

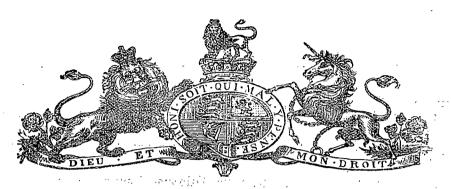
1891.

PARLIAMENT OF TASMANIA.

RAILWAY RETURNS:

REPORT OF SELECT COMMITTEE, WITH MINUTES OF PROCEEDINGS, EVIDENCE, &c.

Brought up by Mr. Adye Douglas, November 18, 1891, and ordered by the Legislative Council to be printed.



SELECT Committee, appointed on the 7th October, 1891, to inquire into the Returns furnished to this House by the General Manager of Government Railways.

MEMBERS OF THE COMMITTEE.

Mr. Crosby. Mr. Gellibrand.

Mr. Grubb.

Mr. Salier. Mr. Adye Douglas (Mover).

DAYS OF MEETING.

Friday, October 9, 1891; Thursday, November 5, 1891; Wednesday, November 18, 1891.

WITNESS EXAMINED.

Mr. W. H. Lovett, Accountant, Government Railways.

MINUTES OF EVIDENCE.

FRIDAY, OCTOBER 9, 1891.

Present-Messrs. Douglas (in the Chair), Gellibrand, and Salier.

Order of the Council appointing the Committee read.

Mr. W. H. Lovett, Accountant and Traffic Auditor, Tasmanian Government Railways, called in and examined. Mr. Lovett retired.

The Committee adjourned sine die.

THURSDAY, NOVEMBER 5, 1891.

The Committee met at 11 A.M.

Present-Messrs. Douglas (in the Chair), Crosby, Gellibrand, and Salier.

Mr. W. H. Lovett introduced.

Evidence taken on October 9, read by the Clerk.

Mr. W. H. Lovett further examined.

The Committee adjourned sine die.

WEDNESDAY, NOVEMBER 18, 1891.

The Committee met at 3 P.M.

Present-Messrs. Douglas (in the Chair), Gellibrand, and Salier.

Draft Report brought up by the Clerk, submitted, and agreed to.

The Committee adjourned sine die.

REPORT.

Your Committee, in view of the near approach of the close of the Session, and in view also of the illness of Mr. Back, General Manager of Railways, deem it expedient to bring up their Report.

Your Committee examined Mr. W. H. Lovett, the Accountant of Government Railways, from whose evidence it would appear—

- That, while the traffic of the Launceston and Deloraine Railway has increased very considerably since 1883, the revenue has not apparently kept pace in a commensurate manner.
- That, by "The Launceston and Western Railway Act, 1873," Section 24, it is provided that "If in any one year the nett earnings or profits of the said Railway exceed the sum of Twenty-seven thousand Pounds per annum, such excess shall be carried in the books of the Colonial Treasurer to the credit of the Launceston and Western Railway Company (Limited), which amount shall be at the disposal of the Company."
- That some of the expenditure charged against the Launceston and Western Line should be charged to other Lines, such as the Main Line, Formby, and Scottsdale.
- That the increase of income as shown by the Returns is not in accordance with the Traffic Returns.
- That, in conclusion, your Committee are of opinion that for the future the Receipts and Expenditure of the Launceston and Western Railway should be kept separate, so as clearly to show the Revenue and Expenditure of the line of railway between Launceston and Deloraine, as originally intended.

ADYE DOUGLAS, Chairman.

Committee Room, Legislative Council, November 18, 1891.

EVIDENCE,

FRIDAY, OCTOBER 9, 1891.

WILLIAM HENRY LOVETT, called and examined.

