	Yexall, Sir James Henry
Hayden. John Patrick	O'Daherty, Philip	
Hazleton, Richard	O'Donnell, Thomas	TELLERS FOR THE AYES.—Mr. Illingworth and Mr. Gulland.
Henderson, J. M. (Aberdeen, W.)	O'Dowd, John	

## NOES.

Anson, Rt. Hon. Sir William R.	Benn, Arthur Shirley (Plymouth)	Cassel, Felix
Archer-Shee, Major M.	Benn, Ion Hamilton (Greenwich)	Castlereagh, Viscount
Astor, Waldorf	Bennett-Goldney, Francis	Cator, John
Baird, J. L.	Blair, Reginald	Cautley, H. S.
Baker, Sir Randolph L. (Dorset, N.)	Boles, Lieut.-Colonel Dennis Fortescue	Cecil, Evelyn (Aston Manor)
Baldwin, Stanley	Boyle, William (Norfolk, Mid)	Cecil, Lord Hugh (Oxford University)
Banbury, Sir Frederick George	Boyton, James	Cecil, Lord R. (Herts, Hitchin)
Barlow, Montague (Salford, South)	Bridgeman, William Clive	Chaloner, Col. R. G. W.
Bathurst, Hon. A. B. (Glouc., E.)	Bull, Sir William James	Chapple, Dr. William Allen
Bathurst, Charles (Wilts, Wilton)	Burdett-Coutts, W.	Clay, Captain H. H. Spender
Beach, Hon. Michael Hugh Hicks	Burn, Colonel C. R.	Clive, Captain Percy Archer
Beckett, Hon. Gervase	Campbell, Captain Duncan F. (Ayr, N.)	Coates, Major Sir Edward Feetham
Cooper, Richard Ashmole	Hills, John Waller	Rawlinson, John Frederick Peel
Craik, Sir Henry	Hoare, S. J. G.	Rawson, Colonel R. H.
Dalziel, Davison (Brixton)	Hohler, G. F.	Remnant. James Farquharson
Denison-Pender, J. C.	Hope, Major J. A. (Midlothian)	Rolleston, Sir John
Denniss, E. R. B.	Hunt, Rowland	Ronaldshay, Earl of
Dickson, Rt. Hon. C. Scott	Hunter, Sir Charles Rodk.	Royds, Edmund
Du Cres, Arthur Philip	Ingleby, Holcombe	Salter, Arthur Clevell
Duke, Henry Edward	Jessel, Captain H. M.	Samuel, Samuel (Wandsworth)
Duncannon, Viscount	Kerr-Smiley, Peter Kerr	Sanders, Robert Arthur
Eyres Monsell, Bolton M.	Kerry, Earl of	Stanley, Hon, Arthur (Ormskirk)
Eyres-Monsell, Bolton (Clapham)	Kinloch-Cooke, Sir Clement	Stanley, Hon. G. F. (Preston)
Falle, Bertram Godfrey	Kyffin-Taylor, G.	Starkey, John R.
Fell, Arthur	Larmor, Sir J,	Swift, Rigby
Fisher; Rt. Hon. W. Hayes	Law, Rt. Hon. A. Boner (Bootle)	Sykes, Alan John (Ches., Knutsford)
Fitzroy, Hon. Edward A.	Lee, Arthur Hamilton	Terrell, G. (Wilts, N.W.)
Fletcher, John Samuel	Lewisham, Viscount	Terrell, H. (Gloucester)
Forster, Henry William	Lloyd, George Butler (Shrewsbury)	Thompson, Robert (Belfast, North)
Foster, Philip Staveley	Locker Lampson, G. (Salisbury)	Thynne, Lord Alexander
Gardner, Ernest	Lonsdale, Sir John Brownlee	Tobin, Alfred Asplnall
Gastrell, Major W. Houghton	Lowe, Sir W. (Birm., Edgbaston)	Tryon, Captain George Clement
Gibbs, G. A.	MacCaw, William J. MacGeagh	Valentia, Viscount

Gilmour, Captain John	Mackinder, Halford J.	Walrond, Hon. Lionel
Goldsmith, Frank	M'Neill, Ronald (Kent, St. Augustine's)	Ward, A. S. (Herts, Watford)
Gordon, Hon. J. E. (Brighton)	Malcolm, Ian	Warde, Col. C. E. (Kent, Mid)
Grant, James Augustus	Marks, Sir George Croydon	Wheler, Granville C. H.
Gretton, John	Mildmay, Francis Bingham	White, Major G. D. (Lanes, Southport)
Guinness, Hon. Rupert (Essex, S.E.)	Mills, Hon. Charles Thomas	Wills, Sir Gilbert
Guinness, Hon. W.E. (Bury S.Edmunds)	Neville, Reginald J. N.	Wolmer, Viscount
Haddock, George Bahr	Newdegate, F. A.	Wood, Hon. E. F. L. (Ripon)
Hall, Frederick (Dulwich)	Newman, John R. P.	Worthington-Evans, L.
Harris, Henry Percy	Nicholson, William G. (Petersfield)	Yate, Colonel Charles Edward
Helmsley, Viscount	Nield, Herbert	Younger, Sir George
Henderson, Major H. (Berks, Abingdon)	Norman, Sir Henry	
Henderson, Sir A. (St. Geo., Han. Sq.)	Perkins, Walter Frank	TELLERS FOR THE NOES.—Lord Edmund Talbot and Mr. Pike Pease.
Hewins, William Albert Samuel	Pollock, Ernest Murray	

*Resolved, That the Agreement between Marconi's Wireless Telegraph Company, Limited, Commendatore Guglielmo Marconi, and the Postmaster-General, with regard to the establishment of a chain of Imperial Wireless Stations (Parliamentary Paper, No. 217, of Session 1913) be approved.*