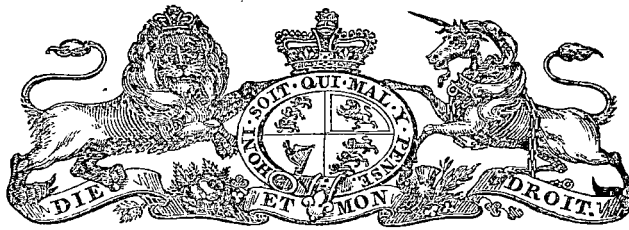


(No: 75.)



1897.

SESSION II.

PARLIAMENT OF TASMANIA.

THE GREAT MIDLAND AND WEST COAST RAIL-
WAY BILL, 1897, (PRIVATE):

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

Brought up by Mr. M. J. Clarke, December 17, 1897, and ordered by the House
of Assembly to be printed.

Cost of printing—£51.



SELECT COMMITTEE appointed, on the 3rd day of November, 1897, to consider and report upon "*The Great Midland and West Coast Railway Bill, 1897,*" (*Private*).

MEMBERS OF THE COMMITTEE.

MR. MINISTER OF LANDS AND WORKS.
MR. BRADLEY.
MR. GILMORE.
MR. MILES.

MR. HALL.
MR. MACKENZIE.
MR. M. J. CLARKE.
MR. RONALD SMITH.

DAYS OF MEETING.

Friday, November 26; Monday, November 29; Wednesday, December 1; Thursday, December 2; Friday, December 3; Wednesday, December 8; Friday, December 10; Wednesday, December 15.

WITNESSES EXAMINED.

Mr. William Aylett; Mr. John Hetherington Miller; Mr. Alexander Oliver; Mr. Caleb John Lee Smith; Mr. Robert William M'Gowan; Mr. Josiah Innes; Mr. William Whitaker Stewart; Mr. Fritz Joseph Ernst; Mr. F. Back, General Manager Tasmanian Government Railways; Mr. John M'Neill M'Cormick, Engineer of Existing Lines of Tasmanian Government Railways; Mr. Robert James Sadler; Mr. William Henry Wallace, Acting Secretary for Mines; Honourable Charles Henry Grant, M.L.C.; Mr. E. A. Counsel, Surveyor-General; Mr. Arthur Hinman.

R E P O R T.

THE Select Committee appointed to consider "*The Great Midland and West Coast Railway Company Bill*" has the honour to report that it has taken a considerable amount of Evidence, including that of several experts, in support of the allegations contained in the Preamble of the said Bill, but, owing to the close of the Session, it has been unable to complete its labours.

The Committee has now the honour to present to the House the Evidence taken, with the Minutes of Proceedings and Appendices.

MATTHEW J. CLARKE, *Chairman*.

Committee Room, House of Assembly,
17th December, 1897.

MINUTES OF PROCEEDINGS.

FRIDAY, NOVEMBER 26, 1897.

Members present.—Mr. Bradley, Mr. Hall, Mr. MacKenzie, Mr. Miles, and Mr. M. J. Clarke.

The Order of the House appointing the Committee was read by the Clerk.

Mr. M. J. Clarke was appointed Chairman.

The Chairman laid upon the Table the Petition praying for leave to bring in the Bill. (Appendix.)

The Chairman laid upon the Table the Petition praying to be heard by Counsel against the Bill. (Appendix.)

Ordered, That the Promoter be heard by Counsel in support of the Bill.

Ordered, That the Petitioners against the Bill be heard by Counsel.

Ordered, That the Promoter be admitted during the examination of witnesses.

Mr. Gilmore and Mr. Ronald Smith took their seats.

Ordered, That Mr. Back, General Manager of Railways, be summoned to give evidence at 2 o'clock this day.

The Committee adjourned till 2 o'clock.

The Committee met at 2 o'clock.

Members present.—Mr. M. J. Clarke (Chairman), Mr. Hall, Mr. Mackenzie, Mr. Gilmore, Mr. Bradley, and Mr. Ronald Smith.

The Clerk handed in letter received by him from Mr. Back, asking that he might be summoned to give evidence on a future day, as he had not had time to make notes on the Bill.

Ordered, That Mr. Back be summoned to give evidence on Wednesday, 1st December next, at 10 o'clock.

Ordered, That Mr. J. M. M'Cormick be summoned for Wednesday, 1st December next, at 10:30 o'clock.

Ordered, That the Honourable C. H. Grant be summoned for Wednesday, 1st December next, at 11 o'clock.

The Committee adjourned to meet at the Municipal Council Offices, Launceston, on Monday next, at 10 o'clock.

MONDAY, NOVEMBER 29, 1897.

The Committee met at 10 o'clock in the Municipal Offices, Launceston.

Present.—Mr. M. J. Clarke (Chairman), Mr. Gilmore, and Mr. Ronald Smith.

Mr. E. G. Miller appeared on behalf of the Petitioners against the Bill.

The Minutes of the last meeting were read.

Mr. William Aylett was called and examined.

Mr. Aylett withdrew.

Mr. John Hethrington Miller was called and examined.

Mr. Miller withdrew.

Mr. Alexander Oliver was called and examined.

Mr. Oliver withdrew.

At 12:35 the Committee adjourned till a quarter past 2.

At a quarter past 2 the Committee met again.

Present.—Mr. M. J. Clarke (Chairman), Mr. Gilmore, and Mr. Ronald Smith.

Mr. Caleb John Lee Smith was called and examined.

Mr. Smith withdrew.

Mr. Robert William M'Gowan was called and examined.

Mr. M'Gowan withdrew.

Mr. Josiah Innes was called and examined.

Mr. Innes withdrew.

Mr. William Whitaker Stewart was called and examined.

Mr. Stewart withdrew.

Mr. Fritz Joseph Ernst was called and examined.

Mr. Ernst withdrew.

At 4:30 p.m. the Committee adjourned till 10 o'clock on Wednesday next, in Hobart.

WEDNESDAY, DECEMBER 1, 1897.

The Committee met at 10 o'clock.

Members present.—Mr. M. J. Clarke (Chairman), Mr. Mackenzie, and Mr. Ronald Smith.

Ordered, That Mr. Counsel, Surveyor-General, be summoned to give evidence at 2:15 o'clock to-day.

Mr. Miles took his seat.

Mr. F. Back, General Manager of Government Railways, was called in and examined.

Mr. Back read some notes on the Bill, taking it Clause by Clause.

Mr. Gilmore took his seat.

Mr. Back withdrew.

At 12:30 the Committee adjourned till 10 o'clock to-morrow.

THURSDAY, DECEMBER 2, 1897.

The Committee met at 10 o'clock.

Members present.—Mr. Ronald Smith, Mr. Mackenzie, and Mr. Bradley.

An apology was received from the Chairman, who was unable to be present.

Resolved, That Mr. Ronald Smith take the Chair during the Chairman's absence this day.

Mr. Back was re-called and further examined.

Counsel for the Petitioners against the Bill (Mr. M. W. Simmons) handed in Exhibit Copy of "The Tasmanian Central and West Coast Railway Bill," (Private).

Mr. Back withdrew.

V

Mr. Clarke Chairman, took his seat.

Mr. J. M. M'Cormick, Engineer of existing Lines, Tasmanian Government Railways, was called in and examined.

And the Clerk, having called the attention of the Chairman to the fact that a quorum was not present, the Committee, at 12.40 P.M., was adjourned by the Chairman till 10 o'clock to-morrow.

FRIDAY, DECEMBER 3, 1897.

The Committee met at 10 o'clock.

Members present.—Mr. M. J. Clarke (Chairman), Mr. Mackenzie, and Mr. Ronald Smith.

Mr. J. M. M'Cormick was called and further examined.

Mr. M'Cormick withdrew.

Mr. Robert James Sadler was called and examined.

Mr. Simmons put in a copy of correspondence between the Solicitors and one of the Promoters of the Tasmanian Central and West Coast Railway Bill, and the Solicitor and the Promoter of the Great Midland and West Coast Railway Company Bill. (Appendix.)

Mr. Sadler withdrew.

At 1 o'clock Committee adjourned till 2.15 P.M.

At 2.15 P.M. Committee met again.

Members present.—Mr. M. J. Clarke (Chairman), Mr. Mackenzie, and Mr. Ronald Smith.

Mr. William Henry Wallace, Acting Secretary for Mines, was called and examined.

Mr. Wallace withdrew.

Hon. Charles Henry Grant was called and examined.

Hon. C. H. Grant withdrew.

At 3 o'clock Committee adjourned till 10 o'clock on Wednesday next.

WEDNESDAY, DECEMBER 8, 1897.

The Committee met at 10 o'clock.

Members present.—Mr. M. J. Clarke (Chairman), Mr. Mackenzie, and Mr. Ronald Smith.

Hon. Charles Henry Grant was called and further examined.

Hon. C. H. Grant withdrew.

Mr. Edward Albert Counsel was called and examined.

Mr. C. H. Hall took his seat.

Mr. Counsel withdrew.

The Chairman stated that he had received a letter from the Solicitor to the Promoter, enclosing certain papers, and requesting that they be laid on the Table; namely:—

Appendices B, D, and E, of the Report of the Select Committee on the Great Western Railway and Electric Ore Reduction Company's Bill, 1896 (Private), (Parliamentary Paper No. 80, Session II. of 1896).

Also evidence on the same Bill, given by Mr. Arthur Charles Parker, pages 16 to 18; by Mr. Robert Henry, pages 37 to 38 and page 46; by Mr. Russell Allport, pages 38 to 40; and by Robert Sydney Milles, 47 to 48.

Also a paper read by Mr. Allan Stewart, C.E., before the Royal Society of Tasmania.

The Chairman laid the said papers on the Table accordingly.

Ordered, that the last-named paper be printed. (Appendix.)

At 12 o'clock the Committee adjourned till 10.30 o'clock on Friday next.

FRIDAY, DECEMBER 10, 1897.

The Committee met at 10.30 o'clock.

Members present.—Mr. M. J. Clarke (Chairman), Mr. Hall, Mr. Mackenzie, and Mr. Ronald Smith.

Mr. Clarke laid upon the Table some notes by the Surveyor-General (Mr. Counsel) on the Bill before the Committee.

As Mr. Simmons was about to address the Committee against the Bill,—

A discussion arose as to whether the speech of Mr. Simmons should appear in the proceedings of the Committee.

Mr. Minister of Lands and Works took his seat.

Mr. Simmons asked to have his address reported in the proceedings of the Committee.

Some Members of the Committee demurred to this course.

Mr. Simmons then asked that a short-hand note be taken of his address, and that it be left to a full meeting of the Committee to decide whether it be entered in the proceedings.

Resolved, That Mr. Simmons' address be not reported in the proceedings of the Committee.

Mr. Simmons then addressed the Committee against the Bill.

Mr. Arthur Hinman was called and examined.

Mr. Hinman withdrew.

At 1 o'clock the Committee adjourned till 2.15 o'clock.

The Committee met again at 2.15 P.M.

Members present.—Mr. M. J. Clarke (Chairman), Mr. Hall, and Mr. Mackenzie.

Mr. Hinman was called and further examined.

Mr. Ronald Smith took his seat.

Mr. Hinman withdrew.

At 3 o'clock the Committee adjourned till 6.45 P.M.

The Committee met again at 6.45 P.M.

Members present.—Mr. M. J. Clarke (Chairman), Mr. Hall, and Mr. Ronald Smith.

Mr. Hinman was called and further examined.

Mr. Mackenzie took his seat.

Mr. Bradley took his seat.

Mr. Hinman withdrew.

At 7.30 P.M. the Committee adjourned till 10 o'clock on Wednesday next.

WEDNESDAY, DECEMBER 15, 1897.

At 11 o'clock a quorum of five not being present, the Chairman adjourned the Committee till 11 o'clock on Friday next.

FRIDAY, DECEMBER 17, 1897.

The Committee met at 11 o'clock.

Members present—Mr. M. J. Clarke (Chairman), Mr. Hall, and Mr. Gilmore.

At 11.30 a quorum of five not being present, the Chairman adjourned the Committee till 2.45.

At 2.45 the Committee met again.

Members present—Mr. M. J. Clarke (Chairman), Mr. Bradley, Mr. Hall, Mr. Minister of Lands and Work, and Mr. Gilmore.

Draft Report brought up and read 1^o :—

"The Select Committee appointed to consider 'The Great Midland and West Coast Railway Company Bill,' has the honour to report that it has taken a considerable amount of Evidence, including that of several experts, in support of the allegations contained in the Preamble of the said Bill, but, owing to the close of the Session, it has been unable to complete its labours."

"The Committee has now the honour to present to the House the Evidence taken, with the Minutes of Proceedings and Appendices."

Read 2^o and agreed to.

At 3 o'clock the Committee adjourned.

EVIDENCE.

MONDAY, 29TH NOVEMBER, 1897.

WILLIAM AYLETT, *called and examined.*

1. *By the Chairman.*—What is your name? William Aylett.
2. What are you? I am a farmer.
3. Where do you reside? At Mole Creek.
4. How long have you lived at Mole Creek? About six years.
5. Have you much knowledge of the country between Mole Creek and Rosebery? Yes, I have ten years' experience.
6. How often have you been through the country in that time? I could hardly tell you. I have been through express to Rosebery on several occasions. I think about four times.
7. Then, you know the country well? Yes, very well.
8. Were you out with any railway survey party a few years ago? Yes, I went out with Mr. A. Stewart's party on a railway survey.
9. How far did you go? We went from Mole Creek to Mount Pelion. It should have been to Zeehan, but we did not go that far.
10. That was when Mr. Stewart made the railway survey on which he reported? Yes.
11. How many miles is it from Mole Creek to Mount Pelion? About forty miles, I believe. It is forty-three miles by Stewart's survey.
12. Is that railway easy of construction as far as Mount Pelion? I can't say it is. There is a permanent line surveyed up to that point; when I say a permanent line, I mean it is engineered and all.
13. I believe this line that was surveyed by Mr. Stewart follows the rivers—it is not the route that was marked by Mr. Innes? No, Sir.
14. Does Mr. Innes's route follow the surveyed line at all? No, it does not. Mr. Stewart took the valley for it, while Mr. Innes took the upper line. [The witness here pointed out the two routes on the map.] Mr. Stewart skirted the eastern side of the Mersey and then crossed to the western side near Mount Pelion, and so across the Canning River to Lake Dora.
15. Is that an easier route than Mr. Innes's? Most decidedly it is, and a much more likely country. Mr. Stewart took the lower instead of the higher lands.
16. From Mount Pelion to Rosebery, what is the character of the country? Well, getting into Rosebery it is broken country, and very high. You will see by Mr. Innes's report that we had to cross a high range, 3800 feet. That can be avoided. [Witness referred to plan.] That is the Pelion Range. You can go between Mount Pelion and Cradle Mountain after you cross the river.
17. You say that range can be avoided? Oh, yes, all the high country can be avoided.
18. Well, what other difficulties are there? Well, there is a high saddle 3300 feet from the lowest point, that is the Mount Pelion saddle. All the difficulty is to get over the high country.
19. And how do you say that could be avoided? Mr. Stewart goes to the south of Mount Pelion, and then goes south-east instead of west. In that way he gets on to the waters and goes down following the rivers to Lake Dora district, and so gets to Rosebery.
20. You say the country is very hilly? Yes, it is hilly.
21. Are there many other difficulties besides those you have spoken of? No, there are no other great difficulties on the route I have spoken of—when you have got on the high land and you have only got to get down. By Mr. Innes's track you are on the low land and you have got to get up.
22. Were you out with Mr. Innes when he marked off this track? Yes, I was with him. I was not with him when he marked the track. I was employed by the packer. I was also a kind of guide to him, but a man named Russell was the guide who went with him. I was a packer taking out his provisions.
23. Is Mr. Innes's route good enough for a track? Yes, it is good enough for a track, and it would be a very good track.
24. Did he intend it for a track or for a railway? Oh, he intended it for a track. His instructions were to survey a track to Rosebery or Mount Read. He took the high lands instead of the low, which were taken by Mr. Stewart.
25. Would this railway line take Mr. Stewart's survey line, and crossing your route after leaving Mount Pelion, would it be shorter than by Mr. Innes's track? I could not answer that. It would, I think, be somewhat about the same as to length. Both run in the same direction, only one is on the high lands, and the other is on the low. The one is above and the other below, but I think there would be very little difference in length.
26. Do you know what would be the height of the highest point you would have to get over on the railway? No. It is said to be about 2500 feet. That would be avoiding all the high snow ground and taking the lower valleys.
27. Between Mole Creek and Mount Pelion what class of land is there? For the first 11 miles it is broken agricultural land here and there in patches. Some of it is barren, and some bearing very good timber; then you get partly into barren country, mineral bearing for a distance of about 8 miles or 10 miles. Then there are large flats good for grazing ground. Some of it selected by Mr. Field is very good. Then after that it is agricultural land right to Mount Pelion. From Mount Pelion on for the first mile or two there is a belt of ground known as coal land, and containing some discoveries made by myself. The first is a copper mine, and I believe it is a valuable mine. That is at the head of Stewart's line. Then

you come on the belt of coal land extending for three or four miles. Then there is a belt of granite land, and then from there it is silver, copper, and gold land and mixed mineral bearing right through to Lake Dora, with some very rich country added to it.

28. Is there any means of communication along Innes' route at the present time to Rosebery? No.

29. No traffic at all? No.

30. Why so? Well, it is very difficult to cross the Murchison River, that stream is so deep and strong.

31. Is there any track now from Mole Creek? Not at the present time. There is a pack-track to Granite Tor on Innes's by which we packed out provisions.

32. And from there on how is it? Well, there is a bridle track cut through it by which you might pack provisions, bedding, or tents on your back, but it is very rough at that. It is only a bridle track.

33. Is the track capable of being used for conveying stores and goods still? It could be used if it were cleared out and made. It would be impossible to get anything through as it is at present.

34. There is better country after you cross the Murchison? Yes. That is not a wide stream. It is about 80 feet across.

35. Do you know if cattle are now sent from Deloraine or Mole Creek to Rosebery? Yes. Cattle are driven through the Lake Country to Mount Lyell, not to Rosebery.

36. Are there many head of cattle sent? I could not say how many.

37. If a railway were constructed from Mole Creek to Rosebery that would take the traffic? Yes. Lake Dora is the central place, as I have pointed out.

38. Well, if a railway were constructed from Mole Creek to Lake Dora, then to where would it go? To Mount Lyell or Rosebery.

39. And would that open up the country? Yes. It would take the centre of all the country. It is the centre of the lower country and the centre of the mineral country.

40. Would the line pass through good mineral country? It would pass through Mount Pelion, and right through all the good country to the west of it, and right through to Lake Dora. It is all mineral country.

41. If this railway were made would it, in your opinion, be good for the country? Yes, it would, and I believe it would be a really good paying line. I see nothing to prevent it.

42. If a company constructed it, and did not get a grant of land or any other concession, would that railway, in your opinion, be a payable one—I mean if it depended on passenger and other traffic? No, not if it depended on passenger traffic alone.

43. Or if it depended on the carriage of goods? No. If it had the passenger traffic combined with the carriage of goods it might pay.

44. There would be an outlet, would there not, for ore, and for goods by Macquarie Harbour, would the ore and goods not be taken by the Strahan and Zeehan line of Railway? Just so; yes, Sir.

45. And that line would compete with it, would it not? It could not compete, I think, because it has much farther to run. The Mole Creek line would be the shortest way from the northern part of the district.

46. Taking ore raised from the Lake Dora district, would not the nearest way be to Macquarie Harbour? Yes.

47. So that as far as ore from that district is concerned, that ore would find its natural outlet through Macquarie Harbour? Yes, Sir.

48. If the Company which proposes to construct the line has large ore-reduction works, and went in for ore-buying, and also for reducing ore, and the works were near to deep water, do you think it would be for the good of the country to construct the line and erect works? I believe so, Sir.

49. As I understand you, you were out with and acted as guide for Mr. Stewart's party? Yes, I acted as guide.

50. Yes, in the year 1891, and you were also connected with Mr. Innes's party in 1896-97? Yes, and I also acted as occasional guide for Mr. Innes.

51. You are the William Aylett referred to in his report? Yes, Sir.

52. Now then, is there much of the country between Mole Creek and Lake Dora explored? No, not beyond Mount Pelion.

53. Not beyond, between Mount Pelion and Lake Dora? It has been explored a little, or rather, it has been gently prospected.

54. But between Mole Creek and Mount Pelion has been explored? Yes, and there has been traffic through for many years. I have told you the description of land between the two places.

55. From Mole Creek to Mount Pelion is the land on an average worth 5s. an acre, do you think? Not in its present state.

56. But if a railway line were built through it, would not that improve its value considerably? Oh yes. There is land there which if improved would be worth £5 an acre, and there is a good quantity of it too. That is, it would be worth that if a railway were constructed.

57. How many acres? I should say there are about 5000 acres of good agricultural land between those points. That is a rough calculation.

58. *By Mr. Smith.*—The line that Mr. Stewart surveyed as far as Mount Pelion, that is Stewart's line from Mole Creek to Pelion—that and the surveyed track are the same, are they not. I mean Innes' and Stewart's lines? No, Sir. They are some miles apart all the way until Mount Pelion West is reached, then Mr. Innes's track leaves the line and takes two or three miles of Mr. Stewart's line, and makes use of it.

59. And which is the best line, in your opinion? Mr. Stewart's. He takes the low country, and you have not to climb Gad's Hill.

60. Do you cross many streams? Not great streams. The Mersey is the largest river of the whole that you cross.

61. Is there an abundant supply of water in those streams? Yes. There is a large supply of water in the Murchison, but you don't cross that on the line of railway.

62. Then, you don't cross the Murchison on Mr. Stewart's track? No. If you follow Mr. Innes's track you do cross it, but if you follow Mr. Stewart's track you do not cross it.

63. What is the distance from Rosebery to the largest portion of the agricultural land? Well, there is some good agricultural land at Sophia Creek.

64. How far is that from Rosebery? About 15 miles.

65. Is there sufficient good agricultural land there to afford food supply for the population of the West Coast? I can't say. It is good land, and there is a quantity of it, but I can't say what it would produce.

66. *By Mr. Miller.*—You know the country at the back of Sheffield going west? Yes. I have been right through to the West Coast from that place.

67. Is there not good agricultural land there—is there not a large area of good agricultural land between Sheffield and Mole Creek, that is, taking in part of the Wilmot? Yes. That is, taking it from the Surrey Hills block.

68. Suppose all the land were withdrawn from sale between Sheffield and Strahan, would not that take out a very large portion of the good agricultural land from selection? It would, Sir; it would take a very large portion of it out. It would take out 10,000 acres of agricultural land at least, all good land.

69. And some of it has been selected at present? Yes.

70. Would not that greatly interfere with the development of the Sheffield district—I mean the legitimate development of the district—if it were withdrawn from selection? I suppose it would, but I can hardly answer that question.

71. Clause 170 of the Bill provides that it shall be lawful for the Minister to withdraw from selection under "The Crown Lands Act, 1890," and from the operation of "The Mining Act, 1893," for a period of two years from the passing of this Act, so much land as to the Minister may seem fit as lies between the parallels of latitude which run through the towns of Sheffield and Strahan respectively, and west of an imaginary line drawn north and south through the railway station at Mole Creek, and east of the eastern boundary of the Western Mining Division: would that not be likely to prevent the development of the district? That is a question I could not answer.

72. Do you know the country at the back of the Wilmot? I am not personally well acquainted with it. Taking the mineral country, I know a good deal of it, but I don't know the agricultural country. Taking the agricultural land in the lower parts of the country, I can't say much about it.

73. *By the Chairman.*—If under the Bill it is left to the Minister of Lands to decide whether he will withdraw any land from selection, and, if so, what land—if all that is left to him, do you think the colony would be safe enough in the hands of a responsible Minister of the Crown? I am sure I can't say; that is a question for the politicians to decide. I would not undertake to answer it.

74. In going from Mole Creek on to Lake Dora how many rivers would you cross—I mean how many rivers are there from which you could take water for the purpose of working the railway or for electricity? Well, there would be the Mersey for the first river, which is a large stream; then there is the Forth River for the second—that takes the water flowing through the Murchison and its tributaries; then you come to Mount Black, which is about eight or nine miles from Rosebery.

75. *By Mr. Gilmore.*—What is the depth of the Murchison? There are places in the river there from 60 to 80 feet deep, but there are places in the lower levels where it would not be more than about 15 inches deep, but there it is about 80 feet wide.

76. *By the Chairman.*—Is there any fall? Yes, there is a good fall. Then, in addition to those I have named, there is the Mackintosh River, which is a large stream.

77. What is its width? Well, it would be about 60 feet broad at its junction with the Murchison.

78. And how deep is it? It would be about a foot deep there.

79. Is there a good fall? Yes.

80. And is there a good fall in the Mersey? Yes, Sir.

81. At what point is that? All the way from Mount Pelion to Dunorlan there is a splendid fall.

82. Where does the Mersey rise? Away at the back of the DuCane Range.

83. Is there any particular point along the river that you can tell me how broad it is? You know the Fisher River: how broad is the Mersey just before joining that river? About 50 feet. The river is there confined between rocks, and it is very deep.

84. Is there a good fall? Yes, Sir.

85. Is there any point lower down where you can tell me how broad it is—take Nyenna? The bed of the river at Nyenna is about two chains across.

86. And how deep? About nine inches at low water right through where the river is two chains wide.

87. Is that in summer or winter? Oh, in summer, when there is the slackest water of the year.

88. Is there a good fall at Nyenna? Yes, there is a splendid fall.

89. Do you know the Fury River? No, there is no part of the Fury water taken by the Mackintosh. You don't cross it at all.

The witness withdrew.

JOHN HETHERINGTON MILLER, called and examined.

90. *By the Chairman.*—What is your name? John Hetherington Miller.

91. What are you? I have no fixed occupation. I am a bushman settler.

92. Where do you reside? At Chudleigh.

93. Do you know the district between Mole Creek and Rosebery? Yes, I know the district thoroughly between Mole Creek and Mount Pelion. I gave evidence once before a Select Committee; it was seven years ago on the same sort of commission. There was a rage at that time for railway communication from the north to the west, and I gave evidence to the *Examiner*. I also gave evidence to Mr. Pillinger and Mr. Fincham, the Engineer-in-Chief, on the same subject.

94. Do you remember when Mr. Stewart made a survey from Mole Creek to the west? Yes, and I was appointed by the Government to lead the prospectors of the track. I went ahead of Mr. Stewart with Mr. Aylett.

95. Did Mr. Stewart make a railway survey? Yes, he did: but two surveys were made. One was by Mr. Stewart on what he called the contour system, and then Mr. Scott followed him with a survey on what was called the permanent system. That was a system of survey that Mr. Stewart had as his own. He made a contour survey, and Mr. Scott followed him and made a permanent survey of all of the country.

96. Are the sections marked under their system? Yes, Mr. Stewart's survey is marked for 51 miles, and the permanent survey by Mr. Scott is marked 47 miles 3 chains to West Mount Pelion.

97. Do you know anything of Mr. Innes's track? Yes, Sir.

98. Does that follow the same line as the railway survey made by Mr. Stewart? No, Sir.

99. What way does the railway line go? The railway follows the river up—I mean the River Mersey. Mr. Innes's track crosses the gorge at Gad's Hill, at a height of 1700 feet on one side and 1800 feet on the other. The railway survey follows the Mersey River and makes up to the head waters. The survey actually follows the grade of the river as nearly as possible right through without crossing the deep gorges.

100. Do you know anything of the country from Mount Pelion to Rosebery or to Lake Dora? Yes, I went through to Dundas and Zeehan, but did not go by Rosebery. We went by Lake Dora and Mount Read.

101. In your opinion, will there be many difficulties in the construction of a railway line from Mr. Stewart's survey *via* Lake Dora and Mount Read? No, Sir, I don't think there will be many difficulties.

102. From Mount Pelion to Lake Dora and Mount Read are there many difficulties in the way of the construction of a railway? I don't think there would be any difficulties if you keep close to the river. If you go away from the river you get up on the high ground; if you keep away from the river you get, of course, higher grades—you want to get down to the water.

103. Where would you cross the Murchison? Somewhere near Sophia Creek, on or near the Sophia valley—I would keep down towards the Bluff River, keep running into the Canning river, and would cross the Murchison near Sophia Creek. [The witness explained on the map.]

104. And by doing so you don't think there would be many difficulties once you cross the Murchison—Then you are close to Mount Read on the Cutty Sark side? Yes, Sir.

105. Would that line, if constructed from Mole Creek to Lake Dora and Mount Read, be likely to open up good country? Yes, it would open up good mineral country: of course in the valley of the Canning there is some splendid agricultural land, but the country is chiefly mineral.

105½. Now, start from the commencement of the route at Mole Creek, what kind of land is it that you would pass through? Well, from Mole Creek to Circular Ponds there is some very good agricultural land up to the junction of the Fish River; that is on the east side of the Mersey, and that is where the railway survey runs.

106. What is the distance from Mole Creek to Circular Ponds? About eight miles, and it is all good agricultural land, unopened. It is what you call dogwood and musk land. It extends from Circular Ponds to the Fisher River.

107. What is the width of that area of land? There are from 8000 to 9000 acres of good land unopened and adjoining the railway.

108. Is the Fisher River right on that land—does the railway cross there? It crosses the Mersey and the Fisher Rivers. There is a junction there of the Fisher with the Mersey.

109. Which side of the Mersey does it run on? It runs on the east side of the Mersey till it gets to the Fisher River, then runs up the western side of the Mersey on to Mount Pelion. [Witness explained the route on the map.]

110. From the Fish River to Mount Pelion what kind of land is there? Across the Arm Flat up to the Arm Rivulet it is indifferent ground, with some good land in patches, but it is good timber ground.

111. What kind of timber is it? Leatherwood, peppermint, and gum. It is good timber.

112. And from the Arm River what kind of land is there? Well, there is a very good kind of grazing land up to Howell's run, which is now I believe owned by Messrs. Field Bros.

113. What is the area of Howell's run? From 8000 to 9000 acres in the run itself, but, of course, they run more than that. They run up to a place called Dublin, up in the ranges.

114. Then you say the area of land which the Messrs. Field occupy is from 8000 to 9000 acres? Yes, all good grazing and agricultural land.

115. With the exception of that run, is the land any good between the Arm River and Mount Pelion? Yes, it is all good land until you get to Lake Eyre, you are then on the table-land, and it is all timber country right through to Mount Pelion.

116. Taking the good land with the bad from Mole Creek right on to Mount Pelion, is the land worth 5s. an acre? You ask a question which should be put to an agriculturist. I am not an agriculturist. I should not like to give 5s. an acre for some of the land, but I would not mind giving 10s. an acre for some other parts of it.

117. But what is the general agricultural value? Yes, I think it is worth 5s. an acre.

118. Would it average more? Not on the average. I think some of it would fetch more.

119. But you think all put up would fetch 5s. an acre? Yes, I believe it would.

120. But I want your opinion as to the value of the land—would it be worth an average of 10s. an acre, say from Mole Creek to Mount Pelion? I would not like to say 10s. an acre. As to the value of the land, as land is valued in Tasmania at the present time, it would be worth more than 5s. an acre. I think land is valued at too much in Tasmania at present. It would fetch more than 5s. an acre, decidedly it would.

121. That is, if we sold the whole lot of it, the general average would exceed 5s. an acre? Yes, it would.

122. Would it exceed 10s. an acre? I would not like to say 10s. an acre.

123. From Mount Pelion to Lake Dora, and from there to Mount Read, what kind of country is it? Well, I can only give my personal opinion, I have only made two trips through that country.

124. Did you go the same way each time? No, I did not.

125. What is the general character of the country? It is open till you begin to descend to the Canning Valley to the Canning River, when you descend into the valley. It is very thick scrubby country till you get to the valley land close to the river, and then there are nice open valleys. The country is broken a good deal. It is mineralised country, partly barren, and sometimes button-grass and marly grass plains. There is not much agricultural land above the banks of the rivers.

126. Is there any agricultural land between Mount Pelion and Lake Dora districts? Not much until you get down on the rivers.

127. Did you come across any? Yes, we did. I refer to the land between the Bluff River and the Murchison.

128. That is the land you refer to? That is it.

129. Did you come across any other agricultural land? No, the land there is mostly mineral in character.

130. Are there many rivers along the route from which you could take water for the purpose of generating electricity for working the railway line or for motive power? When you are at Mount Pelion you are at the centre of the great water system of the island. The River Forth rises from there, the Mersey rises at the back of Mount Pelion, and there are innumerable lakes on the route. It is in fact the water system of the country. The Forth and the Canning have their rise there, and it is also the head of the Pieman River.

131. Is the Mersey a large river? Yes, in some places it is larger than the others.

132. Is there much water in it? Oh, yes, plenty of water. There are two branches of the Mersey, one from the lakes, and one coming down from the mountains.

133. Do you know the Fisher and Fish Rivers? Yes.

134. Is there plenty of water there? Yes, plenty.

135. How broad would it be? At the junction with the Mersey it is very narrow—that is the narrowest part of the Fish River. At that point the Fish River practically cuts the Mersey in half. There is a tremendous body of water, and I think the fall is 1 in 175. The river, the whole of the way down, I think has a fall of 1 in 175. The Fisher has a greater fall than the Mersey.

136. Now the Forth, is that a big river? Not where you cross—you cross at the head of the river. You must understand there are numerous branches of the Forth, but you cross at the head.

137. The Canning, is that a nice river? Yes, a very nice river. It is three chains wide where we crossed it. We crossed it below the Bluff River. It is wide and deep, very deep in some places.

138. Is there a good fall? There is nothing else but falls, and it is a very big job to get across, the river being so rapid. We used to get across by falling trees, and we had to be very smart to get over before the trees were washed away.

139. Are you speaking now of the summer fall, or of the winter fall? The summer fall, Sir.

140. The Murchison, is that a large river? Will you allow me to explain the way the rivers are marked on the map? What is really the Pieman River is called the Murchison in one part, the Mackintosh in another, and the Canning in another. Then it is called the Canning all the way down to where it joins the Murchison, and after it joins the Canning it is called the Murchison. The Murchison is not much of a stream in itself, but it takes the most of its water from the Canning River.

141. Is there any difficulty in getting through now from Deloraine by Innes's track? You can get through by that track, and it would be easy enough only for the old difficulty of crossing the rivers.

142. Do you know whether cattle are sent through to the West Coast by any other line than by this track? Yes, a good many go through by the Linda track.

143. Is there anything else you can tell us? No, only the suggestion I made in my letter to you about distances. As to Mr. Innes's track, we used that as a pack-track when we were on the railway survey, and long before Mr. Innes opened it. We were rather astonished to find Mr. Innes took so long in getting a track when it had been continually in use for some years before. We left our stores at the Mersey bridge. That was nearer for us to pass on with to the lower lands of the railway line, and it would not do for us to have to cross the Mersey gorge. Mr. Innes's track from the top of Gad's Hill is 34 miles. From Mole Creek to the Mersey is 11 miles, and to the top of Gad's Hill is 3½ miles without a grade heavier than 1 in 40.

144. You mean that by taking Mr. Stewart's line you avoid Gad's Hill? Of course, and you save distance, and the survey is done. When you get up to the range you have a fall again.

145. *By Mr. Miller.*—Do you know where the railway will terminate?—what is the length of the line? It is estimated at about 86 miles to Dundas.

146. Who estimated that length? Mr. Stewart.

147. Is that to go to Lake Dora and Mount Read? Nearer still. I gave an idea of the distance from Mount Pelion to Mount Read. The distance has been done in one day very easily. Wills used to go through easily from Pelion to Mount Read in one day.

The witness withdrew.

ALEXANDER OLIVER, called and examined.

148. *By the Chairman.*—What is your name? Alexander Oliver.

149. What are you? I am a farmer.

150. Where do you reside? At Chudleigh.

151. Do you know the country between Mole Creek and Mount Pelion? Yes, I travelled it once.

152. The upper part? Very little further. I went one day to see the country, that was all.

153. Do you know whether Mr. Stewart surveyed the line from Mount Pelion to Mole Creek? Yes, for a railway. I saw the marks on the ground, and remember the time when the survey was going on.

154. What is the character of the country between Mole Creek and Mount Pelion? From Mole Creek on to the River Mersey there is fairly good land all along the route. It is in small blocks, a good deal broken up with limestone hills. From Liena all through to Gad's Hill it is very good land.

155. What area is there of good land? I would not like to say. I know there is a lot of good land going in to the Oliver's country. There is a large extent of good land, but it is some distance from the track that I was on. I do not know what scope of good land would be included on that track.

156. We just want to know whether the land is good, and about the general extent of the area? There is a splendid lot of land near Gad's Hill and beyond. It is really good land for dairying purposes. The altitude is high, but I think the land would be very suitable for dairying or grazing purposes. Anyone taking it up for dairying would of course require to provide shelter for the cattle during the winter season, but I noticed there was remarkably good grass and clover growing right along the route, and how remarkably well the cattle looked about Berriedale and Long Plain.

157. *By Mr. Miller.*—Is that land under lease? Yes; a small part of it is leased to the Messrs. Field, and there is some of it selected in small blocks. I could not give the area, as I merely ran over it.

158. *By Mr. Gilmore.*—That is the same land of which you spoke? Yes, that is at Berriedale Plain.

159. What is your estimate of the area? Well, I should say about 5000 acres, speaking from memory.

160. Can you give us an idea of the value of the country between Mole Creek and Mount Pelion—what would be the average value of the land at the present time per acre? That would go beyond my calculations. I would not care to state a value, it might be misleading. There is splendid land there, and if we had facilities for getting into it, it would be worth at least £2 an acre; if there were a railway running through it, it would be worth more than that. As to the proportion, there might be fifty acres of worthless land to one of good land.

161. Then there is more worthless land than good land? Yes; there is more worthless land than good, but there is a large area of good land.

162. What would you put the area down at? About 3000 to 4000 acres of good land, as far as I am acquainted with that country.

163. But you think there is considerably more worthless than good land? Yes, from my point of view. Of course I cannot positively say whether it is worthless or not. It might be valuable mineral land for all I know; I am not up in these things. We, as farmers, might call it worthless land, but it might be very valuable for all that.

164. Have you ever gone through from that country to the West Coast? No, I never did.

165. Are cattle sent through from Mole Creek to the West Coast? Oh, no; there is no means of getting through at the present, not by that route.

166. Are cattle sent through by the Lake country route? I believe so. The Messrs. Field have been taking droves of cattle through there. If it would not be too cold, cattle might be sent by Mr. Innes's route.

167. Do you know anything about the rivers and the water along this route? Very little; there is plenty of water on that route, you know, about the Mersey.

168. Is that a large river? Yes, it is a splendid stream with a great fall.

169. Do you know the Mersey about Liena—how broad is the river there? About sixty yards.

170. And how deep is the river? It is a wonderful stream; it should be about 3 feet deep at Liena, but it has a wonderful continuity of fall.

171. Do you know anything about the River Forth? Yes, that is a nice stream, at least it is near where they are working some copper shows; it is the only water we crossed on that route, so far as I can recollect.

172. *By Mr. Miller.*—What is the distance between the Forth and the Mersey—how far does the Forth run alongside of the Mersey? You leave it very soon going by Mr. Innes's track.

173. How far is it before you touch the Forth? About 28 miles.

174. And in that distance there is no water? I don't say that—when I say there is no water, I mean there is no water of importance; of course, we should have plenty of water.

175. *By the Chairman.*—Are you speaking of the route of Mr. Stewart's railway survey? No, I am speaking of Mr. Innes's track. I don't know if I may suggest, but there is another route than Stewart's route, going round the Barren Tier; that is a route that would save a few miles, and, I think, would open up a better country. It would be worth while to send some one out to report on it. The distance would be shorter, and it would, in a few miles, come into the route of Mr. Stewart's survey again.

176. In how many miles? I should say in from three to four miles.

The witness withdrew.

CALEB JOHN LEE SMITH, called and examined.

177. *By the Chairman.*—Your name? Caleb John Lee Smith.

178. What are you? A farmer.

179. Where do you reside? At Deloraine.

180. You know the proposed route of the line of railway towards Rosebery? Yes, I know it on the chart.

181. Do you know the country through which Mr. Stewart surveyed the line of railway? Only for part of the way.

182. Do you think the construction of that railway would be a benefit to Deloraine and the surrounding districts? Yes, a great benefit.

183. In what way would it benefit these districts? Well, it would benefit the farmers by enabling them to take their produce to the West Coast. There is a demand there for butter, eggs, cheese, meat, and other produce which the farmers can supply.

184. Would the proposed railway connect the agricultural districts with the West Coast? Of course it would.

184A. Is there any traffic in cattle from your district at the present time? There have been a great many head of fat cattle sent across to the West Coast, but they have gone through by the track by the Great Lake to Linda track. The railway would not go that way.

