

(No. 149.)



1886.

PARLIAMENT OF TASMANIA.

MAIN LINE RAILWAY:

CORRESPONDENCE.

Laid upon the Table by Dr. Agnew, and ordered by the Legislative Council to be printed, November 3, 1886.



MAIN LINE RAILWAY.

ON the issue of the Prospectus of the Tasmanian £1,000,000 Loan on the 6th July, the Bankers acting for the Tasmanian Government in London had notice from the Secretary of the Tasmanian Main Line Railway Company that steps would be taken with a view to obstruct the successful issue of the Loan, and that the Company had written to the Agent-General asking him to attend at their office on the following day. A meeting took place accordingly, at which the Bankers of the Government were also present, and after a discussion of three (3) hours the Directors of the Company, only at the last moment, agreed not to obstruct the Loan, on condition of having the sum of Fourteen thousand five hundred Pounds (£14,500) lodged jointly in their names and that of the Agent-General of Tasmania, pending a settlement of the points in dispute.

Out of moneys at the command of the Agent-General, the sum of Fourteen thousand five hundred Pounds (£14,500) has been placed by him to a special account at the Consolidated Bank, London, in the joint names of the Agent-General of Tasmania and the Tasmanian Main Line Railway Company, Limited, pending the settlement of certain matters in dispute between the Company and the Government of this Colony. Immediately upon receipt of advices from England intimating that this course had been taken, Ministers, both by cable and letter, declined to recognise the transaction, as being without their knowledge or authority.

Subsequently, on the 12th and 13th August, 1886, the following correspondence took place between the Agent-General and the Secretary:—

(Copy.)

Tasmanian Main Line Railway Company, 12th August, 1886.

SIR,

I AM instructed to inform you that the Board of this Company have unanimously decided that unless an agreement of the matters in dispute be arrived at, or the moneys withheld be paid under protest (pending a decision of the Courts or agreement), before the application for a settlement and quotation of the new loan is made to the Stock Exchange Committee, they will be reluctantly compelled to ask for a postponement of the said settlement and quotation.

I am,

Sir,

Your obedient Servant,

(Signed) WM. DAVIDSON, *Secretary.*

The Hon. ADYE DOUGLAS, Agent-General.

(Copy.)

13th August, 1886.

SIR,

I HAVE this morning received your letter of 12th instant, informing me that the Board of the Tasmanian Main Line Railway Company have unanimously decided that unless an agreement of the matters in dispute be arrived at, or the moneys withheld be paid under protest pending a decision of the Courts or agreement, before the application for a settlement and quotation of the new Loan is made to the Stock Exchange Committee, they will be reluctantly compelled to ask for a postponement of the said settlement and quotation.

This threat will not induce me to enter into any arrangement with the Company which I consider undesirable, and until this threat is withdrawn I shall not attempt to further negotiate with the Company.

I am, &c.

(Signed) ADYE DOUGLAS.

W. DAVIDSON, *Esq., Secretary Tasmanian Main Line Railway Company,*
79½, *Gracechurch-street, E.C.*