

(No. 119.)



1892.

PARLIAMENT OF TASMANIA.

THE MOUNT LYELL TRAMWAY BILL (PRIVATE):

REPORT OF SELECT COMMITTEE, WITH MINUTES
OF PROCEEDINGS AND EVIDENCE.

Brought up by Mr. Clark, November 30, 1892, and ordered by the House of
Assembly to be printed.



SELECT COMMITTEE appointed on 25th November, 1892, to authorise the Mount Lyell Mining Company to construct and maintain a Railway from Mount Lyell to Strahan.

MEMBERS OF THE COMMITTEE.

MR. DUMARESQ.
MR. MACKENZIE.
MR. SIDEBOTTOM.

MR. PILLINGER.
MR. CLARK. (*Mover.*)

DAY OF MEETING.

Wednesday, 30th November, 1892.

WITNESSES EXAMINED.

Hon. Adye Douglas, Chief Secretary ; Mr. Francis Belstead, Secretary of Mines.

MINUTES OF PROCEEDINGS.

WEDNESDAY, NOVEMBER 30, 1892.

The Committee met at 2.30 P.M.

Present—Mr. Dumaresq, Mr. Sidebottom, Mr. A. Inglis Clark.

Mr. Clark, on the Motion of Mr. Dumaresq, seconded by Mr. Sidebottom, was voted to the Chair.

The Chairman tabled the Petition praying for leave to introduce the Bill, and a chart of the District around Mt. Lyell, and a plan of the Flying Survey of the proposed Line. (Appendix A.)

Counsel (Mr. E. Butler) addressed the Committee in support of the Bill.

The Hon. Adye Douglas was called in and examined.

Mr. Douglas withdrew.

Mr. Francis Belstead, Secretary to Mines Department was called in and examined.

Mr. Belstead withdrew.

Counsel withdrew.

The Committee deliberated.

Preamble considered and agreed to.

Clauses 1 to 9 read and agreed to.

Clause 10 amended in line 42 by striking out the word "Thirty," inserting "Twenty-one" in lieu thereof (Mr. Sidebottom), and agreed to.

The following new Clauses were read and agreed to, and inserted as Clauses 59, 61, 62, 63, and 65 :—

59—(1.) The said Company incorporated and registered in *Melbourne*, in the Colony of *Victoria*, under the name of "The Mount Lyell Mining Company, No Liability," shall, if not already registered under "The Mining Companies (Foreign) Act," forthwith register under that Act with the Secretary of Mines the name and place of abode or business of the person appointed by such Company to carry on the business of the Company in *Tasmania*, and also the situation of the Office of such Company ; and the person so registered shall be deemed to be the Agent of such Company, and such Office shall for all purposes be the Registered Office of such Company.

(2.) Upon such registration the said Company may sue and be sued in its corporate name in *Tasmania*, and proceedings against such Company shall be in the same manner, and the liabilities of the Company and of all persons in respect of such registration shall be the same, as provided by "The Mining Companies (Foreign) Act."

61. If the Company shall be guilty, without reasonable cause, of any breach of any of the provisions of this Act, and such breach shall continue after reasonable notice shall have been given by the Governor in Council to the Company to put an end to or remedy the same, the Attorney-General may, when and so often as any such breaches may happen, apply to the Supreme Court for a Rule calling upon the Company to show cause, on a day to be mentioned in such Rule, why the Company should not be prohibited from proceeding further with the construction of the said Railway, or from continuing to work the same, upon such grounds as may be set forth in such Rule; and such Rule may be served upon the Company either by delivering the same to the agent of the Company under this Act personally, or by leaving the same at the registered office of the Company in *Tasmania*.
62. If on the hearing of such Rule the Court shall be satisfied, either by affidavit or otherwise, that the Company has been guilty, without reasonable cause, of any of the breaches of the provisions of this Act set forth in the said Rule, and that any such breach has continued after such reasonable notice as is mentioned in the immediately preceding Section has been given, the said Court may, and is hereby authorised and empowered, to prohibit the Company from proceeding further with the construction of the said Railway, or continuing to work the same.

Provided, that the Court upon the hearing of any such Rule may, if it shall consider that the justice of the case would be met by so doing, order the Company to pay to the Treasurer such a sum of money as the said Court may consider reasonable by way of penalty for the breach of any of the provisions of this Act. And the said Court may also make such Order as to the costs of the proceedings as it may think fit; and any Order so to be made for the payment of any sum of money or costs as aforesaid may be enforced in the same manner as may for the time being be provided for the enforcement of decrees and orders of the said Court in its Equitable Jurisdiction.