185. Is that route to the West Coast greater in distance than Innes's route? I think it is. It is 130 miles. As it is down now it takes about five days.

186. Does it reduce the value of the cattle to drive them along these tracks? Of course it does, to drive them for that length of time.

187. What, in your opinion, would be, approximately, the difference in cost and value? Well, a beast would lose at least a hundred pounds in weight. That would be 30s. loss of beef.

188. Would the cattle not lose also in quality by being travelled so far; would it not cause injury to the meat? I don't think so. That would not make a difference of consequence. The loss would be in weight.

189. What is the cost of driving? I should think, as they sometimes take seven days to go across, that it would come to about 5s. a beast.

190. Is there a good farming district between Deloraine and Sheffield? Oh yes, there is some very good land and some fine properties there.

191. Would the railway be a means of benefiting the Whitefoord Hills, and all the surrounding districts? Oh, yes.

192. Is there much good agricultural land along the rival route. How far have you been along Mr. Innes's track? I have been from 20 to 25 miles beyond Deloraine. I have heard about the land along that track.

193. Did you take an interest, some years back, in urging the construction of a line of railway through this country? I did. A great many years ago I was one of those who advocated the construction of a railway along this very route. I knew it was the very thing that would lead to the success of the West Coast, and I advocated it.

194. Have you had reports made to you as to the value of the land in those districts? Yes, there is very good land beyond Mt. Pelion, and there is some good grass land this side of Pelion. The land this side is no good for agriculture, but there is a good deal of pastoral land fit for feeding stock.

195. It would be a tremendous boon to the people of Deloraine and the North, would it not, if this railway were made, and the other line is not made, from Zeehan to Emu Bay; it would benefit the people all the way to Ulverstone, would it not? Yes, I think so.

196. If made, this railway will benefit the people all along the North West Coast? Yes.

197. And it will also benefit the people through the midlands? Yes, it will benefit them all along as far as Oatlands, I should think.

198. *By Mr. Gilmore.*—What is the distance from Launceston to Zeehan? Well, it is 45 miles to Deloraine and 61 miles to Mole Creek. I should think about 140 miles altogether. The people of these districts would never think of sending goods by way of Bischoff if they could send them direct.

199. *By Mr. Smith.*—There are two distinct lines before the public at present. Is there any feeling amongst the Deloraine people in favour of either one of the lines as far as you know? I don't know, but I should think they would favour the local line.

200. What is the reason? Well, I suppose, to keep the trade amongst our own people.

201. Which railway do they regard as the local one? I think the one represented by Messrs. Hobkirk and Martin.

202. But is Mr. Sadler's line not a local line too? Well, it is looked on as English, but that would not preclude people from supporting it. I think they would as soon support one line as the other.

203. *By the Chairman.*—I presume you want to see a railway line constructed if possible? Yes. The country is not at present burdened with over-expense, and I see no reason why we should not have a railway if we can get it on fair terms. I am myself a large landholder, and I would not advocate such a railway if I did not think it was for the good of the country.

204. I understand you to say that the people of Deloraine want railway communication with the West Coast, and if a syndicate is willing to construct it on fair terms the people would prefer to see it constructed by them rather than wait for the indefinite period of time when the Government might construct it? Yes; the people think if the Government are to undertake the railway it will not be made for several years to come, but if it is undertaken by a syndicate it will be made in two or three years.

205. Then, if the Government does not undertake the construction of the railway at once, the people in your district are in favour of a syndicate doing it. They would rather see a syndicate do it, if on fair terms? Yes. This appears to be on fair terms. I do not mean that the Government should do as they did in Western Australia,—give a guarantee.

206. Then you don't believe in guarantees? No.

207. But you do believe in concessions—something given in the shape of land grants or the rights to water-power? Yes.

208. Reasonable grants of land and also of water-power? Yes; these are not objectionable if they are reasonable.

209. *By Mr. Miller.*—I understand you to say that, as between the two syndicates, the railway feeling about Deloraine is in favour of the Tasmanian Central Railway? Yes, I think it is.

210. You know that a considerable number of the people in the Deloraine district are shareholders? Yes, I know that some are. I am not.

211. And it would be likely to increase the traffic on the railway, when constructed, if there are a number of local shareholders? Yes, I think it would.

212. If a man has a personal interest in a railway he will push it along as far as possible? Yes, necessarily I think he would.

213. Do you know if it is true that three hundred farmers in that part of the country have shares? No; I have not seen the share list.

214. But you know that the syndicate is largely supported amongst the farmers? As I said before, the feeling in the district is in favour of the syndicate.

215. Do you know that the concessions asked for by the Central Company are more moderate than those sought by the other company? Yes, I have heard so.

216. Do you consider the concessions asked for by this company are reasonable and fair, namely, a grant of 50,000 acres of land and the right to 15,000 brake horse-power in water? Yes, they seem so.

217. Supposing the line was 80 miles long and the company wanted all the way along the side of the line blocks of land nine miles deep, would you think that reasonable? No, I don't think that would be reasonable; I would not give it myself.

218. You have an objection to them taking the land in several blocks? Yes; I would not be in favour of granting so much land as that.

219. What land would be left the colony after that was granted? Well, not very much.

220. They would get about half the land, would they not? Yes.

221. If they wanted blocks running nine miles back from the railway they would get about half the land? Yes.

222. Look at the chart and then read clause 170 of the Midland Company's Bill, which empowers the Minister to withdraw lands from selection or sale for a period of two years: do you think it would be harmful to the colony if all the land, say from Sheffield to the West Coast, were withdrawn from selection for a period of two years? Yes, I think it would be so.

223. *By the Chairman.*—You are aware that the clause means if the Minister thinks proper? Yes, I understand.

224. *By Mr. Miller.*—As a fact, is there not more land taken up at the back of Sheffield than in any other part of the northern district? Yes.

225. And if this power were granted to the Minister, and he exercised it in favour of the company, it would be detrimental to the interests of the public? Yes, I think so.

226. *By Mr. Smith.*—You said the feeling in your district was that it would be better to have the railway constructed by a local company than by a foreign one? Yes.

227. Then, do the people of Deloraine draw a distinction between money borrowed from England by a local company or an individual and a foreign one? I mean this: if Mr. Sadler and his company borrowed the money you say it would be foreign, but if a Deloraine company borrowed it, what then—would it not still be foreign capital? Yes, only we have some interest in the company here to sell.

228. Parliament may think that this is an objectionable line, but if not, would it not, for their own convenience, command the trade of the farmers of the district? Yes, decidedly. It would certainly be patronised by those by whom it was built.

229. I presume you base your value of the concessions on the value of concessions already given in Tasmania? Yes.

230. You don't know, as a fact, that in Queensland, where they propose making railways on a similar system, they grant block for block, or half the land passed through? No, I don't know anything of the systems outside of Tasmania.

231. Now, as to the withdrawal of the land from selection between Sheffield and the West Coast, does it not occur to you that if the land is withdrawn from sale for a period the people would be likely to get better prices for it six or eight months after the railway was constructed? I don't know that; but I know that if sold now it would be developing the district and doing good to the people.

232. You said the people down your way favoured the Central Railway Bill because it was local. I presume you call that local because the people live in Tasmania? Yes, I believe they all live in Tasmania.

233. Are you aware that it was the wish of the promoters, judging by the prospectus representing that wish, to form a company with a capital of £5000, in shares of £1 each, and that when half the shares were applied for the company would be considered formed, and would be registered; and that the shares were to be applied for accompanied by an application fee of 2s. 6d.? Yes.

234. You are aware that the application fee for shares in this company was 2s. 6d.? Yes, that was the prospectus they sent to me.

235. Well now, suppose the company succeeded in getting off the 5000 shares, would the capital of £5000 be sufficient to build the line? No, decidedly not.

236. Then, although the company, when formed, consisted of 5000 shares here, they would have to go to England to get the money to build the line? No, they might be able to get it in Tasmania.

237. Well, has not Mr. Sadler's company as good a chance of getting the money to build their railway in Tasmania as the others? I should think so.

238. Then, if Mr. Sadler were successful in getting the money here, would not his company be as much entitled to be called a local company as the other? Yes, I think so.

239. Then, if the promoters of both companies have to go to London for their money, both would have to be called foreign companies? Yes, of course they would both be in the same position.

240. Then, in that case, neither would be entitled to any local advantage more than the other. No; but if half the number of shareholders were here, that would give a preference in the minds of these people for the Central line, if they get it.

241. Don't you know that Mr. Sadler is finding most of the money in Tasmania? No, I only know that he has formed a syndicate, and it is understood they are going to send Home for the money.

242. Then, if Mr. Sadler gave the people of Tasmania the right to take up a certain number of shares, that would place him in the same position as the others as far as the term "local" is concerned? Yes, I should think so.

243. There would be no difference, in that case, between the two companies? No, I don't see what difference there would be.

244. Are you aware that the promoters of the Central Railway offered to permit Mr. Sadler to float their company? No, I am not.

245. If they did offer to allow him to float their company if he withdrew his, would you then say that the company that would construct the line would be a local one, seeing that Mr. Sadler would have had the power to float it in London or elsewhere; if floated in London, that would not be foreign, it would be British? I suppose so.

246. You talk about the concessions asked for: are you aware that when the Great Western Railway Company's Bill was introduced they asked for 640,000 acres of land. It was afterwards cut down to 490,000 acres, but that was what they asked for? Yes, I believe so.

247. Are you aware that they applied for water rights to enable them to produce 75,000 brake horse power? Yes.

248. And the grant of water to that company was reduced by Parliament so that they could use only 35,000 brake horse power? Yes, I know that.

249. I presume you have no personal experience of railway work, or of the floating of companies? No, none.

250. And you don't know what concessions in the way of grants of land or water rights would be necessary to float a company like this? No, I don't know that; it might depend upon a great number of considerations.

251. Then, if the concessions Mr. Sadler asks for were cut down to an extent that Parliament deemed sufficient, and Mr. Sadler was satisfied with them, then you would have no objection whatever to the concessions being granted—you would not be influenced against the line? No, not if he got what was considered fair.

252. Are you in a position to say whether capitalists would undertake the construction of a line of railway on a concession of 50,000 acres of freehold land? No, I should not think that capitalists would be willing to construct this line for a grant of 50,000 acres of freehold land.

253. You think it seems too small a concession? Yes. I think it would be too small; but I don't know. It is hard to say whether it is too small, because there may be other considerations.

254. Would you say it is ridiculously small? No, I would not.

255. But you think it small? Yes; but I don't see why the Government should not let them have it if they are satisfied? It is not for us to say it is too small.

256. Now, if the promoters of Mr. Sadler's project asked for larger concessions than the promoters of the rival scheme, and, if under those concessions Mr. Sadler were sure to find the money for his railway, would you rather approve of his proposal than of one under which the concessions were so small that the line would surely not be built—would you rather have the certainty of getting the money under the larger concessions, or the uncertainty of the line being built under the smaller concessions? I would approve of this line, I think, if they only asked for 60,000 acres of land.

257. Do you think that would be sufficient to induce capitalists to build the line? I believe that if they would take that they would get the Bill through, and they would then go to the capitalists to build the line.

258. If they could not find the money they could not build the line? I think they could build it on that concession.

259. Then, if Mr. Sadler asked for this concession, and got it, would you rather see Mr. Sadler's or the other line built? Yes, if his concessions were not too large.

260. If the concessions were made at what Parliament thought a reasonable figure, I understand you would rather approve of Mr. Sadler's line being built than the rival one? I did not say so.

261. But you want the railway built? Yes, of course, we should like to see it constructed.

262. Now you have been asked about the land which it is proposed to give the Minister the power to withdraw from selection, don't you think it advisable, if the railway is to be built and the land concessions are to be granted to the parties who build it, is it not advisable that the Minister should have power to withdraw from selection a certain area of land within a radius of the lots to be selected till the company are in a position to select it? Yes, I don't think you could profitably sell the land at once,—not at a price that would be approved of.

263. Whether you could or not, did you not say when Mr. Miller showed you the 170th Section of the Bill that you did not approve of it—are you aware that the section leaves it optional with the Minister to withdraw the land or not as he pleases? Yes.

264. But don't you think that the Minister, in the interests of the Colony, will not withdraw too large an area from selection? I don't know what he might want to withdraw.

265. If left to the Minister you could depend upon him—a responsible Minister of the Crown—to reserve from selection only what was fixed by the Act? Yes; but it was proposed, you know, that he should withdraw all that land between Sheffield and the West Coast.

266. I will read you the section—

It shall be lawful for the Minister to withdraw from selection under "The Crown Lands Act, 1890," and from the operation of "The Mining Act, 1893," for a period of two years from the passing of this Act, so much land as to the Minister may seem fit as lies between the parallels of latitude which run through the towns of Sheffield and Strahan respectively, and west of an imaginary line drawn north and south through the railway-station at Mole Creek, and east of the eastern boundary of the Western Mining Division.

Has not the Minister power to withdraw land now? Yes; I suppose he has the option now.

267. Then, don't you think it would be right to leave it to the option of the Minister. The Bill only says it shall be lawful for him to withdraw the land if he thinks proper? It would be bad in principle to withdraw all the land.

268. But if it is left to the option of the Minister he could do it if he liked? I think it should be decided by the House.

269. There is in the Great Western Railway Company's Act a section giving the Minister the power to reserve the land to be selected from sale? Yes, but I don't like it for all that.

270. Don't you see that if you do not reserve certain areas, that part of the land which the promoters might wish to take up in one of these blocks may be sold in the meantime? Yes, but I should like to see the land sold and settled on.

271. Yes, but when the promoters begin to make their survey, if there is not some such provision of this in the Bill, the people who want to select will follow the surveyors, and mark off and apply for the land on the chance of selling to the promoters afterwards—surely that would not be fair to the promoters? No, but if the land was marked off and applied for that way it would be put up by auction. The Government would not allow people to take up the land as they wished; it would be sold by auction.

272. Let me understand you. This clause does not ask that the Minister shall have power to withdraw all the land mentioned. That is merely the extreme limit—the boundaries within which the Minister shall have the power to reserve. Do you understand that? I don't think it. I object to the Minister having that power at all. It is too much to give.

273. *By Mr. Miller.*—We have been talking about the two syndicates. You know the names of those connected with the Central syndicate. Do you believe it would be possible to get a stronger syndicate than we have here? I have said before that I believe if they get their line they will carry it through.

274. You think they will carry their plans through? I think so.

275. Do you know Mr. Sadler's scheme as to its financial basis? I have known Mr. Sadler for many years.

276. Yes; but would you like to cash Mr. Sadler's cheque for ——?

The Chairman ruled such a question was irregular.

277. *By Mr. Smith.*—Have you any personal knowledge of the financial position of the promoters of either company? Yes, Mr. Grubb, for instance.

278. Do you know how many shares he holds? No, I know that he is in a good financial position.

279. *By Mr. Gilmore.*—Is Mr. F. W. Hales in it? He is only the secretary.

280. *By the Chairman.*—Is Mr. Norman Cameron in it? Yes, I believe his name is in it, but he said if he held shares in the syndicate he would not be allowed to vote on the Bill when before Parliament, and he withdrew from it.

281. You said that if the Central Company got the Bill through they could construct the line on a grant of 50,000 acres of land? Yes, I said we believed they would construct it.

282. Where would they get the money? I believe they can get it. I believe they can construct the railway if they get the concessions.

283. Could they get the money in Tasmania? I think they could.

284. Do you know when the Emu Bay Railway Company was floated the other day how many shares were applied for in Tasmania? Yes, I did know; there were a large number, a little over 30,000, I think.

285. Do you know that only 30,000 were applied for? Yes, but I don't believe that would apply to the Mole Creek line; that is a very different thing; the other was looked on as being more a Melbourne line.

The witness withdrew.

ROBERT WILLIAM MCGOWAN, *called and examined.*

286. *By the Chairman.*—Your name is?—Robert William McGowan.

287. And what are you? I am a licensed victualler, residing at Deloraine.

288. Were you not a farmer once? No.

289. Do you know the proposed line of route of the railway from Mole Creek to the West Coast? Only for a very short distance.

290. Well, as far as you were along it? I have been as far up as to where it crosses the Mersey.

291. How far is that from Mole Creek? I should think about 15 miles. I can't quite say the distance, it was some miles above Liena.

292. Now, if a railway line were constructed connecting Mole Creek with the West Coast, would that be a good thing for Deloraine and the surrounding districts? There is not the slightest doubt of it.

293. Would it be a good thing for the farmers of the midlands? Yes, I think the construction of the Emu Bay line is necessary for Northern Tasmania, and that we should have besides, what I call internal means of communication. If not we shall lose the whole of the West Coast trade.

294. If the railway from Waratah to Zeehan is constructed, would that be likely to interfere much with the prospects of your district? I think it would, unless we have railway communication through our district too.

295. Now, if this railway were constructed, what districts would it supply the wants of? In what way do you mean—opening markets?

296. Yes, in opening markets, and taking produce to the West Coast—Well, it would serve the whole of the districts from Devonport through by the Western line as far as Evandale. It would also serve the whole of the midland and north-eastern districts.

297. It will fairly serve all these districts by taking their produce to the West Coast? Yes.

298. Have the people of your district been urging the construction of such a line for some time? Yes, they have.

299. For how long? Oh, since the West Coast Railway was first spoken about, for some years now. The opinion seems to be unanimous now that since the Emu Bay line is to be a fact, our districts will be out in the cold altogether unless we have direct railway communication.

300. Is there good land along the few miles you have travelled? No, very little good land. It passes through a small agricultural area at Circular Ponds, but in the whole 15 miles I know there would not be more than 500 acres of really good land.

301. You know nothing of the country beyond that? No, only from hearsay. I have heard what it is up the other way, and that there are some fair stretches of good land, but the greater part of it is rough, useless land from what I hear of it, until you get into the mineral country. Of course this will have to be proved yet as to whether it is valuable or not. One reason why the Chudleigh or Mole Creek line does not pay now is that it was taken through useless country. If the railway were made to junction at Deloraine and to pass through Cheshunt, Dairy Plains, and other places, it would go through an easier country. If the line to Mole Creek had been made by that route it would have been a payable line the whole way. The Chudleigh line goes nearly direct from the junction with the Western line to Mole Creek. If there were a loop line passing through the districts of Meander, Dairy Plains, and other settled parts it would open up good agricultural and dairying land right through, and would serve the same districts, so far as it is worth doing, as the present line serves.

302. That would be a branch from the Mole Creek line? No, from the Western line at or near Deloraine.

The witness withdrew.

JOSIAH INNES, *called and examined.*

303. *By the Chairman.*—What is your name? Josiah Innes.
 304. And what are you? I am a prospector.
 305. Where do you reside? At Launceston.
 306. Do you know anything of the character of the country between Mole Creek and the West Coast?
 Yes, I have been twice through it.
 307. The first time you went there who did you go with? I went through on a survey party with my brother, who is a surveyor.
 308. Do you mean you went out to make a survey? Yes.
 309. Was it a track or a railway you went to survey? It was to survey a track from Mole Creek to Rosebery.
 310. And your brother made a report to the Government on that track from Mole Creek to Rosebery?
 Yes.
 311. Did you, when you were marking that track, come across an old railway survey? I believe they did, but I was not with them at the time.
 312. Can you tell us if you think there are many difficulties in the way of constructing a railway from Mount Pelion to Mount Read, or Lake Dora or Rosebery? After the first 15 miles the country would be rather difficult to Sophia Creek, after that it would be easily made.
 313. How far from that 15 miles would it be difficult?—what kind of country is it? There are lots of deep gullies, the country is full of them. You would have to go between the Pelion ranges and then branch across towards the Canning and across the gorges into the Sophia River.
 314. Would the difficulties be insuperable, in your opinion? No, I don't think so; you would have about the same grades from Mount Pelion to the Sophia River, and then a fall in about 15 miles.
 315. What kind of country is there between Mole Creek and Mount Pelion? Well, there is some good land and some very poor
 316. And some worthless land? Yes, three times as much as there is good.
 317. Now, between Mole Creek and Mount Pelion what would be the value of the land?—would it average 5s. an acre, or 10s. an acre, or what? That is hard to say. I should not like to give more than 5s. an acre for it myself.
 318. Now, from Mount Pelion. Is there any good land between Mount Pelion and Rosebery? Yes, there is some good land down in the Sophia Valley.
 319. With the exception of that land, what is it like? Worthless.
 320. How much good land do you think there is in the Sophia Valley? About 6000 or 7000 acres.
 321. Is the country from Mount Pelion to Rosebery mineral country? Yes.
 322. Along the line of route from Mole Creek to Rosebery what minerals are there? When I was out there many months ago, on the Sophia River, there were discoveries made carrying gold and silver.
 323. Is there any copper? Yes, there is copper at Mount Pelion.
 324. Any coal? Yes, there is coal near Mount Pelion.
 325. Does it seem to be good coal? Yes, very good coal.
 326. What kind is it? I can't say what kind, but I know it crumbles up with the weather.
 327. Is there much of it? Yes, there are two or three different seams there.
 328. Is there any other mineral before you come into the mineral-bearing country? No, that is all there is in the mineral-bearing country.
 329. Is there any coal or copper between Mole Creek and Mount Pelion? I don't think there is.
 330. Now then, suppose this railway were constructed to be worked by electricity, are there many rivers whose waters would be available for the purpose? Yes, there are the Mersey, the Murchison, the Sophia, the Forth, the Mackintosh, and the Canning; the Canning and the Murchison are practically one.
 331. Would the Forth be one to be dealt with? Yes, I think so.
 332. Is there a good fall of water in the Mersey? I believe so.
 333. Is the Murchison a good river? Yes.
 334. How broad was it when you crossed it? About 3 chains wide in the summer time.
 335. And what depth? About 18 inches at that point, in summer.
 336. How broad is the Mersey? At Liena it is about 3 chains wide.
 337. And how deep? I could not say the depth.
 338. Does it seem to be a deep river? Yes, I should say from 2 ft. to 2 ft. 6 in.
 339. Now, are there many lakes on the route? Yes, there are two, Lake William and the Lake of Islands; then there is Lake Eyre; these are the important ones.
 340. In these three lakes is there plenty of water? Yes.
 341. A large supply of water? Yes.
 342. What is the area of Lake Eyre? About $1\frac{1}{4}$ miles long by half a mile broad.
 343. What is the area of the others? I could not say.
 344. Are they deep? That I could not say.
 345. What about the others? Lake William appears to be deep. It is about $1\frac{1}{2}$ miles long by a quarter of a mile wide.
 346. What about the others? They are all something the same style, except the Lake of Islands: that is shallow I should say.
 The witness withdrew.

WILLIAM WHITAKER STEWART, *called and examined.*

347. *By the Chairman.*—What is your name? William Whitaker Stewart.
 348. What are you? A watchmaker and jeweller.
 349. Do you reside in Launceston? Yes.

350. What is there you can tell us about this syndicate? Well, I received a letter from some friends of mine in London by the last mail in reference to this proposed railway. I had sent home Mr. Innes's report to the same friends, and from the communications received I can say that Mr. Sadler is in a position to obtain a large amount of money, up to a million sterling, should he require it, for the construction of this line and other works connected with it, provided the inducements are satisfactory in the way of concessions.

351. Suppose Parliament said that Mr. Sadler was asking too much when he wants 490,000 acres, and that were cut down by the House or by this Committee in its recommendations—if the area were cut down would that make any difference to Mr. Sadler's prospects? It would depend upon how it was cut down, and I could not give an opinion until I knew that; if it were cut down very much it would make all the difference, and it certainly would not be in his favour.

352. But if it were reasonably cut down? Then I think it would have a reasonable chance of success.

353. You say that Mr. Sadler is in a position to raise a million of money for the railway and other works? Yes.

354. You mean the ore-reduction works and the works for the supply of power to the mines? Yes.

355. And he will buy and sell ores as the Great Western Railway Company are going to do? Yes, I believe so.

356. Are you aware that Mr. Sadler's Bill does not ask for any concessions excepting those which have been already granted to the Great Western Railway Company? Yes, I know that.

357. And he is asking for exactly the same area of land and also the same water rights? Yes, the same.

358. Now, do you think there would be any probability of raising money in England to construct this railway if Mr. Sadler were granted only 50,000 acres of land? No, I don't think so.

359. I mean 50,000 acres of freehold land with water for 15,000 brake horse power? No, I don't think any one could raise the money on those terms. There is a large amount of money required, and therefore large concessions should be given.

359A. Are you aware whether Mr. Sadler proposes in his scheme to generate electricity for the purpose of lighting up mines, and of supplying power to mines, and to sell the electric motive power and the electric light to the mines? Yes; and I know he proposes to sell light to the Dundas and Rosebery and other townships.

360. *By Mr. Smith.*—You say you received a letter from England in consequence of information sent by you, and that the amount could be got easily: was that offer based upon Mr. Sadler's Bill or upon Mr. Innes's report? On Mr. Innes's report.

361. The people you have to do with have not seen the Bill? No, they had not seen it.

362. Then, if very reasonable concessions were in that Bill they might be willing to find the money? Yes, if they were very reasonable concessions.

363. You have had to do with large financiers—do you think this money would be forthcoming if the concessions were fair and reasonable? I do.

364. As a business man, which do you think would be most advantageous to the colony—the withdrawal of a large amount of money which is otherwise invested in local speculations by local syndicates, or the introduction of a large amount of money from over the sea? I should think the introduction of fresh capital would be more advantageous.

365. *By Mr. Miller.*—You say the advice you received from England was based on Mr. Innes's report? Yes, I know that from Mr. Sadler's friends.

366. Was it not based on an application by Mr. Sadler to his friends? I believe so.

367. You don't know what may have been in that application; you only know, virtually, through the party through whom the money could be given, that it would be right if the conditions were satisfactory; you don't know the terms? Yes.

368. Have you been interested in the flotation of mines? Yes.

369. Were they large flotations? Yes, the Bismarck tin mine, and others.

370. But that was not English capital? No, that was Melbourne capital.

371. You don't know the London money market? No, excepting that I have been in communication with this gentleman for over ten years, and he advises me. He came to me and asked me to refer things to him.

372. Yes; you have no knowledge of the capital required for this project, or what the cost would be, or what is the extent of it? Yes; I reckon £300,000 for the railway itself; then, out of the million they would erect the ore-reduction works and other matters, electric light, and power to townships and mines.

373. Are you one of those who opposed the Great Western Railway Company's concessions on the ground that they were unreasonable? Yes.

374. Do you now think them unreasonable as granted? No, I can't say that I do.

375. Only in the first instance as they were asked for? Yes. They were cut down considerably, and I am satisfied now.

376. *By Mr. Gilmore.*—Your objections to the Great Western Railway were more on account of the men who were running it than to the concessions themselves? Yes.

377. *By Mr. Miller.*—Which would be the best for the colony—a syndicate that would float a company to construct a railway line and make nothing out of it, or a syndicate that would float the company and make something out of it by re-sale—which would be better for the colony? That would depend upon whether the syndicate selling could hand over anything worth having.

378. That is another thing. I ask is it a better thing for the colony that the syndicate should give over its rights in full to the company? That would depend upon what the rights are.

379. Is it better for the colony that the middleman should make a profit out of the transaction or not? I suppose the middleman would not be likely to go in for the transaction for nothing.

380. If the Central Syndicate does this, they will do it for nothing? It is a question whether they can do it.

381. *By Mr. Gilmore.*—I suppose some of you have chatted the matter of these rival lines over. Have you ever heard any expression of opinion upon them? No. I believe Mr. C. H. Grant has said that the concessions asked by the Central Syndicate are not sufficient, and that it could not be floated. I heard that from Mr. Whitaker.

382. *By Mr. Miller.*—Do you know the promoters of the Central Company? No, I cannot say that I do.

383. But you have seen the prospectus? Yes; but I don't know anything about the promoters, excepting Mr. Grubb.

384. You don't know them, or the concessions asked for? I am told they ask for 50,000 acres of land, but I don't think that is enough, with water for 15,000 brake horse-power.

385. Is not the syndicate strong enough to float the company? I don't think so: not on these concessions.

386. Then you don't think they can carry out their intentions? I don't think so. I believe Mr. Grant expresses his opinion so, and he ought to know.

387. *By the Chairman.*—If it is proposed that this syndicate of seven shareholders should make no profit themselves, but give up all their profit to the English people who are to construct the railway, would there be any difference in the character of a company so formed and the character of a company formed as this will be, which is going to construct the line floated by Mr. Sadler? I don't think any persons in England would float such a company without the prospect of profit.

388. But you are told by Mr. Miller that the Central people are not going to make any profit, but are going to hand over all their privileges to the English people; if that were so, would there be a difference in the character of a company so formed to construct a railway under the Central people, and a company formed to construct a railway as proposed by Mr. Sadler? There might be an insufficiency of capital.

389. Yes, but we are told under the local company that no one is to derive profit from the line: would there not be as much a chance for the local people to get shares under Mr. Sadler's scheme as under the other scheme?—so that the argument, as far as to its benefiting the local people, would vanish. The argument is that the other scheme would support local enterprise,—that would vanish if you don't get any profit as local people. The shareholders in the Central Railway Syndicate, if it is floated in London, can only apply for shares in the company, and so they can apply for shares in the other company, can't they? Undoubtedly.

390. So the argument that the Central syndicate should be supported because it is on local lines would vanish altogether? Undoubtedly. The same advantages would remain to each of them.

390A. Then you think if all the rights of the present Central Company are handed over to the English money lenders, then as soon as the company is formed in England the present shareholders in the Central Company will lose all their rights, and this company will become defunct? Undoubtedly.

391. And the present shareholders will have no interest whatever in the line? Undoubtedly.

392. Then, to get an interest in the line they will have to apply for shares? Yes.

393. So that now they are asked to pay all expenses of getting the Bill through Parliament, and when the Bill has gone through they have no further interest in the Bill or the railway to be constructed unless they apply again for shares in the company? Yes, that is so, according to Mr. Miller.

394. *By Mr. Smith.*—This company will have to be put on the London market. Mr. C. H. Grant has said it would be impossible to float such a company in Australia. Then, having to go on to the London market, would the cost of the middlemen be less in proportion to the extent of the concessions? I should think it would be the other way round. The more the concessions the less difficulty there would be in flotation. It is a question whether the Central would float on the concessions made. I base my calculations upon Mr. Grant's opinion.

395. *By Mr. Miller.*—Which opinion has not been expressed to you? No, it was expressed to Mr. Whitaker. I believe it was a public expression of opinion.

396. *By Mr. Smith.*—You have no personal knowledge of the financial strength of any of these (Central Railway) people? No, I have not.

397. I suppose if the Central people had intended to build the line themselves they would have floated a larger company than one with a capital of £5000? I should think they would.

398. *By Mr. Miller.*—Is it not usual for men to float companies to cover preliminary expenses, and then increase their capital? Not generally.

399. But could they not increase their capital when they get their Bill—could they not increase the company after they get their Bill? I should think not.

400. *By the Chairman.*—Do you know of any reason why these gentlemen should not pay for the construction of the line out of their own pockets? No, not if they pay for a Bill to enable them to do this.

401. Is there anything you would wish to add? Nothing, excepting to emphasise the fact that of Mr. Sadler's scheme there can be no doubt. The person who wrote to him is a very substantial person.

The witness withdrew.

FRITZ JOSEPH ERNST, called and examined.

402. *By the Chairman.*—What is your name? Fritz Joseph Ernst.

403. And what are you? Well, I have no particular occupation; put it gentleman.

404. And where do you reside? At West Strahan.

405. Do you know the line of Mr. Innes's route between Mole Creek and Rosebery? Well, I have never been over the whole line, but I have been at both ends of it.

406. Have you been past Mole Creek? No, I have not.

407. Are you well acquainted with the Rosebery district? Yes.

408. Have you gone along Mr. Innes's track at all? No, I have not.

409. Then you don't know much of the country? Only that I have gone through Mr. Montgomery's reports, and read Mr. Innes's report, and heard a good deal at both ends, that is as to whether the railway would pay or not. The land along the track is worth very little at present, its value is very problematical.

410. Have you had opportunities of hearing the value of the land discussed by people who know it and travel the line? I have heard that the agricultural land approaches the Rosebery district closer than any other agricultural land over the West Coast mining district, or any other side. There is only a fringe of agricultural land on the North-West Coast, near Burnie, to supply agricultural produce. At present the Rosebery district is supplied from Strahan, which route could compete for the trade in the Rosebery district with any other line but the Mole Creek one. With another 18 miles to go I doubt whether, with water-carriage and the freight on the Strahan-Zeehan line, the Rosebery-Mole Creek line should not be able to fetch goods through, and much cheaper than any other line. With regard to the land I may say that all the people who invest in these syndicates at home look to get very large concessions, and I would say get as much land as you can possibly get. You see the Britisher is under the impression that the land in the colonies is all good; they do not know that it may be in a barren country like this. In making this line like the Great Western line, they want large concessions. If the people who come in depend on the mineral wealth of the land then we must give a much larger area than if it was agricultural land. We want to find out where the land is, and whether it is mining or agricultural land. Mining land is all chance, but with agricultural land the chance is a sure one. With regard to the passenger traffic I think the line can compete with the Emu Bay line. Some time ago I took the trouble to go to Strahan wharf and to count the passengers going away. I counted so many for Melbourne and so many for Launceston. The average out of ten is from 8 to 9 for Tasmania and one to Melbourne. That means to say that if you have a railway going to Burnie working under the present system of charges, I should think if a man wanted to go to Hobart, and he could get there for 50s., he would not spend his £8 on it. I think the Mole Creek railway would get most of the passenger traffic in preference to the Emu Bay line.

411. Why so? Well, a man will not pay £8 for a service when he can get it for £2 10s.

412. *By Mr. Miller.*—But how do you make out that it would cost £8 to go to Hobart *via* Emu Bay? Well, first there is Zeehan to Waratah and Burnie; then the break Burnie to Ulverstone, then Ulverstone to Launceston; and Launceston to Hobart. You have no other way? I gave Mr. Gilmore, some days ago, a cutting from the *Zeehan Herald*, where the matter was thrashed out. On the money point you can't go to the Britisher now and ask for large concessions of capital unless you give him other concessions in return. Unless you give large concessions you will get nothing. It may be said that the Emu Bay line did not give concessions, but you see that line was hawked about England and they could get nothing for it. It was only satisfactorily floated in the colonies through Mr. Bowes Kelly giving it his attention. If he had not been there and interested in it it would never have been floated. This proposed Mole Creek line, is, I think, in regard to the prospects of mining in Tasmania, the best route I know. I know of no better. I am not much in favour of the Emu Bay line.

413. *By the Chairman.*—Do you think if Mr. Sadler's proposed concessions were cut down from 490,000 acres of land to 50,000 acres, and his water concessions from 75,000 to 15,000 brake horse power, that he would be able to float the company in England?—Is there any available evidence from engineers, showing what water there is and what power can be generated? That is a question that should be considered. The colony has no right to give along one line all the water power away.

414. Well, supposing the water power question to be settled, would a grant of 50,000 acres of land be enough to induce capitalists to put money into this project? If the land is mining country at all, I should not think they would put money in.

415. *By Mr. Gilmore.*—You have a good deal to do with English capitalists have you not? Yes, I have been home twice in the last four years on such business.

416. You represent a large syndicate of capitalists now, do you not? Yes, I represent matters which I should not like to speak of here; I am quite certain there is no likelihood of any English capitalists putting their money into this venture unless they get something in return for it. I think, as regards traffic, the line would pay well if properly managed, but I do not think the money would be got at home unless you got large concessions.

417. Would you consider 50,000 acres of land a fair concession? That would all depend on the land. If it is purely mining land, then it is too small an area, but if it were good agricultural land, then it might be quite sufficient. Is it freehold or leasehold?

418. Fifty thousand acres freehold, is that sufficient? If it were good agricultural land, and examined carefully all over, I should not think that it is enough unless it were very good, and at a reasonable distance from a terminus of the railway.

419. Say we were giving a block of 50,000 acres half way between two termini of the line? I could not give an opinion without seeing the land. It might be more valuable than land values there generally are. There are minerals, and there is coal there, I know. It would depend entirely on the land. I should think if the Government geologist was sent out to report upon this land, he could give important evidence on the question. I don't think 50,000 acres would float a company at home unless you can show it is really good land.

420. *By Mr. Miller.*—You have some knowledge of the English money market, I believe? I have been there twice.

421. You have no personal knowledge of the flotation of companies in the English market? I am sorry I cannot answer that question. I am bound down by my engagements not to buy shares or to make any money out of shares, and I am bound down not to give information on the point you name to any one but the people who employ me.

422. You have seen the prospectus of the Tasmanian Central Railway Company, have you not? That is the one Mr. Hales has in hand. Yes, I have.

423. And you have seen the names on that prospectus. Don't you think the syndicate a strong one? I am sorry I don't know anything about the names. My experience of the colony only dates back for the last ten years. As to names I don't think they go for much. I have lent some £500; they were all

financially right, all of the upper ten, but they let me in, so you can see my experience of men who are supposed to be financially all right. I have never got a penny out of Tasmanian mining excepting what I have got in connection with my home people who employ me.

424. *By Mr. Smith.*—If a prospectus bore the names of the leading moneyed men in Launceston, would it command respect in London? That I can't say. It would depend upon other considerations.

425. Take the name of Mr. Hart, for instance? Yes, it might.

426. Would Mr. Hales' name, for instance? It might. English investors in these syndicates don't ask much about names. They will ask, "How much are you promoters going to make out of it, and how much do you propose that we shall make out of it?" It matters very little what the names are like.

427. *By the Chairman.*—If the English investors were told by the colonial promoters that they were promoting the undertaking without any view to profit, would that be calculated to induce the English investors to put their money into it? Well, I should think it would make them shy off.

428. *By Mr. Miller.*—Suppose the colonial promoters said they would take £25,000 in shares, and would apply for and take them up? Privately I am opposed to syndicate lines. As to providing the money for railways, as attorney for other people, I may say that if I don't see exactly what they are going to make out of it I would not put any money in.

429. *By Mr. Smith.*—There are two proposals before the House, one of which has been remitted to us as having been objected to because the promoters have not shown their *bona fides*. The two are rivals. What we want to know is, on which of these two schemes is the railway to be constructed? Well, the promoters of the other line say Mr. Sadler did not show his *bona fides*.

430. *By Mr. Miller.*—He would not prove to them that he could float his company? Well, that depends on circumstances. Mr. Sadler is an honourable man, and he is not bound to let the others know who are standing behind him. I will tell you one instance: I was sent to Victoria the other day, and I had to make a report, and I do not know who sent for me, and I do not know who got my report. Men engaged in these transactions will not tell you. They put a man on to act on their behalf, and you deal with him. In this case I suppose Mr. Sadler would not have made application for his Bill unless he had some good cause to think he could float his company. As regards both schemes, it depends entirely on the English market.

431. *By the Chairman.*—If Mr. Sadler offered the rival syndicate that he would lay all his letters and papers in confidence before their solicitor if the promoters of the other scheme would agree with him to abide by their solicitor's opinion, whatever it might be, what then? That would be very fair.

432. If the condition was that if their solicitor said that Mr. Sadler's scheme could be carried out they would withdraw, and if the solicitor said it could not be carried out, then that he would withdraw, would you consider that evidence of Mr. Sadler's *bona fides*, and an offer that they should accept? Yes; I think so.

433. He offered to do that, to refer the whole correspondence to their solicitor, and if the solicitor said he could carry out his scheme, then they were to withdraw theirs, and, if the solicitor said he could not, then he was to withdraw, would you not consider that strong evidence of Mr. Sadler's *bona fides*? I should think it would be; he would be exposing himself to the judgment of one man.

434. Would you not consider that strong evidence of *bona fides* on the part of Mr. Sadler? Certainly, and also strong evidence that he considered the solicitor a straightforward man.

The witness withdrew.

WEDNESDAY, 1ST DECEMBER, 1897.

FREDERICK BACK, *called and examined.*

435. *By the Chairman.*—What is your name? Frederick Back.

436. You are General Manager of Railways and head of the Railway Department of Tasmania? Yes, under the Minister.

437. Now, have you read through the Great Midland and West Coast Railway Bill? I have.

438. Are the clauses in that Bill the usual clauses inserted in Railway Acts? Well, there are so many Railway Acts that I can hardly say.

439. Are the clauses in that Bill very much the same as the clauses in the Great Western Railway Company's Bill which was passed last session? In part, not entirely; I think.

440. All excepting as to a few details? Oh yes, I notice some important differences.

441. But a great majority of the clauses are the same? I think so.

442. Is it feasible, do you think, to work a railway by electric power? I am not aware of any railway being worked by electric power; of course there are thousands of miles of street tramways which are called street railways, worked by electricity, but neither I nor any other railway man here can find out any long length of railway which is worked by electric power.

