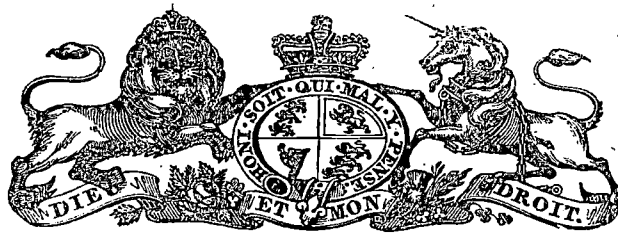


(No 33.)



1874.

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T A S M A N I A.

LEGISLATIVE COUNCIL.

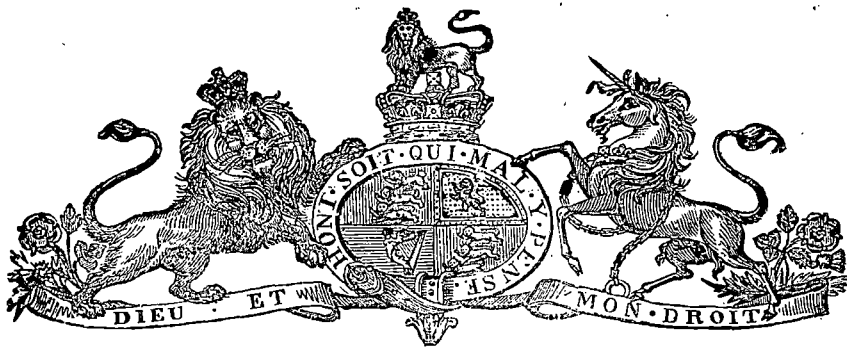
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**TASMANIAN MAIN LINE RAILWAY COMPANY,  
(LIMITED) :**

**CORRESPONDENCE RELATING TO PROSPECTUS.**

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Laid upon the Table by Mr. Chapman, and ordered by the Council to be printed,  
July 21, 1874.



*Tasmania,  
Colonial Secretary's Office, Hobart Town, 18th April, 1874.*

GENTLEMEN,

My attention has just been called to the City Article in the *London Mail* of the 9th of February last, having reference to a Prospectus published in that day's paper inviting subscriptions for £400,000 Share Capital in the Tasmanian Main Line Railway.

The City Article referred to states that the Capital consists of £650,000 in Debentures, which bear a guarantee of 5 per cent. interest for 30 years from the Tasmanian Government.

Will you be good enough to call the immediate attention of the Editor of the *Mail* to the erroneous statement put forth in the Article referred to, and request him to inform the public that the Bonds for £650,000 issued by the Tasmanian Main Line Railway Company are the Bonds of the Tasmanian Main Line Railway Company, Limited, and for the payment of principal and interest on these Bonds the Tasmanian Government is in no way responsible.

The Tasmanian Main Line Railway Company have a Contract with the Tasmanian Government to construct, work, and maintain a narrow (3 feet 6 inches) gauge Railway between Hobart Town and Launceston; such line of Railway to be through the centres of population, and to be completed and open for traffic by the 15th March, 1876.

The Company are bound to run Four Trains daily upon the said Line throughout the entire length, namely,—Two Trains daily from Hobart Town to Launceston, and Two Trains daily from Launceston to Hobart Town.

The minimum average speed at which such Trains shall travel shall be, for one daily Train each way twenty-three miles an hour, including all stoppages and detentions; and for the other daily Train, each way ten miles per hour, including all stoppages.

I send you a copy of the Contract herewith, which you will see contains many other provisions.

The Government guarantee interest to the Company during construction on the cost not exceeding £650,000, at the rate of 5 per cent., for 4 years from the date of signing the Contract.

The Government further guarantee to the Company 5 per cent. interest for 30 years on the cost not exceeding £650,000, provided they work and maintain the Line in accordance with the provisions contained in the Contract; but you will see that the Government have nothing whatever to do with the Bonds issued by the Company.

The attention of the Government having been called to the character of the works some months since, they informed the Company that they would be expected to carry out the Contract strictly in accordance with its provisions, and that the rate of speed—viz. twenty-three miles an hour for one daily train each way—would be insisted on.

You will see therefore that the payment of interest to the Company by the Government depends entirely on the Company faithfully performing their Contract with the Government; and I have to request that you will, on behalf of this Government, request the Editor of the City Article in the *London Mail* to make this clear to the public: and should the Editor decline to do so, I have to request that you will then cause a letter to be published in the *London Times* at an early date, stating the position in which the Bond-holders stand in reference to the Contract between the Tasmanian Main Line Railway Company and the Tasmanian Government.

I have further to request that you will be good enough to forward me a copy of the *London Times* or *Mail* containing any reference to this subject that may arise out of this communication.

Trusting you will excuse the trouble I am giving you,

I have, &c.,

(Signed) THOS. D. CHAPMAN, *Colonial Secretary.*

*The Crown Agents for the Colonies, London.*

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*EXTRACT from The Times of the 7th of February, 1874.*

THE National Bank of Australasia and Messrs. R. W. Carden and Co. have invited applications for £400,000 share capital of the Tasmanian Main Line Railway Company (Limited), at the price of £70. The line is 125 miles in length, and is expected to be opened in a year. The capital consists of £650,000 in debentures, which bear a guarantee of 5 per cent. from the Tasmanian Government, and of the £400,000 ordinary shares now offered, on which 6 per cent. is guaranteed by the Contractors until the opening and for one year thereafter.