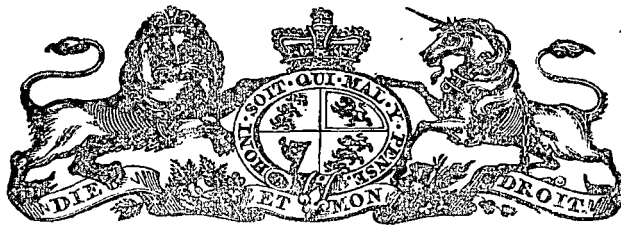


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1872.

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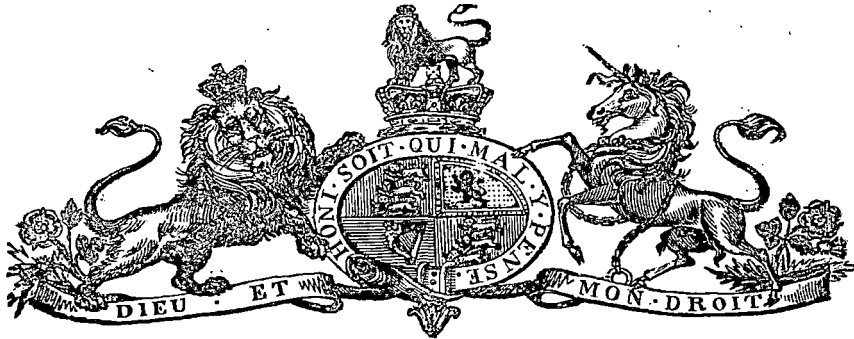
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**LAUNCESTON AND WESTERN RAILWAY  
COMPANY.**

**PETITION FROM THE CHAIRMAN TO THE GOVERNOR IN  
COUNCIL.**

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Laid upon the Table by the Colonial Treasurer, and ordered by the House to be  
printed, July 10, 1872.



*To His Excellency CHARLES DU CANE, Esq., Governor-in-Chief of Tasmania.*

The Memorial of the undersigned, being Chairman of the Launceston and Western Railway.

RESPECTFULLY SHOWETH :

THAT at a meeting of Shareholders in the said Company held on Monday, the 8th day of July, 1872, it was resolved unanimously—

“That the Directors prepare a Memorial to the Governor in Council setting out the whole of the facts in connection with the legislation on the subject of this Railway, and of the subscriptions of the Shareholders arising therefrom; and that the Chairman of the Company sign and transmit the same on behalf of the Shareholders.”

Memorialist has therefore to submit the following for Your Excellency's consideration :—

1. That in the year 1865 an Act was passed designated “The Launceston and Western Railway Act,” after several years engaged in preliminary enquiries, during which period the subscribers Memorialist represents, with other colonists, expended several hundreds of pounds of their private moneys, including (in 1862) a proportion of the cost of a preliminary Parliamentary Survey of the said Line.

2. That the said Act provided that, on a sum of £100,000 being subscribed towards the construction of the said Railway, the Government would guarantee the interest on the remaining cost of construction not exceeding £300,000, conditionally that the Landowners of the Railway District agreed at a poll to be taken for the purpose, and to the extent of two out of three of the votes of the Landowners of the said District, that the construction of the Railway should proceed under the provisions of the Act.

3. That the said provisions included the following :—

“If, at any time, in consequence of the non-payment of interest due upon any such money borrowed as aforesaid, the Colonial Treasurer shall pay any such interest, the Governor in Council shall make and levy a Rate to be called the Railway Rate, in the manner provided by ‘The Cross and Bye Roads Act, 1860,’ sufficient to repay, and for the purpose of repaying the Colonial Treasurer the amount of all moneys he may from time to time have paid as aforesaid towards the said deficiency of interest moneys.”

4. That a subsequent Act amended the first Act so far as to allow the money to be borrowed and the works constructed upon the sum of £50,000 of the Capital aforesaid being paid up by the Subscribers to the said Company, and provided for the issue of Debentures by Government instead of Company's Bonds guaranteed by Government; but that the sum of £50,000 so subscribed should all be expended on the said Works before any of the proceeds of the said Debentures should be so expended.

5. That a subsequent Act provided for the issue of a further sum of £100,000 in Debentures as aforesaid towards the construction of the said Railway and Works,—the payment of such further interest to be “enforced, recovered, and paid” in the same manner as provided in respect to the interest on the £300,000 aforesaid.

6. That, consequently, all these Acts provided for the payment of interest, until the earnings of the said Railway provided for the same, by a rate to be levied on the District.