443. Is electricity not the coming power? Oh, I think so, yes.

444. Are you not of the same opinion that you were last year, that it is possible to run long lines of railway by electricity? It is certainly possible; you can run a railway with any power; but when you run it you have to consider the question of economy. I think it is very doubtful if you could economically use electricity on a railway, with so few trains running as we have in this country; I will explain, if you like.

445. Yes, I should like you to do so? Take, approximately, the cost of steam motive-power as compared with electricity. The cost in this country of steam-power, the average cost per mile of motive-power, by our system of traction, is over 10d. per mile; for the sake of argument take it at a shilling. Suppose you run two trains daily over a line of a hundred miles in length, that is, you start a train in either direction, you will only be at an outlay, if the expense does not exceed that on the Government railways, of £10, or two hundred shillings. I don't think we have yet arrived at the stage where we could haul those trains by electricity for anything like the same money.

446. Then, do you think it is cheaper to work by steam-power than by electricity? Yes, I do; under the conditions prevailing in this colony, electrical energy is economical when you can utilise its full power, but where you have only two trains a day you have the whole of the electrical circuits to work for those two trains. To work them the electricity must always be in circuit. Where you have a lot of street trams all running in different directions, then electricity is economical, because you can utilise it to its full power.

447. In that estimate are you considering the source from which you derive your electricity? Undoubtedly.

448. From what source? I may say from anything you like—steam, water, or anything else.

449. Is it not cheaper to generate electricity from water-power? Not necessarily; generally it is.

450. What is the longest electrical railway you know of that has been constructed—is there not one in Montreal? There is an enormous system of electric tramways in Montreal, but none running for any great length. They all radiate from a common centre, and are really street trams; but, I believe, it is the practice there to call them street railways.

451. But the carriages there are larger than those on the North-East Dundas tramway or railway, are they not? Well, as we have only made two small carriages for that line, I can hardly say; the carriages would not be larger than they would be on a 2-ft. gauge line elsewhere.

452. Do you know of any difficulty that would be likely to arise in applying electricity on the route between Mole Creek and the West Coast? I am not prepared to express an opinion excepting in general terms; I am not an electrician.

453. But in regard to the Government Western Railway you could not see any difficulty? I think it is possible; but I don't think if you run two trains on your line for a hundred miles each way, that you can do it for £10 as already explained.

454. Would it cost £100? If you have electrical energy, then you want the whole of your energy always at work, and, because of that, you want a large staff of men and suitable appliances all along the line.

455. Have you altered the opinion you gave last year, when you said that electricity for railway purposes could be generated a hundred miles away? Oh, you can generate it further away than that if you like; it is only a question of cost.

456. But you are of opinion that electricity is the coming motive power? It is the coming power, but it has not come. At present you can't work two trains a day by electricity as economically as you can by steam—that goes without saying.

457. If a line of railway were constructed between Mole Creek and the West Coast, would it be of advantage, do you think, in opening up the country? Yes. I think it possible you might find a better route than from Mole Creek. I doubt very much whether that is the best route.

458. To connect the Northern districts with the West Coast you think there might be a better route—in what direction? It is impossible to say without a survey. I have only a general knowledge of the country, but it is desirable to take such a railway as near to a deep-water port as possible, not into the centre of the island.

459. You say that Mole Creek is the centre; well, if that is the centre, the traffic would be brought to a point half way from Devonport to Launceston,—that would be to a deep-water port? Devonport is understood to be a deep-water port, but you would not call that a deep-water port that is a river, and only a deep-water port at high tide.

460. Would you not call Launceston a deep-water port? I will meet you half way,—I will call it a shipping port.

461. Generally speaking, wherever you construct a line of railway to, would it not be of great advantage in opening up the country? Not necessarily, it might not be a paying railway. It might be taken through a country that it really would not pay to open up, then it would not be an advantage.

462. If it were taken through a mineral country? I cannot answer that question, because it is hypothetical. If you ask me if it is desirable to open a railway from a point to some other point in a mineral district, I will say yes, under certain conditions.

463. If you start from Rosebery or some part of the Western Mining Division to meet a suitable point on the Government railways, would it not be of advantage in opening up the country through which the route would pass? Yes, in course of time.

464. Have you been through that country? I have been over a good deal of it, but never right through it.

465. Have you been to Mount Pelion? No. I went through the northern part of the country as shown on the map (produced), the part coloured green. That would be from the Leven to the Mersey, north of a line drawn through Nietta on the one side, and passing above Liena on the other.

466. And in that part you have been through, what kind of country is it? It is all excellent country, very fine land the majority of it. Take the land right down to the Leven, or taking a line through Nietta to the Wilmot, it is all good. Between the Wilmot and the Mersey and away to the Nook it is all very good country. All the land north of a line running through Nietta and Paradise is good land; all that is included in the part coloured green on the map attached to my report on the Waratah and Zeehan Railway, dated 1st November, 1897. I may say that it is my usual practice when coming before a Select Committee to make a memorandum of the subjects to be dealt with, and also notes on the particular Bill. Would you like me to read my notes?

467. Yes, but we should like to hear about this land which you know as good? Some of the finest land in the colony is that about Paradise, the Promised Land, Beulah, the Nook, and Barrington. It now carries more people and grows more produce to the acre than is grown anywhere else in Tasmania.

468. And where are the markets for this produce? At Devonport and Launceston principally.

469. Well, if a railway were constructed to carry produce to the West Coast, would it not be a very good thing and a benefit to these people? Yes, because they would then have two markets, but they send produce as far as Hobart now.

470. Oh, the people at the present time send their produce to Hobart? Yes, they send to Launceston, Hobart, and Devonport. They have three outlets for their produce; Devonport for export.

471. Are you acquainted with the land around Zeehan? Yes. I can tell you about that.

472. Would it be of advantage to the colony if there were railway communication through that district? Yes, I think it will be, naturally, in the course of time.

473. It would be a great benefit, would it not, to the mines in that district if they had the means of taking their ore to market? Well, I don't think you will take much ore on this railway. I don't think you will take any of it. I don't think an ounce of ore would go from the present fields to the Western line. You would have to depend for traffic upon new developments and the food and other supplies of the district.

474. Then where will the ore go? To the nearest water carriage.

475. That would be to Macquarie Harbour? Yes, people would not take ore a hundred and forty miles across the island when they can take it direct to the ship in forty miles.

476. Does not that depend upon the Macquarie Harbour bar being removed or deepened? No, still that is an important work the country should at once undertake, as it will be of great benefit to the colony.

477. Do you think it will undertake it? Oh, I don't know.

478. There is no indication whatever that the Government intends to remove the Macquarie Harbour bar? No, they are only making investigations as to the best mode of doing it. I think they are impressed with the importance of the matter, and I sincerely hope that the bar will be deepened.

479. In the interests of the country do you think it advisable to have a railway between the West Coast and some point on the Government Western line? Yes, I think there should be a Government railway in the course of time. It should be a Government railway and not a private one.

480. Apart from the question as to whether it should be a Government line or not, would a railway line connecting the Western mining division with the Government railways be a good thing for the country? I can only answer the question in my own way.

481. But, apart from who may own the railway, whether the Government or anybody else, would the construction of such a line as that be a good thing for the country? That depends entirely upon the conditions on which it may be constructed. As a Government line, in the course of time, yes.

482. Is it your opinion, then, that the Government should not construct it at the present time? In the present position of the mines in that district they are depending upon low-grade ores. It is not proved that these pyritic ores are a marketable commodity, or that they can be smelted and taken to market. I should wait a little longer and prove whether those ores can be treated as the Mount Lyell ores are treated, for instance.

483. And for this reason you think Government should not construct a railway at present? It is my opinion that at present no one should construct the line.

484. I mean the Government? And I mean anybody. I should wait for additional information.

485. Then you think no one should construct a line at present? No. I should wait until I could see whether the Rosebery ores can be treated profitably.

486. And if it took ten years to find out you would wait ten years then till the Government could take up the line? I don't know quite how to answer you. You ask my opinion and you ask me questions that I am not prepared to answer on the spur of the moment. What you ask is only a question of opinion, and unless you wish me to answer as I think right I cannot answer the question at all.

487. But you can answer the question and then give any explanation you choose. Is not that fair? Yes; but don't you see you give a time limit, say Government should be guided by the result of the treatment of these low-grade pyritic ores in the Rosebery and surrounding districts.

488. And you would say don't construct the line, no matter how long it took to connect the district by land. You would not construct a line until the value of those ores were proved? Unless other circumstances were shown that would make it desirable.

489. Then you would keep back the development of that country until you could test these ores? I don't think you would keep back the development of the district, and I don't think you should have a railway too much in advance.

490. Does not the construction of railways open up the country and do good? Not necessarily. You seem to have got hold of an idea which, I am sorry to say, some of our best business men have, that the more railways there are the better; the more money spent the better for business. Now what is the position of a farm if you overstock it? What is the position of a city if you put up too many commercial establishments? One kills the other. It is the same with railways. If you construct too many of them to one district none of them will pay.

490A. That you think may be a good argument for the Government worked lines, but if private syndicates were working the lines would it not be for the benefit of the country if the syndicates' competition with each other reduced the freights? Even if it did I am not clear that it would be a good thing for Tasmania: I will tell you why. You had a bank here called the Van Diemen's Land Bank; that bank failed, and what was the result? Do you think that any large commercial undertaking in a country—private or government, can fail without injury to the country? If it collapses can that happen without causing widespread ruin and distress, and affecting the credit of the country in the money market.

490B. But was it not the local people that failed when the bank failed? So much the worse.

491. But if English people came here and built a railway and then failed, would not that benefit the country? It does not make any difference whose money it is, it means discredit to the country.

492. But if English people came here and made a railway with their eyes open and then failed, how could that affect the country? If you will allow me to read you six lines from a Victorian paper, I can give you an example, and it will answer you better than anything I can say. It is from the Melbourne *Argus* of the 24th November:—

Argus, 24 Nov. 1897.

"If the Government in Victoria cannot build successful railways, neither can other bodies. The few semi-private railways we have are rapidly being abandoned to the State. The Great Morwell Coal Company's line was taken

over by the Assembly yesterday—a most unprofitable bargain, it is to be feared—and so was the Dookie and Katamatite Tramway. The latter line was built with Government money, the Shire Council borrowing the funds and guaranteeing 4 per cent interest, and there was a flourish of trumpets that the State would be taught how to build and how to manage a railway. And, alas! the end is that the Shire Council has to make an appeal to be relieved of its burden. 'If we appoint a receiver,' said Sir George Turner, 'we shall be worse off, for we shall obtain no more money, and we shall have to pay the officer.' It is felt also that the local ratepayers shared in the delusion of the times, and that there is no particular reason why they should pay specially the loss on their line and should help to pay also the loss on everybody else's lines. The State must be large-minded in these small matters. But as the State has to rebuild the line, and has to meet the entire interest loss, and as the Premier admits that the one remaining Shire tram will make a like demand, we must confess that 'local light lines' are yet another vanished illusion."

The *Age* of the 24th November also refers to "the Second reading of the Defunct Companies' Bill, and to the Morwell Coal Company's Railway Purchase Bill; also the Bill authorising the Railway Department to take over the Dookie and Katamatite Tramway will be dealt with." These are some of the private lines in Victoria which have failed, and in consequence necessitated that the Government of Victoria should realise that it is better to step in and take over the lines, to save the credit of the country, or buy these lines and work lines of railway that are a failure. That is distinctly a discredit to the community, and a loss to the country at large. It is all very well to say it is English capital; but, if you make and work a line of railway and fail, the colony is bound to suffer, whether the money is Colonial or English.

493. Was the capital in these cases you refer to subscribed by local people? I am not prepared to say. I read these extracts to you because the cases only happened last week, and they establish the principle that the failure of a company line may be as serious to the country as the failure of a government line.

494. I understand the governments who build railways do not go in for any other line of business, for instance, ore-reduction works, ore-buying, or mining? No they don't, and they don't ask anybody to give away large areas of land, or water-rights, or a large slice of the island which is taken possession of under the Bills by the companies.

495. If a private company were given the right to establish ore-reduction works would there not be a better prospect of a line paying?—it would be more likely to pay, would it not, than if built for mere traffic purposes? If you ask me this as simply a red herring question to draw off attention from the proposal to grant a large amount of land to this company, and water power that they would not be able to use for the next century, then I cannot answer you.

496. That is not the question. If you will answer the question I shall be obliged. It is this: seeing that when the Government builds a line it simply goes in for ordinary railway business, I ask you would a company, if it constructed the same line, and went in for mining and ore-buying and ore-reduction works, have a much better prospect of making their line pay than a government-constructed line would have? Your question amounts to this: if a line is subsidised, would it not be likely to pay better than if it were not subsidised? Well, that depends on the amount of the subsidy.

497. Then your argument relating to the failure of private lines means that they were not subsidised, and would not apply to private lines with subsidies. If the subsidies are large enough they would pay? That depends on the nature of the subsidy. It may not be a marketable subsidy.

497A. Now, you have said that Government should not construct a line into these mining districts until it is proved that a certain class of ores would pay. If the Government will not construct a line, and it would be a good thing for the country, have you any objection to a private syndicate getting the right to construct it? Undoubtedly, under the conditions which are in this private Bill.

498. And if the conditions were cut down, would you still object? Yes.

499. Do I understand you to object to any private railways under certain circumstances? Yes; I don't think it would be wise to carry out this line, but if I read my notes it will help you to answer them.

500. Yes, if you prefer to read your notes to us now it might be more convenient. I understand you have made notes clause by clause on the Bill? Yes. I will first say that the Bill should not be assented to if the Government has any idea of continuing the N.E. Dundas Line to some point on the Western Line, and I understand that the Minister has announced his intention of so doing. I have prepared some notes in general terms on the Bill. First, I should recommend that before the Bill be entertained a survey should be deposited showing the termini, which should be definitely fixed, and the location which should allow only of such minor deviations as the Minister may consent to:—

Preamble.—It is indefinite. To construct a railway from some point of the Chudleigh Railway to a point within the Western Mining Division of Tasmania. This is absolutely indefinite, and taken with Section 8, Part III., asking for power to construct branch lines to termini of any land leased to the promoters under Part XIII. of the Act, gives unreasonably large powers.

The land asked for under Part XIII. is 490,000 acres, or about 1-34th of the whole of Tasmania, including all its lakes and islands.

The company is to have a lease for 25 years of all this land, including all minerals and metals, paying a small royalty (2½ per cent. on minerals). At the end of 25 years the promoters are to have a fresh lease for a further period of 25 years of all land occupied by them, or by any person or persons claiming under them—a fair opportunity for dunnyming and litigation. The Bill also provides for a further renewal of 25 years under like conditions. If, however, the company cannot occupy or dispose of the whole of their 490,000 acres within a specified time, Section 86, Sub-section ix., the promoters are to have a royalty or 2½ per cent. on all minerals found on these lands.

Now, the line is estimated to be 60 miles in length; it is to be of 2-ft. gauge, &c., and it may be estimated for the purpose of these calculations to cost £3000 per mile, or say £180,000. The company ask for sufficient water-rights to develop 35,000 horse-power (s. 100); for power to supply, let, hire, and sell motive or electric power; for power to erect and use for their own profit telegraphs and telephones, and use for the same purpose, viz., for sale, electric light; for constructing a line of railway, to cost £180,000, the interest on which, at 4 per cent., is £7200 a year, the company is to receive the enormous grant of 490,000 acres, or as much of it as they and their nominees can occupy for 75 years, and a royalty of 2½ per cent. on all minerals which may be found on such other land within the area of 490,000 acres as the company and its nominees cannot occupy.

Then to meet their interest of £7200 per year they are to receive the right to take 35,000 brake horse-power from the rivers of the colony, and to sell the electric power derived therefrom for £30 per horse-power per annum.

The company will have, over and above the railway revenue, the revenue derived from 490,000 acres of land, the sale of 35,000 horse-power, and such revenue as may accrue from electric lighting, telegraphs and telephones, and all the net revenue of the railway. Then some idea of the value of all these concessions may be gauged from this—if the company sell only 5000 horse-power at £30, they will have a gross income, over and above the railway earnings, of £150,000 per annum from water-power alone. In exchange for all the valuable concessions, the country is to get a railway, over which they will have to pay almost prohibitive rates, which railway the country can only acquire after 25 years by paying 20 per cent. over and above its cost as a new concern.

It is difficult to give approximately the cost per brake horse-power, but modern authority (*see* Unwin on the Development and Transmission of Power, who fixes the value (page 83) at £5 in America, and (page 81) at £6 in Switzerland per horse-power per year); in Tasmania it may be much more. But the cost of controlling the water is problematical. It is difficult to say what conservation works and working expenses may be. However, if the company can earn a net profit of £5 out of £30, the net income, if the company can sell all its power, will be £175,000 per year out of water alone.

I mention this as there seems to have been little known of the value of water when other Bills in which water-rights were asked for were before Parliament.

Now, going through the Bill. If this Bill becomes an Act in any shape or form I will call attention to part I, line 10, page 4:—“‘The said railway’ or ‘the railway’ shall mean the line of railway and any extensions, branches, and deviations thereof, authorised to be constructed under the authority of this Act, and the permanent way thereof, together with all works, buildings, stations, and erections erected or built on or connected with the said railway, and all rolling-stock and all land upon which the same are respectively constructed, erected, or built, and all lands, rights, and privileges used in connection therewith or vested in the Promoter, for the purposes of this Act.” This would provide for extensions, branches, or deviations to a mine, or in fact it might take you anywhere. Now, for any proper purpose a mining easement would do as well, and I recommend to cut the whole of that out.

501. *By Mr. Simmons.*—You mean that the provision as to branches, extensions, or deviations should be excised from the Bill wherever they occur, and if the company want to get to their own land for instance they can get a mining easement? Yes, now Part 2, Section 4.—This provides that the company may construct, maintain, and work a railway from a point on the Chudleigh railway to some point in the Western Mining Division to be approved by the Minister. I urge on the Committee the importance of having a survey to accompany this Bill; this is far too indefinite. Had you had a survey in another case you would not have had all the trouble with the Great Western Company. We don't know now where the Great Western Line is going and I certainly never heard of such a thing until I came to Tasmania of giving a Bill without a survey.

502. *By Mr. Mackenzie.*—But it would cost from £4000 to £5000, would it not, if they made a survey before they got the Bill, and then they might not get the Bill? That is their risk. They come here and ask for one thirty-fourth part of the whole of Tasmania, and they want water to enable them to work up to an enormous power. What right have you to do this? No Government has a right to give away the assets of the colony in such a way. If you give away this water, you are giving away large concessions without knowing what you are doing or even the value of the concessions.

503. Yes, I know you are giving away large concessions, but is it not for the House to say? I merely point it out. In England a quarter of a million is considered very little for preliminary expenses of a railway, and the Board of Trade insists on surveys and plans being deposited. All interested can then have plans to enable them to lodge objections, and it is not an uncommon thing for a railway to be hung up for years until alterations are made in the plans to meet the wishes of the objectors.

504. *By Captain Miles.*—You say that a survey and plans should be furnished with the Bill or before it is granted. Do I understand, Mr. Back, that you mean plans and specifications sufficiently accurate to enable anyone to locate the line right through? Yes, I mean plans and sections.

505. So that if any member of the House may know where the line is located—you don't want working plans? Quite so, merely plans and sections.

506. You think it fair that any private company coming to the House and asking for such large concessions should at least put up as much money as would pay for a survey? Yes, I say that as a railway manager, but I say it more as a colonist. I say the Government has no right to give away the assets of the colony without knowing what they are giving away. If you give them the right to build a line merely within two points, they might go where they like and might interfere seriously with the Government railways.

507. *By the Chairman.*—And what would such a survey cost? Oh, anything from £25 to £200 a mile. I don't know the country, and so could not give an opinion.

508. *By Captain Miles.*—If we had a survey we should, of course, have the terminus at the other end located also? Yes, both termini.

509. You told us in effect that we might have State railways running at one end as well as the other, and that there was a chance of their interests and those of the private lines coming into conflict. It appears to me—I don't know what you think—that it would be necessary the terminus should be located? That is right, and, I think, more than the terminus. I am coming on to that portion of the Bill presently. That touches on the land grants. Unless you fix the termini they can take the land where they like.

510. We see this because it will very likely come before us one day. I don't know what the concessions are that we have given; I don't know where the country is or where the syndicates are; but to prevent a recurrence of these difficulties we must locate the line by having a survey,—not necessarily a working survey, but a general one,—is that your view? Precisely. The plans and specifications and the details will become part of the schedule.

511. *By the Chairman.*—Have you ever known a case in Tasmania where a survey was insisted on by the Parliament before? No, I have not.

512. The practice has been to go on without it? Yes, the practice has been to go on without it, but I have raised my voice against it on every occasion where I have been consulted.

513. This Clause 4 that you speak of, is that the same that is in the Great Western Railway Act? I have not compared it.

514. The definition of the railway in Clause 3, is that the same as in the Great Western Company's Act? Very likely.

515. The type of the Bill is the same as in the Great Western Railway Company's Act? I have not compared them, but I have raised my voice against the same thing over and over again.

516. *By Mr. Gilmore.*—Do I understand you to say that in the case of any syndicates, not only this but any other, before the Government open up negotiations the syndicates should make and supply a survey showing the exact route to be traversed, and also the termini? I don't know what you mean by opening up negotiations, but I think, and have always thought, that a plan and survey should be attached to the Bill.

517. I mean that before entertaining any proposal from a company or syndicate they should furnish the Government with a plan and survey of the route of the railway and the existing termini? Yes, we should have that, and if it were necessary they should have a short Bill which would empower them to make the survey.

518. *By the Chairman.*—Would you give any guarantee that if a syndicate did make the survey they would be allowed to construct the line? Certainly not. The survey and plan would come before Parliament as a part of the Bill.

519. Then, if the cost of the survey is £100 a mile, and the line is 100 miles in length, you would require them to spend £10,000 before depositing their Bill? If these gentlemen come with a mining venture, they don't ask the Government to back them up. Why should they do so in the case of a railway? The Government must protect the public. I don't care what the survey costs the company. If they think the line won't pay them they won't come.

520. You just said if one of these companies failed or did not carry out their contract it would bring discredit on the country. Would it not also bring discredit on the country if the syndicate made a survey and then did not make the line? Certainly not. The one is a preliminary venture, while the other is a commercial undertaking.

521. *By Mr. Smith.*—If a company made the survey and the Government ultimately made the line, would the Government take the survey and compensate the company for having made it? Certainly, if the survey was a good one; and they would pay for the survey in the same way as they would to any private individual.

522. *By the Chairman.*—Suppose the survey made, and, just as it was finished, the value of the ores in the mines was proved to the satisfaction of the Government, and they found it would suit them to make the line themselves, would you advocate the Government making that line? Certainly.

523. If the ores were proved good, and the Government would like the line made, you would be an advocate for the Government making that line instead of the syndicate? Undoubtedly. Why, the syndicates came in with their eyes open.

524. If a private line were made by a company, why should the failure of that company be likely to bring discredit on the country, and why should it not bring discredit if the syndicate failed to carry out their line? In the one case, you have an established company with a large capital, doing a large business, and employing a large number of hands; in the other, you have only got the parties to the syndicate.

525. Would not the deposit of £10,000 be a sufficient guarantee without a survey? No. That is only a clause to provide for a survey after the Act is passed. I say there should be no Act passed until there is a survey.

526. *By Mr. Smith.*—You mean that the preliminary survey affects the route? Certainly; they are two different matters altogether.

527. *By Mr. Gilmore.*—If a company had made a survey, and, after having expended that money, do you think the Government should have the right to come in and take over the line? I don't understand you.

528. Do you think that, when the mine is developed to its full value, and the company have made the survey for the railway, and that, subsequently, the mine increased in value, would you think it right that the Government should come in and take the line over? You ask if it would be right for the Government to make their own line, and I say undoubtedly.

529. *By Mr. Smith.*—There might be a case where the Government might make the line—then, I would ask, if the survey made by the company were used, would the company be compensated? Yes; if the survey were used the Government would buy that survey from the people, in the same way as they would give the market value for a commodity, and they would allow any reasonable expenses that had been incurred. Governments in these things always treat people liberally.

530. *By Captain Miles.*—Oh, we had a precedent in the case of Lawder's Macquarie Harbour Works Bill: he proposed to make a survey, and he arranged that if he did not get the Bill the survey and plans should be taken over by the Government for £500. As the House did not pass the Bill the Government took the survey over, and paid the £500—is that so? Yes, I believe so.

531. *By Mr. Mackenzie.*—I understand that you are not in favour of syndicate railways at all? I am not, excepting in very exceptional circumstances.

532. *By the Chairman.*—Will you proceed with your notes? Yes; coming to section 5—in part 1 of that section provision is made “for the junction of the said railway with the Chudleigh railway, and the passage over or along the said railway of any motors, engines, carriages, waggons, or other vehicles of the Chudleigh railway, or for the haulage of such motors, engines, carriages, waggons, and vehicles respectively, and for the conveyance of goods and passengers over the said railway in any such carriages, waggons, or other vehicles as aforesaid, in accordance with the terms and conditions of any agreement that may from time to time be made between the Minister and the Promoter in that behalf.” In another section I find that the railway may be worked electrically, and in the third line of the twelfth page the promoters may work the railway by steam locomotives. Under section 37 they have power to work it electrically. I think that you should decide distinctly that one or the other power should be used within certain limits, and then you would want a section dealing with each condition; it is simply a jumble at present.

532A. *By the Chairman.*—If the gauge of the line be the same at that end where it is worked by electricity, could your wagons, engines, and rolling stock not work over the line? Certainly not; the stock suited for electrical works and our works would not fit. The two kinds of vehicles would not run together.

533. Then, as you are to have running powers over the line, you could not run owing to the nature of the trucks? The electrical conditions and the conditions affecting our lines are not the same: you want two different sections, one for the conditions of an electrical railway, and one for steam. If steam is used, then certain joint arrangements should be made; if electrical power is used, then certain special arrangements should be provided to meet the special conditions. I then come to line 19 of Section 5, page 5, by which it is provided that, for running powers, the promoters and the Minister can fix terms by agreement: I would suggest that it should be by arbitration: agreements in such cases are always unsatisfactory. I note, *inter alia*, that the tolls are to be fixed by agreement—it should be by arbitration failing agreement.

534. Would that not come more properly under Section 165? I will come to that presently. In line 28 also of the same section, in reference to the carrying of mails, I recommend that the terms should be fixed by arbitration instead of by agreement. In Sub-section (b.), line 39, it provides for the forfeiture of the lease in certain events; amongst others—

“If the construction of the railway is not commenced in a *bonâ fide* manner within Eighteen months from the date of this Act.”

And so on. I should suggest that you insert after the words “*bonâ fide* manner,” the words “to the satisfaction of the Minister, who shall be the sole judge of such *bona fides*.”

535. *By the Chairman.*—Should you not leave it to a judge to decide that? Why should you?—The Minister is the authority referred to all through the Bill. Why should you leave him out in this case, when you can save law expenses by using a little common sense. The Minister can only be advised by his engineer. If any dispute occurs, it will be asked—“Who is to be the judge of *bona fides*.” You had better insert the words I suggest, and let the Minister be the judge. I call attention now to Section 7, which says—

“It shall be lawful for the Minister, with the consent of the Governor in Council, from time to time at or after the expiration of the primary lease to grant a renewal thereof to the promoter for a further term not exceeding Twenty-one years, upon and subject to all the conditions herein prescribed and all the provisions of this Act, so far as the same may be applicable.”

That is as regards the renewal of the lease; if the Minister thinks proper, they can have it for ever. I call the attention of the Committee to the fact that the lease may be granted in perpetuity if the Minister thinks proper. Part III. is as to leases of branch lines. The whole of that should be cut out, and should any branch lines be required, they should be given by way of mining easements. As regards the construction of the railway, Part V., in line 29, I recommend that the word “adhesive” be struck out. The Clause is this—

“The said railway shall be constructed and worked from a terminus to be approved by the Minister on the Chudleigh railway to a terminus to be approved by the Minister within the Western Mining Division, and shall have a gauge of Two feet, with curves of not less than One and a half chains radius, and steel rails of not less than Forty pounds to the yard, and gradients not steeper than one in twenty-five adhesive.”

I recommend that the word “adhesive” be struck out, because it would imply something that is not meant in this Act. It may imply, what is not intended, that some auxiliary system of locomotion may be used; that is not meant. Section 16 provides that—

“The said railway shall be constructed in a substantial manner fit for the carriage of vehicles at a rate of not less than Ten miles per hour with a load of not less than Eight tons upon each axle of every vehicle.”

I recommend that after the word “at,” in the second line, the words “an average” be inserted, which would make it read “at an average rate of not less than Ten miles per hour,” and I should add “and before the said promoters shall construct the said railway, they shall deposit with the said Minister working-plans of the said railway.” We have already thrashed out that question, and I now propose that plans and specifications be deposited before anything is done. In Section 19 it is provided that the company shall do certain works, but the usual penal clause is not inserted. The clause says—

“The Governor in Council may, at the cost of the promoter, from time to time appoint one or more officers to inspect the said railway during the construction thereof,” and so on; and upon the report of any such officer as aforesaid the Minister may require the promoter to make such additions or repairs to the said railway as may be necessary to make the said railway comply with the plans, sections, and specifications thereof approved of by the Minister, or to ensure the safety of the said railway; and the promoter shall, within such time as the Minister shall require, make all such additions or repairs to the said railway as the Minister shall so require as aforesaid.”

The Minister may require the promoters to do these things, but if they fail to comply with the mandate there is no penal clause. I only point out that it is customary to have such a clause. In Section 29, page 13, providing that cattle-guards may be used in place of gates, I think the draftsman of the Bill has overlooked the Cattle-guards Act; that Act makes all necessary provisions for the use of cattle-guards. It would be as well to say that cattle-guards may be used in the terms of the Cattle-guards Act. Section 32 provides that—

“It shall be lawful for the Minister, with the consent of Parliament, from time to time to enter into an agreement with the promoter whereby the Minister shall undertake either to maintain and work the said railway, or to maintain or work the same, and to provide all locomotives, carriages, wagons, and other rolling stock necessary for that purpose, together with the requisite staff of officers and men as may be necessary, subject to such terms and conditions as may be mutually agreed upon by the Minister and the promoter.”

This leaves it absolutely to the Minister, and does not make it compulsory for such proposal to be submitted to Parliament. I don't think it has been done before without such a provision. It should be in the Schedule to the Act, or clearly left to the consent of Parliament. On page 14, Section 34—

“The Minister may from time to time require the promoter to enter into an agreement whereby the engines, carriages, wagons, and other vehicles of the Government of Tasmania.”

To make this clear you want to repeat the words in lines 14 and 16—

“and in the event of any difference arising between the Minister and the promoter under this Section, such dispute shall be referred to arbitration in the manner described in Part VIII. of this Act.”

Section 35—

“The promoter shall pay his share of any junction or joint-station. Such payment to be one-half of the terminal of each ton or fraction of a ton of goods and each passenger fare; such terminal to be fixed by arbitration as aforesaid.”

I think this requires alteration. I recommend that you recast it altogether. It is unfair to the promoters, as to the passenger fares. I think if you say that the promoters should pay half the fare of every passenger for the use of the terminal station that would be unreasonable. It is easy to recast the clause, and I shall be glad to help to put it right. Clause 37 says:—

“If the railway is worked electrically, and any goods or live stock have to be transferred to and from the Government trucks, then the cost of such transfer shall be borne by the promoter.”

I should also add if there be a break of gauge the charge for transferring shall likewise be borne by the promoter. The other sections will also require a little alteration, in which I shall be glad to assist.

536. *By the Chairman.*—If you were to connect with the N. E. Dundas and Mole Creek Railway, might there not be a break of gauge? Yes. If you can't run your trucks through on our line then you make a break of gauge, and you should pay for that break of gauge.

537. It is a 3-feet 6-inch gauge, is it not, to Zeehan—then, I understand if that is electrical, or if it is of greater gauge, then the cost should be borne by the promoter? Yes. Where transloading is necessitated by your break of gauge you should bear the expense.

538. *By Mr. Smith.*—If you put down a 2-ft. gauge line and run to a 2-ft. gauge line then you have nothing to pay, but if you run a 2-ft line into a 3-ft. 6-in. line then you make the break of gauge? Yes.

539. If the promoters could start from Deloraine, and the gauge was 3-ft. 6-in., with a 2-ft. gauge in heavy country, then there would be a break of the gauge between them? This Bill provides only for a 2-ft. gauge, so that question could not arise. The question of break of gauge is not one your company will decide hastily. They will study the question of economic working.

540. *By Mr. Macenzie.*—But the break of gauge would not be entirely due to the promoters? The Bill provides that the railway shall be run, if you wish it, electrically. That would cause a transfer. If the break of gauge is caused through the action of the promoters, then it is right that they should pay for it.

541. *By Captain Miles.*—If the promoters break the gauge and cause an additional charge for transloading, then it is reasonable that they should pay for it? Yes, that is it. You ask for a 2-ft. railway to connect with a government 3-ft. 6-in. railway.

542. *By the Chairman.*—What I would point out is that if this line is made a 2-ft. line, and they are compelled to have a break of gauge in consequence of the government line being 2-ft. at one end and 3-ft. 6-in. at the other, and if the promoters have to pay in consequence of the break of gauge, it all depends upon where you stop. If you come from Chudleigh then this railway is 2-ft.? I would explain that if you make your transfer station on your own line, then you pay nothing for it. It is only because you have a transfer station on a government line that you would be called on to pay. If you run into a government station, and they have to keep a staff of men to transfer the freight from the narrow gauge to the broad gauge, that is owing to the circumstances under which you construct your line, and we should not have to pay for it. Now if you refer to Section 39, line 19, it gives power “to draw water from any stream or river in the vicinity of the railway for the supply of locomotives and other purposes.” I think it is desirable to strike out the words “and for other purposes,” and keep it to water necessary for the supply of locomotives. I recommend that it should read “for the supply of locomotives and other purposes necessary to work the railway only.” The clause gives power “to erect and construct houses, warehouses, goods-sheds, offices, and other buildings, yards, stations, engines, machinery, and apparatus, and other works and conveniences.” I propose in line 24 to add the words “for the sole purpose of working the railway.” I advise you to keep this so that the works shall be for the working of the railway portion of it only.

The Committee adjourned.

THURSDAY, DECEMBER 2, 1897.

FREDERICK BACK, called and further examined.

543. *By the Chairman.*—Will you please proceed with your notes on the Bill, Mr. Back? Certainly. In Clause 42 power is given to the Minister to resume the land and purchase the railway; but there is a certain amount of ambiguity in it. The clause reads—“It shall be lawful for the Minister, with the consent of Parliament, at any time after the expiration of Twenty-five years from the date of this Act, to give the promoter notice of the intention of the Crown to resume the land comprised in the primary lease at the expiration of Six months after the date of such notice, and to take and acquire the permanent way, rolling-stock, and equipment used for the purposes of working the said railway by steam locomotives, and all land and buildings belonging thereto, which have been acquired, made, or erected under the authority of this Act, and to compensate the promoter as hereinafter provided.” This does not make it clear that you can resume the leases or purchase the railway, which has been originally provided for. It does not make it clear that the Government can purchase the railway apart from all other concerns and interests which the company may have. It says Government may purchase and acquire the railway and “all the land and buildings belonging thereto which have been acquired, made, or erected under the authority of this Act.” It does not say there that these matters of purchase are to be entirely confined to the appliances necessary for working the railway. It should be made quite clear that, in purchasing the railway, they purchase only so much of the assets of the promoters as is actually necessary for working the railway, and as a railway worked by steam locomotives only.

544. *By Mr. Mackenzie.*—In the second paragraph of the clause does it not do that? No; the first paragraph gives authority “to take and acquire the permanent way, rolling-stock, and equipment used for the purposes of working the said railway by steam locomotives, and all land and buildings belonging thereto, which have been acquired, made, or erected under the authority of this Act.” Now the Act gives power to the promoters to do many things besides constructing the railway: there should not be the slightest ambiguity about the conditions. It is not worth while leaving a clause in the Act that could not be worked.

545. *By the Chairman.*—Then you wish it to be that the Minister shall have power to purchase the railway and the steam-locomotives, and leave the electrical power and the appliances out? After the word “thereto,” in the 27th line, add the words “such only as may be necessary for the working of the railway as a railway using steam-locomotives.” In the same section, paragraph reads, “Provided, that in the event of the resumption of the land comprised in the primary lease, the Minister shall not be required to take over or purchase from the promoter or compensate the promoter for any electrical power, premises, plant, or rolling-stock used or employed by the promoter in connection with the said railway”—that makes it clear that the Government need not purchase any electrical power or appliances, but it does not make it clear that they may not be committed to the purchase of any electric motive-power plant or any electrical lighting plant; the clause should be amended to include the exemption of all electrical plant and appliances whatsoever.

546. *By Mr. Mackenzie.*—You want to make it clear that the Government shall only have to purchase the plant connected with the railway? That is to avoid ambiguity. It is worth while to exclude from the purchase all plant and appurtenances connected with all electric lighting and electric motive-power.

547. *By Mr. Bradley.*—You want it made clear that they are only to purchase the railway? Yes. I hope it may never come to a purchase, but if it does it should be clear. Section 43.—That is as to compensation on resumption of the land comprised in the lease. It is proposed here to tie the purchase of the railway to a fixed amount, that is, its actual cost of construction plus 20 per cent. The one-sidedness of this is apparent. A body of promoters come to the Government and say, in effect, “we are going to build a railway, but as a railway it can’t pay. We are going to ask for 490,000 acres of land, that is, a thirty-second part of all the unalienated land in Tasmania, and we are going to ask you for water-power sufficient to generate 35,000 brake horse-power, that is, effective horse-power, which we are going to sell at a profit.” They tell us they are going to get also a lot of other enormous rights, for instance, the right in perpetuity to a 2½ per cent. royalty on the produce of all minerals found on the land. They tell us this, and yet they say if you want the railway you must pay us what it cost plus 20 per cent. To my mind this is a most ridiculous proposition in every way for this colony. The generally adopted plan in countries where railways have been built on concessions—in nearly every case of concessions—is that the railway shall be acquired as a going concern. If it is desired to purchase the railway the Government would give the proprietors a sum fixed on the earnings of the railway for certain number of years. They would capitalise the earnings for two, three, or four years at 5 per cent. and would thus fix the value. If we wanted to buy the Cascades Brewery we should not buy it as the value of the buildings and plant with so much added; we should ask them to show us the books, find out what the actual profit has been for, say, five or seven years, and on the basis of that we should fix the value of the concern. Not long since a State-aided railway in India was sold. The railway had become a great success, and the Government of India acquired the line and paid the shareholders £150 for every £100 share. I mention that to show you how it works out. This has been my advice in all cases of subsidised railways in Tasmania.

548. *By Mr. Mackenzie.*—But under this Bill you are not required to pay twenty per cent. premium, the value would be fixed by arbitration? No, under the clause the sum to be paid as compensation to the promoters shall not exceed the actual cost of the construction work with an amount added equal to twenty per centum on such cost of construction, and then it is not confined to the permanent way and works, but the twenty per cent. is to be added, to “the value of all equipments, rolling stock, appliances, goods or chattels of the promoter used or intended for use on or in connection with the said railway.” This certainly requires some modification. It is exactly in the position of making a purchase and taking over a tradesman’s stock. The tradesman under such a condition would be able to stuff his store with all sorts of things for us to take over. We know what a scope there is in dealing with all sorts of merchandise. They might put in all sorts of useless stores and obsolete materials, or stocks of all kinds of duplicates, and so this clause should be altered. The Government should only have to take as much of this stock as might be thought necessary. I have known £50,000 worth of useless duplicates in one store of a railway. Would it be wise for the Government to take over a lot of obsolete and unnecessary stock. It might be altered “to take over such of the stock as could be used in the working of the railway.” Section 47 provides for the appointment of a supervising officer in connection with the accounts of construction, and he has to certify all vouchers of expenditure on that account. This officer is brought into existence solely through the requirements of the promoters, and the cost of his supervision should be paid by the company. That has been done in the cases of the Great Western Railway and the Emu Bay Company’s Bills. Clause 48 says:—

“Upon the railway being completed and opened for traffic no new works of construction in connection with the railway shall be commenced or carried out without the consent of the Governor in Council,”

and so on. I propose to add after the word “Council” the words “under the supervision of the Government supervising officer, as provided in the previous section of the Act.” Clause 51, as to rates, reads:—

“It shall be lawful for the Promoter from time to time to demand, take, collect, levy, and make such reasonable tolls, rates, fares, and charges for the carriage and conveyance of passengers, goods, merchandise, live stock, chattels, and other things of every description, over and along the said railway, as may from time to time be fixed by any By-law to be made as hereinafter mentioned: but such tolls, rates, fares, and charges for the carriage and conveyance of passengers shall not at any time exceed Four-pence per mile for First-class passengers, and Three-pence per mile for Second-class passengers, and for the carriage and conveyance of goods and merchandise not less than a ton in quantity shall not at any time exceed Nine-pence per ton per mile; and for the carriage and conveyance of live stock shall not at any time exceed Three Shillings per ordinary truck per mile.”