63. The said Court may from time to time adjourn the hearing of any such Rule to show cause as aforesaid, and may give to the Company such time as to the Court may seem reasonable for the purpose of enabling the Company to file such affidavits as may be considered necessary in opposition to the ground set forth in the said Rule, and any affidavits that may have been filed in support thereof, and may also allow further time to the Attorney-General to file any affidavits in reply as to the Court may seem expedient; and the said Court may also, if it shall see fit, direct the truth of the grounds set forth in the said Rule to be decided otherwise than by affidavit, and for that purpose may direct one or more issue or issues to be tried by a jury in the like manner as issues directed by the Court in its Equitable Jurisdiction are tried.
65. The Company shall commence the construction of the said Railway in a *bona fide* manner within Two years from the date of this Act, and shall complete the construction of the said Railway in accordance with the provisions of this Act, within a period of Five years from the date of this Act.

The Chairman tabled the Draft Report, which was read and agreed to without Amendment.

Resolved, That the Chairman do present the Report to the House at its next sitting.

The Committee adjourned *sine die*.

R E P O R T.

Your Committee having taken evidence and heard Counsel in support of the allegations contained in the Preamble, have the honor to report that the said Preamble has been proved to their satisfaction.

Your Committee having agreed that the Preamble should stand part of the Bill, then entered upon the consideration of the several clauses, which were agreed to without amendment, save in Clause 10, in which the term at which the Government might take over the Line is decreased from "Thirty" to "Twenty-one" years.

Your Committee have inserted clauses providing for enforcement of the provisions of the Act, by application to the Supreme Court, in case of default on the part of the Company, also a clause requiring that the Railway shall be commenced within two years, and completed within five years, from the commencement of the Act.

Your Committee have the honor to submit the Bill, with these amendments, or the favourable consideration of your Honorable House.

A. INGLIS CLARK, *Chairman*.

*Committee Room, House of Assembly,
30th November, 1892.*

EVIDENCE.

HON. ADYE DOUGLAS, *called and examined.*

1. *By the Chairman.*—What is your name? Abye Douglas.
2. You are a Director in the Mount Lyell Company? Yes.
3. Will you give the Committee some information in regard to that Company? Yes. It is the intention of the Company to put up works on their ground so that they may treat at least 500 tons of ore per day, the building and tramway and plant to cost £250,000. No difficulty is expected in raising this amount of money, and the Company are only waiting the report of Dr. Peters to carry the work into effect. There are 50,000 unallotted shares, which the Company propose issuing at 5s. per share at once, in order to carry out the preliminary expenses, which are calculated at about £12,000. There is no doubt that this is a *bonâ fide* transaction, and there is very little doubt that if it realises a tithe of what is anticipated it will be of vast benefit to Tasmania.
4. Is it gold or silver? Both.
5. *By Mr. Butler.*—What amount of ore do they expect to turn out? The Company intends to erect a plant which will treat at least 500 tons of ore per day.
6. *By the Chairman.*—What amount of work has been done on the mine? A great deal has been done. They have gone 400 feet on one line of adit, and also gone below, when they got better prospects than they ever got before. The stuff was analysed by Mr. Ward, with very satisfactory results.
7. *By Mr. Mackenzie.*—Will the ore be treated at the mines? Yes.

MR. FRANCIS BELSTEAD, *called and examined.*

8. *By the Chairman.*—What is your name? Francis Belstead.
9. What are you?—Secretary of Mines of Tasmania? Yes.
10. *By Mr. Butler.*—Have you visited Mount Lyell? Yes.
11. Do you know the Mount Lyell Mining Company? Yes.
12. Will you state what you know about its capabilities? As to that I can only speak from report; but from what I have heard in one way and another I have the very highest opinion of that Company. I am informed they have millions of tons of ore they can profitably treat at £1 per ton.
13. Do you know the country from Strahan to Mount Lyell? Yes.
14. What is your opinion as to the best mode of carrying ore from Mount Lyell to Strahan? Undoubtedly the best mode is by a tramway or railway. At present there is no road—at least, nothing you can call a road—for about 12 miles. The Mount Lyell Gold Mining Company paid £25 a ton for the carriage of their machinery, such as it is, from the Queen River to the Mount.
15. What is your opinion of the ore? From what I have heard, I think it is gold and silver contained in an enormous mass of pyrites.
16. How will it be treated? It is reduced to a mat, and sent away to have the precious metals extracted from it.
17. Will that mat contain a large percentage of precious metals? Yes, I imagine about 70 per cent., but of course I do not speak from technical knowledge.
18. Where is this Company registered? In Victoria, and of course under “The Foreign Companies Act” in Tasmania.
19. Can you speak of the general opinion that experts have of this mine? Well, this was the original Iron Blow discovered by Cottier, and Mr. Thureau, the Government Geologist, sent down the most glowing description of it; and others who have seen it also hold the highest opinion of it. The difficulty hitherto has been the treatment of the ore, as it requires to be dealt with in a peculiar way.
20. From your knowledge of the country do you think that it would be benefited by a railway? Undoubtedly, it could not be otherwise than a benefit. It would give access to country that is at present locked up.
21. Can you speak as to the existence or non-existence of mineral deposits in the surrounding country? Very little is known about the country for a stretch of 20 miles, but a good deal of gold is known to exist about the Queen and Princess Company’s ground.
22. You are of opinion, then, that this railway would be a benefit to the district? Undoubtedly, and would also save the Government a good deal of cost in making roads. There is no practicable road from Mount Lyell to the Queen River. There is a road for 11 or 12 miles, but it is not fit for wheel traffic. This company intends to go round by way of Honeysuckle Hill, where there is not even a track at present.
23. What is the intention of the company as regards erecting machinery for the treatment of the ore? They intend erecting machinery on a site four miles nearer to Strahan than the mine.
24. Do they intend to erect smelting works? I do not know whether they intend to erect smelting or chlorination works. They will, in any case, have to take the ore from the mine to the works, and the mat from the works to Strahan.

