

(No. 40.)



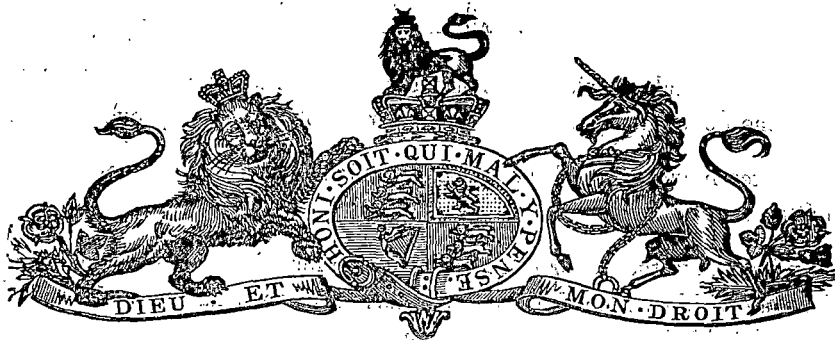
1894.

PARLIAMENT OF TASMANIA.

THE AUSTRALASIAN RIGHTS PURCHASE
ACT, 1894, (PRIVATE) :

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

Brought up by Mr. Inglis-Clark, April 11, 1894, and ordered by the House of
Assembly to be printed.



SELECT COMMITTEE appointed, on the 3rd April, 1894, to inquire into the Australasian Rights Purchase Act Amendment Bill (Private.)

MEMBERS OF THE COMMITTEE.

MR. HAMILTON.
MR. W. T. H. BROWN.
MR. FENTON.

MR. PILLINGER.
MR. A. INGLIS-CLARK. (*Mover.*)

DAY OF MEETING.

Wednesday, 11th April.

WITNESSES EXAMINED.

Mr. Ross K. Macartney, Secretary Tasmanian Water Power Electric Company, Melbourne; Mr. Francis Belstead, Secretary for Mines, Tasmania.

EXPENSES OF WITNESSES.

Defrayed by Petitioners.

MINUTES OF PROCEEDINGS.

WEDNESDAY, APRIL, 11, 1894.

THE Committee met at 3 P.M.

Present—Mr. Pillinger, Mr. W. T. H. Brown, Mr. Inglis-Clark (*Mover.*)

Mr. Inglis-Clark was voted to the Chair.

The Chairman tabled the Petition for leave to introduce the Bill (Appendix A.)

Resolved, That the Petitioners be heard by Counsel.

Counsel (Mr. Vivian Butler) appeared, and addressed the Committee in support of the Preamble of the Bill.

Mr. Ross K. Macartney, Secretary Tasmanian Water Power Electric Company, Melbourne, was called in and examined.

Mr. Hamilton took his seat.

Mr. Macartney withdrew.

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

Mr. Belstead withdrew.

Counsel withdrew.

The Committee then entered into consideration of the Bill.

Preamble agreed to.

Clauses 1 to 4 read and agreed to.

The following new Clause was inserted as new Clause 5 of the Bill:—

“The time within which the works authorised by the said Act to be constructed shall be completed is hereby declared to be a period of Two years from the date of this Act.”

The Draft Report was tabled by the Chairman, read, and agreed to.

The Committee adjourned *sine die*.

REPORT.

YOUR Committee having taken evidence in support of the allegations contained in the Preamble of the Bill, 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 agreed to the several Clauses.

Your Committee have the honor to recommend the insertion of the following new Clause 5 :—

“The time within which the works authorised by the said Act to be constructed shall be completed is hereby declared to be a period of two years from the date of this Act.”

With this Amendment your Committee has the honor to submit the Bill for the favourable consideration of your Honorable House.

A. INGLIS-CLARK, *Chairman.*

Committee Room, 11th April, 1894.

EVIDENCE.

WEDNESDAY, APRIL 11, 1894.