I don't know that it is necessary for me to touch upon the rates, as they will probably regulate themselves, but 9d. per ton per mile and 3s. per truck per mile for live stock seems excessive, and I don't think it would be realised. You are going into a country not far from a deepwater port where you can get goods carried for 10s. a ton the whole way. With your railway gauge you would allow about four bullocks to a truck, and that at 3s. per mile per truck would be about £9 for four bullocks. I think it very probable those bullocks would each go on their four legs, but that is a question for the Committee; I merely point it out. These things remedy themselves as a rule. Now, Section 52, as to charges for electric lighting, reads:—

"The Promoter is hereby authorised to make such charges, rates, and tolls for the supply of electricity as may be agreed upon by him and the persons to whom such electricity is supplied by the Promoter: Provided that in no case shall the charge exceed One Shilling per English Board of Trade unit when supplied for lighting purposes."

That is just double the English charge, and it seems a heavy one. The Great Western Railway Company's Bill was rushed through the Committee with such haste that it was impossible to tell you very much about it. I tried to make some amendments, but owing to the way in which it was rushed through we had not time to enquire or say much. There does not seem to be any desire to push this Bill through in the same way, and I will show you what Professor Unwin, the latest authority on the development and transmission of Electric power from central stations, says about it. This book was published in 1894, and is by William Cawthorne Unwin, F.R.S., B.S.C.M., Member of the Institute Civil Engineers, Member of the Institute Mechanical Engineers, Member American Philosophical Society, and Hon. Member Franklin Institute, Professor of Engineering at the Guilds' Central Technical College, formerly Professor of Hydraulic and Mechanical Engineering at the Royal Indian Engineering College. He is regarded as a modern authority on these matters, and I will read you a short extract. He says:—

"Much has been accomplished in distributing electricity for lighting. But a higher price can be paid for electricity for lighting than for power purposes. Every Electric Lighting Company would be glad to supply current from its mains for power purposes, if only to increase the day load on the machinery and reduce the idle time. In Bradford, some electric motors are used for working hoists, lathes, &c. Recently, in London, electric motors supplied from the lighting mains have been applied to driving newspaper printing machinery. But the ordinary price of electricity for lighting purposes is 6d. per unit, which is equivalent to about £60 per h.p. per year of 3000 hours. At that price it can only be used for power purposes, either when the power is required for short periods, intermittently, or where there is great local inconvenience in employing steam or gas engines. It is only where electricity costs from one-sixth to one-tenth of its ordinary price when used for lighting, that it can have any large importance as a means of obtaining power."

I mention this, as some sort of guide for the Committee in dealing with electrical charges. The 3000 horse power per annum is nearly equal to eight hours a day.

549. *By the Chairman.*—Would the cost of generating electricity be more here, or less, than in England? That estimate is for machine power, I think. We use water; what the cost of harnessing the water would be I can't say. It may be that it would be cheaper to use steam power. I would point out that, should this Bill pass, the promoters ask for 490,000 acres of land, and, if this land is granted, it is to be taken in alternate blocks. The right to the land would extend along the railway for something like 5½ miles. I would like to call the attention of the Committee to the fact that the method by which it is provided the land shall be taken would allow of its being taken in irregular pieces. The clause says:—

"Upon the deposit of the plans, specifications, and sections of the said railway with the Minister as hereinbefore provided, and within Two years after the passing of this Act, the Promoter shall acquire the right to mark off in the manner hereinafter prescribed any unoccupied Crown lands, not exceeding Seven blocks, each containing Seventy thousand acres (or less), first on one and then on the other side alternately of the line of railway along its length, between an imaginary line drawn north and south through the Railway Station at Mole Creek and the line forming the eastern boundary of the Western Mining Division. Each of such blocks of land shall have a frontage along the railway line. The selection of the most eastern of such blocks shall be subject to the approval of the Minister."

This is quite different from Section 83 of the Great Western Railway Company's Act. This Bill gives power to take the land along the railway running in any direction they like. I never heard of such a thing in connection with any land grant railway in the world. The Great Western Railway Company, which was not considered to have applied in anything like a modest manner for their land, never asked for this provision. Section 83 of their Act provides that the land is to be marked off in not exceeding seven blocks, each containing 70,000 acres (or less), first on one and then on the other side of the railway alternately along its length, and each of such blocks shall have a frontage along the railway line with a width of five miles, measured from east to west, and the eastern and western boundaries thereof shall run due north and south, and the back lines due east and west. In other words they are square blocks. It is well known that as this line leaves Mole Creek, and particularly at the north of it, there is some of the best Government land in the country, and on this principle the company could run miles and miles north and take up the land right away from the railway altogether. They could actually do this. The Bill simply provides that the country to be taken up could run anywhere, without regard to the frontage on the railway.

550. *By Mr. Bradley.*—I should have thought a syndicate would be glad to get as much frontage on the railway as possible? Suppose the land were valueless on the railway, they may, under this clause, select it in any shape; they may run it back in one narrow strip for miles if they like, and they may take it up in some good block not in any way adjacent to the railway. I hold that the blocks should be rectangular in form, and I ask you to bear in mind that you are asked to give away one twenty-second part of the whole of the unalienated land in Tasmania: under these conditions you cannot be too careful in protecting the country. If you only grant these lots in alternate square blocks, at any rate you would not be doing so great a wrong. Now, as to page 28, section 88—

"The Promoter shall not undertake or carry out, prior to the commencement of survey or construction of the railway, any of the works which he is authorised by this Act to execute, other than the railway, unless he shall from time to time, pending completion of such survey or construction, satisfy the Minister that proper progress is being made in the survey or construction of the railway; and if the promoter shall fail to satisfy the Minister, whenever he requires him to do so, that he is making proper progress in the construction of the railway, the Minister may apply to the Supreme Court,"

and so on. Now, I ask you to refer to section 5, line 40, which says, *inter alia*, that the primary lease shall be forfeited—

"if the construction of the railway is not commenced in a *bond fide* manner within eighteen months from the date of this Act, and such construction continued to the satisfaction of the Governor in Council."

The provision made hitherto in this Bill is for arbitration, and it strikes me that the two sections are conflicting somewhat. I shall have a word to say later bearing on the matter, but I think these two parts should be reserved for the opinion of the Law Officers of the Crown to see whether they do not appear to be somewhat in conflict. Section 92, page 29, reads as follows :—

"Upon the forfeiture of the primary lease, or of the rights of the Promoter under this Act, the railway constructed by the Promoter, and all the right, title, and interest of the Promoter, and of any person or persons claiming by, through, or under the Promoter in and to the said railway and all works connected or used therewith, and all lands leased to or acquired by the Promoter under the authority of this Act for the purposes of the said railway, and all the rights, privileges, powers, and advantages whatsoever affecting or appurtenant to the said railway which may be invested in, held, enjoyed, or possessed by or conferred on the Promoter, shall, without the necessity of any transfer or connecting title other than this Act, be transferred to and become vested in the Minister freed and discharged from all claims and demands," &c.

I think we should add "all works, buildings, machinery, &c. without compensation." This is a forfeiture of the line and works that call for forfeiture, and we take over the thing, and, in the event of forfeiture, there should be no compensation. Under Clause 94 the promoters may let tolls, and under Clause 95 all the rights, powers, and privileges under the Bill may be assigned. I see no objection to these clauses, but, I think, in each the lessees or assignees should be approved by the Governor in Council. I think this is advisable, to save trouble and disputes hereafter. There is a clause here in Part 16, Section 98, "Promoter may construct telegraphs, &c." I would recommend that it be referred to the Secretary for the Post and Telegraph Department who may see things in it that I can't see. I think the officer who is at the head of the Post and Telegraph Department should be consulted. Part 17, Section 100, gives the promoters power to divert water to give them 35,000 brake horse-power.

551. *By Mr. Machenzie.*—That provision is the same as in the Great Western Railway Company's Bill, is it not? I think that is very likely. Part 20 provides for the protection of public telegraph and telephonic lines. I again throw out the suggestion that the Secretary for these Departments should be consulted. Section 160 provides that the Minister may refuse to grant mining easements within ten miles of the tramway. I will read the context :—

"But this Section shall not apply to any application for a mining easement to construct and use any tramway which shall be *bond fide* used only for the more convenient and advantageous working of any sections of mineral land held or occupied by the applicants, and not in any way for carrying goods or passengers for hire, or for carrying metals or minerals from or to any land held or occupied by any person other than the applicant, or for carrying metals or minerals obtained from any land held or occupied by any person other than the applicant."

That means that if three mineral sections are adjacent to one another, small companies perhaps, that they may not generally use the tramway for a mining easement, or if one of them puts in a tram, the other people may not send ore down to the railway by it. I think that is rather an ungenerous way of dealing with it.

552. Or, if the three all had trams they could not do so? Yes; I go further, and say if one company was strong enough to make a little tram, and three or four mineral sections adjoining applied to get their ore out, they could not do it. They may be rich enough even to hand-pick their ore; but they cannot send it to market, because it is blocked by this section. That would be no good to anyone: it won't help the country or anybody else. That is a matter that might be referred to the Law Officers of the Crown,—Sub-section 4 of Section 164 :—

"If the Promoter shall at any time transfer or assign his rights, privileges, and authorities under this Act, or any of them, to a company incorporated and registered in Tasmania under "The Companies Act, 1869," the preceding provisions of this Section shall not extend or apply to such company."

I recommend that that be reserved for the Law Officers of the Crown. Section 165 reads—

"In the event of any dispute, question, or difference arising between the Promoter and the Minister, or any official to whom any powers are given by this Act, in regard to any of the powers hereby conferred upon the Minister or such official, or the manner in which any such power should be exercised, the same may be settled summarily by a Judge of the Supreme Court."

This I also recommend should be reserved for the Law Officers' opinion. I think the words should be added, "except such as are herein provided for by arbitration or by reference to the Governor in Council, in Section 45." Section 170 reads—

"It shall be lawful for the Minister to withdraw from selection under 'The Crown Lands Act, 1890,' and from the operation of 'The Mining Act, 1893,' for a period of Two years from the passing of this Act, so much land as to the Minister may seem fit as lies between the parallels of latitude which run through the towns of Sheffield and Strahan respectively, and west of an imaginary line drawn north and south through the railway station at Mole Creek, and east of the eastern boundary of the Western Mining Division."

This section contains very few words, but they should be carefully considered. First, I would recommend that no such withdrawal of land from selection should be entertained until after a completed survey has been effected; then, I think it is an enormous power, and it is a question whether it is a power that should be given to any Minister. I take it that an enormous area of land may be locked up for years from selection. I believe this restriction in this Act will be more hurtful to the community than the railway is likely to be of advantage. Section 171—

"The Promoter shall, within Six months after the passing of this Act, deposit with the Treasurer of the Colony the sum of Five thousand Pounds, which shall from time to time be returned without interest to the Promoter in sums of Five hundred pounds each as soon as the Minister may report that such an amount shall have been expended by the Promoter in making a survey of the railway authorised under this Act."

I would certainly recommend that this be excised, not so far as the refund is concerned, but I think that no refund should be made until the survey shall be completed. I would merge the whole deposit into one forfeiture clause, and provide that the whole of this deposit be forfeited if the construction of the railway is not commenced within eighteen months in the terms of Section 5, Sub-section (b.), which provides that

the lease may be forfeited if the construction of the railway is not commenced in a *bonâ fide* manner within 18 months from the date of the Act. That cannot infer any condition, nor by any stretch of imagination can it be argued that survey is construction, and for that reason I recommend that it be done. I recommend strongly that the Bill be not entertained until the survey is completed, because by no stretch of imagination can the survey be construed as construction any more than the drawing of a house or of a ship can be called construction. It has been said to me at this Committee that this is the same provision that is made in the Great Western Company's Act. I ask you to consider that the Great Western Company's Act provides for the construction of a 3 ft. 6 in. gauge line at an estimated cost of £10,000 a mile. I am quoting that on the responsibility of the promoters. They say they are to make their line for a 100 miles or thereabouts, and it is supposed that it will cost a million of money. The promoters of this Bill come to you and ask you for a line which is to be 60 miles in length approximately, they don't know exactly. The line is to be 2 ft. gauge, with 1 in 25 gradients, and curves of $1\frac{1}{2}$ chains radius. That is their proposal, as against 100 miles of railway that will cost on an average £10,000 per mile, with 5-chain curves and 1 in 40 gradients. As I have pointed out, it may be fairly estimated that such a line—unless there are difficulties which I don't know of—this Mole Creek line, will cost about £3000 a mile, and this for 60 miles means £180,000, but put it down, to be safe, at £200,000. Well, you are asked to give the same concessions for £200,000 worth of railway as the Great Western Railway Company is to receive for a million pounds' worth of railway (£1,000,000). I would point out to you that the Waratah line received a land grant of under 5000 acres, and I further point out that the concessions asked for in this Bill are out of all reason. The company cannot, in your life-time, or the life-time of your children, or in your grandchildren's life-time use the water-power asked for; the consequence is, that the bulk of that power will be locked up through a number of years to a foreign company. I oppose syndicate railways, and I oppose them because they will be a curse to the country, and that they will impoverish the country. I believe the two already granted will make themselves felt through all time, and if you continue to grant to others this concession and the other concession, you simply accentuate the thing. I say this much, and I may add again, and all I have spoken will come home to you, that the granting of these syndicate concessions will be a curse instead of an assistance to the country. You only have to look a little beyond your own boundaries and see what has happened in other colonies, and they are richer than us, and better able to purchase. At the present moment they are asking the Parliament of Victoria to purchase a line which is absolutely useless—one of the private syndicate lines. In Western Australia they are acquiring all the syndicate lines. In New Zealand they are acquiring all the private lines; there are one or two running. There were several lines there and, so far as I know, nearly all have been acquired by the Government, and they have now on a battle between themselves and a syndicate company, a private company, the Midland company. What that has cost New Zealand in law expenses I can't say in the least, but the cost of the arbitration for that has exceeded £50,000, I know. The arbitration costs have exceeded £50,000; I don't know who paid, but I know that if these concessions are granted and put round the necks of the people, they won't see the end of it for generations. I now recommend that before being considered this Bill be submitted to the Crown Law Officers. So far as I can see and so far as I have been told it is the production of a number of intelligent minds, but they are lay minds, and I don't think that a Bill which is to give such enormous powers should pass into the House without careful supervision on the part of the Crown Law Officers. There are points which to a lay mind would pass as all correct, to the Law Officers they might be quite wrong. I spent five hours last Sunday in going through it and making my notes, and I am sorry I could not give it more attention.

553. *By Mr. Mackenzie.*—You are, of course, opposed to all syndicate railways? Yes, except under special conditions which have not yet presented themselves.

554. Do you consider the concessions made to the Emu Bay Company excessive, I mean the land concession? Perhaps not; it does not seem a big thing to give away 2000 or 3000 acres of land as a concession to construct a railway, but the concession is a great thing. There they have a concession to go into a live district to start with.

555. There is a certain amount of risk, is there not, in making a railway into mineral country—it is not as stable a speculation as in an agricultural country? Well, I think you are probably correct, in so far as making a railway into undeveloped country is concerned. If you asked me that question as to making a railway from Strahan to Mount Lyell, I should tell you I don't think there is so much risk. The reason of this was explained yesterday. It does not matter who is the owner of the railway, if there is a failure it involves the credit of the colony.

556. Yes; but supposing after the railway is established you have the power of purchase?—It is proposed that we shall have the power of purchasing the railway at a reasonable price, and if we can do that would you still have an objection to syndicate railways? Yes, certainly. I presume you can purchase the railway, and if the present proposal were made into a valuation proposal it would be fairer, but first remember that you are tied up for twenty-five years, that you are giving an enormous concession to those who construct the railway—an unjust concession. The Great Western Railway promoters said they could not make the railway pay, and wanted land. I told you what that company could get if they sold only 5000 horse-power out of water concessions you have given. If they sold only 5000 horse-power at the price they are entitled to charge, if it cost them even £25 they would get £30, and would make more than a guarantee of interest.

557. If it is the fact that the Great Western promoters said the railway would not pay, but that they expected to make money out of the water and other works—does not that prove that it is a risk to make a railway, or for the Government to do it? Two wrongs don't make a right; we are not responsible for the Great Western Company. You say you want to send your produce from Hobart to the West Coast: what have you got to send?—our Island buys meat and mutton, nearly all the butter, eggs, cheese, bacon, and other dairy produce comes from the north of the island to Hobart, and we can send goods for 10s. per ton by water to the West Coast from northern ports. Do you think that any sentiment in the world would induce people to send goods down to Hobart, to be forwarded by rail to the West Coast? No; the conditions do not justify the construction of a railway from Hobart to the West Coast with the present developments.

558. In regard to this railway, it will go through some of the best parts of the country, you say, right into the Western mining-fields: that would be a benefit, would it not? Yes; I don't think you have selected the best route. I have been informed by Mr. Simmons, the Inspector of Roads, that you can get a line from Railton through Sheffield, into the high table-land, going through the best country and with moderate grades. When we examine the routes, which we shall do for the Government, I think we shall find the best will be through Sheffield and Barrington to the Promised Land; you have traffic there to put on a railway. I have made an examination of that country, and I say there is no country in Tasmania which grows more produce to the acre than that small area. If we can take the line that way we shall have some amount of traffic at that end to begin with. I doubt if the Mole Creek route is a better route. Under any conditions you should conserve the interests of your Government railways. If you want to kill the Government system, and prevent yourself from earning the interest on your lines, you can't do better than get syndicates to come in and make railways.

559. But if the Parliament will not hear of the country making these railways, would it not be of advantage to the Government railways that this railway should be constructed?—would it not help your railways? I don't see that it can be financially a success at present. If it is a failure, it is certainly not a good thing for the country. You live in a stock growing district and understand it—well, I asked one of these gentlemen when speaking of the railway, "What are you going to send"? He said "Oh, we wish to send cattle to the West Coast." I said "What, send cattle to the West Coast! can you have a better market than the Hobart market is at present; send your cattle down there where you will get good prices": why, they are sending to Hobart from Victoria now, and selling cattle at 5*d.* per lb.

560. Well, but if Parliament will not make a railway, don't you think it would be better to have a syndicate railway than to wait an indefinite time till we can get a Government railway to the West Coast to carry the produce? Yes; but you don't get a railway *qua* railway, you subsidise a company to construct the railway. As for mineral traffic, the bulk of the stuff will not be carted over Mount Field when they are near a deep-water line.

561. From your knowledge of the country, is there any agricultural land beyond where you said you were: I mean to the north of it. Do you know of any grazing land, or is there any other agricultural land? I have been through all the good agricultural land of that district. I believe there is some about Mount Claude that I have not seen. I got my information from the Road Inspector, Mr. Simmons, who knows it.

562. Do you know the altitude of it? Well, you would not get on the summit of the table-land until after passing Mount Claude. The Survey Office would give you that information.

563. Do you think it would be a better route than this which is proposed, if we were to junction with the Government railway at Railton? My idea of a convenient railway through that country would be to take it as near as possible to a deep-water port.

564. Your railway would take the traffic a shorter distance than if we junctioned at Chudleigh. Would that be an advantage? Yes, it would be an advantage to the producer, and it would send the traffic a shorter rather than a longer distance.

565. From a railway manager's point of view, would it be better that the traffic went a shorter rather than a longer distance? I think so. You would have better chances of getting the traffic if you get a closer junction with a deep-water port than if you had to carry it a long way through the country.

566. *By Mr. Bradley.*—You think the land grants proposed in this Bill too excessive? Yes. They are asking for land grants of one twenty-second of the whole unalienated land in the Island.

567. Do you think the land grants made to the Great Western Railway Company were excessive? I do.

568. For the construction of a 3 ft. 6 in. gauge railway? I thought it was wrong to grant such concessions at the time, and I say so still. It was a wrong thing to do.

569. It seems to your mind that the land asked for by this syndicate is something extraordinary for a 2-ft. gauge line with only 60 miles in length? Yes.

570. *By Mr. Simmons.*—You know there is another proposal before the House for a line from Mole Creek to the West Coast? Yes.

571. Have you had an opportunity of looking at the Bill? I have, yes. I have the Bill with any amount of notes, but the matter has gone out of my mind, and I cannot discuss it without my notes.

572. Have you compared the concessions proposed under the two Bills? I would not go into the rival concessions, but I know there is a great difference in the concessions asked for.

573. I would refer you to Clause 77 of that company's Bill as to grants of land; what do the promoters ask for? 50,000 acres, I believe.

574. That is as against 490,000 acres in Mr. Sadler's Bill? I think so.

575. With regard to clause 95, giving the company power to divert water, do you notice the limit for brake horse-power? Yes, 15,000 brake horse-power.

576. And that is against 35,000 brake horse-power in the Midland Company's Bill? So it appears.

577. Mr. Sadler's Bill asks for general powers to generate and sell electricity, while this Bill only asks for power to. ? Will you allow me to ask you the object of these questions, because I most respectfully decline to be drawn into a discussion of the respective merits of the two Bills; I am summoned here, as a Government officer, to assist the Committee with my advice, and I am perfectly ready to assist them as far as my position will enable me to do so. With all respect to the Committee, I must absolutely decline to discuss these matters.

578. The position is this—a petition has been presented to Parliament against the Great Midland Bill, and Parliament has referred it to this Committee; I have a perfect right to ask any questions on the subject-matter of that petition. [He asked the Chairman's ruling.]

The Chairman said he would take up the same position which he did at Launceston. The Bill for the construction of the Great Central Railway was not before them, and he could not allow use to be made of it, or to have it referred to there.

Mr. Simmons.—Well, I won't refer to the Bill, I will put it in this form.

Mr. Back.—In whatever form you put it, I will reserve my right to refuse to answer. I wish, with the permission of the Chairman, to explain to you, that it is with no desire to be discourteous to you that I refuse to answer. I don't care twopence for the syndicate, and I don't care if they give the whole of Tasmania away; but, as an officer of the Government, I am entitled to express my opinion when called upon. I am simply asked to come here and assist the Committee, and I am entitled to give this Committee the benefit of any professional experience I may have. If you are going to ask me to make the slightest comparison between these two rival syndicates, or to advise on a Bill on which I am not here to be examined—well, then, I must only report to the Ministerial head of my department, and abide by his instructions.

Mr. Simmons.—I am obliged for your explanation, but I must ask the question, and if it is not answered, then I must have that fact recorded on the minutes. (Considerable discussion here took place as to the scope of the evidence admissible under the reference of the petition to the Committee, Mr. Simmons maintaining his right to question witness upon anything contained in the petition.)

Examination continued.

579. *By Mr. Simmons.*—I put this question to you. Supposing somebody was to come to Parliament during this session, and offer to construct a similar line of railway between the same termini, with concessions of 50,000 acres of land, and water sufficient for 15,000 brake horse-power, would you consider that more favourable to the colony than the proposal in this particular Bill? Now, you want to bring me into the discussion between the two rival companies, and I refuse to answer the question. I would like to say that such questions are not questions of a professional nature. I may have my opinion, and the next man you meet may have quite another.

Mr. Simmons said he felt he was quite within the lines of the petition, but if the Committee said they would not allow the question to be put, he would like to have it reported that he could not ask the question.

After discussion,

The Chairman said the Committee could not pass a resolution, as they had only the necessary quorum present to take evidence.

Examination continued.

580. Have you seen the petition which has been presented to Parliament against the Great Midland and West Coast Railway Company's Bill? No, I have not.

(The petition was placed on the table.)

581. I now place in your hands, Mr. Back, a copy of the Tasmanian Central and West Coast Railway Bill, and I ask to have it marked by the Chairman and put before the Committee (Bill marked accordingly.) The first part of that Bill provides ——— *Mr. Back.*—I protest. I am summoned before this Committee to give evidence on the Great Midland and West Coast Railway Bill. I devoted five hours on Sunday to making up my notes on that Bill, and you have my advice. This proceeding of the learned counsel is only the thin end of the wedge to endeavour to get me to pronounce between the two rival syndicates. I am here to give my opinion on the Great Midland and West Coast Railway Bill, and I simply decline to be drawn into a discussion as to the relative merits of the two companies. This is the thin end of the wedge to ask me to express an opinion between the two companies, and I simply will not do it.

582. A petition has been presented to Parliament and referred to this Committee. If I am to be debarred from obtaining an answer to my questions on that petition, the whole object of the Committee will be frustrated. Will you answer the question? *Mr. Back.*—I will ask the Chairman to consider what the question put to me was. I was asked to say, suppose a company came and asked for 50,000 acres of land and water for 15,000 brake horse-power, and another company asked for 490,000 acres of land and water for 35,000 brake horse-power—the learned counsel asked me which would be better for the country? That is not a question for me to answer; it is practically asking me to express an opinion between the two rival schemes. Without an instruction from the Government to the contrary, I decline to have anything to say between the two rival companies. When the other Committee sits I shall have great pleasure in giving my opinion on their Bill when I can have my notes before me.

Discussion ensued.

Examination continued.

583. Then the House will have no means of forming an opinion from obtaining your evidence of the relative merits of the two schemes? No, that will be all right when you have me before the other Committee.

584. No, you will take the same objection there, won't you, and say you will have nothing to do with expressing an opinion on the Midland scheme? We may have some comparisons which are legitimate.

585. Don't you see I have been contrasting the relative merits of the two schemes for the information and benefit of the House in asking these questions? And I incur the responsibility of declining to answer the questions.

586. Now I will formally ask you whether, in your opinion, the scheme set out as the Great Central Company's scheme is more favourable to the colony than the Great Midland Company scheme? I decline to express any opinion on the merits of the two Bills. I decline entirely.

587. I will not ask you further as to the relative merits of the two Bills, but can you say which is most favourable to the colony? Will you please put your question again?

588. Having regard to the provisions of the two Bills, which is most favourable in its conditions to the colony? The one that asks for the least concessions is the least hurtful.

589. Well, you can go away from the question if you please. Can you say whether there is any intention to extend the North East Dundas Tram to some point on the Western Railway? I am not in a position to say. I don't know the Minister's mind.

590. You referred to the question of survey, and you say that Parliament should not accept the Bill unless the survey is completed. Is that in accordance with English practice? It is the same in every way.

591. Of course the conditions in England are different? Quite so.

592. Therefore, what would apply to England would not apply to Tasmania? Therefore, what would be of importance, and would apply to England, would not apply to Tasmania? The importance is equal: the conditions are not equal.

593. Would the importance of it be equal if there were no Government railway lines? I don't say the importance, but the conditions would be affected.

594. Referring to the construction of branch lines, Section 8, page 4, of the Central Companies' Bill, and Part 3, page 6, of Mr. Sadler's Bill, you recommended that this should be altered to a mining easement? Yes, the mining law refers to it.

595. You know the Grubb Company's tramway to Zeehan? Yes; but I don't remember the conditions of the Act very clearly.

596. Was not that a mining easement? I dare say it was.

597. You recollect that the Grubb Company had afterwards to come to the House and get a Private Act to enable them to work the tram? Yes; and it was a very proper thing to do. The Grubb Tramway was dealt with on its merits.

598. Yes, that was originally a mining easement; and they had to come for an Act? This company might do the same.

599. Then, every time there is a company with a mining easement, if there were twenty, thirty, or forty of them, they would have to come for an Act? No. I say that the law provides for mining easements; and, if any company wants more, they can come for the authority of Parliament. If you don't do that, it is the thin end of the wedge for giving away the country. We don't even know at present what branch lines may be required on these railways. I have my views on the matter; and I say if you don't defend the interests of the country you will be giving them the right to construct them anywhere. It is a dangerous concession.

600. We all know that Mr. Back is in favour of mining easements, and for many purposes they are very suitable; but I ask, if the parties have to come to Parliament afterwards, if it does not lead to considerable expense, as in the case of the Grubb and Godkin companies? I would like to say that, in the case of the Grubb Company, they would have found their mining easement quite sufficient but for the development of the mines around them, which made it worth their while to construct a tramway: first, for the purpose of assisting the other mines, and to enable them to put money into their pockets for the carriage of goods and passengers. That is to say, when a mining easement was granted, it enabled the company to so develop their mine that a tramway was desirable to carry the traffic. They then came to Parliament and asked for the right to make the tramway, just as Mr. Sadler is doing now.

601. Is it not a fact that under a mining easement they can't make or levy tolls, rates, fares, or charges, and they can't make by-laws for the prevention of nuisances, or the carriage of dangerous goods? No. You would have the power to carry goods by arrangement, as anyone else has the power to carry goods. You say they would have no power to prevent a man bringing dangerous goods; but they have a right to refuse to carry dangerous goods. As Manager of Railways here, I have a common law right to refuse to carry dangerous goods, and so has anyone else.

602. Under a mining easement a man has no power to protect his line? I don't agree with you. The Mount Bischoff Railway Company is running without an Act, and without special law, yet they run wagons, and do what they like. There is nothing to prevent them carrying goods under agreement; and they can make any arrangement they please with you to run over their line.

603. I know they have no authority for it, and I have an opinion to the contrary? Well, I can give you plenty of instances, and I have given you one. When you have got your mining easement, and its development necessitates the construction of a branch railway, then your company should come to Parliament and ask for a branch railway. I am sure there is no hon. member of the Committee but will admit that if my advice had been taken a year ago in regard to these syndicates, much trouble and bitterness would have been saved to the community.

604. *By the Chairman.*—You said, in reply to Mr. Simmons, that when syndicate lines first came before the colony, you regarded these as least hurtful that asked for least: that is consistent with your opinion against syndicate lines in any shape or form? Yes, more pronouncedly in the form of the Bill we are discussing.

605. Your objection to syndicate Bills has no regard to whether they are promoted within or without the colony? I don't see that it affects the question, or the considerations on which my objection is based.

606. If this Mole Creek line cost £200,000, what would the cost be roughly if it should be a going concern and the Government took it over? I have taken arbitrary figures, and I say if the length of this line is 60 miles, take an arbitrary cost of £3000 a mile—and I say that is a fair assumption—that would be equal to £180,000, call it £200,000 in round numbers, put what you like for rolling stock, you would probably not purchase very much.

607. *By Mr. Mackenzie.*—The rolling stock for a 2 feet gauge would cost less than for a 3 feet 6 inches gauge, would it not? No, it matters very little, the difference would not be so very much.

608. *By the Chairman.*—All your ideas of this route are that there is no inducement to make a line for railway purposes? There is little inducement to make a railway, but when one twenty-second part of the whole unalienated land in Tasmania is asked for, and when more water power is asked than would be wanted in the whole Island, then the railway would be worth it.

609. And if the railway should be 3 ft. 6 in. gauge, then the proposition for these concessions would be more reasonable? No. The Great Western Company's Act was brought up so often during the evidence that I thought it right to compare the concessions granted to the Great Western Company with the proposals in this Bill. They propose to give 100 miles of railway at a cost of £10,000 a mile, while this Bill proposes a 2 feet line for 60 miles at a cost of £3000 a mile, or in round numbers say £200,000 against £1,000,000 on the other side. I should not have mentioned this, but on several occasions the Great Western Company's concessions were referred to and comparisons made in value with the concessions asked for by the Great Western Company.

610. I assume that a number of shares have been allotted in Tasmania, and taken up by residents of the districts which would be affected by the railway. Do you think that the effect of local residents taking up the shares would add to the receipts of the railway? Not a bit. Look back to the Launceston and Deloraine railway, did it make any difference in that case. The residents of Mole Creek are not numerous enough to keep up a railway. A man will always take his goods to market by the cheapest means he can find.

The witness withdrew.

JOHN MACNEILL M'CORMICK, C.E., called and examined.

611. *By the Chairman*—Your name is —? John Macneill M'Cormick.

612. What are you? I am a civil engineer, and engineer of existing lines of Government railways in Tasmania.

613. Where do you reside? At Hobart.

614. You have had an opportunity of reading the Great Midland and West Coast Railway Bill? Yes.

615. Have you made any notes or formed any opinion in regard to the Bill? Yes, I have made a few notes.

616. Will you go through your notes if you please? I don't say my notes are complete as regards my opinion of the Bill, I merely put down what struck me at the time. I commenced with the title of the Bill, which is a Bill to authorise Robert James Sadler to construct, maintain, and work a railway from some point on the Chtdleigh railway to the West Coast of Tasmania, and for other purposes. I propose to omit the words "and for other purposes." I also propose to alter "the West Coast of Tasmania" to "a point on the North East Dundas Tramway." That point should, I think, be determined by survey before the Bill becomes law.

617. Why do you omit the words "for other purposes"? Because I think we should only deal with the railway in this Bill. "Other purposes" should form the subject of a separate Bill. The terminus of the line should be fixed by survey before the Bill is carried further. Then, in the preamble we come to lines 5 to 10, referring to motive power, and to line 38, on page 3:—

"'Motive power' shall mean the power derived from water passing through or acting upon machinery, or the electrical power derived therefrom; also power derived from combustible material, however used, or from water."

I would limit it for railway purposes to power derived from combustible material only.

618. *By Mr. Machenzie*.—You propose, then, to excise from the Bill all matters except railways? Yes. Whatever other power is required should be dealt with separately.

619. Well, we will understand that note in going through the Bill. That is what you mean? Yes. On page 4, line 12, it says—

"'The said 'railway' or 'the railway' shall mean the line of railway and any extensions, branches, and deviations thereof, authorised to be constructed under the authority of this Act, and the permanent way thereof, together with all works, buildings, stations, and erections erected or built on or connected with the said railway, and all rolling-stock and all land upon which the same are respectively constructed, erected, or built, and all lands, rights, and privileges used in connection therewith or vested in the promoter for the purposes of this Act.'"

I propose to omit the words "and any extensions, branches, or deviations thereof."

620. Why do you omit these words? I don't think there should be any power to make branch lines in these Bills at all, except the companies come to Parliament for a separate Bill. That has been my opinion all through.

621. Have you been through this Bill with Mr. Back, or have you compared notes? Not since the Committee met. He and I generally deal with all railway matters together. I may not always agree with him, although on the main points we generally do agree. I made my notes before; but I find we are fairly in accord.

622. *By the Chairman*.—In regard to points on which you are in accord with Mr. Back we need not take your evidence? Very well. I made my notes independently of Mr. Back, and I don't know what his opinions are on some points. We can decide as we go along.

623. In section 4, part 2, Mr. Back's opinion is that all lines should be surveyed before the Bill or any rights are granted? Yes, that is my opinion. I may be entirely in accord with him on some points, that is all.

624. On section 5, sub-section 1, have you any note? No.

625. Well, Mr. Back suggested this in the 19th line, that the word arbitration should be substituted for agreement. Do you approve of that? That is a point I have not considered. I think it might be an improvement. In part 5, page 8, line 29, I should omit the word "adhesive." That does not affect this Bill, the word is used simply in contradistinction to a rack, or any other system, that is all. It is merely superfluous here. On page 9, line 7, it reads "that plans shall be deposited for portions of the line, instead of for the whole line." In other Acts it is put "in sections of not less than five miles": that defines for what portion of the line the plans shall be deposited.

626. *By Mr. Machenzie*.—You prefer that the length of the line shall be mentioned for which plans shall be deposited? Yes, I think five miles is a reasonable length. Of course for a preliminary survey you would deposit all the plans and drawings. I take it that in a preliminary survey there would be no working plans, but only plans showing the route and sections with limits of deviations. That is the custom on English lines. The actual working plans would be deposited in not less than lengths of five miles. I take that as a fixed length. It is the same in the Waratah Company's Bill, that is for working plans. In section 19, it says that—

"The Governor in Council may, at the cost of the Promoter, from time to time appoint one or more officers to inspect the said railway during the construction thereof, and it shall be lawful for every officer so appointed for the purpose aforesaid from time to time to enter upon the said railway during the construction thereof and to inspect the manner in which the same is being constructed,"

and so on. I think the Bill should define a fixed sum for the payment of this officer. You will find it is so in the Great Western Railway Company's Act. Page 15, at line 18, power is given—

"To draw water from any stream or river in the vicinity of the railway for the supply of locomotives and other purposes at such elevation as may be necessary to secure a fall into any railway tank by natural gravitation."

omit the words "other purposes," and substitute the word "railway."

627. *By the Chairman.*—Would you not say necessary for working the railway only? Yes, that is practically the same. That is the point that struck me. At page 25, Section 89, as to grants of land, it reads—

"Upon the deposit of the plans, specifications, and sections of the said railway with the Minister as hereinbefore provided, and within Two years after the passing of this Act, the promoter shall acquire the right to mark off in the manner hereinafter prescribed any unoccupied Crown lands, not exceeding Seven blocks, each containing Seventy thousand acres (or less), first on one and then on the other side alternately of the line of railway along its length, between an imaginary line drawn north and south through the Railway Station at Mole Creek and the line forming the eastern boundary of the Western Mining Division. Each of such blocks of land shall have a frontage along the railway line."

The acreage of the blocks is here given, but no frontage to the railway is defined. In the Great Western Railway Bill you will find a frontage of five miles is mentioned. If you don't define the frontage, the promoters may make the blocks any shape they like. Five miles is a fair frontage.

628. *By Mr. Mackenzie.*—The Great Western Bill provides for rectangular five-mile blocks? No, the Great Western Act defines the frontage: there is no frontage defined here. Part 17, as to the power to divert water; that should be omitted altogether, and should be dealt with separately. The question of taking water for the generation of electricity or brake horse-power should be omitted. It would be preferable to stick to steam, as that is our system. This is mixing up other purposes with this railway.

629. *By the Chairman.*—You were examined as a witness on the Great Western Company's Bill? No, I was not examined as a witness.

630. Was the provision for electric power the same in the Great Western Bill as in this? I believe it was the same. I think the electrical power should be omitted from this Bill. Excepting for railway purposes, you should have no water power. It is a very small affair, the water required for railway purposes.

631. Do you suggest anything else? I don't think anything else occurs to me.

632. Are the provisions of the Bill such as are generally found in Railway Acts of the kind, leaving out the water? Well, they are somewhat after the general principle of such Acts.

633. The gradients are suitable to the gauge, are they not? Yes, they are suitable to the gauge.

634. And all the specifications in the Schedule to the Act? They are general specifications. Some of them may never be used, but they are the usual specifications. I don't know whether I can volunteer information; but one of the reasons for having the line surveyed is, not only that the location may be known, but that the question if it should be a 2ft. gauge or the standard gauge may be decided. Then comes another question, whether it is advisable to take a 2ft. gauge from the Chudleigh Junction, or whether the 3ft. 6in. gauge should not be extended further: whether it should not be extended to what is called the neutral axis of traffic, the point where the traffic will go in one direction to Chudleigh, and in the other direction to Zeehan or some other point at equal cost, giving minimum transfer for break of gauge. There are three points of possibility,—to carry the standard gauge right through, start the 2ft. gauge at Chudleigh, or carry it further to the neutral axis of traffic.

635. You know there is a survey of a 3ft. 6in. gauge line from Mole Creek to Mount Pelion, 47 miles 3 chains long? Yes, that is Mr. A. Stewart's survey. I have read the Parliamentary report on it.

636. If this line from Mole Creek to the West Coast starts from Mole Creek after we get the line that would be a better gauge? Yes.

637. And you recommend that this should be determined by survey. If a 3ft. 6in. gauge line be constructed from Mole Creek, it should be constructed as far as it could conveniently be taken? Yes, a survey will determine that.

638. You have been down in the country through which the North East Dundas tramway runs? To Colebrook. The line is not extended there yet.

639. Could a 3ft. 6in. gauge line be constructed in that country? It could be, but the cost would be prohibitive.

640. Would you say that a 2ft. gauge was the only line suitable for that part of the country? I won't say that, but it is the most suitable in my opinion. It best meets the requirements of that part of the country. It is a very difficult part of the country.

641. Why did you not make a 2ft. 6in. gauge line—is there any special virtue in a 2ft. gauge? I think we should go as far as possible to a minimum gauge with sufficient engine power in such country. Our 2ft. gauge has an engine nearly 20 tons in weight, hauling between 50 and 60 tons on 1 in 25 grade.

642. Are the gradients mentioned in this Bill suitable to the North East Dundas tramway? Yes, 1 in 25 is the gradient on the North East Dundas tramway, but the gradient against the load is not steeper than 1 in 30. You understand what I mean. In the gradients from Zeehan we have tried to get the best grade possible. Taking things up to the mine it is 1 in 25, that then becomes the limit of the steepest grade, but the gradient against an ore load, or the heavy traffic, is 1 in 30. Suppose the load to be towards Zeehan it is 1 in 30; against a load going from Zeehan we have a gradient of 1 in 25.

643. *By Mr. Mackenzie.*—Do you know anything about the country through which it is proposed to take this line? I know nothing of it at all.