25. Do you know as a fact that this company has applied for an easement to run a tramway to Strahan? Yes.

26. And do you know the reason why the easement has not been granted? They have not lodged their survey. The easement would have been granted long ago but for that.

27. *By the Chairman.*—There is no departmental objection? None whatever.

28. *By Mr. Machenzie.*—Do you know what amount of work has been done on the mine? A very considerable amount. I was there two years ago, and then two tunnels had been driven, one 300 feet long, besides a considerable amount of prospecting work.

29. This is part of the Iron Blow discovered eight years ago. Yes, it incorporates it. I may mention that about four miles north-east of the Iron Blow there is an enormous deposit of copper. Owing to the low price of copper, and the want of a road, it has not been workable at a profit.

30. Would this railway give access to that copper? Yes, by an extension of four miles.

APPENDIX.

To the Honorable the Speaker and Members of the House of Assembly of Tasmania, in Parliament assembled.

The humble Petition of the Mount Lyell Mining Company, No Liability, registered in the Colony of Victoria under the provisions of "The Companies Act, 1890,"

SHOWETH:

1. That on the twenty-fourth day of November, one thousand eight hundred and ninety-two, previously to the presentation hereof, notice of the intention of your Petitioners to apply for a Private Bill was published in the Hobart *Mercury* of that date, being a public newspaper published in Hobart, which said notice contained a true statement of the general objects of the Bill as hereinafter set forth. Your Petitioners have been unable to comply with the Standing Rules and Orders of this Honorable House, as Parliament had been in Session a long time previously to the necessity arising for the said Private Bill, and it would be most detrimental to the interests of the Mount Lyell Mining Company if the said Bill should be postponed until the next Session of Parliament.

2. That the general objects of the said Bill are—

To enable your Petitioners to construct a Railway or Tramway from a point at or near Mount Lyell and extending southerly and south-westerly in an irregular direction across Crown Lands and across various mineral sections held under lease and various mineral sections held under applications to a point at or near the Town of Strahan.

To construct, maintain, and repair the said Railways or Tramways, together with all proper rails, crossings, bridges, culverts, junctions, sidings, stations, buildings, and other works and conveniences connected therewith or convenient for the purposes thereof.

To work the said Railways or Tramways by steam-power or by the use of electricity, or in any other manner.

To purchase or lease any land for the purpose of the said Railways or Tramways and the works and appurtenances thereof, and to exercise all the powers, authorities, and privileges given to promoters of undertakings by the Lands Clauses Act, 21 Vict. No. 11.

To construct and work the said Railways or Tramways over public roads and streets.

To provide for the due working and management of the said Railways or Tramways and the traffic and business thereof, and to provide for the infliction of penalties upon persons infringing the provisions of the said Bill by laws or rules.

To borrow money for the purposes of the said undertaking upon security of the assets of the said undertaking or otherwise.

To sell or lease the said Railways or Tramways and the lands and works connected therewith, or any of them, or any part thereof, as shall be deemed expedient.

The said Bill will also contain all clauses usual in Bills of such a nature for enabling the said applicants to carry out the objects of the undertaking.

Your Petitioners therefore pray for leave to introduce the said Bill.

Dated this twenty-fourth day of November, one thousand eight hundred and ninety-two.

BUTLER, M'INTYRE, & BUTLER,
Agents for the Mount Lyell Mining Company, No Liability.