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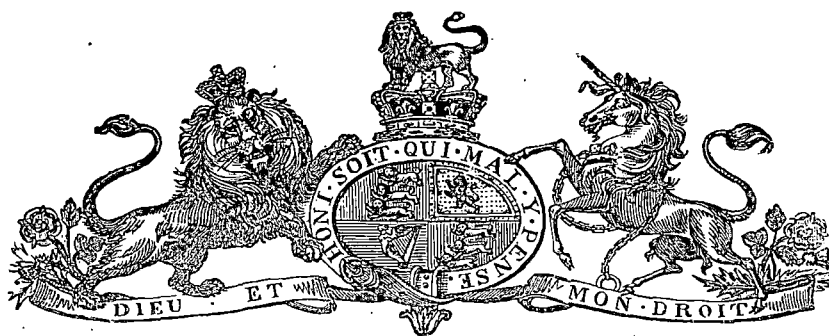
PARLIAMENT OF TASMANIA.

DERWENT VALLEY RAILWAY:

RETURN GIVING CERTAIN ESTIMATES.

Return to an Order of the House of Assembly. (Mr. N. J. Brown.)

Laid upon the Table by the Minister of Lands, and ordered by the House of
Assembly to be printed, August 11, 1887.



RETURN giving certain Estimates in relation to the Derwent Valley Railway.

(1.) The various estimates of cost that have been furnished to the Government by the Engineer-in-Chief from time to time, in the order of the dates on which they were furnished :—

	<i>Length.</i>
£140,000—Parliamentary Estimate, December, 1883	23 miles 16 chains.
£140,000—When J. Falkingham's Tender accepted	24 miles 26 chains.
£155,000 to £160,000—Ordered by Hon. N. J. Brown, September, 1885.	
£179,682—With completion of J. Falkingham's Contract by } Department	9th March, 1887.
£200,000—With completion of J. Falkingham's Contract to Plenty } Station by Department, and completion beyond } Plenty according to Tender of R. C. Patterson.. }	21st July, 1887.

A further conditional payment of £2000 arranged since last estimate made, and any further residence for workmen may have to be provided for.

(2.) The estimate furnished to the late Government by the Engineer-in-Chief of the cost of completing the work if left in the hands of the Contractor, together with the Estimate in detail of the cost of completing the work by day labour under the Public Works Department, and a copy of the recommendation of the Engineer-in-Chief thereon :—

Estimate herewith ; also Estimates in detail as prepared by the Resident Engineer. The total marked "A" represents work in completion of J. Falkingham's Contract at contract rates. The total marked "B" represents work in completion of J. Falkingham's Contract if done by Department, and without allowance for any risks or contingencies.

The Engineer-in-Chief, with the Resident Engineer, was ordered to attend before Cabinet when these Estimates were submitted, and then the Engineer-in-Chief recommended completion of J. Falkingham's Contract by Department, and release of Contractor ; the latter on the following grounds ; viz.—

The Engineer-in-Chief had on several occasions officially recommended the cancelling of J. Falkingham's Contract, but it was found that the stoppage of the works would have made it impracticable to exercise the necessary legal powers, and that the Contractor was "master of the situation." He also intimated that he meant to take 2½ years to finish the work.

Comparative Estimates of Cost to complete Railway under Contract or by the Government Department.

	£	s.	d.
(A) Rate by Contract	45,034	9	7
(B) Rate it could be done for	35,514	8	7
Amount of Estimate to complete	35,514	8	7
Amount of 18th Return estimated to be without advance on materials	80,000	0	0
	<u>£115,514</u>	<u>8</u>	<u>7</u>
Amount of Estimate, March, 1886	106,303	2	0
Amount of increase through joint occupation Bridges and Royal Commissioners	9674	14	3
	<u>£115,977</u>	<u>16</u>	<u>0</u>

(3.) An estimate by the Engineer-in-Chief of the value of dead-work effected by the Department by day labour beyond the Plenty out of the sum of £9000 stated to have been expended by the Department before the carrying out of the work by day labour was stopped, which work would have been valuable to the Department if the work had been continued to be carried out by the Department, but which would not be allowed for by any Contractor in making up his tender :—

The amount of “dead-work” included in amount of £9000 is estimated at about £800.

The amount of £9000 referred to includes a payment of £3500 to J. Falkingham for plant under the agreement for his release, part of which sum was of the nature of compensation, and the rest became an outlay for completing the contract by the Department; the balance left, £5500, included large payments for timber and cement, &c. purchased at exceedingly reasonable rates, and also a payment of £600 on account of contract for manufacture of iron girders.

(4.) A detailed estimate of the cost of completing the work under existing arrangements :—

Estimated Liabilities, July 21st, 1887.

	£	s.	d.
Points and Crossings	300	0	0
Station Buildings, Cottages, Platforms, Erection of Turntable, Erection Water Supply, &c.	4500	0	0
Land Charges	400	0	0
Furniture, Stores and Tools, Guard's Watches, &c.....	600	0	0
Telegraph.....	200	0	0
Signals	300	0	0
Supervision	2000	0	0
Rolling Stock	1350	0	0
Completion to Plenty account Falkingham's Contract, includ- ing £900 for Bridgewater Junction	4000	0	0
Estimated to be paid on Ironwork account, Falkingham's Contract, beyond Plenty	4500	0	0
Mr. Patterson's Tender for Completion beyond Plenty, £27,441 less £5277	22,164	0	0
	40,314	0	0
Expended	166,570	15	10
	206,884	15	10
<i>Credit—</i>	£		
Provision in Roads Bill for Joint Traffic	3000		
Locomotive and Waggons, and balance plant	2000		
Balance of Materials not in contract	1000		
Pump, Tanks, &c., to be transferred to other lines ..	700		
	6700	0	0
Say	£200,000	0	0

(5.) An estimate by the Engineer-in-Chief of the total cost and loss, direct and indirect, caused by the stoppage of the works in accordance with the recommendation of the Royal Commission on Public Works :—

The “total cost and loss, direct and indirect,” will include—

- (1) Preparations for alterations of No. 1 Bridge and purchase plant and material for same.
- (2) Alterations of caissons and foundations for same, Nos. 2 and 3.
- (3) Payment to Contractor for suspension of works.
- (4) General claims fostered by such suspension.
- (5) The actual delay of the contract for many months beyond the period of suspension, and the attendant extra cost of engineering, supervision, and departmental expenses.
- (6) Cost of arbitration.
- (7) Compensation to departmental contractors, and cost of extra officers transferred from J. Falkingham.
- (8) Dead-work done by Department.
- (9) Cost of new valuations of plant and materials, and surveys, measurements, and calculations of works over $6\frac{1}{2}$ miles, in preparing new contract.
- (10) Preparing new sets of plans, working drawings, and specifications, with copies of same.
- (11) Cost of supervising R. Patterson's contract, as inspectors would have been employed as working overseers under departmental management.
- (12) Expenses due to lost time in arranging new contract (4 months).
- (13) Allowance in new contract prices for contractor's risks and profits (both excluded from departmental estimate for completion).

After careful consideration, item by item, these costs and losses cannot fairly be estimated at less than the large sum of £25,000.