644. You know the country immediately near, or on, the Government Railways? Yes.

645. Would Mole Creek be about the best point for a junction with the Government Railway? That I can't say without a survey. You are aware that Mr. Back has submitted a plan proposing to survey the country between the coast and the Government Railways. He was discussing the point with me, but we agreed that the best point of junction could not be determined without a survey.

646. You are aware that the producing part of the country is in the immediate vicinity of Mole Creek? I have always been informed, and believe, that fifteen miles from Mole Creek you get across the best country.

647. Looking at it from a Government Railway point of view, at what point would it be most beneficial for the Government Railway that this railway should junction? That becomes a question of cost of construction. I am not prepared to say until there is a survey.

648. I mean the point at which this railway would most benefit the Government Railways. Supposing this railway to join at Mole Creek?

649. What point would be most feasible for it, to assist our own railways? I am not prepared to at once. I think that information has to be acquired yet. It might be better, perhaps, nearer to Devonport, to get a more direct line to a deep-water port.

650. *By the Chairman.*—Is there anything else you would like to say. No. I have spoken, I think, of dealing with the question of water power. Oh, there are the land grants. Well, if there are to be land grants at all, the value seems to me to be very great. I think the promoters are asking a very large value—490,000 acres. I don't know what the land is worth; but, say it is 10s. an acre, it would give a value more than equal the valuation of the line.

651. Do you know how much land the Great Western Railway Company were granted? I don't know. I believe about the same as asked for in this Bill.

652. Do you know how much the Waratah Line was granted? No. It was a much smaller amount.

653. But they had their line already constructed? But I refer to the Emu Bay Company. Their Bill was from Waratah to Zeehan.

654. But their land is freehold: you know that? Do you mean the Van Diemen's Land Company?

655. No, the Emu Bay Company. They can take it anywhere they like along the railway: you know that? No, I thought it was defined where they should take it.

656. No, they are prohibited from going into the Western Mining Division? They can take their blocks along the railway: twelve blocks if they go to Leslie Junction; six blocks if they stop at Rosebery.

657. They can take some of it, but not in the Western Mining Division, like the Great Western Company, or like the provisions in this Bill. In this Bill it is proposed to prohibit them: you know that? Yes, I believe so.

658. Suppose a line were made on the 3ft. 6in. gauge—the line you know from Mole Creek to Mt. Pelion is already surveyed on that gauge for 47 miles 3 chains—would you give a company or promoters a much larger concession of land if they made a 3ft. 6in. gauge as far as Mt. Pelion instead of a 2ft. gauge line? No, I am not prepared to say that. If they made a 3ft. 6in. gauge line instead of a 2ft. line to Pelion, you say?

659. Yes. In that case would you give them larger concessions? If I gave them any concessions at all. Let me put it another way. You offer, for the same acreage as the Great Western Railway Company received, an inferior line.

660. No. If your recommendation was carried out and a 3ft. 6in. gauge is constructed to the neutral axis point, then would you give larger concessions of land? In a proportion that was reasonable. Yes, but it would have to be reasonably done. If I put it the other way this company is giving an inferior article to the Great Western.

661. But if we made the broader gauge all the way, would not the line be unsuitable to the country round Rosebery, or to that part of the Island? It is possible.

662. *By Mr. Simmons.*—Do you know the approximate length of the proposed Great Western Railway? I don't know. It was estimated at about 100 miles, that is about 95 miles as the crow flies, I believe.

663. Supposing approximately it may be 100 miles? Yes, in general terms it may be 100 miles.

664. Do you know the approximate length of this line to the North East Dundas Tramway? Well, the Dundas Tramway is 18 miles from Zeehan at present, that is to the Deep Lead. It is another 10 miles to Rosebery, and to Mole Creek in a direct line would be about 50 miles.

665. Take it approximately at 60 miles? Yes.

666. Approximately then there is a length of 60 miles of a 2ft. gauge line, and the Great Western is 100 miles with a 3ft. 6in. line, what would be the relative estimate of cost? I cannot make any comparison at all without a survey.

667. What has been the approximate cost of Tramways in Tasmania? About £2400 a mile, I think.

668. They are more expensive, are they not, in a new country? I don't know. They may cost far less.

669. The Dundas Tramway has cost £2400 a mile, has it not? It may be somewhat in excess. We have had the last mile or two very heavy.

670. The cost of the Great Western line would be three times greater than this line approximately, would it not? Not in the best parts. I see by the evidence of Mr. Palmer that it is estimated at £10,000 a mile.

671. Well, it would be three times greater than the cost of this line; would it not? I don't think you can assume anything of the kind at all. You can assume, supposing the country to be easy, the difference between the cost of a 2ft. and a 3ft. 6in. gauge. If it were moderately easy country and no difficulties, the difference would not be more than from £500 to £600 per mile.

The Committee adjourned until 10 o'clock next day.

FRIDAY, DECEMBER 3, 1897.

JOHN MACNEILL M'CORMICK, C.E., called and further examined.

672. *By Mr. Simmons.*—When we adjourned yesterday, we were speaking about the cost of the railways,—the Great Western and the Mole Creek lines. Do you know what the estimated cost of the Great Western Line is put down at? No. I hear it was estimated by Mr. Palmer at £10,000 a mile.

673. Mr. Palmer is their Engineer? Yes, he is their Engineer. It is in the evidence given on the Great Western Railway Company's Bill.

674. Do you know the probable cost of this Mole Creek Line? No. I heard it set down at £200,000. I simply heard it, I have no evidence of it. It is hardly fair to quote when I don't know of any estimate.

675. That is to be a 2ft. gauge line according to the Bill, is it not? Yes.

676. That is the class of line which is being constructed from North-East Dundas? Yes.

677. Do you know the cost of that line? I can't tell exactly. I think it is from £2400 to £2500 a mile. It will cost over £2000 a mile all through. That includes equipment.

678. Assuming this line to be 60 or 70 miles long, at the £2000 you mention what would be the approximate cost? It is to cost £200,000 you say.

679. That would be the approximate cost? I can't say it would, because I don't know the country. It will cost, I think, more than the North-East Dundas Tramway, because wages are likely to go up, and other lines will be carried on at the same time,—the Waratah Line and others. The North-East Dundas Line was carried on when wages were low. I can't give you an estimate without a survey.

680. Is it a difficult or an easy country the North-East Dundas Line passes through? It is difficult country.

681. You know, don't you, that there is another Bill before the House offering to construct a railway from Mole Creek to the West Coast? Yes, I have heard so; and I have glanced through it.

682. Have you a copy? Yes, I have a copy; but I am not here to speak on it.

683. Have you perused it? I am not here to speak on that Bill at all. As an engineer I will say nothing on that Bill.

684. Have you perused that Bill? I don't think I am called on to answer that. The Bill is not before me officially. I will give evidence on this Great Midland Bill.

Mr. Simmons appealed to the Chairman, maintaining that he was within the limits of the petition in putting the question.

(Discussion followed.)

Mr. M'Cormick said he was summoned there as a Government Engineer to give evidence on the Bill before the Committee, and not to enter into comparisons with any other Bill. He was not there on any question of policy, which he had no right to deal with, and which must be settled by Parliament.

A lengthy discussion followed, in the course of which—

The Chairman (Mr. M. J. Clarke) said if *Mr. M'Cormick* declined to answer the questions, it was doubtful whether the Committee could force him to do so.

Mr. Simmons said it would be, perhaps, better to put a general question to *Mr. M'Cormick*, and let him answer, or not, as he liked. The reply would be recorded.

685. *By Mr. Simmons.*—Have you read the Great Central and West Coast Company's Bill sufficiently to be able to give evidence about it? I can't answer that. I will not answer any question about that Bill until called on.

686. Have you sufficiently perused the Central Bill to enable you to give evidence before that Committee, if they asked you? I can't answer the question.

687. Will you tell me how far you have perused the Bill? No, I will not. I have glanced through it.

688. You have glanced through it. Can you say, then, which of the two Bills before Parliament would be most favourable to the Colony? That question I decline to answer.

689. *By the Chairman.*—If you are summoned to give evidence before this Committee on the Central and West Coast Railway Bill, will you do so? I am bound to do so, and willing to do anything to assist the Committee. I will give them any engineering opinion that is within my province.

690. Have you seen *Mr. Innes's* report? No, I have not.

691. *Mr. Innes* says the distance from Mole Creek to the West Coast is 78 miles. Is that right? I can't say whether that is the correct distance or not.

692. You know that *Mr. Innes* stated that. I see he stated that distance in his report to the Stitt Bridge. Do you know that? I don't know the Stitt Bridge.

693. Have you any evidence that can show a shorter route to the Stitt Bridge than *Mr. Innes's* route? I don't know anything of the country there.

694. You see that *Mr. Palmer* estimates the cost of the Great Western Railway at £10,000 a mile. Do you know if that is correct? I don't know, and I am not in a position to say until it is surveyed.

695. Are you in a position to say as an engineer whether the difficulties between Mole Creek and the West Coast are greater or less than the difficulties between Glenora and the West Coast? No, I am not.

696. Now you say that this line from Mole Creek to Rosebery is estimated to cost £200,000. Do you know that? I have heard it stated outside, but I can't say.

697. Did you hear it stated by the promoter of the Bill, *Mr. Sadler*? I did not.

698. When you stated in answer to *Mr. Simmons* that the line might be from 60 to 70 miles long, had you adverted at that time to the distance which *Mr. Innes* stated to be between Mole Creek and the Stitt? No, when *Mr. Simmons* asked me that it was as a matter of comparison as to the length of the two lines. I stated what it would be as the crow flies. A survey might make it longer, but it could not make it shorter.

699. I ask you if a line from Mole Creek to Lake Dorá district would be longer than a line from Glenora to Mount Lyell? That I can't say.

699. But it is possible it might be? It might be longer than a direct route as the crow flies.

700. The engineering difficulties might be such that the line would be longer? It might be so if you can't avoid the difficulties. It is not expected it would be longer.

701. Is it a fair thing to compare the estimated cost of two lines of railway when there is no survey of one or the other? No. I have stated it is not.

702. *By Mr. Smith.*—Mr. Simmons was asking as to the cost of the North-East Dundas Tramway? Yes.

703. That tramway was, I believe, constructed during the depressed time in this colony? Yes.

704. And there was a large amount of unemployed labour used on it, was there not? Yes, to some extent there was.

705. Labour was sent there to assist in making the line, that is, unemployed men? Yes, but we selected only capable men. We got the very best labour we could and rated it accordingly. The pay was far less than you could get capable labour for now.

706. *By Mr. Mackenzie.*—I asked you yesterday if you knew any part of the country beyond Mole Creek to the westward? Yes.

707. And where you thought it would be best for this line to junction with the Western Line? Yes, and I told you it would be a matter of survey. I could not say that it should join at Mole Creek.

708. *By the Chairman.*—Is there anything else you would like to state to the Committee? Yes, I had not finished as to the matter of water power. I wish to draw attention to the term so frequently used, "supply of brake horse-power." That is asking the country to give something that it has not got. Brake horse power is developed power, and the amount of that available would depend on the engineering skill exercised in producing it.

709. *By Mr. Mackenzie.*—The same term is used in the Great Western Company's Bill, is it not? Yes, but I am not responsible for that. In that Bill the term is limited to some extent by the right of the company to take water being limited to six rivers, and to half the volume of water from those six rivers. Suppose you don't get the volume required on those rivers; the Bill says so much brake horse-power, that is developed power, the manufactured article which the country has not the power to give. I suggest that this concession should be measured by the volume of water.

710. To develop or generate to what extent? That you must decide yourselves. Water for the generation of brake or electric horse-power is only available by pressure.

711. Look at the first clause of Part 17, page 32? Yes I see, brake horse-power is the power by which the Bill limits the consumer. The power of water is the pressure.

712. Look at section 100 and say what it is that you want to point out? It says in clause 100 that "subject to the provisions of this Act, it shall be lawful for the promoter, and he is hereby empowered and authorised, to take, divert, and appropriate, for any of the purposes of this Act, from any rivers along the proposed line of railway, at so many and such points upon such rivers as may be approved by the Minister, and in accordance with such regulations as are hereinafter mentioned, such quantity of the water as shall be sufficient to develop an aggregate of 35,000 brake horse-power." The production of brake horse-power is a question of engineering skill, and it is not there until it is developed. You should take under the Bill only the water, and take the responsibility of developing it yourself. I have said all along that the water supply should be the subject of a separate Bill. You would then ask for the water. You would then say, I want so much water, half of the volume of such and such rivers or what you like, and then you take the responsibility of developing it. One engineer may develop brake horse-power at half the cost that another man would. It would depend on the way in which he designed his conservation and other works.

713. *By Mr. Mackenzie.*—How would you calculate the water necessary to develop the power? You may get at it different ways. You may take our present system of sluice-heads, and then you would add the pressure at per 100 ft.

714. You want to make it so many rivers? You may take all the rivers in the country, and the water will be no good if you don't have the engineering skill to develop it.

715. Would it not be a great waste of power to seek to go all over the country to get water, if by the exercise of engineering skill you can select two or three rivers and confine yourself to them? Yes, you may take a very large amount of water with a very small pressure.

716. Then, you recommend a survey of the water? Yes, it should be the volume of water. It is easy to calculate with sluice-heads and then take the pressure,—the water power is calculated by pressure. It can be developed with a fall of from 100, 200, or 300 ft. or more, and you have power accordingly. You may have three times the power and take less water.

ROBERT JAMES SADLER, *called and examined.*

717. *By the Chairman.*—You are Mr. Robert James Sadler? Yes.

718. What are you? I am a commission agent.

719. You are the Promoter of this Railway? Yes.

720. You are an Alderman of the city of Launceston, and at the present time the Mayor of the city? Yes.

721. How long have you been meditating the construction of a line of railway between Mole Creek and the West Coast? Since August 27th, 1896; that was the first communication I had on the subject.

722. Have you been in communication with capitalists since that time? Yes, before that date I had verbal communication with them, since then I have had several written communications.

723. Has much correspondence passed between you and these capitalists concerning the line? Yes, a good deal.

724. About how many letters have you had from them? That would be hard to say. Here is a large parcel of letters (produced) which have passed between them and myself.

725. Did you get anything done with regard to any report upon the line? Yes, in consequence of these communications with capitalists I got Mr. M'Donald, the manager of the Rosebery mine, to walk through the line. He knew the nature of the country, and he gave me a report on it.

726. What did you do with that report? I sent a copy of it on to my principals. I have the original here.

727. Have you any objection to lay the report before the Committee? I don't think I could do so. I am acting for others, and I don't think I should be justified in giving the information I have gained to the public.

728. When was that report made? On September 6th, 1896.

729. Is Mr. M'Donald the discoverer of the Rosebery Mine? Yes. It is now called the Tasmanian Copper Company, with a capital of £325,000.

730. Are the negotiations between you and the capitalists still going on, and will you tell us what they are eventually to do, if anything? They say they are prepared to construct a railway from Mole Creek to the West Coast either on a 2 ft., 2 ft. 6 in., or 3 ft. 6 in. gauge. It has been suggested that a 2 ft. gauge should be constructed, otherwise there might be a break of gauge, as the Government carry on the North-East Dundas Tramway, which is a 2 ft. gauge, and if this line were broader it might lead to a break of gauge at the other end. The capitalists I refer to are prepared to find the capital up to a million sterling to construct the line.

731. When did your advertisement as to your intention to apply to Parliament for power to construct this line of railway first appear? Well, I can't say exactly.

732. When your advertisement appeared of your intention to apply to Parliament for a Bill empowering you to construct this line, I want to know if that was the genuine outcome of your negotiations with the capitalists? It was.

733. And when you advertised at that period did you know whether anybody else intended applying for a similar Bill? No, I had not the slightest idea that anyone else was intending to apply; in fact I was very much astonished when I heard that another syndicate was in the field. The first I knew was in reference to a route for a track. I knew there was a party out in the field in reference to a track, and I subscribed to it. That was for cutting a track, but it was not for a railway.

734. And you subscribed to it? Yes.

735. Have any communications passed between you and the promoters of the other line? Yes, several; some of them came through your firm of solicitors.

736. What was the first interview you had with anybody connected with the other line? The first interview I had was with Mr. J. T. M'Donald. I met him in the street one day, and he said it was a pity there were two syndicates in the field, and he thought we should come to some terms. I told him I could do nothing, as I had to communicate with my principals, as I was only acting for them, and that was the end of it? I met him again, in fact I went to Salisbury's Works to see him, and he talked about the matter, and suggested that it should be left in Mr. Martin's hands to settle. It was proposed that I should show him that my correspondence was genuine. It was proposed that I should show Mr. Martin my correspondence, and abide by his decision, they to do the same. Then there was another conversation. I think Mr. Martin called on me, but I know I got a letter from Mr. M'Donald. I have it here.

737. Well, you offered, did you not, to lay all the correspondence before Mr. Martin in confidence, and to abide by his opinion? Yes.

738. Was Mr. Martin a promoter of the other line? He is the solicitor for the promoters.

739. Is his name in the prospectus of the Great Central and West Coast Company? Yes, he is a provisional director.

740. Was not your offer accepted? No, it was not.

741. Then, what next took place? I forget exactly what took place next.

742. Did Mr. Martin interview you? Yes, and I think I read to him extracts from my correspondence. I think I told him then and there my position; then after that interview Mr. Martin wrote me a letter asking me to withdraw the Bill, as it was not fair to the others.

743. At that interview, then, you read certain extracts from the correspondence. Was anything said about Mr. Martin putting anything in writing? Yes, I asked him to do so, and he agreed to put their offer in writing, and ask me to withdraw my Bill in favour of theirs.

744. The offer of whom? The offer of the other syndicate.

745. Did they make any proposal that you should withdraw your scheme?—Did Mr. Martin make you any offer? It was agreed that Mr. Martin should write me a letter, and here it is, dated on the 27th October. I wrote Mr. Martin a day or so before to tell him that I could not entertain his offer. I speak from memory: I have had so many letters in connection with the matter that I can't quite remember.

746. Did you get a letter before the 27th of October from Mr. Macdonald? Yes.

747. Will you kindly read that letter? Yes. It is as follows:—

Launceston, Tasmania, 9th October, 1897.

R. J. SADLER, Esq., *Patterson-street.*

DEAR SIR,

IN reference to the conversation this morning as to the possibility of amalgamating the interests of the company formed to carry through the Mole Creek line with the interests of your syndicate, it is necessary to say that the conditions are different now from what they were when I first spoke to you. At that time the company was in the preparatory stage, and the feeling on the committee was unanimous that if satisfactory evidence were available to show that your syndicate was able to carry through the project to construct the line, the committee would not only relinquish the field to you, but would also aid you as far as possible—it being their wish, on public grounds, to see the line constructed, no matter by whom. That feeling still exists, but the company having been floated the committee has no longer full power to act. I have seen the secretary and some members of the committee since our conversation, and judge that although any proposal you may make, or any general information you may give, will have to be submitted in some way to the board, you can rely on it being dealt with in the same spirit as it would have been

when we first spoke on the matter. As the time is short, it would be an advantage if your principals could give you full discretionary power, so that no delay may occur in the event of negotiations being entered upon.

You will understand that although I feel fully warranted in saying what I have about the attitude of the committee, I write this entirely on my own authority, and without committing the board or committee in any way.

Yours truly,

J. T. M'DONALD.

A day before I received that letter I had agreed to leave the matter in the hands of Mr. Martin to decide on the *bona fides* of my correspondence, and the letter was the outcome of this.

748. You had offered to leave all your papers confidentially with Mr. Martin on the understanding that the contents were not to be disclosed to the other side? Yes, I was to leave them in confidence.

749. And that offer was not accepted? No.

750. In that letter of Mr. Macdonald's he says circumstances had altered since he spoke to you, and he asked you to lay your letters before the Committee without any guarantee of confidence? Yes, I take it that was what he meant.

751. Well, after that, did any other correspondence take place between you and the other side? Yes, with Messrs. Martin and Hobkirk.

752. Well, now, do you lay all this correspondence on the table of this Committee? Yes. (Letters produced.)

753. These are original letters: will you hand in correct copies of the letters? Yes.

754. This correspondence will appear as an Appendix to the Report. You told us about your communication with capitalists, and I think you mentioned about some people in Sydney? Yes, the agents of capitalists there.

755. Now this particular agent, do you know whether he is a man of substance or not? Yes, he is.

756. Do you know whether he is a capitalist himself? Well, I believe he is. He has retired from one of the largest firms in Sydney.

757. Is he connected with capitalists elsewhere? Yes.

758. Where? In London.

759. Are you personally acquainted with him? Yes, I have known him well for the last thirty years.

760. And from his correspondence, and from the other correspondence which you have, can you give this Committee any assurance that, if you get the Bill, there is reasonable ground for believing that the line will be constructed? Yes, I have not the slightest doubt of that. The evidence taken before this Committee in Launceston, and the letter of one of the principals, leaves no doubt about their getting capital to the extent of about a million sterling, but I don't think they would be particular to a million or more if necessary; that is, to construct the railway and the ore-reduction works.

761. Now, you ask in this Bill for a grant of 490,000 acres of land, and you are aware that Mr. M'Cormick, the railway engineer, recommends that the gauge should be 3 ft. 6 in., as far as that can be constructed without going to prohibitive expense? Yes; I know that is his opinion.

762. That the break of gauge should be at what he called the mutual axis point? Yes.

763. Are you willing to fall in with that suggestion and have your line constructed on the 3 ft. 6 in. gauge from Mole Creek as far as it can be constructed on that gauge without going to enormous expense? Yes, we should be quite willing.

764. Having the 2 ft. gauge going through the hills where, perhaps, no other sort of line would do? My correspondent would be quite prepared to accept that, in fact, it was suggested that the line should be 3 ft. 6 in., but the people here recommended the 2 ft. gauge, and I also recommended it, and they fell in with my views. I believe some of them have changed their minds since, and now think it would be better on the 3 ft. 6 in. gauge, as it would be best for the Government lines at this end.

765. Are you aware that a 3 ft. 6 in. gauge line is already surveyed from Mole Creek to Mount Pelion, a distance of 47 miles 3 chains? Yes; that was surveyed in 1891 by Mr. Allan Stewart.

766. I see your Bill is worded a little on the lines of the Great Western Railway Bill. You are asking for the same quantity of land as they are, are you not? Yes.

767. Would you be willing to take a less grant than 490,000 acres? Yes, provided it were not cut down too much. I think we would be prepared to take less.

768. Do you know what is the length of the Great Western Company's line?—do you know that Mr. Russell Young, who appeared before the Select Committee for the Promoters of the Great Western line, estimated the line to be 100 miles in length? Yes, I know that is the estimated length of the Great Western line.

769. And they have got a grant of 490,000 acres of land—that would be at the rate of 4900 acres to the mile? Yes.

770. Then, I understand you to say that you are willing that your concessions should be cut down, so long as they are not cut below what would be sufficient to enable the line to be constructed and run at a profit? Yes.

771. Now, do you know anything of the country between Mole Creek and the West Coast? Only from reports that I have had. I don't know the line myself.

772. Have you any idea of what the length of the line would be from Mole Creek by Mount Pelion to Lake Dora, and to connect the line from Lake Dora with a convenient point on the Strahan-Zeehan Railway? No, but I am quite sure it would be over 100 miles.

773. Would you be willing to accept a condition that you were to connect with the Government line at a point to be decided by the Minister after the survey is completed? Yes, we would be perfectly willing to do it.

774. Are you asking for these concessions in your Bill on the assumption that the line would be 100 miles in length, or perhaps longer? On the assumption that it would be 100 miles.

775. From Mount Pelion to the West Coast, according to the information you have received, do you think it would be a costly thing to construct a line of railway in that country? Yes, it would be at that part. We reckon it would cost half a million of money to construct 100 miles of it. It would cost a lot of money on the 3 ft. 6 in. gauge.

776. So far that is correct as a rough estimate? Yes, as a rough estimate. It might be more. That is given by an expert. We worked it out for the Committee; but until the line is surveyed it would be difficult to say.

777. Would the construction of this line be a great advantage to the country? Yes, especially to the North.

778. What kind of land is it in the first part of the route? It is agricultural land, with mineral land in the last part.

779. Is there a great traffic between the North and the West Coast? Yes, a great part of the traffic comes from the north.

780. And this line would be a source of profit to the people? Yes, especially to those on the Western line.

781. And it would be a great benefit to the people on the West Coast? Yes.

782. You say your line would go through mineral country when you go into the Western division; are there many valuable mines there that your line would serve? Yes; and in the Lake Dora district mineral discoveries have been made that almost equal Mount Lyell.

783. What other important mines would the line serve? In the Rosebery district it would open communication with several large mines, and it would serve the Rosebery district altogether. There are a number of valuable mines in that locality; then there is Mount Read, the Hercules, the Colebrook district, and others.

784. All in these important districts? Yes.

785. Do you know if there are any mines in that part whose development has been delayed in consequence of want of roads by which to get to the mines? Yes, there are several. The Rosebery mine is waiting now for want of machinery.

786. How long have they been waiting? At least twelve months,—six months for certain.

787. They have no means of getting machinery on to the mine? No, not unless the Emu Bay Line is put through.

788. There are other mines delayed in the same way? Oh, lots of them: the Colebrook for one.

789. Then, if the railway enabled machinery to be put on to these mines, it would be doing good for the Coast? Yes. There are other districts besides those I have mentioned.—the Cutty Sark District, and other mines not nearly so well known, where there are large deposits of low-grade ores. We could assist those districts by taking the line on.

790. Are you largely interested personally in the West Coast? Yes, to a considerable extent.

791. In your business as a mining manager you have a large experience? Yes, I have a large experience as a legal manager and mining agent.

792. You have a large experience of the mines on the West Coast? Yes.

793. You are the legal manager of a considerable number of mines? Yes, including several good ones.

794. You propose to pay a percentage, by way of royalty on the value of the minerals you raise, do you not, $2\frac{1}{2}$ per cent. on the net? Yes, $2\frac{1}{2}$ per cent. on the net.

795. Would it be possible for you to pay $2\frac{1}{2}$ per cent. on the gross? No, we could not attempt it.

796. Why so? Well, it might be many years before the mines started to pay a dividend. It takes years sometimes to open up a mine properly.

797. And during that time would you not raise sufficient to pay the expenses of the mine. Would it not be fair on the gross? No, it would not be fair, indeed.

798. And, therefore, you prefer to put it on the net? Yes.

799. And you propose to pay on the net? Yes. Even the Mount Bischoff Mine was four or five years before they could pay a dividend. They spent a lot of money, and raised a lot of ore, before they could pay a dividend.

800. As to water power, I see you ask for exactly the same concessions as the Great Western Company have had conceded to them. What is it you propose to do with the water? We require the water to generate electricity for working our ore-reduction works, and for other purposes. They propose to put up more than one ore-reduction works at deep water,—possibly at Devonport. That would be the nearest port for deep water. That will be more a matter for our expert when he comes out.

801. Or, ore-reduction works might be erected at Launceston? Possibly at Launceston, because we could get the electricity there.

802. Would that be a matter for determination after? Yes, possibly we should not erect ore-reduction works there. We should take the *matte* to Launceston, and separate the copper by the electrolysis system. I am not an expert in these things. It is merely suggested in the correspondence.

803. I see that you propose to apply electric lighting? Yes.

804. In fact, you propose to do all that the Parliament has given the Great Western Railway Company the right to do? Yes, exactly the same.

805. The quantity of water you ask for is 35,000 brake horse-power? Yes.

806. Are you prepared to take a lesser quantity if it can be shown that you do not require so much? Yes, if that can be shown. I think we shall require all that. We shall have to erect several generating stations, and go largely into electrical works. The railway would be worked by electricity, no doubt, but we are prepared to take less if it can be shown that we don't want so much.

807. That is, if you can do with less? Yes, then we will take less. There is any quantity of water, and no danger of our interfering with anybody's rights. On one lake alone we could get any quantity up to 10,000 brake horse-power. That is in the Dora district.

808. Is there a great amount of water going to waste on the West Coast? Yes.

809. If you take the water you ask for would that appreciably interfere with the quantity of water on the line of route? No, it would be all put back into the rivers again. We only take it for a certain distance, the same as in mining. You take the water out, use it, and send it into the rivers again. People do the same thing who are above you.

810. *By Mr. Smith.*—Section 170, page 46, gives power to the Minister to withdraw from selection under the Crown Lands Act and the Mining Acts for a period of two years from the passing of this Bill mineral and other lands. Do you think that such a power as that is necessary? Well, we thought it necessary when we put it in the Bill, still there is no objection to its being modified if it is thought desirable.

811. When I tell you that Mr. Back has recommended that no such withdrawal of lands be recommended by this Committee till after a survey is completed, and that then this enormous power be safeguarded because a large portion of agricultural land would be locked up, what do you say? Have you given this section personal attention? No, I can't say I have, but there would be no objection to that on our part. That is, that the land should not be withdrawn until the survey is completed.

812. You have no objection to such a modification as that to meet the views of Mr. Back? No objection whatever. Of course the survey will be proceeded with almost immediately. That would at once meet Mr. Back's objection. I might mention that one of the principals will be leaving London early in January. He will leave London on the 6th or 7th January, so that as soon as he comes out here, if we get the Bill through Parliament, the survey will be commenced as soon as it can be put in hand.

813. In clause 52 the charge for which electricity may be supplied is just double the English cost? Yes.

814. Is there any particular reason why it is so? No reason that I know of. Of course it is more expensive to generate electricity here, and then that is the maximum charge. They would not probably make that charge. I think the usual price is about 6d. per unit. I know that is the price we charge in Launceston, and I think it is the same in London.

815. In regard to section 83, as to marking of the land grants, it was pointed out by Mr. Back that these blocks could be taken in various shapes, so that they might be taken anywhere without reference to the railway? I may mention that I was here when Mr. Back explained his view, but he is quite under a misapprehension. The intention is that the land is to be taken in alternate blocks in the same way as the Great Western Railway has been given the right to take it, no more. Mr. Back described it as though it were to be taken in narrow blocks? That is not so.

816. Then, you take it in square alternate blocks? Yes, in square alternate blocks.

817. Then, in drafting the Bill you are following closely on the lines of the Great Western Railway Bill, and you have no report of directors' or experts' evidence to show where it differs. The requirements of your Bill would not differ from the Great Western Company's Bill? No.

818. You framed your Bill on the idea of what you required, and it is subject to such modifications as may be approved? Yes.

819. *By Mr. Mackenzie.*—If you get this Bill you say you will go on at once? Yes, almost immediately.

820. You say Mr. McDonald, the manager of the Rosebery mine, went through the country and gave a favourable report? Yes.

821. Is he an engineer? No, he is a mining manager. He was selected on account of his knowledge of the district.

822. Have you had any surveyor on the track? No, I have not.

823. You know Mr. Stewart made a railway survey there? Yes.

824. Do you know why he did not continue that survey? No, but I am under the impression that the Government stopped him.

825. You did not hear that he stopped because it was impossible to go any further in such country? No; I don't think that is the case, Mr. Mackenzie. Here is a letter from Mr. Stewart, who is now in London. In his report he gives the distances—he does not mention why he discontinued, or anything.

826. I think you say a 3 ft. 6 in. gauge line was surveyed from Mole Creek to Pelion—do you think it would be well to carry your railway on the 3 ft. 6 in. gauge to that point? Yes.

827. You said you would be willing to have the Bill altered so as to decrease the area of the land concessions? Yes.

828. Do you know what the promoters of the other Bill are asking for in land? They are asking for 50,000 acres, but it is freehold, I think, and they offer to pay a royalty on the gross output of ore.

829. You would, I understand, be willing to submit to a reduction of the water asked for? Yes, if we found that what we ask for interferes with the rights of others.

830. Would you be willing that the water should be taken only from certain rivers in certain parts of the country, and that only a certain quantity should be taken, whether you had 35,000 horse-power or not? Yes, we should be willing to do that; but suppose, now, there were 1200 horse-power of water in a river, you would give us 6000 horse-power for the work at that particular point. It would be no use for us to take 100 head or 50 head, or a quantity on any small scale.

831. You would be willing that the point of intake should be fixed on that scale, although you might have to go much further for the rest of the water? Yes.

832. And you would be willing that the land to be granted should be taken in rectangular blocks, the same as in the case of the Great Western Railway? Yes, the same as is granted to the promoters of the Great Western line, and not as described by Mr. Back: we never had any desire to do that.

833. If this line were built, do you think it would be of any benefit to the Government railways? Yes; I think it would mean a large gain to the Government railways, as everything that came north would pass over their lines.

834. You know that another company have a line proposed further west? Yes, I am aware of that.

835. Would not this line compete with it? Not to any great extent. It takes a different route altogether. Although we might compete for some distance, we open up a new belt of mineral country altogether.

836. *By Mr. Simmons.*—You have been a colonist for some years past, I believe? I am a native.

837. And you therefore take an interest in everything that goes on affecting the interest of the colony? Yes.

838. You regard a line from Mole Creek to the West Coast as likely to serve the best interests of the colony? Yes, I do.

839. Then, if you could get the line constructed for less than you are asking, you would prefer to see such an offer accepted? I would rather they accepted mine—understand I am not trying to get this railway constructed from patriotic motives. If constructed it is in the interests of the country, but I hope to make some money out of it as well.

840. But in the direct interests of the colony you would like to see the line constructed as a colonist, and you would like to see it done with as few concessions, of course, as possible. Suppose another company were willing to construct it on better terms for the colony than you will, you would, as a colonist, and putting your own interests out of the question, you would rather see the other company do it? I doubt very much whether the other syndicate can construct it on the terms of their Bill. They can't do it on the concessions asked for. We do not want the Government to do it, because we know that as a railway it would not pay. It is only by erecting ore-reduction works and by buying and selling ore that it can be done.

841. But if the colony can get the line constructed on the terms of the Great Central Company's Bill it would better for the colony, of course? Well, yes, the colony would not be giving away anything like what we ask for.

842. You proposed to concede something in the way of reduction of the land grants. I presume in your negotiations with the English people you have given them some idea of the proposed concessions. Did they expect you to get those concessions? They are in hopes that I will.

843. Have they indicated to you any minimum that they would accept? No, they have not.

844. Then, if Parliament were to cut down the rights asked for by one half you are not certain that you could float the company? I believe I could, because for this reason,—the West Coast is improving in prospects every day, and has improved very much since I asked for these concessions. It is improving weekly.

845. If you had a less quantity of land than half, could you float the company? I don't suppose I could. I don't think they would attempt it.

846. Do I understand you to say that if Parliament offered less than half the concessions asked for you would not attempt to float it? Well, I would submit it to them, and ask if they were prepared to go on.

847. I understood you to say in your evidence that if you got the Bill through, somebody was prepared to take it up at once? Yes.

848. Have any minimum concessions, so far as the land is concerned, been proposed? No, not that I know of.

849. Then, the basis of your negotiations is that you will get these concessions? That was my suggestion, and on this they would operate.

850. You saw the chance of making some money out of it, and you worked it out on that basis? I have been wanting it for years.

851. You want, separately, concessions for floating the company? Yes.

852. And until the nature of these concessions is known, it is uncertain whether the company can be floated or not? Well, my people are guided by me in all these matters. I believe if the Parliament will give me 250,000 acres of land, and I recommend it to them, that they would go on with the railway.

853. Then, anything less than 250,000 acres would not do; it would be useless? I don't know that it would be useless.

854. Then, until you know for a certainty what you can offer them, there is no certainty that the work will be undertaken? I won't say that. If I recommended it they would do it, I believe.

855. If they got less than the 250,000 acres, you think they would not bother about it? I don't think they would.

856. Now, you told us candidly that your object in taking up the matter was to make something for yourself? Well, I am not doing it purely on patriotic lines.

857. You think if you can benefit the Colony and Robert J. Sadler at the same time, it would be a good thing to do? Yes, certainly.

858. And I presume you would want a fairly substantial remuneration for the trouble you are taking? No, I am always satisfied with a small commission.

859. Now, suppose some people come to the House and offer to construct a railway without any personal remuneration, they could afford to do it with less concessions than you could do it, could they not? If they ask nothing out of it, yes; but there are not very many who would do that. The money I would get would be a flea-bite so far as I am concerned.

860. But you want something substantial for yourself? No, not very much. Of course I want to make a few pounds; but that is a private matter of my own.

861. Is anybody in this colony, excepting yourself, interested in it? Yes.

862. Do you object to mention names? Yes. I have capitalists in Tasmania interested with me in the matter.

863. You would rather not mention names? No, I would rather not.

864. I suppose you have read the Bill of the Great Central Company, have you not? I have not read it all through, but I have read the main clauses.

865. Do you know the particular points of difference between their Bill and your Bill? Yes.

866. Assuming that the Central promoters can float their company on the concessions asked for, what have you to say in regard to the two Bills? I don't think they can.

867. If they can, is not the benefit to the country the same? No, I don't think so. My Bill proposes the erection of ore-reduction works; and if we do that we shall be able to take the ores from the different mines, which will suit the mines and benefit the country as well. Under those conditions, our railway would be more benefit to the country than theirs would be.

868. Then, you propose making a profit out of the ore-reduction works? Of course. That is where we shall make our profit.

869. But you could have the ore-reduction works without the railway? I don't think my people would entertain it.

870. Would it not be possible for ten years to take the ore-reduction works without the railway? Yes, it might, if we could get it in ten years.

871. If these people came along and built the railway, that would assist you to have the ore-reduction works without the railway? They would have a railway that is not to be worked by electricity.

872. The promoters of the Central Company ask for a concession of 50,000 acres of land as against half a million acres asked for by you. You want electricity, and so the Central Company ask for less; also so far as water-rights are concerned. Of the two schemes, don't you think the Central is the most beneficial to the Colony? I do, if they can carry it through—which I doubt.

873. *By the Chairman.*—Do you think it is possible to construct a line between these two points on the concessions asked for by the Central Company? I think it is a hundred chances to one that they won't get it constructed.

874. If you thought Parliament would pass their Bill and that they could get the line constructed within a reasonable time, would you go on with your Bill? No, I would not, certainly.

875. You were asked by Mr. Mackenzie whether Mr. Stewart stopped his survey of the 3 ft. 6 in. gauge line at Mount Pelion on account of the difficulties between there and Mount Zeehan: have you a communication from Mr. Stewart? Yes, I have.

876. Has Mr. Stewart made any arrangement with you on the subject? No, not any arrangement at present.

877. Has he made any general arrangement? Yes, he made an offer to assist us.

878. Has Mr. Stewart offered to make any arrangement with you for the construction of a line between Mole Creek and the West Coast? Yes, he has offered to assist us in London.

879. Has Mr. Stewart in his correspondence ever referred to insuperable difficulties as existing between Mount Pelion and the West Coast? No, never.

880. He has never told you that he stopped his survey in consequence of the difficulties between Mount Pelion and the West Coast? No, never.

881. *By Mr. Smith.*—Were you present here when Mr. Back gave his evidence, when he said that a non-paying syndicate line would be a direct loss to the colony? Yes.

882. In view of that opinion do you still say that the construction of the Great Central Railway would be more beneficial to the colony than your line? No, I do not.

883. Mr. Back said that any line constructed on a mere railway scheme would be a loss to the colony. If this Central line were constructed without ore-reduction works, do you still say it would be better for the colony? No, I think my own line would be the best.

884. When you said, in reply to Mr. Simmons, that possibly the Central line would be the better for the colony if they could carry it through, had you in view Mr. Back's answers yesterday as to losing lines? No, I did not think of Mr. Back's answers.

885. You say your principals are guided by your advice? Yes, I think so, by reports I send to them.

886. If the concessions asked were reduced, and if they commended themselves to you, you would start the survey? Yes, if I considered the concessions sufficient and I recommended them to do it, I believe they would do so.

887. Mr. Simmons asked you if it would be better for you to have the ore-reduction works if the others had the railway? Yes, I think we should have the railway.

888. When you asked for 490,000 acres of land, you asked for a leasehold? Yes.

889. And the Central Company ask for a freehold? Yes.

890. You are not to take up any land in the Western Mining Division? Yes, that is so.

891. The Central Company do not ask in their Bill to restrict themselves so as not to go into the Western Mining Division? I believe not.

892. What is the distinction between a freehold grant and perpetual leasehold?—is there any? Yes, our lease is to be for twenty-five years. We have the power to ask them to renew; but Parliament might come in and might put something in the Bill that would take away some of the special rights we might have under the leasehold.

The Committee adjourned until 2-15.

AFTERNOON SITTING.

WILLIAM HENRY WALLACE, *called and examined.*

893. *By the Chairman.*—Your name? William Henry Wallace.

894. You reside at Hobart? Yes.

895. And what are you? I am Acting Secretary for Mines.

896. As Acting Secretary for Mines, Mr. Wallace, are you acquainted with full information as to the area of land taken up for mining purposes? Yes, I know a great deal of the land taken up, but I can't tell you the area.

