



Telegraph Act 1899

1899 CHAPTER 38

3 Provisions as to existing companies.

- (1) Where an existing company have before the passing of this Act, under a licence from the Postmaster General, provided a system of public telephonic communication in any exchange area, and it is proposed to grant a new licence to a local authority or to another company to provide public telephonic communication in the same exchange area, or any part thereof, then, if the existing company consent to it being made a condition of their licence—
- (a) that they will not give favour or preference to any person whomsoever within the area specified in the new licence, and will not, within that area, as a condition of giving a service, require from any person the grant of any facility except for the purpose of supplying telephonic communication to that person; and
 - (b) that their charges shall not, within the area specified in the new licence, exceed the maximum rates or fall below the minimum rates authorised in that behalf by the Postmaster-General within that area,

it shall be a condition of the grant of the new licence, that where it is proved to the satisfaction of the Postmaster General that the existing company have incurred or contracted to incur, in the area specified in the new licence, material expenditure in laying down underground wires, and have by agreement with any local authority within that area acquired powers for that purpose, those powers shall continue for the period specified in the new licence for the duration thereof, but, subject as aforesaid, on the terms and conditions specified in the agreement (including any provisions thereof for determination on breach of covenant), except so far as they may be varied by any subsequent agreement with the local authority.

- (2) Where an existing company is at the passing of this Act under a licence from the Postmaster General supplying public telephonic communication in any exchange area, a licence to provide a system of public telephonic communication within the same area, or any part thereof, shall not be granted by the Postmaster General to any person or body other than the council of a borough or urban district, unless it is shown to the satisfaction of the Postmaster General that the application for the licence is approved by the council of each borough or urban district within which it is proposed by the application to establish a telephonic exchange.

Status: This is the original version (as it was originally enacted).

- (3) An existing company shall not, without the consent of the Postmaster General given after the passing of this Act in each case, open an exchange in any exchange area in which they had not, before the passing of this Act, established an effective exchange.
- (4) Where a local authority or a new company, under a licence from the Postmaster General, provides a system of public telephonic communication in the whole or any part of an exchange area in competition with an existing company licensed by the Postmaster General before the passing of this Act, then, if the existing company consent to it being made a condition of their licence—
- (a) that they will not give favour or preference to any person whomsoever within the whole of the exchange area in question, and will not, within that exchange area as a condition of giving a service, require from any person the grant of any facility except for the purpose of supplying telephonic communication to that person ; and
 - (b) that their charges shall not within the whole of the exchange area in question exceed the maximum rates and (where the company are empowered by agreement with the local authority to lay underground wires) shall not fall below the minimum rates authorised in that behalf by the Postmaster General within the area specified in the new licence,
- the licence of the existing company shall within the whole of the exchange area in question be extended and continue for the period specified in the new licence of the local authority or new company for the duration of such new licence, but, except as varied by this Act, the provisions of the licence of the existing company (including any provisions thereof for determination on breach of covenant) shall remain in force.
- (5) If the licence of an existing company is, under the provisions of this section, extended in respect of any exchange area for a period of not less than eight years beyond the term existing at the passing of this Act, the company shall, at the request of any other licensee of the Postmaster General providing public telephonic communication in the whole or any part of that exchange area, and under such circumstances and on such terms and conditions as may, within six months from the passing of this Act, be prescribed by an order of the Postmaster General, made with the approval of the Treasury, afford all proper facilities for the transmission of telephonic messages between persons using the system of the company (either in the whole or in part of the exchange area, as the Postmaster General may prescribe) and persons using the system of such other licensee, provided that the licensee so requiring inter-communication shall in any such case afford similar facilities.
- (6) For the purposes of this section the expression "exchange area " means an exchange area as defined by any agreement made by an existing Company with the Postmaster General before the passing of this Act.