7. That it was not until the poll of the Districts aforesaid had been taken, and the responsibility for interest accepted by 4 out of 5 of the votes of the landholders, that the subscribers (whom your Memorialist represents) came under engagement to find the required £50,000, to be expended as aforesaid; the first Act having been passed September 1865, and the engagements to subscribe the necessary funds not having commenced until January, 1866.

8. That Memorialist submits to Your Excellency that these subscriptions were made solely on the faith of the said legislation, which provided for payment of interest on the borrowed capital by a rate, and never would have been subscribed if it had been thought possible that the value of the money so expended in construction as aforesaid would at any time have been sought to have been wrested from the subscribers by judgment in the Supreme Court.

9. That the subscribers had additional reason for believing that their interests would not be sought to be thus sacrificed, in the provision made by the Act No. 2, that in the event of the principal moneys not being forthcoming from earnings of the Line, or otherwise, at the end of the term for which the bonds were issued, that in that case new bonds might be issued, from time to time, until all moneys secured by any bond under the Act were paid.

10. That the subscribers made the advance required by the said Acts, and which had been forced upon them as the sole condition on which the Parliament would sanction the construction of the Line, not in any spirit of ordinary enterprise, nor in the expectation of receiving any immediate direct return for their money; but in the belief that Railway communication between the agricultural districts of the north west and the port was the only mode by which the competition in the neighbouring markets could be successfully met, and the agricultural operations of this part of the Colony rendered profitable.

11. That the subscribers had an additional inducement to subscribe to this work in the Waste Lands Act of 1863, which provides for the granting of land in consideration of private contributions to public works; but no vote of land has been made to the subscribers to this work, whilst the principle has been extended to the utmost in the case of the Deloraine and Mersey Tramway Company.

12. That, notwithstanding the subscriptions to this undertaking were made on the clearly defined conditions aforesaid, a Judgment has been obtained in the Supreme Court, and execution thereof has been threatened against the Company; the effect of which will be to appropriate to the payment of interest the property in the Railway represented by the sum of £50,000 subscribed as aforesaid.

13. That your Memorialist submits to Your Excellency that to proceed to execution without making provision for the equitable treatment of the subscribers to this Company will produce a sense of deep injustice and wrong inflicted under the authority of the law, strained by strictly technical construction of its provisions to the violation of the clear and distinct *intention* of the Legislature in 1865, and of the very distinct understanding entered into between the Executive Government, the landholders, and the subscribers to this Company; and if pressed must tend to weaken the character of the Government of this Colony for strict integrity in dealing with financial questions.

14. That, to avoid execution as aforesaid; it is proposed by the Honorable the Colonial Secretary that the subscribers aforesaid shall yield up their interest in the said Railway and Works, and forego all claim therefore upon those compensatory provisions of the law already referred to.

15. That on this proposal a Meeting of the said subscribers has been duly convened and held, and the following Resolution unanimously adopted:—

“That, inasmuch as the Launceston and Western Railway Company are unable to keep the permanent way in repair, in addition to meeting current expenses, and Government having refused to render sufficient pecuniary assistance for that purpose, and taking into consideration the large extent of public land given by Government to the promoters of the Mersey and Deloraine Company, (of greater value than the amount expended by the Company), as an encouragement to them for having invested their money in the undertaking; and also that the Main Line Railway is to be undertaken at the cost of the country generally,—this Meeting is of opinion that the same liberality should be extended to the Shareholders of the Launceston and Western Railway Company as that to those of the Mersey and Deloraine Company, and to the scheme of the Main Line; and, therefore, that this Line be handed over to the Government, as suggested by the Colonial Secretary in his letter of the 3rd instant, *on condition* that all salaries of officials now due and other liabilities of the Company are paid, and a full release given to the Shareholders for any arrears of interest supposed to be payable by them on the Railway Bonds; and that the Shareholders be fairly and equitably dealt with in regard to the amount subscribed by them towards the construction of the work.”

16. That, in any calculations of the equitable claims of the Company, consideration should be given to the fact that the more expensive portion of the Launceston and Western Line will form a direct part of the Main Line connection; and that the remaining part of the Line, to Deloraine, will also form an important connecting link between Hobart Town and the Western Districts, and *vice versa*.

Memorialist therefore prays that Your Excellency, taking into consideration the premises aforesaid, will adopt such measures as shall ensure to the Subscribers fair and equitable consideration of their claims in respect to their contributions towards the construction of the great Public work aforesaid, when the Company will be prepared to yield up the Railway and Works to Your Excellency's Government.

And Your Excellency's Petitioner, as in duty bound, will ever pray, &c.

RICHD. GREEN, *Chairman*.