897. Well, as regards land at Mount Pelion, was any land taken up there prior to Mr. Innes's survey being made? Yes.

898. Was there much? No, not much,—about 900 acres.

899. Since Mr. Innes's track was surveyed, in the early part of this year, has there been much additional land taken up? About nine additional sections.

900. What is the total number of sections taken up in that locality? About fifteen.

901. What would be the area of each section? About 140 acres.

902. Is that land taken up for working any particular mineral? Yes, coal and shale, and silver, I think.

903. Are there any copper mines on the route between Mole Creek and Zeehan?—are there no lands taken up on that route?—have you looked it up? No, I have not. There may be a few sections, but I have no present knowledge.

904. Coming along from Mount Pelion towards the West Coast, what minerals are there?—is there a considerable quantity of land taken up for mineral purposes? Yes, a very large area.

905. Well, the country is practicable? Yes.

906. To Rosebery? Yes.

907. And for a considerable distance on the east side of Rosebery too? Yes.

908. Has there been a large mineral development in that district in the last two years? Yes.

909. During the last six months have there been important mines developed, such as the Dora Mine and others? Yes.

910. Has your Department been taxed to the utmost to do the work necessary consequent on the mineral development of these districts? Yes, I have been at the office every night till between 10 and 11 o'clock within the last three or four months.

911. Then mining has been very active all through these large and important districts? Yes.

912. The district you speak of includes such mines as the Dora, the Cutty Sark, the Tyndall, the Hercules Reef, and other promising mines? Yes.

913. With all these mines, and all this extensive belt of mineral country, do you think the country would be benefited by the construction of a railway between Mole Creek and the West Coast? Yes, I think so.

The witness withdrew.

CHARLES HENRY GRANT, C.E., *called and examined.*

914. *By the Chairman.*—Your name is Charles Henry Grant? Yes.

915. You reside in Hobart, and you are a Civil Engineer? Yes, I am.

916. You are also a Member of the Upper House of this Colony? I am.

917. Were you the Engineer for the construction of the Main Line Railway between Hobart and Launceston? I was.

918. In what year was that? From 1872 to 1876.

919. And, after the construction of that line, what post did you hold? I was General Manager, &c. until the year 1890.

920. And from 1890? It then merged into the Government Lines,—being taken over by Government. The line was purchased by Government.

921. Now, you have been living in the colony all these years? Yes, continuously.

922. And do you know the West Coast well? Not well. I know Zeehan, Strahan, and Queenstown; but I was never overland between Zeehan and Mole Creek.

923. Have you had frequent conversations with people who have been over the route? Oh yes. I take an interest in all that concerns the colony, and I follow up and read all the descriptions that are given of it. I have read various reports on the route, including Mr. Innes's survey report.

924. And you are competent to form a good general opinion as to the benefit that line would be to the colony as a whole? Yes. I have no doubt if the line were constructed that it would be of benefit to the colony. There is no doubt when any line of railway is constructed anywhere it would be of benefit. It should not be built with Government money: that would alter the circumstances altogether.

925. Do you believe in private syndicates constructing lines of railway, if the Government can't? Undoubtedly I do. I think private syndicates should make the lines. I will go further and say that, in my opinion, private companies should own all the railways.

926. Do you think it would have been a good thing for the colony if the Apsley, the Sorell, and a number of other lines had been built by private syndicates? Undoubtedly, yes. Take them all through, they do not pay interest on capital cost. No doubt it would have been better if they were worked and operated by private companies, with reasonable facilities for the public traffic.

927. So long as facilities are given for public traffic and for the carriage of goods, does it make any difference to the country whether the lines be Government or syndicate lines? Oh, a great deal of difference. It would be much more beneficial to the colony, from a financial point of view, that the lines should be paid for by outside capital, rather than the colony investing its own capital at unremunerative rates.

928. Some of the lines have paid interest on the capital. Assuming that, do you consider it would be better for the colony that the railways should be owned by private syndicates instead of Government because it leads to foreign money being invested in the colony, and if made by Government money the colony has to pay the interest? The money comes from abroad in any case, therefore if the lines paid full interest on the capital cost, I think it would matter very little whether the colony borrowed the amount, or private companies. But they don't as they stand pay a quarter of the interest on the capital invested. I think it would have been a grand thing for the colony if all our railways had been made by private enterprise, provided that reasonable facilities had been secured for all traffic.

929. In any case the money to build them would come from abroad? Yes, in any case.

930. The difference is this. If the Crown gets the money from abroad it has to pay the interest out of its own pocket, but if the money comes from abroad for private companies, then the syndicates pay? Companies would be the best term to use. It is scarcely right to use the term syndicates. The syndicate is only the initiatory stage of a company.

931. In any case the money comes from abroad? Yes, undoubtedly.

932. And, as the money comes from abroad, it would be better that private companies should fetch it than that the Government should do it? Yes.

933. We have had the evidence of the General Manager of Railways, and he believes in all railway lines being owned by the Government. Do you believe in his view? No, I never did. I have always

held exactly the contrary opinion in regard to nearly all the lines all over Australia, Canada, and the other colonies.

934. Have you a good knowledge of most of the lines in the other colonies? Yes, I have a pretty good knowledge of all of them.

935. Do you think it would be better if the lines in the colonies all through were owned and worked by private companies? Very much better I may say. No doubt the Governments are under disadvantages in many respects. All the lines of railway are imposed on to an extent that private companies are not. Government can't make the best use of the system, as would be the case if the lines were in the hands of private companies.

936. How do you explain that? Well, you all know the facilities which the Governments all over the colonies are required to give for free travelling. For instance, we travel all over the colonies on these little Parliamentary gold medals, which are not paid for. I consider it is most unreasonable that we should travel free from here to the Gulf of Carpentaria if we like, without payment.

937. I thought it was to Members of Parliament only that it was limited? No doubt this free-pass system is abused to an extent that would never be allowed on private lines. This is largely in consequence of the railways being Government lines, and owing to that fact there is more free travelling than there otherwise would be. It is fearful on the mainland. It is not at all unusual there to find two-thirds of a train marked "engaged," with perhaps only one person in each carriage. In consequence of this you have to run a double amount of rolling-stock. If the lines were in the hands of companies they would do their best to make them pay.

938. There are other matters also that they would not tolerate if the line was built by a company? Yes, there are bound to be.

939. You think there are so many concessions that they should be in the hands of the Government of the day, or of the Minister? No, only the Minister, but the Government of the day all want to have a hand in regard to the railways.

940. As I understand you, there would be more people pay if the lines were owned by companies. Other people are carried in addition to members of Parliament free. Is there a large number of dead-heads? A great many.

941. Who are they—besides members—officers of volunteers, and of public and charitable institutions, I suppose, chaplains of the Forces and many others? Yes; the matter was referred to yesterday in the Legislative Council, and it was contended that all public institutions should be allowed the privilege of the railways free; it was only a matter of book-keeping, and that it was wrong they should pay fares.

942. Yes, and if you notice a motion is on the paper in the House of Assembly now, that to celebrate the Queen's Jubilee year the State-school teachers should have a free pass for their Christmas holidays? Yes, you always meet that kind of thing. The State-school teachers are always anxious to obtain concessions.

943. Would any such concessions be given by a public company? Certainly not.

944. A public company would conduct its business on business lines? Certainly; railways are commercial speculations, and their system should be to run on business lines for profit.

945. If a line like this were made to the West Coast by the Government without ore-reduction works, would it be likely to pay on the goods and passenger traffic? There would not be the remotest possibility of it for many years to come.

946. And if a company were to build a railway on these lines, ought they to get concessions? Undoubtedly. They would not be likely to do it without.

947. The promoter in this case intends going in for ore-reduction works and for electric lighting and power and other things, and in consideration of his constructing the railway and erecting the works he wants considerable concessions in the shape of grants of land and water rights. Do you think if he builds such a line and erects such works, that he should get these concessions? If the railway be required, that is, if there be any excuse for a railway from Mole Creek to the West Coast, I think any company coming in to build it would be entitled to receive considerable advantages from the colony.

948. If it be required from Mole Creek to Mount Pelion a distance of 47 miles 3 chains, do you know that a railway survey for such a line was made in 1891? I remember something of it. Has it not since been traversed by Mr. Innes?

949. Not exactly. We are informed he has gone along the hills to find a track. Mr. Stewart's line runs through the valleys at a much lower level. What is your opinion as to what the gauge should be on that line? I can't say without further particulars.

950. Supposing the line starts from Mole Creek and goes to a point on the West Coast, or to a point in the Western mining division to be fixed by the Minister, and to connect with the Government line in the Western division, should the line be made on the 3 ft. 6 in. gauge from Mole Creek as far as it could go, so long as it did not entail an enormous expenditure. Should the line be carried on at that gauge till it reaches a point which is called the neutral axis point, and from that point should it be made on any other gauge. A 3 ft. 6 in. gauge line right through would be very expensive, and would not be constructed excepting at a prohibitive cost? As a principle, it would be well to have any line on the 3 ft. 6 in. gauge if you could. I have not seen Mr. Stewart's report, but if you can get an easy track on for about 47 or 48 miles, if you can get an easy line, then it would be advantageous of course that the 3 ft. 6 in. gauge should be extended for that distance, because in the event of any other part of the line being given up, the 3 ft. 6 in. line would become a part of the Government system, and would enhance its value owing to the agricultural district that it would pass through. When you get beyond that the character of the line would depend on the survey. It would be well to get the 3 ft. 6 in. gauge all through if you could. I don't advocate the 2 ft. gauge if you can get the 3 ft. 6 in. gauge. The one is somewhat of a toy, while the other is a substantial railway.

951. Then, you would recommend that the 3 ft. 6 in. gauge should be carried as far as we possibly could without going to an enormous expenditure? Yes; it would not be reasonable to ask the company to go to an enormous expenditure. Under some circumstances it might be better to make the 2 ft. line first of all, and afterwards make it a 3 ft. 6 in. when it would be found to pay.

952. The gauge of the Deloraine line to Mole Creek is 3 ft. 6 in., is it not? Yes.

953. And you would continue that as far as you could? Yes, as far as you reasonably could.

954. If the Colony constructed that line, and did not go in for mining and the reduction of ore, would it be possible to make such a line pay? I really could not form an opinion on that.

955. If these other works could be carried on as at present proposed it would be more likely to pay than if the Government made it and went in for traffic only? The making this a Government line is a preposterous idea.

956. Then you would let a private company make it? Certainly I should, and I should be obliged to them for making it.

957. Would you make them go to the expense, first and foremost, of making a survey? That, of course, is the ordinary principle of commencing the making of a railway in England. In most countries the Parliamentary bodies won't do anything without a survey is submitted to them.

958. Is that the practice suitable for Tasmania? Well, the Main Line Company had a preliminary survey—that was made for the colony by Messrs. Doyne, Major, and Willett.

959. Have the Great Western Company made a survey for their line? No; they made no pretence of the sort before asking for their Bill.

960. Have the Emu Bay Company made a survey? Well, it was partly foreign country to them, but so far as I know there was no survey.

961. Then, the practice in Tasmania is that the Bills are passed before a survey is made? There has been scarcely enough done to establish a practice, but concessions have been given to companies without a survey.

962. Well now, you know the country between Mount Pelion and the West Coast—is that an unexplored country? I would not say it is unexplored, but it is a rough country, and very little known.

963. And between Mt. Pelion and Mole Creek—that is a better country? Oh yes, there is a good deal of settlement on that line.

964. Then, if this railway line were constructed by the promoter to the West Coast on the 3 ft. 6 in. gauge for part of the distance, and on the 2 feet gauge on the other part of the distance, how much in the way of land concessions would you think it right to give for every mile on the 3 ft. 6 in. gauge?—how much land? Well, the real question is, how much do they ask?

965. How much do you think would be fair in consideration of the promoter making the line?—do you know what the Great Western people got? 490,000 acres, I think it was: you see you don't know the mileage yet.

966. It was estimated by Mr Russell Young before the Select Committee that it would be about 100 miles long? I don't know that, but it must be more than 100 miles. Of course the mileage must be more than 100 miles from Glenora to Zeehan.

967. That is what Mr. Russell Young said. Further on it is stated that they would take the length of the line at 100 miles and would not ask for any grant on account of increased length. They first asked for 640,000 acres altogether, but they were cut down to 490,000 acres? That is equal to 4900 acres to the mile.

968. And what is the gauge? It is the 3ft. 6in. gauge as proposed.

969. Can you give us an idea of the number of acres on the 3ft. 6in. gauge that would be fair for making this line. What would be a fair thing to take? Well, if Parliament has already given 4900 acres per mile, I suppose that would be fair. Parliament would not likely be over generous.

970. I suppose Parliament did what they thought was fair; No doubt. There are of course two parties to a bargain, and I presume the other side thought it fair too. That would be a fair appreciation of the proportion of land to the mile of railway.

971. Now, if the line were on the 2ft. gauge, what would be a fair number of acres per mile of railway? Ordinarily it might be said to be about one half, but looking to your specification in the schedule to the Bill, that is, for a 3ft. 6in. gauge, and you bind yourselves to apply it to a 2ft. gauge line. If you apply that specification you should be entitled to a far larger amount of acres than you otherwise would. I should say 3000 acres per mile would be proportionately a fair thing for the promoter.

972. In that estimate, you base it on the very strict specification that the promoter has put down for the construction of the railway? Yes, it is absurdly strict for such a line.

973. Have you looked through the Great Western Company's Bill? I did at the time. The specification is similar, but it is for a 3ft. 6in. gauge line, and they purposely made it as strict as it could possibly be made.

974. Then all the strict conditions laid down by Mr Back for the Great Western Company's line have not been altered here? The only alteration I observe is to alter the figures of the gauge, and leave the conditions as they are. They are absurdly strict conditions for such a line.

975. If the railway should be subsequently one of 3ft. 6in. gauge? The specification would, I think, be considered unique for a 2 ft. gauge line.

976. And you think if the promoter builds the railway on such specification as that, he would be equitably entitled to a grant of 3000 acres per mile? Yes, taking it roughly, it should be worth 3000 acres per mile.

977. Do you know that the Great Western Company's Bill was very fully discussed in Parliament: it was discussed from every possible point of view, and there was a long stonewalling over the Bill? Yes, I believe so.

978. And from those circumstances do you think that any concessions which Parliament then gave should be considered fair ones as between the colony and the company, having been so well discussed and thoroughly ventilated? Yes, I think so; and if the colony get it on the terms of that Bill it will be a fair bargain, I think, between the colony on the one side and the company on the other.

979. Now take the water powers. 35,000 brake horse-power is asked for: do you think that fair? I would feel inclined to give them anything they asked for. There is abundance of water power; and I think any company should be allowed to take any water they may reasonably demand for actual use.

The Committee adjourned.

WEDNESDAY, DECEMBER 8, 1897.

CHARLES HENRY GRANT, C.E., *further examined.*

980. *By the Chairman.*—Do you think if the promoter of this Bill asked for a grant of 50,000 acres of land only, would he have any show of getting capitalists to undertake this line? My individual opinion is that he would not have the slightest show. There is nothing in the traffic of the country to warrant the construction of the line unless it be heavily subsidised.

981. And 50,000 acres would not be nearly sufficient? No; Oh dear no! It is an absurdly small quantity to ask for.

982. But if the promoter asked for 4900 acres for every mile of 3 ft. 6 in. railway he constructs, and 3000 acres for every mile of 2 ft. gauge he constructs, do you think that would be a reasonable thing? Yes, I think so, if you are to have a land grant railway at all. The specification submitted by this Midland Company is an absurd one in every respect. You are offering a great deal more than any tramway through such a district should consist of.

983. You regard the specification as far too stringent? Yes; I think it might be very much modified. The allotment of land proposed I regard to be in reasonable proportion, and that the public will not suffer in that respect, but rather gain.

984. Can you give us any idea as to what extent you would reduce the grant of land if the specification were modified? No; I have not looked at it proportionately at all, but only in general terms. The specification is not consistent at all with the reasonable character of a line through such a district.

985. *By Mr. Machenzie.*—You are aware of the concessions given to the Emu Bay Company? Yes.

986. Do you know what they were? I can't carry them in my mind; the land concessions were comparatively small, but the line was constructed under entirely different circumstances; it runs along a known mineral zone which is the backbone of the colony, and the temptation to make such a line is infinitely greater than if it went through agricultural land.

987. Do you know the proposed line? Only by repute, and reading the reports.

988. Does that lead you to speak of agricultural country? The first part of it is an agricultural country.

989. Does it pass through mineral country as well? That is somewhat indefinite as regards the report. The principal feature is that it is coal-bearing; that is, as a test, of very little value. I don't think anyone would put much money into a railway to find a coal-field.

990. Is there not a good deal of coal wanted in a mining district? Undoubtedly.

991. Would not a market be great for a coal-field if in a reasonable district? If in a marketable field it would be of value; but the value would be comparatively small in a mineral field.

992. Of course, in granting a large area of ground to a company, you would not suppose all the land to be of value? No, very little of it.

993. Suppose in a 50-acre block you found another Mount Lyell or a Bischoff, would that be sufficient inducement for making a railway? I can't say.

994. Suppose the promoter knows that there is in the land asked for a Mount Lyell or a Bischoff, would that be sufficient inducement for him to go on? Practically, no. Good as they were, both Mount Lyell and Mount Bischoff took time to develop. Mount Lyell was ten years before it became of any great value, and Mount Bischoff was four or five years; and they had a large overdraft before they got any return.

995. The development on this line, in the vicinity of the mineral discoveries, is practically as good as at Mount Lyell, if we are to believe the reports? I can't say I entirely believe them. You know, and we know, that there are good shows there, but they are of poor ore.

996. You are in favour of syndicates? I am in favour of anyone else building such lines instead of the colony, in consequence of the unprofitable character of such lines.

997. You think the colony would not gain if it made the lines, but the public would reap the advantage if made by a syndicate? Just so, if made by a company.

998. Supposing this line were built in conjunction with the Government railways, would it be likely to benefit them? Certainly. The Government railways would, I think, get the most benefit out of it. The Mole Creek Line, so far, has never paid expenses; but, if this line were made, it would probably pay.

999. The land immediately around Mole Creek is good agricultural land? So I gather from the reports.

1000. Do you know the altitude? No. I gather from Mr. Innes's report that it is gradually rising country. The extreme altitude is not very great.

1001. Do you gather from the reports that there is still agricultural land open for settlement? Yes, I gather that there is good agricultural land beyond present settlement.

1002. *By Mr. Simmons.*—What is the gauge of the Emu Bay line? It is 3 ft. 6 in.

1003. Do you know much as to the relative expense of constructing railways on the 3 ft. 6 in. and the 2 ft. gauges? Yes, I have had experience of both.

1004. Do you know what the average cost of the construction of a 3 ft. 6 in. gauge line is at the present time? Speaking roughly, I should say an average of about £6000 a mile. That is a general estimate.

1005. Did you hear it reported that Mr. Back has said that he put the average cost of a 3 ft. 6 in. gauge line from Rosebery to Strahan at about £8400 a mile? Yes, but when speaking of an average of £6000 a mile I referred to the Main Line Railway to base it on.

1006. Do you know what was the average cost of the Main Line? Well, the cost was £1,050,000: divided by 122, you might put it at about £9000 per mile roughly.

1007. And the Sorell line? That is not a difficult line, although there are a lot of bridges.

1008. That might take £8400 a mile? I should think that would be the extreme.

1009. You have read the Great Midland Company's Bill, and know it provides for a gauge of 2 ft.? Yes.

1010. Do you know what was the cost of the North-East Dundas line? Yes, so far on an average it varies from £1200 to £3200 a mile.

1011. I suppose we might take the average at about £2400? Probably so; I can't say exactly.

1012. Do you know what the gauge of the Great Western Railway was? Yes, 3 ft. 6 in., as proposed by the Bill.

1013. Would it be a fair comparison to take the land grants made to the Western Railway as against the land grants of the 2 ft. gauge line of the Great Midland people—would it be a fair way to get a comparison? If it were the same gauge I should think so. I don't know that the conditions would be different.

1014. Can you give us shortly the relative cost between the construction of a 2 ft. gauge line, such as that of the Midland Company, and a railway with a 3 ft. 6 in. gauge—would it cost twice or three times as much? I should say it would cost rather more than twice as much on a reasonable specification. A 2 ft. tramway, with a reasonable specification, would not cost more than a third less than a 3 ft. 6 in. gauge line would cost.

1015. Suppose the Midland Committee reduced considerably the specification as printed at the end of the Bill, the cost would be about a third less than a 3 ft. 6 in. gauge line? Yes, on a reasonable specification the cost of a 2 ft. tramway, in comparison with a well constructed Government 3 ft. 6 in. gauge line, would be about one-third only.

1016. You recollect the concessions to be given. In reference to the land, would you not have regard to the nature of the country, and the nature of the land to be given, in deciding the quantity? Certainly.

1017. Assuming that the land along this route is good agricultural land, would not that make a difference in your opinion? In my opinion it would, but I don't know that it would from a public point of view. I should value the agricultural land more, but the public are often tempted more by the chances of mineral land.

1018. So far as the railway company is concerned, the only question would be the value of the land per acre, would it not? That would depend upon the question of mineral rights. Most companies want a royalty on the minerals, so that they may have more than an interest in acreage; they have an interest in the royalties.

1019. Keep to the agricultural land—would it not be better for a company to have concessions of good agricultural land—would that not be better than the chances of the mineral land? I don't know that it would be with the public: on principle I would certainly prefer good agricultural land, but probably the public would prefer the chances of the mineral land.

1020. I understand you to say that a grant of 50,000 acres would not pay the Midland Company to construct this railway—that they could not float the company on that: would it make a difference if the 50,000 acres were granted where good agricultural land was obtainable? Undoubtedly it would; 50,000 acres of picked good agricultural land would be a great item.

1021. I suppose you have read both Bills? Yes, generally.

1022. Have you considered the Bill of the Great Central and West Coast Railway Company sufficiently to know the difference in the concessions asked for? I have.

1023. The Great Central Company ask for 50,000 acres of freehold land, and the Great Midland Company want leasehold land to the extent of 490,000 acres. The Midland Company want water rights to the extent of 35,000 brake horse-power, and the Central Company to the extent of 15,000 brake horse-power. The Central Company offer to pay $2\frac{1}{2}$ per cent. royalty on all minerals raised, while the Midland want to pay the same royalty on the net quantity of ore raised. Taking into consideration the fact that the Central Company can make the railway, which would be the best for the colony? I should say that the Central Company's offer was very much the best.

1024. In considering the amount of the concessions to be given to the companies, Mr. Sadler, who promotes the Midland Bill, would naturally expect to receive something substantial for himself? Yes; as a rule commercial men are not purely patriots.

1025. The Central Company say that if their Bill is passed by the House, that they desire only to be recouped expenses, and will be content with any indirect profit they obtain—under those circumstances, would they not be able to float their Bill on better terms than Mr. Sadler? I am afraid that involves such a complex problem that I would not like to give an opinion.

1026. Would not Mr. Sadler require more on flotation if he wanted to get something for himself? Naturally he would.

1027. *By Mr. Smith.*—You say you have read both Bills? Yes, generally.

1028. Do you think the concessions in the Central Bill sufficient to induce capitalists to go in to make the railway? I don't think for one moment that they are.

1029. Then it is not a practicable scheme? Not financially.

1030. Do you think for practical purposes it would make any difference in making the railway pay if local people were in it—would a local company make any difference? I would rather see a foreign company do it.

1031. You don't think the fact of local residents having a large interest would make any difference? I don't think so. I think they should save the money to spend in the railway district.

1032. It is now the understanding that Mr. Sadler's line will be constructed on a gauge of 3 ft. 6 in., at least for part of the route. Would it make any difference in your opinion of the two lines? The question is so dubious I can scarcely say. I understand the Central Company wants the alternative of making a 3 ft. 6 in. line, and the other wants the alternative to make as much as they want of that gauge,—so much on one gauge and so much on the other.

1033. We now understand that Mr. Sadler is willing to make his line on the 3 ft. 6 in. gauge as far as practicable, and to carry it on, where that is not possible, on the 2 ft. gauge? I understand so.

1034. Do you think the fact of a foreign company going in for the treatment of ores would be of benefit to the community? Yes, I think if a foreign company would do that it would be a distinct recommendation.

1035. *By the Chairman.*—You think that the larger the amount of foreign capital brought in, so much the better for the colony? Yes, within reasonable limits and on proper grounds. I would not like to see the good name of the colony discredited by the action of a foreign company, or that we should seek for capital, or raise it by improper practices; but where these companies come in with their eyes open, I do not see but that it would be for the benefit of the country.

1036. Suppose that one company's Bill is for a railway only, and does not require so much capital, and the other company wants to construct the line, and wants also to go in for large ore-reduction works, and a much larger capital than the first, which would be the best for the country? I should prefer the larger capital and the ore-reduction works.

1037. If the Tasmanian Central Railway people agree to pay a royalty of $2\frac{1}{2}$ per cent. on the gross value of all the minerals raised by them, and if they then take up 50,000 acres of agricultural land, would there be any royalty to pay? I don't know whether there would, unless they happened to find minerals on their agricultural land.

1038. You have been asked about Mr. Sadler wanting to make money out of his scheme: would that have any effect on the country, or would the other scheme be better for the country if they got no profit? Have you ever heard of promoters constructing a railway from purely patriotic purposes? I can't call to mind a single instance of the kind, nor do I think it would be a wise thing to do.

1039. Now, if the Tasmanian Central people went on to London and told the capitalists there that they did not want to make any profit out of the scheme, but that they were public benefactors, would that be likely to induce capitalists to put money into it, or would it have an opposite effect? It might be a recommendation with some men, who would argue that they would have so much more money practically to use. Instead of having to share it with Mr. Sadler, they would have more for themselves.

1040. Well, would it be a recommendation to the scheme, or would it induce the capitalists to say that it was no good? I am afraid it would make capitalists very suspicious and doubtful of the *bona fides*.

1041. If the promoters of the Central were to take up their whole 50,000 acres in good agricultural land, would that make a difference, in your opinion: would there be any likelihood of the capital being subscribed for the construction of the line. I ask if you think the concession of 50,000 acres would be sufficient to induce capitalists to find the money for a 3 ft. 6 in. line? No, indeed; however good the land was.

1042. What if the syndicate were going to construct it on a 2 ft. gauge? It might be on a reasonable specification, that is, if it were really good agricultural land.

1043. If it were good agricultural land, should it be in one block or in patches here and there all over the country or all over the line? Well, if I had the selection of it, I should like to get the river bottoms everywhere. If you pick it out on the hills it is rarely of any value. I should select the bottoms near the rivers or streams.

1044. *By Mr. Mackenzie.*—Looking at it from a colonists' point of view, would the colony be injured if in time these syndicates found that their lines did not pay? In that case if they ceased to work the line I presume it would revert to the Crown.

1045. Yes, but would the colony suffer? No, I think it would gain by the development of the land. In all cases I think the Government gain by the opening up of the country in every way.

1046. Is there anything else you wish to say? No, I think not. I don't regard either scheme as being within the limits of practical railway construction. The Midland scheme, I think, offers the greatest chance of having the railway. If it has to be constructed, I am of opinion that it should be constructed by a private company rather than the Government. The Government railways are altogether unsatisfactory, financially considered. Where lines are being worked apparently at a small profit, no sums are being allowed for depreciation which is being continually added to the liabilities of the colony. The accounts presented do not represent the loss to the colony on the working of our railway system.

1047. Do you consider this railway advisable for the purpose of opening up the country between Mole Creek and the West Coast? If you can get it constructed by foreign capital I think it is advisable.

1048. And of the two schemes you think the Midland has the greatest chance of constructing the line? Yes, as a financial scheme.

The witness withdrew.

EDWARD ALBERT COUNSEL, called and examined.

1049. *By the Chairman.*—What is your name? Edward Albert Counsel.

1050. And you are Surveyor-General and Secretary for Lands? Yes.

1051. Do you know the character of the country between Mole Creek and the West Coast? Yes, in a general way. I have been through portions of it, and in positions where I could see the conditions of the country.

1052. Is the land between the two points of the line of any value to the country at present? Not in between Mole Creek district and the mining fields.

1053. Is that because it is not opened up? Yes, because there is no means of access to it.

1054. Would a railway going there in that direction be of benefit to the Colony in opening up the land? Yes, considerable. It would bring land which is now practically worthless into useful operation.

1055. If concessions of land were granted to the promoter for the construction of this line, and the land were taken in alternate blocks along the railway, would the promoter be doing as much benefit to the country as to himself? Well, I could hardly say that, but he would benefit the country very materially.

1056. Do you know that it has been proposed by Mr. Back or by Mr. McCormick that this railway between Mole Creek and the West Coast should be constructed on the 3 ft. 6 in. gauge as far as practicable, that is, as far as what is called the mutual point, and when they reach the point where a 3 ft. 3 in. gauge

line could not be constructed except at a prohibitive cost, that then the 2ft. gauge should be constructed where no other line is suitable on to the West Coast: what would you say would be a fair concession in the shape of land grants for a line partly 3ft. 6in. and partly 2ft. gauge? I think, in the first place, that a 2ft. line should not be constructed through such a length of country. If it is impracticable to construct the line on a broader gauge, then I think the 3ft. 6in. should be constructed to a point where the gauge must necessarily be changed. That would make a difference in the area of land to be granted, of course. If the country is practicable, I certainly think nothing less than a 3ft. 6in. line ought to be constructed. If the area granted as to the two lines is to be proportional, I should think for the 3ft. 6in. gauge an area of 3500 acres per mile in alternate blocks would be fair, and for the 2ft. gauge an area of 2500 acres per mile, between a line drawn north and south between Mole Creek and the West Coast mining division.

1057. You would prohibit the promoters from taking land in the Western mining division? Yes.

1058. Do you consider the promoters ought to get the concession that you suggest for the construction of the line, and would that be fair and reasonable? I think so. That is, a lease of the land as suggested in the Bill.

1059. Now, in regard to the water supply. You are aware that the promoter asks in the Bill for the right to take 35,000 brake-horse power? Yes.

1060. Do you know whether there is a large water supply along the line of route? Yes, there is a very good water supply through all that country.

1061. Could a grant of so much water be allowed to the promoter without any appreciable damage to the rights of the community? Yes, I think so, provided that in no instance is more than fifty per cent. of the water taken from any stream or water course.

1062. Is the rainfall considerable on the West Coast? Yes, through all the country to be traversed.

1063. Then you do not consider a grant of water sufficient to produce 35,000 brake-horse power unreasonable? No.

1064. Well now, what about the question of a per-centage or royalty on the minerals raised. The promoter proposes to pay to the Government $2\frac{1}{2}$ per cent. on the net. Do you consider that a fair royalty to pay? I think so.

1065. In your opinion is it fairer to the promoter to pay a per-centage on the net than on the gross? It would be fairer to the promoter on the net.

1066. And you recommend that he pay on the net rather than on the gross? Yes.

1067. Do you think it would be more beneficial to the colony to make the promoter pay on the net rather than on the gross,—would it be likely to discourage mining if people had to pay royalty where they would not get any profit? Yes, it might to some extent.

1068. Then, for the purpose of encouraging mining, do you consider it would be better for the colony that the promoter should pay on the net rather than on the gross? Yes, I think it is fair to the State and reasonable to the promoter. I think a per-centage on the net is fair.

1069. Then, as to the land between Mole Creek and the Western mining division, is it of any value at the present time, and to what extent? A very small extent of it.

1070. What per-centage of the land do you think is of any value at the present time? I should think about 5000 acres of it is occupied by landed proprietors at the present time. I am not sure—I think it is something like that.

1071. *By Mr. Mackenzie.*—You mean 5000 acres of agricultural land? No, pastoral land.

1072. How far from Mole Creek, or how far from this Western division where the company is to select its land have you been? I have been towards the head of the Mersey, a distance of about 15 miles; and I have been on the other side as far as Middlesex Plains.

1073. And the pastoral country would be about 5000 acres? That has been occupied.

1074. Do you know the altitude? Yes, between 2500 and 3000 feet.

1075. Can that land be used all the year through for pastoral purposes, say in the winter time? It is merely used for cattle at that altitude, but there is nothing that should prevent its being used for sheep also.

1076. In granting this land to the company, how would you propose to give it to them—in what shaped blocks? I should say in rectangular shaped blocks, and areas of 10,000 acres.

1077. Then, your idea of the pastoral and agricultural land in that district is very much less than what they are asking for, about 5000 out of 50,000 acres? I don't think it is sufficient for any concessions. I don't think 50,000 acres is a sufficient concession.

1078. The Midland Company are asking for 490,000 acres, and you don't think there are more than 5000 acres fit for pastoral purposes? I don't want to convey the idea that the 5000 acres occupied is the only land. There is country that might be occupied besides.

1079. What I want to know is, what pastoral country there is available that you know of? There are from 20,000 to 30,000 acres, I should think, still unoccupied.

1080. Is there any good country on the western side beyond the fall of the central plateau? There is some good land, but it is no use for pastoral purposes in its present rough state.

1081. The majority of the country is about 2000 feet, is it not? Yes, between 2000 and 3000 feet across the plateau.

1082. *By Mr. Hall.*—You stated that you thought it would be better for this company to pay royalty on the net rather than on the gross. Can you name any instance in any part of the Australian colonies or any part of the world where they pay royalty on the net? No, I don't know of any case. I have not looked up any case. It is the general principle I go on.

1083. Yes, but don't you think a difficulty would arise in ascertaining the net value of the ore that would not arise if they paid on the gross value—it would be necessary, for instance, to get the smelting returns and the returns of shipping charges. Would it not be better for the Government and the Colony to accept a lower royalty on the gross rather than $2\frac{1}{2}$ per cent. on the net? The point you raise might be a difficult one were the ore shipped away. Of course I don't look on it as important so long as the average or per-centage is made reasonable. It would be some advantage to the country and the promoters if the per-centage were first regulated.

1084. You are aware that the Emu Bay Company, formerly known as the Waratah-Zeehan Company, have agreed to pay on the gross $2\frac{1}{2}$ per cent. ? Yes.

1085. You are aware that this company or syndicate is applying for 490,000 acres of land: do you think that area is too large in that country? Yes, it is rather large; I think it is the same area as is granted to the Great Western Company, but of course the cases are not analagous. The proposals are on different lines altogether. I understand that these questions are generally answered in connection with the proposals in the Bill. That is an important point.

1086. *By Mr. Simmons.*—You say the cases are different as between the Great Western Company and the proposals in this Bill. Why? In this case it is proposed to connect a large producing part of the country with a mining centre. That is not the case in the Great Western Bill. This is a better country to pass through so far as production is concerned—better in every way.

1087. Is there any difference in the cost of the two lines? Yes, this one is shorter than the Great Western line, 40 miles shorter, I think.

1088. Do you know the gauge of the Great Western Company? Yes, 3 feet 6 inches.

1089. And of this one? Two feet, according to the Bill.

1090. And do you think this a line passing through a better class of country? Yes.

1091. Do you know the country personally? I have been through a great deal of it.

1092. Do you know what the gauge of the Emu Bay line is? Yes 3 feet 6 inches.

1093. What concessions did they obtain, I mean what land? 3840 acres.

1094. For what length of line? I suppose about 45 miles. That is what is estimated.

1095. You have read, I suppose, the Tasmanian Great Central Bill now before the House? Yes.

1096. And you have noticed the chief distinctions between the two lines? Yes, I think so.

1097. Well, assuming that company can raise the capital to construct the line without difficulty, which of the two proposals would be the most favourable for the colony? I think the Central, if it can be done.

1098. That would be the most beneficial for the colony? Yes, because it is to be constructed at a very much lower rate to the country. I don't want to enter into expert conditions as to the construction of the lines, but there can be no question as to which is the lower rate in point of concessions asked for.

1099. *By the Chairman.*—You said a few minutes ago that you did not think 50,000 acres would be sufficient concession to float a company upon? Yes.

1100. Do you think it is practicable to get capitalists to put their capital into the construction of a railway from Mole Creek to the West Coast for a concession of 50,000 acres? No, I don't think so.

1101. But you say if the Central people can construct their line it would be the most beneficial for the country? Yes, because it will be the least costly.

1102. But you don't think it is practicable? I don't think the concession sufficient for a line of such magnitude.

1103. You think a fair concession is 3500 acres per mile for a line of 3ft. 6in. gauge, and 2500 acres for every mile constructed on the other gauge? Yes.

1104. The line from Waratah to Zeehan, they got 3840 acres for 45 miles of railway, I believe. What kind of country is that? It is mineral country nearly all the way.

1105. Mr. Back told us that when you leave Waratah you enter into the richest part of the whole colony for mineral country. Is that so? Yes.

1106. Then the land as granted, if that land passes through such well known and good mineral country, is land that would be much more valuable than a grant of country that is not known? Very much more valuable.

1107. Do you consider the grant of 3840 acres to the Emu Bay Company a reasonable one? Yes.

1108. From the nature of the country passed through? That is my opinion.

1109. Is there anything else you wish to add? No, I don't think there is. In regard to the principle of constructing these railways, I think that in all cases a survey should be produced, so that the country should see and the Parliament should know where the line is, before any Bill is finally passed.

1110. Has that ever been done in Tasmania? No.

1111. *By Mr. Smith.*—Was it not done in the case of the Main line? Yes, but that was quite different, there were no concessions.

1112. Was it not done in the case of the Mount Lyell? Where there are concessions the survey should show where they are and where the land to be granted is.

1113. *By Mr. Hall.*—In reference to the gauge of these lines, you are aware that the Emu Bay Company are constructing their line on the standard gauge of 3 ft. 6 in.; the Strahan line is the same, and all the lines except the tramway: in view of these facts do you think it would be wise for this company to be confined to a gauge of 2 feet or 2 feet 6 inches, or anything under the standard gauge?—you see they will junction with a standard line at Mole Creek? I think the gauge should be uniform with the Government line, certainly at that end of it.

1114. That is the standard gauge for all Tasmanian lines? Yes.

The witness withdrew.

ARTHUR HINMAN, *called and examined.*

1115. *By Mr. Simmons.*—What is your name? Arthur Hinman.

1116. You are a merchant, and reside in Launceston, and you are also one of the provisional directors of the Company promoting the Tasmanian Central and West Coast Railway Bill? Yes.

1117. Are you acquainted with the Bill now before the Committee promoted by Mr. Sadler and known as the Great Midland and West Coast Railway Bill—I mean the provisions of it? Yes.

1118. And also with the provisions of the Bill put forward by your own company? Yes.

1119. Now, in arriving at the concessions inserted in the Central Company's Bill, I believe that was a matter which received very careful consideration from the directors? Yes.

1120. And did you come to the conclusion that the concessions inserted in the Bill were ample in order to enable you to construct the line? It was considered advisable to ask for as little as we thought consistent with our ability to construct the line; that was the minimum fixed on, and all the directors were present. Such of them that I have spoken to since are satisfied that these concessions are sufficiently large to enable the work to be done.

1121. And you are confident that on these concessions you can get the necessary capital to construct the line? Yes.

1122. Do you know a Mr. G. S. Potter? I have met him several times.

1123. Does he represent English capital? He has always been introduced to me as representing English capital.

1124. Do you remember being present at a meeting of directors at which he was present? Yes.

1125. Can you say how he came to be there? I understand he expressed a wish, in the event of this application to Parliament being successful, to have a hand in the flotation of the company in England.

1126. Did he express any opinion with regard to the concessions in your Bill—the concessions you are asking for? Yes; he said he thought they were sufficient. He was told that the directors and their friends would in all probability be prepared to take up a portion of the capital of the company in shares. He expressed himself as very confident indeed that if they did that, taking it in connection with the concessions asked for, he could float the company.

1127. Well, apart from Mr. Potter altogether, are the directors confident that they will be able to obtain the necessary capital on the Bill? Yes.

1128. Right apart from Mr. Potter entirely? Yes; they are confident that they will be able to obtain the capital.

1129. Can you say whether there is a generally expressed desire in the north of the Island by various parties to subscribe some of the capital for this venture? I believe so. As late as yesterday I met a very influential man who is a shareholder, and he said he would be prepared to considerably increase the amount he has in it if the Bill passed.

1130. Then, assuming that you get your Bill, and assuming that the line will cost £200,000, can you give us any idea as to what amount, from the information you have, would be subscribed locally? It was stated at the meeting that probably from £40,000 to £50,000 would be obtained locally.

1131. Are you personally in communication with any English capitalist? Do you mean in reference to this matter?

1132. In reference to Tasmanian matters generally? Yes.

1133. A man who has a substantial interest in the Colony now? Yes, he has.

1134. Can you say whether he is, in regard to business matters of this kind, liable to be guided by your advice? Yes.

1135. Assuming that he undertook the matter, do you think he would have any difficulty in financing it? Not in the way you put the question, certainly not.