ROSS KENNETH MACARTNEY, *called and examined.*

1. *By Counsel, Mr. Vivian Butler.*—What is your name? Ross Kenneth Macartney.
2. What are you? I am Secretary of the Tasmanian Water Power Electric Company.
3. It is a Company formed in Melbourne to take over the rights of the Australasian Rights Purchase Association? Yes.
4. Is the Company's Registered Office in Tasmania? Yes, we are registered here, and have an agent here as well.
5. Did the Australasian Rights Purchase Association assign its rights to anyone? To Mr. Jarvey, who again assigned them to the Tasmanian Water Power Electric Company.
6. On what date? On July 3rd, 1892.
7. You remember under the principal Act £1000 was to be deposited? Yes.
8. Has that been done? Yes.
9. When? Immediately after the Bill was passed.
10. In a Bank in Tasmania? It was handed to the Treasurer of Tasmania, and I think he put it in the Commercial Bank.
11. What did the Company proceed to do then? They advertised for tenders for the plans and specifications for works on the Heemskirk River, and then let a contract to Mr. Wadey.
12. On what date? The contract was let on the 25th May, 1892.
13. As soon as the Company was in a position to carry out the work under the Bill they did so? Yes.
14. There was no time lost? Not a moment.
15. Do you know what was done under the contract? The whole of the material for the works was despatched.
16. When? In September or October, 1892. The pipes were sent away also.
17. Where were they sent to? To Strahan, to be transhipped to the Pieman; but Mr. Wadey elected to take them to Zeehan. When he got them there, he found he had to cut a track some 10 miles to get them to the ground.
18. He had to make the track? Yes, and lost a year nearly through it.
19. And all the dry weather? Yes.
20. Is the machinery bulky? Yes. Some of the pieces are from 5 to 12 feet long, and 6 feet in diameter. Some of them weigh over 4 tons. The total weight would be about 40 tons.
21. And that is already at the works? Yes.
22. In what condition is the contract now? Very much behind.
23. Whose fault is that? The contractor's. The contractor had such difficulty in getting the material on to the ground that he has made a claim against us, and we have had to go to arbitration. Mr. Ford, lately a Railway Commissioner, is the sole arbitrator.

24. How about the work already done—will Mr. Wadey hand it over to you? He will be compelled to do so. The case will be settled within a month from now, and we will then proceed at once to work.

25. Has the work been inspected by any of the directors? Mr. Matthew Jamieson, one of the directors of the Broken Hill Mine, and a very eminent engineer, has inspected the work.

26. Is not Mr. Jamieson also a director of this Company? Yes.

27. What does he report? He reports most favourably on the scheme.

28. What does he say in regard to the work done? He is not at all satisfied with either the quality or the quantity. He points out the necessity of us taking possession of the work and finishing it; and I am certain the whole job will be handed over to him as soon as we get possession of the work from Wadey.

29. In fact, that is the intention of the Company? Yes, exactly.

30. Do you know if Mr. Jamieson did anything else while he was down at the works? He visited a number of the mines, and interviewed the managers in regard to taking power from our Company. We will be able to supply power at £20 per horse power per annum, where it now costs £75 per horse power per annum, thus cheapening the cost of mining altogether, which will be a great advantage to the whole district.

31. What success did Mr. Jamieson meet with? Very considerable success. Had Mr. Wadey completed his contract we could have sold all the power we had.

32. In that case you would have been earning a revenue now? Yes, a very considerable revenue.

33. How many companies are prepared to take the power? 6 or 7.

34. Which companies are they? All the leading companies on the field, such as the Silver Queen and Western.

35. If the works had been finished the Government would have been reaping some revenue as well as the company? Yes, this power will greatly cheapen the production of silver, which at present is mined very expensively.

36. Many of the mines that are shut down, or must shut down presently, will be able to continue working? Yes; Mr. Jamieson points that out in his report.

37. And how will it affect the outlying mines? We can supply them. We can carry the electricity any distance we please, and the heaviest bit of machinery to give 30 or 40 horse power would not weigh more than 12 cwt.

38. Is there any more work to be done on the ground? I think the dam has to be raised another 3 feet, and the pipes have to be fixed down the face of the cliff, and the Pelton wheel and the machinery fixed. The whole thing, energetically taken in hand, could be finished in two months from starting.

39. What other works are there to be done? There are tracks to be made to the various mines, and the wires carried through, and the electric machinery to be fitted. The whole thing could be done simultaneously in six months.

40. What expenditure do the directors estimate they will have to incur? We reckon a total of £11,000.

41. And you are prepared to do the work? Oh, yes, quite prepared.

42. This will provide work for many men? Yes, and cheap power will provide work for many more.

43. The construction and maintenance will also provide labour? Yes, it will all involve labour.

44. Would you have to import any electric machinery? Yes, the whole of the electric machinery has to be imported, at a cost of something like £4000.

45. Have you to pay Customs duties on this? Yes, I think there is a heavy duty on electric appliances. Mr. Lee Murray told me that the Tramway Company had to pay heavy duties on their machinery, and ours is similar to theirs.

46. In what position does your Company stand—is it a *bona fide* one? Yes, it is the best body of shareholders in the Australian Colonies.

47. Can you name any of the shareholders? Yes, there are the Messrs. Hall, and Messrs. Scarrett, Jamieson, Chapman, W. R. Wilson, and others, all men of note.

48. Do you know if the Australasian Rights Purchase Association intend any similar work? They are getting a Bill through the N.S.W. Legislature for a similar purpose.

