

(No. 29.)



1861.

T A S M A N I A.

C O A L.

CORRESPONDENCE BETWEEN MESSRS. BROWN & LARNACK
AND THE GOVERNMENT.

Laid upon the Table by Mr. Henty, and ordered by the Council to be printed,
19 September, 1861.



Hobart Town, 30th August, 1861.

SIR,

WE have the honor to submit for your consideration, the proposal to which we shortly adverted in our recent interview with you on the subject of the Coal Measures in the District of Fingal.

The terms we offer are as follows :—

That the Government shall give us the exclusive right to open and work all Coal Seams within the Districts of Avoca and Fingal, for a term of 99 years, and shall grant a lease to us for the same period, of an acre of ground with suitable river frontage, say 100 yards, on the Tamar a little below the bar, and on the opposite side of the River to the Town, for a Coal Yard.

That the Government shall, within two years, form a railroad from the Coal Yard to such point in the vicinity of Avoca, as may be selected by us; and also supply locomotive engines sufficient to draw 100,000 tons of Coal per annum; and also to take such further quantity as may be required, at two pence per ton per mile.

That the Government shall be restricted from carrying Coals for any other parties under six pence per ton, per mile.

We have consulted an experienced surveyor long resident in this colony, who agrees with us, that a good line may be formed for the proposed Railroad. We estimate the cost of road and engines at considerably less than £200,000, but we will engage to pay 5 per cent. interest on the outlay up to that amount, and to give at once, satisfactory personal security to the extent of £20,000. We are willing also, to undertake to erect three steam or hydraulic cranes for shipping the Coal, and to leave them at the expiration of the lease in working order; and we bind ourselves to supply Coal Waggons for the rail.

We may mention that our outlay in this understanding before we can look for any return, will most probably exceed £30,000, and we would remind you that the traffic to arise in the event of the Coal proving equal to our expectations, will of course add greatly to the wealth and population of this Island.

We have the honor to be,
Sir,

Your most obedient Servants.

ALEXANDER BROWN.
G. M. LARNACK.

The Honorable the Colonial Treasurer.

30th August, 1861.

WILL the Director of Public Works advise the Government in reference to this communication.

F. M. INNES.

Colonial Treasury, 3 September, 1861.

GENTLEMEN,

REFERRING to verbal communications on the subject of the proposal of Messrs. Brown and Larnack in reference to opening up the Coal Mines reputed to exist at Ben Lomond and its vicinity, and to your desire to be favoured with an immediate reply to those proposals. I beg to say, that the question has been referred for the advice of the Director of Public Works, whose report has not yet been received, but I have understood from him this morning that the proposals are not of such a character as he can recommend, and I fear therefore that they are not such as Parliament would sanction, or the Government submit to it.

I have, &c.,

F. M. INNES.

Messrs. ALLPORT, ROBERTS, & ALLPORT.

ON Enclosure of Messrs. BROWN & LARNACK (Coal Fields.)

THE terms submitted for the consideration of the Government appear, as respects the advantages to be derived therefrom, to be altogether on the side of the gentlemen making them.

1. The Government are required to give the *exclusive* right to Messrs. Brown & Larnack to open and work *all* Coal Seams within the District of Avoca and Fingal, for a term of 99 years, and to grant an Acre of Land on the Tamar at Launceston, having a suitable river frontage, for Coal Yards.

2. The Government are called upon to construct, within a period of *two years*, a Railroad from the Coal Yards on the Tamar, to such point in the vicinity of Avoca as may be selected by the applicants; and to supply Locomotive Engines sufficient to draw 100,000 tons of Coal annually; and to take such further quantity as may be required at *2d.* per ton per mile, with restrictions against becoming Carriers for any other parties under *6d.* per ton per mile.

The foregoing most liberal gifts and concessions are asked for, without any reservation either as to royalty or rent, without any offer of guarantee of a certain quantity of Coal being raised annually, or, failing so to do, of the payment of a specific rent.

The applicants not only require a Railroad to be completed within *two years*, with Locomotives capable of conveying to market 100,000 tons of Coals annually, but they so require the same to be conveyed *free of charge*; thereby entailing on the Government the cost of construction and maintenance, no matter how great the outlay may be, and, in return, they merely propose to pay *£5* per cent. on an assumed outlay, limited to *£200,000*; and the security offered is a *personal one* to the extent of *£20,000*, such personal security, as regards its intrinsic worth and value, remaining unascertained.

If, therefore, the Railway and Plant cost in its construction *£600,000*, the liability of the applicants would only be to the extent aforementioned, and contingent as to its worth, on a personal security at present undefined.

The Railroad proposed (by the terms of the letter in question) to be constructed, would be about from 60 to 80 miles, through a country much more difficult than from Launceston to Deloraine (which is computed at 40 miles), and estimated to cost from *£300,000* to *£400,000*.

If the Government deem it desirable to entertain proposals for alienating or renting the valuable Coal Fields on its Crown Lands, or for constructing Railways in order to bring the produce of such Mines to market, I think it is much more desirable to call the attention of capitalists to their extent and richness, than to consider offers of so unreasonable a character as that submitted by Messrs. Brown & Larnack.

W. R. FALCONER, *Director of Public Works.*

3rd September, 1861.