1136. Would he in such a matter be liable to be guided by your advice? I think considerably.

1137. In your opinion are the concessions asked for in the Central Company's Bill very reasonable? I think so.

1138. Then you would be prepared to recommend him to take up the matter? Yes; I would be prepared to recommend him to do so.

1139. You know that the Emu Bay Company was floated lately? Yes.

1140. You saw the prospectus, I suppose? Yes.

1141. You know that they got a small land grant of 3840 acres? Yes.

1142. Was there any difficulty in floating their company? It appears not.

1143. Did not the promoters receive a large amount of shares in the flotation? It looks so. From the prospectus it appears that £100,000 worth of shares was given away to some of them.

1144. With regard to the prospects of this line paying, apart from the concessions, is there anything along the line of route that induces you to think that a profitable thing will be done in the carriage of freight? Yes; recent discoveries of coal and copper have been made; there is a large outlet for coal at the West Coast, which means a large amount of freightage, which, from what I can learn, would, I think, come beyond our expectations.

1145. Has the land been taken up for coal? Yes, I know of 880 acres having been taken up; there may be more.

1146. Have you had an opportunity of examining the coal? Yes, and I gave evidence on that point at Launceston, before the Select Committee on the Central Co.'s Bill.

1147. Then you have had an opportunity of examining the coal: is it good coking coal? I have seen what appeared to be good coke made from it.

1148. Then, should that turn out a great success, it would help the railway? Most decidedly.

1149. You know a good deal of the country about Mole Creek? Not very much.

1150. Is it good agricultural and pastoral country? It looks to be. I have been to Mole Creek. It looks good agricultural country about there.

1151. Putting it shortly, Mr. Hinman, having given this matter careful consideration, and reckoned the prospects from the fact of important discoveries having been made along the line of route, and the practical matter of the coal discovery, your directors are of opinion that the concessions asked for in the Central Bill are very reasonable, and amply sufficient to enable you to get what capital you require? We believe, with the terminal traffic at either end, and the local developments on the route, that we may regard the concessions as more of a speculative nature. We believe that there is sufficient inducement in connection with the concessions and the prospects of the line, especially as we propose to subscribe a certain amount of the capital of the railway company in the district. We believe that we shall have no difficulty in getting the balance of the capital in London.

1152. The company you represent at the present time is then only a preliminary company to enable you to get these rights? Yes. When this company have acquired the rights we seek, there are a number of gentlemen who are prepared to take up a much larger interest than they have at present.

1153. *By the Chairman.*—When was the first meeting held of the provisional directors? I can't quite tell you.

1154. Was it before or after? Do you remember when Mr. Sadler's advertisement appeared? I think I do.

1155. Did it appear before yours? I think so. That is well known.

1156. How long before—Mr. Sadler's petition to Parliament also was sent in a considerable time before yours, was it not? I really don't know.

1157. Is your company—the Central and West Coast Railway Company—is it connected with the Launceston and West Coast Direct Route Association—are they not both the same body? There were a number of members connected with one as with the other.

1158. Is your company the same body under another name, or are they totally distinct bodies? In so far as I know, it is a different body. Many of the directors of the association are also provisional directors of the Central Company.

1159. Then, the Direct Route Association are simply going for the track? As far as I know.

1160. Then, it was not until after Mr. Sadler's advertisement appeared that the Central and West Coast Company's people met? No; but before Mr. Sadler's advertisement appeared, a circular had been sent to a number of persons by Messrs. Hedley Button and F. Hales calling a meeting to consider the matter.

1161. And were any meetings held or minutes kept of that? I don't know, I was not present.

1162. Were you present at any meeting? Yes, several, but I was not present at one meeting at which a very large number of the promoters were present.

1163. Now, I see you have formed a limited liability company with a capital of £5000 in 5000 shares of 2s. 6d. each payable on application: now how many of those shares were taken up? I don't know exactly. I know there must be something close on four thousand taken up.

1164. You have had canvassers out trying to dispose of these shares, haven't you? I have not been out personally. It is not my business. I can't say.

1165. Has Mr. Archer been canvassing in the country districts, and Mr. Hedley Button in Launceston: you are a provisional director, you know? Yes, but I have not attended the meetings. I know as to Mr. Button, but I don't know as to Mr. Archer.

1166. How long was Mr. Hedley Button canvassing? I should think about a day or a day and a half.

1167. Do you object to say how many shares you have taken up as a provisional director? I don't see why I should, unless it is necessary.

1168. You know you come before us as a provisional director of this company, and you say that you want to do this for patriotic purposes? Excuse me, I have said nothing of the kind.

1169. But to build this railway for the public benefit would be patriotic, wouldn't it? I never said we were going to build the railway for patriotic purposes.

1170. Then, do you, as the Tasmanian Central and West Coast Railway Company, Limited, want to make something out of it? Put your question a little more clearly, please, and I will tell you what we want.

1171. Do the Central and West Coast Railway Company, Limited, want to make something out of this for themselves? Their premier object is to get a railway through to Zeehan; they don't want to make any plunder.

1172. You should not use that term: so far as plunder is concerned, Mr. Sadler does not want any either? Well, it is a term usually applied.

1173. Well now, does the Central and West Coast Railway Company, Limited, want to make any money out of this thing for themselves? So far as the flotation goes, they do not.

1174. Do they want to make anything out of it for themselves? No; not so far as the flotation is concerned.

1175. Then, if you don't want to make anything out of this company you are forming, some of your people told us at Launceston how many shares they held—have you any objection to say how many shares you hold? Yes, I object, because you draw very indirect inferences.

1176. Do you hold more than five shares? Yes.

1177. More than ten? Yes.

1178. Twenty? Yes—I feel that I ought not to be called on to answer further.

1179. Do you hold twenty-five shares? The witness did not reply.

1180. If you don't hold more than twenty-five shares you have paid twenty-five half-crowns—you see why I ask you?

(Witness appealed to Mr. Simmons, who said he saw no reason why he should answer the question.)

Witness.—If the Committee want me to answer, I will answer.

1181. The reason I ask the question is, that you come before us here representing that you are generous, and doing this for the public good? I do not: I come here as a provisional director of the company, and I am here to say whether in my opinion the terms asked for are sufficient.

1182. You are a provisional director, and you come here and say that you want to build this railway for the public good. It would be interesting to know if you hold more than twenty-five shares, or if you have paid more than £3 and half a crown; but if you have any objection to answer the question I won't press it? Witness did not answer.

(Mr. C. J. Mackenzie here remarked that this was not a fair question, and so the matter dropped.)

1183. Now, when your Central Bill was drawn had you Mr. Sadler's Bill before your Committee? I don't know.

1184. Was Mr. Sadler's Bill in print and circulated before you had decided what concessions to ask for? I was present at the meeting when the concessions were decided on, and I had no knowledge of the Bill then.

1185. How many meetings have been held since the Bill was framed? There have been a few emergency meetings,—I don't know if you would call them directors' meetings.

1186. How many meetings? About half-a-dozen.

1187. And they were all meetings held by these promoters and by this company? Yes, but this is not the company that is going to build the railway.

1188. No, I know that. You call yourselves promoters? Yes; the company is in promoters' shares.

1189. Then you ask the shareholders to bear all the expenses of getting this Bill through Parliament? Yes.

1190. Then, when the Bill is got through Parliament, you are going to float it in England—you promise to float in England? I premise so. I should like to explain what I said regarding my association with an English capitalist. I have never mentioned the fact at all at any meeting of the directors; I would not do so until I had something to act upon. I intend to approach them when the Bill is through Parliament.

1191. Then the company, if it can get the Bill through Parliament, is going to try and float it in England? Yes.

1192. Then, in trying to float it, would the company try to make any profit for themselves? The intention is that the promoters should not ask to make any profit from the flotation of the scheme.

1193. So that a man purchasing shares in the Central and West Coast Company, Limited, would be incurring all the risk and would get no direct profit from the flotation of the company? No. He would get the equivalent of his shares in this company in the new company—an additional interest. If this company expended £10,000 or £20,000 in seeking to get this Bill through, and in preliminary work, they would have the right to get it back again.

1194. Then they would get it repaid from the money paid into the new company? The intention is not to receive any repayment for it other than shares or money.

1195. Then if you stipulate for getting so many shares in the new company—perhaps a large number—that would not be an equivalent? That would be more than an equivalent.

1196. Does this company intend to get anything out of the flotation? The intention of the directors, and I have heard it repeatedly expressed, is that they don't ask for anything but out-of-pocket expenses.

1197. Then, it is a fact that a person subscribing for shares in this company, the Central and West Coast Railway Company, Limited, would have no benefit whatever from the flotation of the company in England, excepting the indirect benefit of having the railway; he would only get the money back that he paid for his shares? Yes, he would get his money back and no more.

1198. Then, he would not be entitled to any shares, but would only get his money back—he would get that, no less and no more; if he wants to become a shareholder in the new company he would have to apply for shares like other people? Yes, he would have to apply for shares.

1199. Who is Mr. Potter? I said just now that he was introduced to me as the representative of English capitalists.

1200. How long have you known Mr. Potter? I know very little of him.

1201. You say he was introduced to you as the representative of English capital? Yes. I have been given to understand that he is here in connection with the Tasmanian Exploration Company and others who have expended a large amount of money in the Mathinna district.

1202. Then, so far as the directors are concerned, they have the authority of Mr. Potter that he can float the line? Yes.

1203. Have you had correspondence with any English capitalists concerning this company? I have heard of none.

1204. Then, at the present time the directors have made no arrangements whatever for providing the money? I don't know; so far as I know I have told you. I have an intention myself of approaching the directors when I have something to act upon. It is no use until the Bill is passed approaching anybody.

1205. I see you are going to Rosebery by the prospectus, and you say the line will cost £200,000? I did not say so; Mr. Simmons made that remark.

1206. But your company intend building the line to Rosebery? Yes.

1207. You say you are in communication with English capitalists in connection with Tasmanian ventures generally: are you in communication with English capitalists as to this railway? No.

1208. You say you are in communication with an English capitalist who would be guided in these matters by your advice. Have you had communication with that capitalist about this railway? No.

1209. You say he is likely to be guided in these matters by your advice: have you had any communication in regard to railways? No; you are playing on words.

1210. Then, as to whether he would be likely to be guided by your advice or not, in this case you can't say definitely. You see it is a subject which you have had no communication with him upon? I said that in matters of this kind, that is, speculative companies, he is likely to be guided by my advice. He has told me that in his letters.

Committee adjourned until 2:15 P.M.

AFTERNOON SITTING.

ARTHUR HINMAN, *further examined.*

1211. *By the Chairman.*—I think you said that the shareholders in the Tasmanian Central and West Coast Railway Company would on flotation get repaid for what they may have expended, either in money or shares? Yes, I believe that is the intention.

1212. They will either get repaid all they have expended in money, or they will get paid-up shares in the company to be floated in England? Really that has not been discussed. It would be premature to discuss it until we know whether the company will get the rights asked for.

1213. And the directors reserve that for themselves to decide afterwards? I presume so—who else is to decide?

1214. And they reserve the right to make that one of the terms of the flotation. In consideration of the money expended out of their pockets, they will be entitled to a certain number of paid-up shares, I presume, in the new company? The point has not been discussed. You are putting it on a hypothetical basis. I could only give you my opinion as a provisional director.

1215. Nothing has been decided? Nothing except what I have told you, if you desire to make anything out of that.

1216. Have they come to any resolution to that effect—is it on the minutes? I don't know if any formal resolution is passed, but I have heard it said by every member.

1217. That they don't want to make anything out of it. Is it, you say, a local company? As far as I know.

1218. Don't you see if they make it one of the terms for the flotation of the company in England that the shareholders in the Central and West Coast Railway Company shall get a certain number of shares in the company floated in England, they would have a right to insist on that, and there would be nothing to prevent them doing it? They would not go beyond what they agreed to for it.

1219. But I understood they were to be paid either in money or in shares? That would only be that they would get their money back again.

1220. If it was in shares, how could you say that would be a return of their money? It would be the equivalent for their money, and if they were to subscribe for shares to the amount of £30,000 or £50,000 additional in the company, that would be a pretty clear proof that they had confidence in the venture.

1221. You say there are 4000 shares taken up to get the Bill through Parliament? Yes.

1222. And on those 4000 shares 2s. 6d. each has been paid? Yes.

1223. On each of these shares 2s. 6d. has been paid,—that would be something like £500 assuming that were it? Yes.

1224. That is, £500 has been contributed now by the public to pay the expenses of getting the Bill through the House. Now then, you say that the shareholders in this company, in the local company, are to be repaid and to get back their money from the company to be floated in England either in money or in shares? The case is probably different from the Midland Co., and the present directors may if they like spend £20,000 or £30,000 before approaching England at all.

1225. Where would they get it? From the extension of the company.

1226. Then you say that when they get the Bill, they may float another company for the purpose of making surveys and so on? That is probable.

1227. You have no idea whatever what will be done? No, except that I am pretty confident that the amount of money necessary will be got whenever the Bill has passed the Parliament.

1228. There is nothing in your regulations, or in any resolution resolved on by your directors, to prevent this company when it goes to England, and when getting the money to build the railway, from making a stipulation that they will get the money to repay what they have spent? I tell you the spirit of the company is that they don't want to make anything out of it.

1229. Have they any resolution to that effect? I could not say.

1230. You have not heard it discussed at meetings? No.

1231. Then, so far as you know they may make this one of their conditions?

1232. Then the thing is in a very uncertain condition at the present time, excepting that they want to get their Bill through Parliament? Yes; how could we approach people, for instance, as to capital, unless we get the Bill through?

1233. Then you have no contract or arrangements with anyone for finding the money if you do get the Bill through? Not so far as I know at present.

1234. The shareholders in this company may get an interest in shares in the new company? They may.

1235. Then you can't say what they will do when they get the Bill through Parliament? Their chief object will be to get the railway through as fast as possible.

1236. And there is no resolution on the minutes that would prevent them from changing their minds? No; the thing is in an embryo stage, but success would be secured by getting the Bill through.

1237. Oh, it is in an embryo stage? Yes; so is yours.

1238. I don't wish you to discuss the other one at present. So it is in an embryo stage? Of course it is; there is no occasion to ask that.

1239. Have you made any calculation as to the probability of $2\frac{1}{2}$ per cent. on the gross output of minerals being sufficient to pay you—you propose to pay the government $2\frac{1}{2}$ per cent. royalty on the gross? Yes, that is one of the conditions of the Bill.

1240. Have you had any calculations made as to the probable outcome of that? How could anybody make any such calculations.

1241. Then you have made no calculations? No.

1242. You know the Mount Bischoff Company? Yes.

1243. Do you know that it took four or five years before they got anything to pay? Oh yes.

1244. Would it have paid them to have paid $2\frac{1}{2}$ per cent. royalty to the Government on the gross output of minerals during that time, do you think? I can't say that.

1245. Do you know whether the Mount Bischoff Company could have paid $2\frac{1}{2}$ per cent. on the gross output? No. I have no data to go on.

1246. And so you say you know nothing about it, and your directors had no data to enable them to say or not? No, nor anybody else.

1247. Then you made this proposal without having any data to go upon? I did not formulate this proposal; and I was not present when any data was considered. I was only present when it was agreed as to the concessions to be asked for.

1248. Then, so far as you know, the proposal to pay $2\frac{1}{2}$ per cent. on the gross had no data to go on? They had, I presume, the same data as anybody else in making such a calculation.

1249. I ask, so far as your knowledge goes, had your directors any data as to what other companies would have done as to paying $2\frac{1}{2}$ per cent. on the gross? I don't know.

1250. So far as you know, had they any data to go on? I don't know.

1251. In this Central and West Coast Railway Bill you propose that the land to be granted should be freehold of 50,000 acres? Yes, I believe it is freehold that is asked for in the Bill.

1252. Under the Bill, can you take the land in the Western Mining Division if you like, or are you excluded from doing that? I don't know.

1253. Then you don't know what the proposal in your Bill on that point is? I don't know anything about it, except that we apply for 50,000 acres of land.

1254. If I tell you that your Bill does not propose to exclude you from selecting your land in the Western Mining Division, what then? If you were taking up mineral land, would you not rather take it in such a well known mineral district as the West Coast than in a district that was not so well known? I should send out prospectors before selecting to decide the point, to try and know whether there was anything in the land or not.

1255. But in the Western Mining Division you would be more likely to find something rich than round about Mount Pelion? Not so far as I know. I think about East and West Mount Pelion, where the coal deposits lie, would be the most likely place to find something good.

1256. Has anything been found there except coal? Yes, copper. I am in touch with the mining manager, Mr. Furnage, and also with Messrs. Aylett, Parsons, and Teesdale, who know the country.

1257. Have you any idea as to the quantity of water wanted to work the railway; what does your Bill ask for? 15,000 brake horse-power.

1258. Have you any idea whether that is enough or not? No; I don't know anything about the technicalities of it at all.

1259. Are any of your directors experienced in that or not? I can't answer. I don't know.

1260. Then you don't know whether 15,000 brake horse-power is needed? No.

1261. You are asking for 15,000 brake horse-power when apparently you don't know whether it is enough or not? Yes.

1262. Has any technical evidence been laid before the provisional directors to show that 15,000 brake horse-power is enough for your purposes? My attention has not been given to the matter. I was present, but I don't remember.

1263. Was there any technical evidence before them at all? No; I don't think so.

1264. Then no technical evidence was put before your directors? I don't know. Several of them may know more about that than I do.

1265. *By Mr. Mackenzie.*—Have you been on the route at all? No.

1266. How far west of Chudleigh have you been? Only to Mole Creek.

1267. Have you been on the west side of the route at all? Only to Mr. Field's station at Middlesex Plains.

1268. Have you any evidence as to the country? I have been told by Mr. Innes, Mr. Ed. Innes, Mr. Aylett, and Mr. Parsons.

1269. Has your company had any expert report upon the country where you want to carry this railway? They have had Mr. Innes's reports furnished to the Direct Route Association.

1270. You think that report is sufficient to justify you in building a railway through that country—is it encouraging? It is sufficiently encouraging to induce us to ask to get a Bill through Parliament.

1271. Do you know any of the country to the west of Mole Creek? Yes, I have travelled about the country a great deal, especially through the Western district. I have been as far as Middlesex Plains on the south, and as far as Stanley on the west.

1272. That is all a good producing country? Splendid.

1273. It would be an advantage, would it not, to have a railway from Mole Creek to the Western districts? Yes, I think from Devonport on the west side, Scottsdale to St. Mary's on the east side, and Campbell Town on the south side, all these portions of the colony would be immediately brought into communication with markets if a line of railway existed between Mole Creek and the West Coast. Take Devonport on the west, the whole of the Eastern districts and as far as Campbell Town in the Southern portion of the Island, all would be served by such a line, as it would serve as a direct means of communication with the mineral fields in the west.

1274. Would this railway be of any benefit to the Government Railways? Yes, it would be a large feeder to the Government railways, and of course to the Mole Creek line.

1275. Do you know anything about the altitude of the country? Only from Mr. Innes's reports. I have read his reports on the route he cut, and he brings out the highest altitude at 3400 ft. I understand Mr. Aylett knows of a route which would considerably reduce that altitude.

1276. Do you consider that you could successfully cultivate the land at 3400 ft. altitude? I should think you could not, not above 2000 ft. altitude would do for cultivation, but for pastoral purposes the land would be right in the summer months.

1277. Do you know the Great Western Company's line? Very little.

1278. Have you any idea of the gauge? Yes, 3 ft. 6 in., for a length of 140 miles.

1279. You know the area of the land granted to them? Yes, 490,000 acres.

1280. Do you know the length of the Waratah-Zeehan line? To Zeehan I think the line is 45 or 48 miles.

1281. Do you know the land concession granted? Yes, 3840 acres.

1282. Any water concessions? No, not as far as I know.

1283. You said the promoters had already made £100,000 out of the flotation of that company? No, I said, judging from the prospectus, £100,000 appears to have been made by some one.

1284. Then, with such small concessions as that, if a railway were worth to the promoters £100,000, would not a railway with much larger concessions be worth a great deal more? Yes, that is what

influenced us principally in framing our idea of the concessions necessary. We thought the concessions we asked for would be ample, and that it would not be fair to ask for more.

1285. Are there any greater difficulties on that line of country you go through than on the line of country you hear the Great Western railway will go through, or on the line of country the Emu Bay Company has to go through? Judging from what I can learn, I should say the difficulties are not greater. I have had practical conversations with Messrs. Innes, Aylett, Parsons, and others, and they don't seem to think so.

1286. I ask you whether you think the engineering difficulties of building a line of railway through the country you are asking for would be anything greater than those to be met with by the Great Western Railway Company or the Emu Bay Railway Company? I don't think so. The earlier part of the Emu Bay Company's line would be easy. When they approach the Pieman there would be difficulties; so there will be on our line. The part from Mole Creek to Mount Pelion will be comparatively easy; past that point it is more difficult.

1287. Do you regard the country through which this line will pass better mineral country than that the other lines will pass through? I believe that at Mount Pelion West it is highly mineralised country, and from there east and south it is a good carboniferous country. I have not heard of any extensive mineral deposits on the route of the Great Western Company. We know that in the south part of the Pieman district it is mineral country through which the Emu Bay line will pass.

1288. Do your company expect to make a profit on the railway, or from other circumstances? I think that is one of those companies that have to depend on the elements associated,—a going concern mixed with a speculative mining venture. On that question it is difficult to say which will give the profit. We believe that the traffic from the terminals will be great, and we also believe that the traffic from Mount Pelion westward will be extremely large.

1289. Suppose you carried the line to the coal mines, you expect to send a good deal of coal to the mines? Our hope is that the Western field will be extensively worked, and we are encouraged by that hope in developing the coal up there.

1290. Then you hope to touch the mining field with the coal? Yes.

1291. Your company is not formed yet? No, only a preliminary company.

1292. When do you think you could begin to construct the line? Immediate action would be taken so soon as the Bill was passed.

1293. Has there been any preliminary survey of the line? Not as far as I know.

1294. *By Mr. Smith.*—It is understood that when the Bill is passed you would commence to take steps to get the capital to carry out your original purpose? Decidedly.

1295. The only object of your syndicate was to secure a railway line being provided? That is the intention.

1296. And the only object you have in opposing the Midland Company is that you think the concessions asked for are too great? I really won't speak for the whole of the directors; I can only give my own opinion.

1297. Well, give us your opinion? My opinion is that there were strong doubts as to whether the Midland Company would go on.

1298. In whose mind? In the minds of most of the people I have met.

1299. You imagine that if you get your concessions you will be able to get sufficient capital to make the line. Did it not occur to you that under the much larger concessions asked for in the Midland Bill it could be done? We proposed to raise a certain amount of the required capital ourselves; that will be a satisfactory inducement to help us to raise the capital in London. In addition to the concessions it will show that we have confidence in the project.

1300. You think that the London public would be influenced by the confidence of the local people? Yes, and Mr. Potter is of the same opinion.

1301. Are you aware that Mr. C. H. Grant has just told us that there is no possibility of your raising the capital on those conditions? I did not know it, but I hold my own opinion still.

1302. Now, in regard to the Emu Bay Company's concessions—in your opinion, would it make any difference the fact of the Emu Bay Company having an ocean port to start their line from? would not that be an advantage in lieu of concessions? They, having an ocean port to start from, don't you think they could make their line pay better than if it started inland or from a Government line? That is a matter of opinion.

1303. Well, I will ask you as a business man. Say a large company runs a line of steamers in connection with that line, would that not be a great advantage?—a large company like the Emu Bay Company would run a line of large steamers to their ocean port, would that not be a great feeder?—would it not be better than Mole Creek itself? Mole Creek is not the terminus.

1304. What I want you to answer is this—whether a line having an ocean port would not be likely to do better business than a line in the Midlands? Yes, but a line in the Midlands junctioning with the Government lines would have the same advantage. The internal developments that would be created would more than counterbalance that together with other advantages.

Committee adjourned until 6.45 o'clock.

EVENING SITTING.

ARTHUR HINMAN, *further examined.*

1305. *By Mr. Hall.*—What is the proposed length of the line? It is stated at 90 miles.

1306. And you put the expenditure down at £200,000; do you reckon that for 90 miles £200,000 would do that work? It is based upon Mr. Back's estimate for the Dundas tramway, £2000 a mile on an average.

1307. Is it true that your syndicate agreed to retire from the field if they were satisfied as to the *bona fides* of the promoter of the Great Midland and West Coast Railway Company? I am not perfectly clear on that. I believe certain overtures were made to Mr. Sadler.

1308. Certain overtures that if you were satisfied with the *bona fides* of the correspondence he produced you would retire? I am not positively clear about the matter. Overtures were made something in that spirit, but that would be a very wholesale way of putting it.

1309. In reply to a question from the Chairman, you gave the Committee to understand that the flotation of the Emu Bay Company's railway gave a profit of £100,000 to some one, in the shape of shares? I don't think I gave the Committee to understand that. I said that was the way it appeared in the prospectus, which every gentleman of the Committee saw equally with myself.

1310. The conditions of the two lines were totally different. For instance, the Emu Bay Railway Company would take over a line already constructed for 47 miles; they would also take over a large frontage on the harbour. Now, I think you will agree that in junctioning with the Government railways—and you will junction with two Government railways, one on the west and one on the east of your line—the conditions would be entirely different, no doubt of it. You follow me, do you not. What I wish to convey is this, that, admitting the promoters of the Emu Bay Company got £100,000 in the shape of paid-up shares, for that the purchasing company got a line of railway already constructed, already running and bringing in a revenue, and also other valuable concessions, I suppose you admit that your syndicate is not in a position to offer the same inducements to London investors? I will admit we can't come to terms in regard to joining the Government lines in the same way as the Emu Bay Company did with the Van Diemen's Land Company.

1311. You are aware that, notwithstanding these concessions were included, the Bill known as the Great Northern Railway Bill, subsequently included in a Bill known as the Waratah-Zeehan Railway Bill, were both rejected in London. Each proposal was taken to London, and offered there and refused. After that, do you think it likely that you will have any possible chance of succeeding in London with this Bill? There is a great difference between a concession of 50,000 acres of land and a concession of 3840 acres. Then we have the right to water for 15,000 brake horse-power, and the other Bill had no water concessions whatever.

1312. I doubt if you can float it; and I would point out to you that, notwithstanding that the Emu Bay Company and the previous company offered inducements in the shape of a railway already constructed, a line which passed through rich mineral country, and that the company had the first right to tap that country, they could not induce English capitalists to advance the money, and they had to come to the Australian colonies for it: they could not raise a single shilling in England; they had to bring the proposal to the Australian colonies and finance it themselves. In your examination by the Chairman you stated that out of the £200,000 you propose to be raised, you calculated on getting from £40,000 to £50,000 in the colonies, and the balance of £150,000 in England—now, don't you think there would be a lot of difficulty in connection with that, in view of the fact that the Emu Bay people were unable to float their line? In answer to that I may say that when the Mount Lyell Company offered their debentures in London they were declined, and when they afterwards offered their line in London that was declined, but since then a very different state of feeling has taken place in London in reference to Tasmanian ventures, and, owing to recent successes, I have an opinion that any proposal offered in London now, with fairly liberal concessions, and backed by the confidence of the colony, would receive better consideration than the London people were inclined to give to the ventures you speak of.

1313. Can you name any railway or railways in the colonies that have been constructed with English capital notwithstanding the inducements any railway may hold out? I am not very well up in it, but I believe there are such railways in New Zealand, and also in New South Wales—I don't know, but you see this is something more than a railway.

1314. Under your Bill you ask for 50,000 acres of land or more at a peppercorn rent, or really freehold: suppose now that this is not granted by Parliament, would it militate against the success of your flotation, do you think?—supposing Parliament to say, well, we have not given freehold land to any syndicate, and we won't to yours, would that militate against the flotation of your company? Perhaps; it would depend in part on what the House would propose to substitute for it.

1315. Suppose if you were to have it leasehold instead of freehold? That would depend upon the character of the leasehold. If the leasehold were subject to renewal, as I believe is the custom, I think it would make very little difference.

1316. *By Mr. Smith.*—I observe that your Bill, Mr. Hinman, does not contain any specification of works? I came down here for one specific purpose, and I am not as well acquainted with the details of the Bill as many of the other directors.

1317. Has not the Bill been discussed by the provisional directors? I cannot say. I have not been present at half the meetings, and I was sent for to rebut specific evidence as to financial matters.

1318. You have stated that any scheme that contains fairly liberal concessions and is backed up by local public support would be likely to succeed in England? I said it would be more likely to succeed now than at the time the Emu Bay Company's proposals were before the English public.

1319. Then you rely on the influence of the directors to float the Bill? That weighs with me.

1320. Do you think this Launceston syndicate would be more likely to succeed than those who tried to float the Emu Bay Company in London? I think that a proposition put before the English public, and backed up by such names as are found amongst the provisional directors or by a specific number of shares, would be more likely to succeed.

1321. Then, I take it, that you think that the names of your Launceston directors would weigh more with London capitalists than 47 miles of railway already constructed and a large and valuable water frontage? That is not given in; it has to be paid for, or it is not transferred to the Emu Bay Company.

1322. There are 47 miles of railway, equipped with rolling-stock, tapping an important part of the country, and having a trade established for a very large mine, and that company failed to float. Do you think that the names of Launceston capitalists would weigh more than that advantage with the English public? I have not put forward the names of Launceston capitalists, but I have said they are to take up shares; that would weigh with the London capitalists.

1323. How much of the capital would they take up? £40,000 or £50,000 worth, put it at one-sixth of the company.

1324. Are you aware that Mr. Back said in his evidence that every railway that was constructed and did not pay, whether it were worked by a private company or by the Government, was a loss to the State? No, I have not seen his evidence. That would apply clearly to the rival syndicate.

1325. You think that a local syndicate would be able to get larger volume of trade than an over-sea syndicate? I have not brought that point forward at all.

1326. Practically the advantage of a local syndicate only extends to the trade of the country? I have not thought out the matter; I dare say there is an advantage in local trade.

1327. I want to know how far it would bind the shareholders in the railway company were it to go beyond flotation? Slightly, I should think.

1328. In what way? Well, any trade that members of the syndicates might have would be secured to that railway.

1329. Well, if the Midland Company floated their company on their Bill and yours did not float, and if they offered the members of your Central Company facilities of traffic to the West Coast, they would avail themselves of it, would they not? Decidedly they would avail themselves of it. Our syndicate is very anxious to see a railway put there. I don't think they care much who makes it, so that it is pushed on without delay.

1330. It is a fact that your syndicate does not want to make money out of it? That is the expressed intention.

1331. *By the Chairman.*—Your estimate of £200,000 is simply for a 2 ft. gauge railway? Yes, or it could be for the other.

1332. How many miles could be constructed on the 3 ft. 6 in. gauge for £200,000? I can't say at all; I have not gone into the business.

1333. Do you know the average cost per mile of the 3 ft. 6 in. gauge? No, I have been told the Scottsdale line cost £5000 a mile.

1334. Do you propose to build any of this line on the 3 ft. 6 in. gauge? I can't say.

1335. Your prospectus said at a cost of £200,000. Can you give us information as to what gauge that is to be constructed on? That would be the same as the line that it goes to meet: that is 2 ft. gauge.

1336. Then you consider that it is to be a 2 ft. gauge the whole way? Unless at some parts it is increased.

1337. There is no provision in the prospectus for that? But, as you are aware, that is a preliminary prospectus.

1338. Preliminary, is it? In this prospectus it is stated that people are asked to subscribe for shares in a company with a capital of £5000? Yes; but you are aware that is preliminary, and that for the construction of the railway there will be a larger company.

1339. Your prospectus speaks of a line costing £120,000. Is that not for a 2 ft. line all the way? Well, I suppose it must be, according to that; but you know they are including the right to construct a 3 ft. 6 in. line, and under certain contingencies they might build a 3 ft. 6 in. line.

1340. Do you know whether any deposit is mentioned in the Bill or not? Yes, I suppose it will be mentioned.

1341. Is it in the Bill? Yes.

1342. How much? £3000, I believe.

1343. And your company is bound to construct not less than five miles of the line in two years; and if not constructed then the £3000 can be forfeited? Exactly.

1344. And if you only construct this five miles within two years, then you can take your time for the construction of the rest? If we get five miles constructed, it won't be long before we get the lot constructed.

1345. Is there any provision in the Act for securing construction? If the Bill is not a perfect one, it can be added when it comes before Parliament.

1346. Are you aware that there is no specification of works whatever in your Bill?—were you aware of that? No, I was not aware.

1347. *By Mr. Simmons.*—How long is it since you discussed with Mr. Hedley Button the question of communication with the West Coast by rail? I think it was about June or July 1895, soon after I returned from England.

1348. How long before Mr. Sadler's advertisement appeared in the papers was it that a circular on the subject of railway communication with the west was issued? I think about three weeks.

1349. Do you know if Mr. Sadler also received a circular? I have been told so.

1350. Do you believe he did? I have been assured by those who sent them out that he did.

1351. With regard to the concessions in the Bill, you said that you represent one or more English capitalists? Yes, that I am connected with.

1352. Are you assured that the concessions are sufficient,—that you would yourself like to have the option of floating the company if they get the Bill? If the Bill were passed and the concessions asked for were granted, in connection with the fact that a certain amount of the capital were subscribed locally, I should be very pleased indeed to have the option of floating the company.

1353. Now, this prospectus that has been referred to two or three times, I understand you to say that this is merely a preliminary company formed for the purpose of carrying the Act through Parliament, is that so? Yes, that is so.

1354. Assuming that you get the Bill which has been put forward, then a company will have to be extended or a new company formed to carry out the proposals? Yes.

1355. Can you tell us whether the question of the selection of the 50,000 acres has been discussed by the directors; whether the land will be selected in one or more blocks, or how? No, I have not been present when that was discussed.

1356. You have been asked as to whether certain negotiations took place between your company and Mr. Sadler with a view to your withdrawing your scheme. Can you tell us whether at that time the concessions asked for by Mr. Sadler were known to you? They were not. I believe Mr. Sadler was

approached more than once, if my memory serves me right. On the first occasion the proposals were not known.

1357. You were asked by Mr. Smith whether the names of Launceston capitalists would have any weight in assisting the flotation of the company in England. Now, in answering that question were you having regard to the fact that you expected that a large amount of the capital would be subscribed locally? Yes, I said, in effect, that it was not so much the names as what the owners of the names were prepared to do.

1358. Yes, you said that from £40,000 to £50,000 would be subscribed locally, and that would have an effect? Yes, and I said that was Mr. Potter's opinion also when he heard of it.

1359. On the question of out-of-pocket expenses in connection with the Bill, it has always been one of the main features that the promoters would be quite satisfied with any indirect profit in connection with the construction of the line, and did not require any direct profit out of the flotation of the company? That has been the invariably expressed idea.

1360. But, may be that they would be recouped their expenses, either by shares or the equal of them in cash? That is so; it is problematical, and was never discussed. I gave it as my idea from what I had heard.

1361. Whether your company take it in shares or cash, all that you expect, all that you propose to ask for, is the return of the actual legal out-of-pocket expenses? Yes, that is so.

1362. Do you know how many shareholders there are in the company? I have heard the secretary say there are over three hundred.

1363. Fairly distributed over Tasmania? Yes.

1364. *By Mr. Smith.*—There is one question I would like to put—it is a fairly test question, and was put to Mr. Sadler; I will put the same question to Mr. Hinman—you say you believe that English capitalists would take this up? Yes, under certain conditions.

1365. Have you had any communication from English capitalists expressing their intention of putting capital into the line? I have never made any request, because I would not waste anyone's time until I had something definite to put before them.

1366. Is that because when the Bill is passed you think they would do so? Yes.

1367. You have never had any communication with English capitalists excepting on mining matters, not on this? No.

1368. Have you ever had from any English capitalist any idea of the extent to which he would be prepared to embark in the venture? How could I put any proposition before them until the Bill was passed and I had something definite to put before them.

1369. What Mr. Sadler was asked was this, whether any correspondence had passed between himself and his English principals as to the extent they meant to go,—that is why I asked you? No.

1370. In selling shares to the people in these districts and Launceston, have you told the people in all cases, not to expect to get any return for their money? The question has been put, and the company have expressed their idea not to make any profit out of the flotation, not that they would not make a profit.

1371. In selling shares in Deloraine and other districts, have you made it clear to purchasers that they would get no profit? I really am not aware what has been done.

1372. Has it been represented that the money paid for shares is only a loan to float the railway? I don't know.

1373. *By the Chairman.*—From your own knowledge do you know if Mr. Sadler had notice of that meeting you referred to? No, I don't know.

1374. You say you discussed the matter with Mr. Hedley Button: that was an ordinary chat? Yes, quite informal.

Committee adjourned until Wednesday, at 10 A.M.

APPENDIX.

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

The Petition of Robert James Sadler, of Launceston, in Tasmania, Esquire,

SH EWETH :

1. That, within three months previous 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* of Tuesday, the twenty-eighth day of September, 1897 ; in the *Mercury*, being a public newspaper published in Hobart, on Monday, the twenty-seventh day of September, 1897 ; in the *Launceston Examiner*, being a public newspaper published in Launceston, in Tasmania, on Monday, the twenty-seventh day of September, 1897 ; in the *Daily Telegraph*, being a public newspaper published in Launceston, in Tasmania, on Monday, the twenty-seventh day of September, 1897 ; in the *Zeehan and Dundas Herald*, being a public newspaper published at Zeehan, in Tasmania, on Thursday, the thirtieth day of September, 1897 ; in the *North-West Post*, being a public newspaper published at West Devonport, in Tasmania, on Tuesday, the 28th day of September, 1897 ; which said notice contained a true statement of the general objects of the Bill as hereinafter set forth.

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

To enable the said Robert James Sadler to construct a railway from some point at or near the Mole Creek Station of the Chudleigh branch of the Tasmanian Railway Western Line to some point in the mining districts of Zeehan, Dundas, Queenstown, or Gormanston, and also such extensions and branches of and to such railway, or alterations, deviations, or variations thereof, as may be authorised by the Parliament of Tasmania.

To construct, work, maintain, and repair the said railway and all such extensions, branches, and deviations, together with all proper rails, crossings, bridges, culverts, tunnels, embankments, junctions, sidings, stations, buildings, piers, telegraphs, and other work and conveniences connected therewith or convenient for the purposes thereof.

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

To purchase, lease, or otherwise acquire any land, timber, stone, or other material for the purposes of the said railway and the works and appurtenances thereof, and to provide for the incorporation of "The Lands Clauses Act" (21 Vict. No. 11), or so much thereof as may be necessary for the said Bill, and otherwise for the acquisition of any such land, timber, stone, or other material.

To construct and work the said railway and the said extensions, branches, and deviations over public roads and streets.

To demand and take tolls and charges for the carriage of passengers and goods upon such railway and the said extensions, branches, and deviations.

To provide for the due working and management of the said railway and the said extensions, branches, and deviations and works, and to make by-laws and rules for the regulation of the said railway 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 give and obtain running powers over other railways and tramways.

To sell or lease the said railway and the said extensions, branches, and deviations, and the lands and works connected therewith, or any of them, or any part thereof, as shall be deemed expedient.

To take water from the River Mackintosh or any other source or sources of supply which may be available and capable of being used in connection with or for the purpose of supplying the towns, inhabitants, mines, and buildings in the Western and North-western Mining Divisions of the Colony of Tasmania and the said railway with electrical and motive power, or water for motive power, or any other purpose whatsoever.

To divert the course of any rivers, streams, or watercourses, returning the water to the original bed and course of the said river, stream, or watercourse in as pure, unpolluted, and clean state and condition as the same was in when so taken and diverted from the original bed or course of the said river, stream, or watercourse, and to take and use the waters of any lake or other source of water supply whatsoever.

To use the said water so taken as aforesaid to work any machinery that may be erected by the said Robert James Sadler, or any person or persons, company, corporation, association, or syndicate, for the purpose of generating, transmitting, or producing motive power, electricity, or any other power, or for the working of any other machinery whatsoever that may be erected by the said Robert James Sadler.

To use the said water for any purpose whatsoever, provided that the same is not polluted, contaminated, or soiled in any way.

To construct, maintain, repair, and work any machinery or mechanical contrivance for the purposes aforesaid.

To provide for the construction of any waterworks, dams, drains, deviations, races, flumes, sluice-heads, and other necessary works or machinery to carry out the purposes aforesaid, or any of them.

To provide for the assessment of all lands, buildings, or other property within the said Western and North-western Mining District.

To sell, supply, hire, or rent to any person or persons, company, corporation, association, or syndicate, motive-power, water-power, electricity, or any other power.

To demand and take tolls and levy rates and charges for the use, supply, sale, hire, or rental of any motive-power, water-power, electricity, or any rights, privileges, and powers whatsoever.

To make and construct mains, drains, conduit pipes, and run wires on poles or otherwise in, under, along or across, through, over or upon any street, path, right-of-way, or other passage the property of any person, company, corporation, association, syndicate, or municipal or other body, upon paying and giving them the proper compensation for the privileges aforesaid.