49. What stage has electricity now reached? I think you have a good illustration of it now in your tram service. As an application of power I do not think you can get anything better. At Frankfort-on-the-Maine the power is carried 115 miles. At Rome it is carried 24 miles. Some of the people connected with this Company are now engaged in the Eveleen Tunnel Scheme, bringing 6000 horse power to Melbourne from 14 miles away, at a cost of £120,000; and Mr. Greathead, one of the first engineers in England, has reported that it is one of the most feasible schemes possible.

50. Are the same people in that scheme as are in the one now before the Committee? Yes.

51. Does the high cost per horse power at Zeehan now depend on the cost of fuel? Yes, and the poor quality of the wood. Mr. Jamieson reports that the wood is very bad, and very difficult to get owing to the nature of the country. Then again, getting boilers to some of the mines is most difficult. I have not been to the West Coast, but I believe it is a very rough country.

52. Does Mr. Jamieson report that the cost of fuel is likely to increase? He says that as the forests are cut away, the cost of fuel will gradually increase.

53. And will that increase the expense per horse power? Yes.
54. If you supply the mines, will they be put to any expense? No, we fix them with transformers, as on the trains, which will be attached to their hoisting gear. Where there are fly-wheels on the gear, we simply disconnect the engine and attach a transformer to the shaft.
55. What is your opinion as to the silver there? I have not studied the subject. If silver decreases in value, the mines will have to close unless you get a cheap method of working them.
56. So in any case the introduction of cheap motive power to Zeehan would be beneficial? It must prove very beneficial.
57. You know under the Act it provides that a sum of £10,000 should be spent before the 1st March, 1894. Can you tell us how much has been expended? £4832 13s. 7d.
58. Besides the £1000 you have deposited as an earnest of good faith? Yes, and also excluding the expenses we are being put to now through the contractor being in possession, and but for which the work would have been finished. That makes a total of £5832 13s. 7d. It will take £6000 to complete the work, making £11,832 13s. 7d. It will cost between £11,000 and £12,000 to get 250 horse-power to start with, and that can be increased by a very small expenditure to 1000 horse-power.
59. In that you are only dealing with one centre? Yes, Heemskirk.
60. There are other rivers you are entitled to take water from? Yes; having perfected our system at Heemskirk, it is our intention to go on with the others.
61. Is there not some idea of supplying the mines at Dundas? Yes.
62. Your intention is to make the Company a thorough live-going concern? Yes.
63. Dundas is not too far to carry the motive power to, is it? There is such a perfect method of insulation now, that you can carry the power any distance you please.
64. At present the idea is to supply about 250 horse-power? Yes.
65. Can that be increased? Yes, by increasing the height of the dam, putting another set of pipes down the sides of the cliff, and supplying another Pelton wheel.
66. Does not Mr. Jamieson's report recommend that the dam should be raised? Not for this particular scheme, but when this is finished.
67. As soon as you get the 250 horse-power you will be in a position to supply practically unlimited power? Yes; the unlimited supply of water that cannot be got from this particular centre can be got from other points.
68. Does Mr. Jamieson report favourably on the water? He always happened to be there when there was plenty of water; but as far as we know there is plenty of water for us by making sufficient dams and weirs to conserve it.
69. Have you got the vouchers and books of the Company with you? Yes.
70. So that the Committee can inspect them? Yes; I shall be only too glad for them to do so.
71. And you are in a position to show the actual expenditure that has taken place? Yes; I came armed with them in case the Committee wished to see them.
72. *By the Chairman.*—What was the tender for Mr. Wadey's contract? £1695. That is merely for fixing pipes, &c. in position. That is the contract there is a dispute about, and we can do nothing until it is settled. We have tenders in the office for the electric machinery, which average about £4500.

FRANCIS BELSTEAD, *called and examined.*

73. *By Counsel, Mr. Vivian Butler.*—What is your name? Francis Belstead.
74. You are Secretary of Mines? Yes.
75. Do you recollect the Australasian Rights Purchase Association obtaining a Bill in 1891? Yes.
76. I think you perused the Bill and gave evidence in regard to it before a Select Committee? Yes.
77. You remember there was £1000 to be deposited? Yes; it was deposited.
78. And were the plans to be approved by the Secretary for Mines supplied to you? Yes.
79. They showed an intention to go on with the work? Yes, so far.
80. Were any other private Bills passed about that time? Yes, a number.
81. And this Company and the Mount Lyell Company are the only ones that are carrying out the work under their respective Acts? I think so.
82. Do you know whether this Company is working on the West Coast now? They have work in progress; though at the present time I understand they are not doing anything. They have some one in charge of their plant, and work is temporarily suspended.
83. Have you received any reports as to what has been done there? I have a report from the Inspector of Mines, and he reports that 27 tons of plant has been delivered on the ground, at a cost of £325, the contract price of delivery; also, that some £500 worth of work has been done.
84. That is the work in progress? Yes.
85. Do you know how far the machinery site is from Zeehan? By track 10 miles, but through the bush eight miles.