To provide for the due working, protection, and management of the said machinery, works, deviations, races, flumes, sluices, and the making of by-laws and rules in connection or relation thereto, or for the infliction of penalties on persons infringing the provisions of the said Bill.

To give, let, hire, or sell powers, rights, and privileges to any company, corporation, association, syndicate, or to any person or persons whatsoever upon any terms whatsoever.

To provide for the sale, exchange, lease, or disposition of the said machinery, works, flumes, races, sluices, and lands, or any other asset or assets belonging to the said Robert James Sadler, or belonging to any company, corporation, association, person or persons, or any assignee thereof, either to any Government, company, corporation, association, or any person or persons whatsoever, and for any consideration whatsoever, at such time and upon such terms as may be determined upon in the said Bill.

The said Bill will also contain all clauses usual in Bills of a like nature, or deemed proper for enabling the said Robert James Sadler to carry out the said works and undertakings, or any of them.

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

And your Petitioner will ever pray, &c.

Dated this thirtieth day of September, one thousand eight hundred and ninety-seven.

R. J. SADLER.

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

The humble Petition of Charles Beaumont Barnes Grubb, Charles Youl, James Francis Oliver Barclay, Thomas Gunn, Thomas Bourke, and Stuart Eardley Wilmot.

RESPECTFULLY SHOWETH :

1. That a Private Bill, the short title of which is "The Tasmanian Central and West Coast Railway Act," has during the present Session been introduced in your Honorable House on behalf of your Petitioners. The objects of such Bill are to authorise your Petitioners to construct a railway from a point at or near the Mole Creek station, on the Chudleigh Railway, to some point in the Western Mining Division of Tasmania, and to grant to your Petitioners certain concessions therein set forth.
2. That another Private Bill, the short title of which is "The Great Midland and West Coast Railway and Ore-reduction Company Act," has during the present Session been introduced in your Honorable House on behalf of Robert James Sadler. The objects of such Bill are to authorise the said Robert James Sadler to construct a railway between similar termini to those proposed in your Petitioners' Bill, and to grant to the said Robert James Sadler certain concessions in his said Bill set forth.
3. That your Petitioners are acting as trustees for a Company which has been formed for the purpose of promoting the first-mentioned Bill. The shareholders in such Company include a very large number of the most influential business men, agriculturalists, and pastoralists in Launceston and the districts chiefly affected by the passage of their said Bill.
4. That your Petitioners desire to oppose the passage of the said Bill promoted by the said Robert James Sadler, and to appear by Counsel before the Select Committee that has been appointed to consider such Bill.
5. That the grounds upon which your Petitioners intend to rely in their opposition to the Bill promoted by the said Robert James Sadler are as follows :—
 - a. That your Petitioners, and many of those for whom they are acting, have for a considerable time past contemplated asking Parliament to grant to them the right to construct the said railway, and were totally unaware that the said Robert James Sadler or any other person or company contemplated asking for similar rights until the notice of the said Robert James Sadler of his intention to apply to Parliament for such rights appeared in the public newspapers.
 - b. That, from the assurances of support received by your Petitioners, they believe they will have no difficulty in obtaining the necessary capital to construct the said railway ; and they have no adequate guarantee that the said Robert James Sadler or the persons whom he represents will, if granted the rights sought for by him, be prepared to immediately proceed with the undertaking.
 - c. That your Petitioners and those for whom they are acting desire, in the first place, to see the said railway constructed with as little delay as possible, and are convinced that the advantages which will accrue to your Petitioners in common with the rest of the community from the establishment of an improved communication between the West Coast mineral fields and the rich pastoral and agricultural country and business centres between Launceston and Ulverstone, will afford a sufficient inducement for them and others similarly interested to subscribe capital for the construction of the said railway, quite independently of any profits that may be derived from the flotation and working of the undertaking. On the other hand, your Petitioners are informed and believe that the said Robert James Sadler is acting in the matter of his said Bill merely as an agent for certain persons resident outside this colony, and that such persons have but little, if any, interest in the prosperity or otherwise of Tasmania, and that their object is rather the successful

flotation of a company to secure the rights that may be granted by your Honorable House, than the permanent benefit of that portion of Tasmania in which your Petitioners reside.

d. That the concessions asked for in the Bill being promoted by your Petitioners are considerably less than those asked for in the Bill being promoted by the said Robert James Sadler; for instance, the said Robert James Sadler asks for control over 490,000 acres of land, while your Petitioners only ask for control over 50,000 acres; the said Robert James Sadler asks for sufficient water to develop an aggregate of 35,000 brake horse-power, while your Petitioners only ask for sufficient water to develop an aggregate of 15,000 brake horse-power; the said Robert James Sadler asks for a general power to generate and sell electricity, while your Petitioners only ask for power to generate such amount of electricity as may be required for their railway and other works, and for working the land which may be selected by them; the said Robert James Sadler undertakes to pay a royalty of $2\frac{1}{2}$ per cent. on the net profits to be made by him upon the minerals and gold obtained from the lands selected by him, while your Petitioners undertake to pay a royalty of $2\frac{1}{2}$ per cent. on the gross value thereof on the ground; and in other respects the said Robert James Sadler asks for larger concessions than those sought to be obtained by your Petitioners.

Your Petitioners therefore pray that they may be heard by Counsel before the Select Committee on the Bill promoted by the said Robert James Sadler in opposition to such Bill, and be accorded the right to be present by Counsel at the examination of all witnesses, and to cross-examine such witnesses, and to call and examine witnesses in opposition to the said Bill and in support of the allegations contained in this Petition.

And your Petitioners will ever pray.

SIMMONS, CRISP, & SIMMONS,

Agents for Martin & Hobkirk, Solicitors for the Petitioners.

23rd November, 1897.

St. John-street, Launceston, Tasmania, 9th October, 1897.

R. J. SADLER, *Esq., Patterson-street.*

DEAR SIR,

IN reference to the conversation this morning as to the possibility of amalgamating the interests of the Company formed to carry through the Mole Creek line with the interests of your syndicate, it is necessary to say that the conditions are different now from what they were when I first spoke to you. At that time the Company was in the preparatory stage, and the feeling on the Committee was unanimous that if satisfactory evidence were available to show that your syndicate was able to carry through the project to construct the line, the Committee would not only relinquish the field to you, but would also aid you as far as possible, it being their wish, on public grounds, to see the line constructed, no matter by whom. That feeling still exists, but the Company having been floated, the Committee has no longer full power to act. I have seen the Secretary and some members of the Committee since our conversation, and judge that any proposal you may make, or any general information you may give, will have to be submitted in some way to the Board. You can rely on its being dealt with in the same spirit as it would have been when we first spoke on the matter. As the time is short, it would be an advantage if your principals could give you full discretionary power, so that no delay may occur in the event of negotiations being entered upon.

You will understand that although I feel fully warranted in saying what I have about the attitude of the Committee, I write this entirely on my own authority, and without committing the Board or Committee in any way.

Yours truly,

J. T. McDONALD.

St. John-street, Launceston, Tasmania, 22nd October, 1897.

R. J. SADLER, *Esq., Launceston.*

DEAR SIR,

Mole Creek and West Coast Railway.

REFERRING to the interview our Mr. Martin had with you on this subject on 19th instant at your office, we are now instructed by our clients (Messrs. C. B. Grubb and others) to submit to you the following proposal:—

If you withdraw your Bill our clients will undertake, in the event of their Bill being passed, to give you the first right to find the capital to build the railway and acquire the benefits sought in the Bill, and the only conditions they impose are (1.) that all costs and expenses incurred by our clients in securing the rights, or in connection therewith, be paid by you as soon as you succeed in raising the capital; that is, these expenses to be a first charge on the capital. That in the event of your failing to find the capital within, say 12 months of the passing of the Bill, the whole of the rights thereby conferred to revert to our clients free from any claim on your part. This proposal is made because our clients understand that unless the two schemes are amalgamated there is a strong probability of Parliament rejecting both.

Of course you would have to pay whatever deposit Parliament might require as evidence of *bona fides*; but in the event of your failing to find the capital within the time, and our clients afterwards build the Railway so as to secure a refund of the deposit, the same would be paid to you, together with all interest paid thereon.

Yours faithfully,

MARTIN & HOBKIRK.

St. John-street, Launceston, Tasmania, 22nd October, 1897.

R. J. SADLER, *Esq., Launceston.*

DEAR SIR,

Mole Creek and West Coast Railway.

IN writing our letter to you yesterday, dated 22nd instant in error, we omitted to state that the offer to give you 12 months (or one year) to find the capital was based on the supposition that Parliament would grant our clients not less than two years. If Parliament will not grant our clients two years, the period allowed you to find the capital will of course have to be proportionately reduced.

Yours truly,

MARTIN & HOBKIRK.

Launceston, Tasmania, 23rd October, 1897.

Messrs. MARTIN & HOBKIRK, Solicitors, Launceston.

DEAR SIR,

WITH regard to your first letter, which is dated October 22, and which (as I have informed you) I sent to Sydney, it seems more a matter for me to reply to than for those who have arranged to find the money after the passage of my Bill, and therefore I write to you at once to say that I cannot at all entertain your proposal.

It puzzles me to imagine why I should be asked to withdraw my Bill in favour of one which, among other disadvantages as compared with mine, is subsequent in point of time. I have bestowed great thought and spent a lot of time and money in making arrangements about the projected line. Furthermore, I was first in the field, and there is an absolute certainty of the flotation of my company; and under all these circumstances it is strange that your clients should make such proposals to me as they have done.

Your further letter of yesterday's date, which I beg to acknowledge, makes it very clear that your clients do not know where to find the necessary capital. Let me inform you that I am too much of a business man to take the important step of petitioning Parliament for leave to construct a railway without feeling sure, as the result of careful negotiation, that if I got my Bill through the capital would be found to construct the line, and since my petition has been presented I have received very satisfactory assurances from those with whom I have been in communication for a considerable period that there is no doubt whatever but that the necessary money will be provided. It is, therefore, too kind and generous of your clients to offer me as a condition of withdrawing my scheme that they will permit me to float theirs, and, as I cannot allow their generosity to do them an injustice, I must decline their offer with becoming thanks.

It is no doubt injurious to northern interests that your clients should follow me with a rival scheme, but if, as you say, one project should be withdrawn, why should it not be the second one? Your clients state in their prospectus that they are "acting solely from public motives," and are "seeking no personal advantage to themselves" out of their project. If this is so, and if two rival applications to Parliament would, as they say, be likely to cause the defeat of both, why do they not, in the strength and sincerity of their public spirit, withdraw their Bill, and let mine, which is prior to theirs, pass into law, especially when I have arranged everything satisfactorily, and the success of my undertaking is absolutely assured. I notice also from the newspapers that those for whom you are acting claim support for their Bill as against mine on the ground that the company which will construct their line is to be a local one, and that the profits will go to local people. Is not this rather inconsistent with your offer to give me the flotation of your project for twelve months, and presumably to let me float the company in London, China, Turkey, or elsewhere. There is not a word in your letter purporting to restrict me from selling shares outside of Tasmania, and therefore your offer contradicts the various paragraphs which have appeared from time to time in the press with the object of soliciting support for your scheme on the ground of patriotism, &c.

Your clients admit the force of my view that it is necessary for the north to have railway communication with the west *via* Mole Creek, and if this is so, and if your clients are "acting solely from public motives" and are "seeking no personal gain," and if it does not matter where the company to construct the line is floated, then surely there can be no reason whatever why the second scheme should not be withdrawn, at all events for the present, and if I do not comply with the terms and conditions which Parliament imposes on me, then your clients will have the field wholly to themselves.

Yours truly,

R. J. SADLER.

St. John-street, Launceston, Tasmania, 25th October, 1897.

Messrs. MARTIN & HOBKIRK, Solicitors, Launceston.

DEAR SIR,

I BEG to protest against your action in writing direct to my client, Mr. R. J. Sadler, in connection with his Mole Creek railway scheme, as a breach of professional etiquette.

You know that I am Mr. Sadler's solicitor in the matter of his application to Parliament, and it is wrong on your part to communicate with him otherwise than through me.

Yours truly,

WALTER CROFT, *per* F. T.

St. John-street, Launceston, Tasmania, 25th October, 1897.

WALTER CROFT, *Esq., Solicitor, Launceston.*

DEAR SIR,

IN reply to your letter of this day, accusing us of a breach of professional etiquette, we beg to state that we should be the last to willingly do such a thing, and do not think our action in the matter in question can be so regarded.

The circumstances are these :—As soon as our clients found Mr. Sadler was applying for a Bill, they felt it would be advisable that either he or they should withdraw, and with the object of coming to some understanding on the point, one of our clients personally interviewed Mr. Sadler on the subject. Other interviews took place between Mr. Sadler and certain of our clients, which resulted in certain Members of Parliament waiting on Mr. Sadler and pointing out the advisability of the two parties amalgamating in some way. These same Members of Parliament also saw our clients, and urged the same point upon them, with the result that our clients instructed the writer to see Mr. Sadler and make certain proposals to him. This was done, and at the interview Mr. Sadler requested us to put the proposals in writing in the shape of a letter to him.

We were not aware that you were acting as Mr. Sadler's solicitor any further than was necessary to get the Bill through Parliament, and the fact that at none of the interviews mentioned did Mr. Sadler refer to the fact of your acting as his solicitor, or request that any correspondence should go through you, confirmed us in that view of the matter. You are evidently not aware of the fact that the writer's interview with Mr. Sadler was the result of a *voluntary* offer on the part of the latter to lay his position before the writer in confidence.

If you look at the matter in an unbiassed light you must see that there has been no breach of professional etiquette on our part, and we trust that in future you will refrain from making such an accusation against us before knowing what we may have to say on the subject, for, as we have already stated, we should be the last to willingly treat a member of the profession with discourtesy.

Yours truly,

MARTIN & HOBKIRK.

Cameron-street, Launceston, Tasmania, 25th October, 1897.

Messrs. MARTIN & HOBKIRK, Solicitors, Launceston.

DEAR SIRS,

YOURS of to-day's date to hand. I willingly admit that your firm is in the front rank of those which observe the etiquette of the profession, and that is why I was so astonished to read in last Saturday's Paper (October 23rd) an extract from a letter you wrote direct to our client. I am sorry to hear that there have been interviews between you and my client without my intervention. I would not object in the slightest to interviews or letters between your clients and my clients, but as to such communications between your firm and my clients I decidedly object. At the same time, I feel sure that you had no desire to commit a breach of professional etiquette, but I hope that in future, so long as I continue to act for Mr. Sadler in this matter, all communications upon the subject from your firm will be addressed to me.

Yours truly,

WALTER CROFT, *per F. T.*

Cameron-street, Launceston, Tasmania, 6th November, 1897.

Messrs. MARTIN & HOBKIRK, Solicitors, Launceston.

DEAR SIRS,

Re Mole Creek Railway.

I AM instructed by Mr. Sadler to ask you if your clients are willing to withdraw their Bill on any terms, and if so, what the terms are?

Mr. Sadler is absolutely certain of success with his scheme, and, as in your recent letters you think the presence of two Bills in the field will endanger both, it is evident that there will be a better chance of one passing if it has no rival before the House.

Yours truly,

WALTER CROFT, *per F. T.*

Patterson-street, Launceston, Tasmania, 13th November, 1897.

Messrs. CLARKE & CROFT, Solicitors, Launceston.

DEAR SIRS,

Re Mole Creek Railway.

YOUR letter of the 6th instant, asking if our clients are willing to withdraw their Bill on any terms, and if so, what the terms are, came duly to hand, and we are now instructed to reply thereto.

Our clients offered to withdraw their Bill on what must be acknowledged to be most fair and reasonable terms, and as Mr. Sadler refused to entertain the proposal, our clients consider there is an end of all question of their withdrawing their Bill. You say Mr. Sadler is absolutely certain of success with his scheme, but we take it that is providing Parliament grants him all he asks for in his Bill. Our clients feel convinced that Parliament will not grant your client the concessions he is asking for, and it would be foolish on their part to withdraw a Bill which they have every reason to believe would be passed by Parliament in favour of one which our clients believe would be rejected.

Yours truly,

MARTIN & HOBKIRK.

Cameron-street, Launceston, Tasmania, 13th November, 1897.

Messrs. MARTIN & HOBKIRK, Solicitors, Launceston.

DEAR SIRS,

Re Mole Creek Railway.

I AM in receipt of your letter of to-day's date, which you have addressed to my firm by mistake. I am surprised to read your statement that your clients made an offer to withdraw their Bill, and that Mr. Sadler refused to entertain it. To make the matter quite certain I have ascertained from Mr. Sadler personally that no offer of any kind, whether on fair and reasonable terms or otherwise, was ever made to him as suggested by you. You certainly did offer to make terms with him on condition that he withdrew *his* Bill, and what I asked you in my letter of the 6th instant was whether your clients were willing to withdraw their Bill on any terms, and if so, what? If one Bill ought to be withdrawn on terms, there is more reason why it should be your Bill than Mr. Sadler's. You are wrong in assuming that Mr. Sadler will not succeed with his scheme unless he gets every concession asked for in the Bill; he only wants a fair thing, and so long as Parliament will concede that to him he will have no objection to the concessions being cut down in a reasonable way. By the concession of fair rights I mean such grants as Parliament really thinks sufficient to induce capitalists to put their money into the scheme; but if Parliament really wants to prevent the construction of the line, one way of accomplishing its wishes would be to give a grant of, say 50,000 acres. I shall be glad to hear from you again, for I am told that the sole aim of your clients is to see a line constructed, and if so they surely should be willing to withdraw their Bill on terms,—at all events for some specified time.

Yours truly,

WALTER CROFT.

St. John-street, Launceston, Tasmania, 16th November, 1897.

WALTER CROFT, Esq., Solicitor, Launceston.

DEAR SIR,

Re Mole Creek Railway.

IN reply to yours of 13th instant, we were wrong in saying our clients made an offer to withdraw their Bill and that Mr. Sadler refused to entertain it. What we should have said was that our clients made an offer to Mr. Sadler which, in their opinion, gave him all the advantages he could gain by the withdrawal of their Bill, and that as he had not seen fit to accept that offer, there was an end of the matter.

Your remarks as to the concessions asked for in the two Bills have no weight, because our clients see their way to construct the line if the concessions they ask for are granted. It is true that our clients' sole aim is to see the line constructed, but they want it constructed at once, and in making the offer to your client above mentioned they did so with very grave misgivings, as they feared the acceptance of that offer would possibly lead to delay in the construction of the line. Our client in the very first instance offered to withdraw and support your clients' scheme if he would give them some satisfactory and tangible guarantee that in the event of his Bill being passed the construction of the line would be gone on with at once, but so far no such guarantee has been forthcoming.

Yours faithfully,

MARTIN & HOBKIRK.

Cameron-street, Launceston, Tasmania, 17th November, 1897.

Messrs. MARTIN & HOBKIRK, Solicitors, Launceston.

DEAR SIRS,

Re Mole Creek Railway.

YOUR letter of yesterday's date to hand. Your admission that you were wrong in saying that your clients made an offer to withdraw their Bill and that Mr. Sadler refused to entertain it, makes it plain that while you ask Mr. Sadler to withdraw his Bill on certain terms, you are not willing to withdraw your Bill on any terms whatever. We do not think this attitude will commend your clients to a large section of the community, who say the promoters of both schemes should put their heads together and come to a compromise or settlement so that only one Bill may be proceeded with in Parliament. You want your Bill at any price, and while you want Mr. Sadler to agree to terms for the withdrawal of his scheme, you are not willing to agree to any terms whatever for the withdrawal of your own. I think in all fairness you should say to Mr. Sadler—"If you withdraw your Bill in favour of ours, we will make such and such terms with you; and, on the other hand, if you agree to such terms as we name, we will withdraw our Bill in favour of yours; and you can adopt what alternative you like." I do not think it necessary to discuss the probabilities of success with regard to either scheme; suffice it to say that Mr. Sadler means business, and feels confident of success. With regard to your statement that your clients "in the very first instance offered to withdraw and support Mr. Sadler's scheme if he would give them some satisfactory and tangible guarantee that in the event of his Bill being passed the construction of the line would be gone on with at once, but so far no such guarantee has been forthcoming," I wish to say that your letter is the first I heard of it, but I have seen Mr. Sadler, who states that he offered to place all his papers confidentially before Mr. Martin, who is a promoter of the rival scheme, and to abide by his opinion that if Mr. Martin was convinced that Mr. Sadler and those behind him were able to carry through the project to construct the line, then the rival scheme was not to be proceeded with; but if Mr. Martin thought otherwise, then Mr. Sadler would withdraw his. This offer was not accepted. I may say that had I been consulted I would strongly have advised Mr. Sadler to consent to no such course, but his action, it must be admitted, shows how convinced he is of the successful accomplishment of his scheme. Mr. McDonald, who is one of your

clients, wrote to Mr. Sadler on October 9th, 1897, explaining that in consequence of a company being formed, the conditions were altered from what they were at the date of an earlier conversation ; that he could not bind the Board or the Company, but only speak for himself. Under these circumstances I cannot see any justification whatever for the passage in your letter which I have quoted. Notwithstanding Mr. Sadler's offer your clients have gone on with their project, and it is presuming too much to expect that when you declined to peruse Mr. Sadler's papers and correspondence under the seal of confidence and on the conditions named, he should go and lay them unreservedly before a board of gentlemen who are doing their best to promote a rival scheme.

Yours truly,

WALTER CROFT, *per* A. T. W.

Cameron-street, Launceston, Tasmania, 18th November, 1897.

Messrs. CLARKE & CROFT, Solicitors, Launceston.

DEAR SIRs,

Re Mole Creek Railway.

WE have yours of yesterday's date, and the only part of it that calls for a reply is the part in which you say Mr. Sadler's offer to place all his papers confidentially before our Mr. Martin and to abide by his opinion, and that if he were of opinion that Mr. Sadler and those behind him were able to carry through the project, our client's Bill should be withdrawn, and that, on the other hand, if Mr. Martin were of opinion that Mr. Sadler and those behind him were not able to carry through the project, Mr. Sadler's Bill should be withdrawn, *and that that offer was not accepted.* Neither we nor our clients ever doubted the ability of Mr. Sadler and those behind him to carry out the project, but what our clients wanted was an assurance that Mr. Sadler and those behind him *would* carry it through *without delay.* To put it plainly, our clients took it for granted that Mr. Sadler and those behind him would naturally want to make as much money as possible by the disposal of the rights, and that there was danger of serious delay whilst they were finding the best market ; whereas our clients looked for nothing but the expenses involved in securing the rights, and would therefore be in a position to secure the capital much more speedily than Mr. Sadler and his party. This position was confirmed by Mr. Sadler admitting he wanted to make money out of the rights.

As to your statement that the offer above referred to was not accepted you are right in a sense, because our clients declined to entertain the offer *in that form*, but, as a matter of fact, Mr. Martin was deputed by our clients to see Mr. Sadler and ascertain whether he could give any assurance that would satisfy our clients. Mr. Martin saw Mr. Sadler and explained that our clients wanted not only proof of the *ability* of his party to find the capital, but that it would be found at once. This, Mr. Sadler stated, he was unable to do, and the interview closed on the understanding that our clients were to submit the offer contained in our letter to Mr. Sadler dated 22nd ultimo, which was done, and which offer he subsequently refused to entertain.

Yours faithfully,

MARTIN & HOBKIRK.

Cameron-street, Launceston, Tasmania, 23rd November, 1897.

Messrs. MARTIN & HOBKIRK, Solicitors, Launceston.

DEAR SIRs,

Re Mole Creek Railway.

YOURS of the 18th instant to hand. I am glad to have your assurance that "neither you nor your clients ever doubted the ability of Mr. Sadler and those behind him to carry out his project," and in the face of such an admission I fail to understand your clients' attitude towards Mr. Sadler and his undertaking. With reference to what you say your clients "took for granted," and as to their professional anxiety that they were apprehensive of "serious delay," let me say that your clients were not justified in their assumption, nor do I think the circumstances, coupled with your assurance as to Mr. Sadler's ability and those behind him, warranted the assumption or the presumption. You will assure your clients that they need not be apprehensive that any delay will be caused by my client in carrying out his undertaking through want of capital, but, on the contrary, that he will, as soon as he obtains the necessary legislative authority, push matters on with expedition. With regard to the statement in the latter part of your letter wherein you say that Mr. Sadler stated he was unable to find the capital at once, my client gives the statement a direct contradiction, and denies that he ever stated anything of the kind. I regret that the occasion should arise for me to write in the latter strain, and had it not been for the irregular course adopted by a professional gentleman personally interviewing our client, and which I have already complained of (although not attributing any want of courtesy to your firm), would not have arisen.

Yours faithfully,

WALTER CROFT.

Cameron-street, Launceston, Tasmania, 23rd November, 1897.

WALTER CROFT, *Esq., Solicitor, Launceston.*

DEAR SIR,

Re Mole Creek Railway.

WE have yours of this date in reply to ours of 18th instant, and from its tone are inclined to regret having taken the trouble of extending to you the courtesy of replying to yours of the 17th instant, as you seem bent on placing a misinterpretation on what we write. In writing you on the 18th instant we sought to show that it was not so much the *ability* to carry out the project, as the *will* to do so speedily, that our clients desired proof of. As to the statement in our letter of 18th instant that Mr. Sadler stated he was unable to give proof, not only of the *ability* of his party to find the capital, but that it would be found *at once*, we think any fair and unbiassed person taking that part of our letter with what goes before the statement referred to must see that, however you may seek to twist our words, the whole tenor of our letter is merely an attempt to put you right on a point you were taking a wrong view of. In your letter of 17th instant you stated your client made a certain offer which our clients did not accept, and we, in ours of 18th instant, sought to show you that the offer which our clients refused to accept was *not in the form which you put it*.

At the interview between our Mr. Martin and Mr. Sadler, the latter merely read extracts from letters showing he was in correspondence with parties with a view to raising the capital if the rights should be secured, and stated that if his Bill was passed he believed he could get the capital within six months, which Mr. Martin took as an admission that the capital had not actually been secured.

We must protest against the closing paragraph of your letter, in which you again accuse our Mr. Martin with adopting an irregular course in personally interviewing your client. Seeing we have already explained that the interview in question took place *at the express invitation of your client*, a fact that your letter of 17th shows you were perfectly aware of before you wrote your letter of this date, and as you have shown so much animus and so strong a desire to trip us in correspondence, and to twist and distort what we write, we shall, in future, be very guarded in writing you on the subject.

Yours truly,

MARTIN & HOBKIRK.

Cameron-street, Launceston, Tasmania, 29th November, 1897.

Messrs. MARTIN & HOBKIRK, *Solicitors, Launceston.*

DEAR SIRS,

Re Mole Creek Railway.

I HAVE yours of 23rd instant, which I have delayed replying to until the return of my client from Hobart.

I do not think it is right for you to accuse me of seeking to twist your words. Nothing was further from my intention. However, the correspondence speaks for itself, and whether the construction I put upon your letter is right or wrong, it seems from yours of 18th instant that the only reason why you oppose Mr. Sadler's Bill is because he could not give you a sufficient assurance *that this railway would be carried through without delay*.

His ability to carry it through being admitted by you, and the only question remaining being that of securing expedition in the construction of the line, I beg to suggest that you ought to be satisfied in this direction if Parliament imposes very strict conditions and penalties for non-compliance.

Mr. Sadler proposes very stringent terms upon this point in his Bill. Do you want them made more stringent? I think you ought to withdraw the closing remarks in your letter.

I have not shown any animus nor any desire to trip you nor to twist or distort your letters that I am aware of. Surely these are grave charges, and you might be content to let the letters speak for themselves.

Mr. Sadler is willing to consider any reasonable terms for the withdrawal of your Bill, so that only one may go before Parliament, and the line which your clients so much desire be constructed without delay.

Yours truly,

WALTER CROFT.

Cameron-street, Launceston, Tasmania, 30th November, 1897.

W. CROFT, *Esq., Solicitor, Launceston.*

DEAR SIR,

Mole Creek Railway.

WE are in receipt of your letter of 29th instant. Our Mr. Martin, who has the matter in hand, is at present in Hobart, and your letter has been forwarded to him for reply.

Yours truly,

MARTIN & HOBKIRK.

AUSTRALASIAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE, HOBART, 1892.

Section J.

Architecture and Engineering.

3.—RAILWAY EXTENSION AND BREAK OF GAUGE.

By ALLAN STEWART.

THE subject of this short paper may very properly be considered of much public and national interest at the present time, in view of the necessity existing for opening up the interior and sea-board of the various Australian colonies for general and strategic purposes, in an effectual way, and at the lowest possible cost. The subject has been under the consideration lately of the Tasmanian Parliament, which during last session passed an Act empowering a syndicate to construct an extension of the north-western system of railways to the great mineral centres of Zeehan and Dundas on a reduced gauge, and in Victoria the matter is now before Parliament, and the Standing Committee on railways there and that Government is asking for information on the subject in reference to the extension of the Gippsland system of railways; whilst no doubt other colonies have the same thing in view for the mountainous portions of their vast territories.

All authorities on railway matters, both engineering and traffic, are quite alive to the disadvantages of any break of gauge on main trunk or trans-continental railways where heavy traffic has to be handled; or where speed is an important object; but it has become a serious question in countries which are in the early stages of development whether the opening up of the country, rich in land, minerals, timber, and scenery cannot be obtained by simpler and less expensive railways, and whether by a judicious treatment of the subject this and the next generation may, while thus realising all their requirements, leave a rich legacy to those who follow, who would have ample means and much more reason and necessity to return to the standard gauge.

The natural features of the country to be traversed should in each case determine the gauge of the railway projected, and in this way no doubt the standard gauge of the various main lines in these colonies, which vary so much, have been arrived at.

I shall instance the Tasmanian main line, with its gauge of 3 feet 6 inches, and corresponding curves of five chain radius, by the application of which a comparatively cheap line has been constructed to carry a heavy traffic; and the same rule applies throughout the Tasmanian railway system. To have adopted curves of even six chains radius, the cost in many cases would have been doubled, and curves of seven or eight chains radius would have brought up the cost of Tasmanian railways to equal the most expensive railway in the world.

To apply the same principle in the opposite direction, and so still further to reduce the cost of railways, is the object of this paper.

In flat country or reasonably flat country it would be unwise to depart from the standard gauge, or even in country where the sidling or sloping ground is regular, and where gullies and spurs are absent, there would still not be sufficient cause for constructing feeders or branch lines on a narrower gauge. Light lines in such cases would effect the object desired; but in country characterised by steep mountain spurs and gullies such as Tasmania, Gippsland in Victoria, and the hill portions of the other colonies, the question of the gauge becomes the all-important one in the consideration of railway extension.

The author of this paper has within the last few years laid out three railways in Tasmania, and two in the hill country of Victoria, four of which, including the Victorian lines, could be constructed on a narrow gauge at a materially reduced cost; and these four lines, involving the expenditure of enormous sums if constructed on the standard gauge, may be considered as representing the character of the greater portions of all future extensions in Tasmania, portions of Gippsland, and probably the mountainous portions of all the other colonies. The author of this paper was called upon lately by the Hon. the Minister of Railways in this colony to report upon the comparative cost of the standard and narrow gauge in respect of one of the railways named, viz., the proposed Mole Creek-Zeehan Railway, which, although traversing as difficult country as any in Tasmania or the other colonies, and rising at the summit to 3300 feet high, can be constructed to the standard gauge at a cost certainly not greater than some of the lines already constructed; but when the narrow gauge principle is applied, the estimated cost is so vastly reduced that other colonial governments may well pause to consider, and follow the enlightened example of Tasmania in regard to future railway extension in hill country. The preparation of reports being much more in the engineer's line than the preparation of papers for scientific societies, I will venture to read the Report named as giving a fairly approximate estimate of a line constructed on the Tasmanian standard gauge and on the proposed narrow gauge in very difficult country. The Report is included in Parliamentary Paper No. 162, Session 1891, and is as follows:—

MOLE CREEK-ZEEHAN PROPOSED RAILWAY.

2 feet 6 inch Gauge.

Hobart, 20th October, 1891.

SIR,

HAVING received instructions on the morning of the 16th instant to prepare a Report on the saving in construction which would be effected by a change of ruling grade from 1 in 40 to 1 in 33, and of ruling curves from 5-chain radius to 2½-chain radius, I have prepared a contour plan of a portion of the line as laid out from 14 miles to 17 miles along the eastern slope of the River Mersey, which probably contains the largest quantity of earth-work in the same distance of any other portion of the line; also, a section of the same showing in black the line as laid

out, the ruling curves being 5-chain radius, and in red the section along the red line on plan, the ruling curves being $2\frac{1}{2}$ chains, which, together with the following remarks, I have now the honor to submit.

Location of Line.—The line for the first $2\frac{1}{2}$ miles is along flat easy ground, for the next 37 miles along sloping ground, for the next 5 miles along flat button-grass plains, for the next 30 miles along sloping ground, for the next 5 miles round Lake Rolleston, comparatively flat ground, and for the remaining distance to Zeehan about 21 miles along sloping ground. I mention this, because on the point as to whether the ground is sloping or flat depends the question of comparative cost; and, so far as the question of curves is concerned, any saving depends on whether mountain spurs and gullies form the ground features.

I estimate that 60 miles of the line will be along broken sidling ground, that 28 miles will be along fairly even sidling ground, and that 12 miles will be on flat easy ground.

The length, therefore, upon which the greatest saving would be effected by the adoption of $2\frac{1}{2}$ -chain curves would be 60 miles. A much less saving would be effected on 28 miles, and none at all on 12 miles, excepting what will be due to the narrow gauge.

Comparative Quantities.—The following statement of quantities on $1\frac{1}{2}$ miles from 14 miles to $15\frac{1}{2}$ miles, which is as heavy as any other part of the line will be, shows the saving due to $2\frac{1}{2}$ -chain curves over 5-chain curves:—

	Cub. Yds.
Cuttings on line as laid out (5-chain radius)	82·305
Ditto on red line ($2\frac{1}{2}$ -chain radius)	18·900
Saving on $1\frac{1}{2}$ miles	63·405
Embankment on line as laid out (5-chain radius)	89·106
Ditto on red line ($2\frac{1}{2}$ chains)	22·500
Saving on $1\frac{1}{2}$ miles	66·606
Concrete culverts on line as laid out, lineal yards	289·
Ditto on red line	187·
Saving on $1\frac{1}{2}$ miles	102·

Thus in the main items of construction, by the adoption of the narrow gauge, a saving would result in first cost of excavation per mile, 42·270 cubic yards; embankments per mile, 44·404 cubic yards; culverts per mile, 68 lineal yards.

A saving would also be effected throughout the whole length of the line in ballast and other minor details, and, exclusive of permanent way, it may be estimated that the narrow gauge could be constructed for about one-third ($\frac{1}{3}$) of the cost of the standard gauge.

In the one and a half miles quoted there would be nine curves of $2\frac{1}{2}$ -chains radius, the longest being 5 chains, with several curves of 3-chain radius, in lieu of the curves laid out having radii of 5 chains.

Gradients.—With regard to the proposed alteration from the standard gradient of 1 in 40 to 1 in 33, this would only favourably affect several small cuttings and embankments on the flat ground, and the cuttings on the various summits, which in all cases are light, and I therefore do not see any advantage to be obtained in making any alteration in this respect, but great disadvantage in the working of the line, and very great disadvantage when in the future it is found necessary to resume the standard gauge. I would therefore suggest, in the event of the narrow gauge being determined upon, that the line as laid out be made the base for laying out the narrow gauge line, and that the levels and gradients for the broad gauge line be maintained, so that in those places where the line as laid out will apply to the narrow gauge lines (and this will extend over many miles) the work already done will be an important contribution towards the construction of the standard gauge line.

Another very important consideration in the matter of levels is the great advantages which would accrue towards the construction of the substituted standard gauge in the delivery of materials all along the line at the levels desired. In broken country such as is represented on the accompanying plan and section, the $2\frac{1}{2}$ -chain curves appear to suit the spurs and gullies, and thus the narrow gauge line will, throughout, be almost a surface line, therefore in many places the cuttings and embankments, and even culverts, would not be applicable to the standard gauge line when constructed; nevertheless, an existing narrow gauge line at the same level as the proposed standard gauge line would reduce enormously the cost of its construction.

Another very important consideration in the comparative merits of the two gauges is, that the narrow gauge might be constructed in a third of the time which would be required for the construction of the standard gauge.

Whilst in the present undeveloped state of the Western mineral fields the advisability of constructing the standard line of the colony might be matter of grave doubt, a narrow gauge line, constructed for 30 per cent. of the cost, and within 30 per cent. of the time of the former, even although traversing many miles of non-producing country, will no doubt in a few years make a handsome return to the promoters by the development of existing and new mineral fields, of which there is at present great expectations, and also would develop the existing cattle traffic and open the large tract of grazing land lying between the Forth and Mersey, and create a market for the prolific agricultural district of which Deloraine is the centre, and, further, open up scenery of the finest description, hitherto unknown to tourists and others.

I have, &c.

ALLAN STEWART.

The Engineer-in-Chief.

MOLE CREEK-ZEEHAN PROPOSED RAILWAY.

Narrow Gauge.

Hobart, October 20th, 1891.

SIR,

I HAVE the honor to supplement my previous report on a portion of the line from 14 miles to $15\frac{1}{2}$, by stating that, having gone into the next mile and a half in the same manner, I find that it will be affected even more favourably, not only as regards cuttings and embankments and culverts, but a tunnel 154 yards long on the line a set out will be entirely avoided by the substitution of $2\frac{1}{2}$ -chain curves for 5-chain curves.

I have, &c.

ALLAN STEWART.

The Engineer-in-Chief.

It may be deemed desirable here to emphasize two or three of the points in the Report just read, viz., that in laying out all projected narrow gauge railways, the setting out of the line (which indeed in every case is the most important part of the engineer's work) should in the first instance be laid out, as at present, for the standard gauge railway, from which contour lines every ten feet in height would be constructed, and the surface grade line laid down from these contours, upon which data the best possible narrow gauge line would be determined.

This system of contours is illustrated, and the general effects seen, on the plans and section which accompanied my Report, and which the Engineer-in-Chief in Tasmania has been good enough to lend for the purposes of this paper, and which are now at hand ready to be explained if any gentleman so desires.

By this system you have the survey for all time of a standard gauge railway, and the necessary data for laying down the narrow gauge line, at little more than the expense of one survey; and it would be difficult country indeed where curves of $2\frac{1}{2}$ or 3 chains radius would not follow at the engineer's pleasure the surface grade line, or at least entail only very shallow cuttings and embankments, and do away with tunnels, long culverts, and heavy viaducts.

The other points to be emphasized are the great saving in cost and time in constructing the lines. Let us take, for instance, three of the lines lately in course of being surveyed in Tasmania, viz., the Derwent Valley Extension to Zeehan, the extension from Mole Creek to Zeehan, and the Waratah-Zeehan Railway, altogether about 280 miles. These on the standard gauge, would cost the country say £1,680,000, and if done simultaneously would take at least six years to complete, whilst, on the narrow gauge, the cost to the country would be reduced to about £680,000, and if done simultaneously the time would be reduced to about two years; so that there is a million of money to spare for another 400 miles of railway to still further open up the country, and the interests of the nation would be advanced by four years. In this period of economy there is no economy more required than in railway extension in countries where traffic is an unknown quantity, and which yet must be opened up; and if railways are constructed on a narrow gauge at small cost which will carry all the possible traffic for the next 20 years or more, why should we spend the enormous amount required for a standard gauge line, which will carry no more traffic, because there is no more to be carried? The one would very probably yield some return, the other *most* probably would have difficulty in paying its way.

The immense reduction in the first cost, of time in construction, and the resulting more speedy opening up of the country, may be said to exhaust the advantages of a break of gauge, yet these are of sufficient importance to far outweigh the disadvantages accruing, and which, summed up, amount to a somewhat reduced rate of speed, some delay in the delivery of goods and mineral traffic; and to a somewhat increased cost in transshipment—fatal, no doubt, in countries already largely developed—but as regards speed in such a country as Tasmania, the travelling public have necessarily been already educated up to a very moderate rate, which they may be assured can never be much increased; while as regards delays to goods traffic consequent upon transshipment and the expense attending it, I think the utmost has not been done towards removing these difficulties. I have given some little thought to this subject lately, and whilst having some delicacy in even hinting a theory, because in all railway matters no theory without experiment is of much value, it may just be said that it has reference to the accommodation of the gauges on the frame of the trucks, the transshipment to be done entirely by the locomotive, which would be effected by a very slight increase to the ordinary labour at stations or junctions.

Where traffic is light, and speed not a very important matter, the main objection to a break in gauge sinks into insignificance when the question practically is narrow gauge at small cost or no railway extension at all; and where there is no progress there must necessarily be decay.