86. That track had to be made by the contractors themselves? Yes. There is an enormous difficulty in getting material in there. I saw a portion of the machinery on the road.

87. Is any of the machinery at Zeehan? A little of it; I don't know what quantity. I have seen some of it myself.

88. Are you of opinion this Company should be encouraged to develop this work? Most assuredly.

89. It would be a vast benefit to Zeehan? Undoubtedly.

90. By supplying cheap motive power? Yes, if carried to a successful issue.

91. I suppose the mines find it imperative to keep down expenditure? Yes.

92. What is your opinion of the present depression at Zeehan: is it that the mines are a failure, or that the expenses are so far and away above the results? I think it is attributable chiefly to the low price of silver. Some of the mines show a splendid development.

93. And one want is cheaper motive power? Yes, anything that will lessen the cost of production.

94. Are the roads round Zeehan any better than they used to be? In some directions they are.

95. What are the roads to the outlying mines like? They are very little improved.

96. And it would be of benefit to give these mines power, without their having to cart heavy machinery? Of great benefit.

97. It would encourage the working of these outside mines? Yes.

98. Are any of them being worked at present? Very few.

99. Is there any opposition to this Bill at Zeehan? No.

100. You were there a few weeks ago? Yes.

101. And you would have been likely to hear of any opposition to it, if there had been any? Yes, I think so.

102. Have any petitions been presented against it? No, not that I am aware of.

103. Have you read the Bill it is proposed to introduce? Yes.

104. Is it a fair Bill—is there anything in it that you can find fault with as Secretary for Mines? I see no objection to it whatever from a departmental point of view.

105. Do you know how much has been expended by this Company? I have heard, but I don't remember.

106. Does this Company seem to be in earnest in this work? Yes, as far as I can see.

The Committee then adjourned.

APPENDIX A.

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

The Petition of The Tasmanian Water Power Electric Company, Limited, a Company registered in Melbourne, in the Colony of Victoria, under "The Companies Act, 1890," and having a registered Agent and Office in Hobart, in Tasmania.

SHOWETH :

1. THAT your Petitioner is the Assignee of "The Australasian Rights Purchase Association, Limited," under the provisions of Section 75 of an Act of the Parliament of Tasmania, passed in the fifty-fifth year of the Reign of Her Majesty Queen Victoria, and of which the short title is "The Australasian Rights Purchase Act."

2. That within three months previously to the presentation of this Petition notice of the intention of your Petitioner to apply for a Private Bill was published as follows, that is to say :—

In the *Hobart Gazette*, on Tuesday, the twentieth day of February, and Tuesday, the twenty-seventh day of February, one thousand eight hundred and ninety-four :

In the *Tasmanian News*, being a public newspaper published in Hobart, on the twentieth day of February, one thousand eight hundred and ninety-four, and on the twenty-seventh day of February, one thousand eight hundred and ninety-four :

In the *Mercury*, being a public newspaper published in Hobart, on the twenty-fourth day of February, one thousand eight hundred and ninety-four :

In the *Zeehan and Dundas Herald*, being a public newspaper published in or nearest the District affected by the said Bill, on the first day of March, one thousand eight hundred and ninety-four :

Which said notice contained a true statement of the general objects of the Bill as hereinafter set forth.

3. That the general objects of the said Bill are :—

To extend until the first day of March, one thousand eight hundred and ninety-six, the time limited by an Act of the Parliament of Tasmania passed in the fifty-fifth year of the Reign of Her Majesty, Queen Victoria, and of which the short title is "The Australasian Rights Purchase Act," for the expenditure of the sum of Ten thousand Pounds mentioned in Section 104 of the said Act upon the works which the Australasian Rights Purchase Association, Limited, are by the said Act authorised to construct.

4. The said Bill will also contain all the provisions necessary to enable the said Tasmanian Water Power Electric Company, Limited, to carry out the said works, and all other clauses usual in Bills of a like nature.

Your Petitioner therefore humbly prays for leave to introduce the said Bill.

And your Petitioner will ever pray.

Dated this 26th day of February, one thousand eight hundred and ninety-four.

The Seal of the Tasmanian Water Power Electric Company
was affixed hereto, in the presence of us, this 26th day of
February, 1894.

T. S. HALL,	} <i>Directors.</i>
M. B. JAMIESON,	
W. ATTENBOROUGH,	
ROSS K. MACARTNEY,	<i>Secretary.</i>