- 1. By the Chairman.—What is your name? William Henry Lovett.
- 2. Your position? I am an Accountant and Traffic Auditor to the Government Railways.
- 3. At the time of making the following Return were you stationed in Launceston:—Receipts, £17,430 14s. 11d.; parcels, &c., £1338; goods, &c., £12,416 15s. 9d.; mails, rents, &c., £3215; Tasmanian Main Line Railway tolls, £4800. Total, £39,200 10s. 8d. Expenditure, £26,681? I was in Launceston at that time.
 - 4. Were you the accountant there? Yes.
 - 5. How long have you held that position? For nearly eleven years.
 - 6. Consequently, you are well acquainted with the Launceston and Deloraine Railway? Yes.
- 7. Up to what period were the Launceston and Deloraine Railway accounts kept separate from any other accounts? Till 1885, when the Mersey line was opened.
 - 8. That was the extension to Formby. When was that opened? I think in July, 1885.
 - 9. From that time did the accounts cease to be kept separate? Yes.
- 10. Were the accounts of the Launceston and Deloraine line and the Launceston and Mersey line merged into one account? Yes.
 - 11. Do you recollect when Mr. Lord died? In 1885.
- 12. You were aware of the existence of the motion I have read. Was the copy of the accounts produced furnished by you in consequence of that motion? Yes.
- 13. Will you explain to the Committee how you made up those accounts? The accounts are based on the passenger and goods traffic of the two sections. This account is made to be proportionate on the basis of passenger and ton mileage.
- 14. By Mr. Salier.—What is the difference between the passenger and the ton mileage? Passenger mileage is made up by multiplying the number of passengers by the distance each passenger is carried; the ton mileage by multiplying the number of tons by the distance each ton is carried.
- 15. By the Chairman.—What would be the allowance of mileage on the two lines? I have not that with me.
- 16. You received a summons to be here to-day prepared with all necessary papers to answer questions that might be put to you, did you not? I have the papers, but not with me.
 - 17. Have you the papers from which you made up these accounts? Yes.
 - 18. Then the shortest way will be to produce those papers? Yes.
 - 19. You allowed 45 miles for Launceston to Deloraine? Yes, that is the mileage.
 - 20. How much for the Western Line? 82, or a difference of 37.
- 21. Do I understand you the passengers are reckoned according to the mileage? Yes, on passenger mileage.
- 22. Then Launceston and Deloraine would receive credit for 45 miles, and the Western for 37 miles on the total passenger traffic? Yes. That is multiplied by the number of passengers travelling.
- 23. You take the total number of passengers travelling over the whole line, and then you credit 45 miles to the Launceston-Deloraine line, and the remainder to the Western? Yes.
- 24. Is there not a very much larger proportion of passengers travelling between Launceston and Deloraine as compared with Deloraine and Formby, or Launceston to Formby? Yes.
- 25. By Mr. Gellibrand.—It makes no difference so long as you multiply the number of passengers by the number of miles they travel? If 5000 persons travelled from Launceston to Formby right through, I would multiply the mileage by the actual number of through passengers, and then I would give you the proportions of mileage between Launceston and Deloraine. That is what has been done in this case.

- 26. By the Chairman.—Taking your returns, the proportion credited to Launceston and Deloraine would amount to—for passengers, £17,430 14s. 11d.; parcels, &c., £1338; goods, &c., £12,416 15s. 9d.; mails, rents, &c., £3215? That, I may explain, shows approximately the receipts on the Launceston-Deloraine section only.
- 27. Then, does Launceston-Deloraine get no credit for what it takes to Formby? No, it gets its proportion.
 - 28. Tasmanian Main Line Railway tolls, £4800, making a grand total £39,200 10s. 8d.? Yes.
 - 29. The expenditure is £26,681. How do you arrive at that? On the train mileage.
 - 30. By Mr. Gellibrand.—On the actual expenses? Yes, based on the train mileage.
- 31. By the Chairman.—Then, if you charge the total expenditure of the whole line you charge 45 miles to the Launceston-Deloraine Section? No. The expenses are apportioned on train mileage, not on miles open.
- 32. The reason of this is there are more trains running between Launceston and Deloraine than between Formby and Deloraine? Yes. They are proportionate returns; we cannot get them actual.
 - 33. Does the Launceston and Deloraine line receive the benefit for the extra train mileage? Yes.
- 34. These returns will show that while the train mileage of the Launceston-Deloraine line is, say, 150 miles per day, the train mileage of the other is only 100. This amount is credited with the passengers for 150 miles instead of 100? Not in passengers.
- 35. Well, how? We presume that the extra mileage is run necessarily, and therefore the line performs larger traffic.
- 36. Just so; but if you extend the line from one point to another it would be different. Supposing there were two separate lines instead of a joint one, the Western line would have to pay mileuge over the Launceston line? Certainly.
 - 37. By Mr. Gellibrand.—Of course, the Launceston line would be bound to receive the benefit? Yes.
- 38. By the Chairman.—As regards the expenditure, how is that divided between the two lines? By taking the total expenditure and dividing it on the train mileage run on each section.
- 39. According to that it would be only fair that Launceston-Deloraine should receive the whole benefit of train mileage of passengers in that way? The extra train mileage is necessitated by the extra traffic.
- 40. Yes; but why does not the Launceston and Deloraine line receive the credit of the extra traffic? It does.
 - 41. We will see that by the accounts? Yes.
- 42. Now in that sum of £26,681, what expenses are included as station expenses: do you understand what I mean by station expenses.—I mean the whole terminal charges of the two lines? In 1889, when that return was made up, there was a portion of the Scottsdale line open.
 - 43. Only for about three months, I think? Yes, about that time.
- 44. What proportion of station expenses is calculated there? I cannot give you any details. I have taken the total expenses of the Western line.
- 45. If that was the case, the whole charges of terminal expenses must have been charged to the Launceston and Deloraine line; if you'did not charge to anything else, it must have been charged to that? No, Sir; I took the total expenditure of the Launceston and Western Line.
- 46. I want to know what proportion of that amount includes the Launceston and Deloraine station terminal expenses, such as the clerical staff, workmen in the yards, and everything else: does that amount include all that? Yes.
 - 47. The whole clerical staff? Yes, on that section.
- 48. Your own salary, Mr. Back's salary, and everything else is charged in that amount? No, Sir, only a proportion.
 - 49. I want to know what proportion? It is based on the train mileage.
 - 50. I expect a detailed account will show all that? Yes.
 - 51. Now, repairing expenses, how do you provide for that? On the same basis.
 - 52. By Mr. Gellibrand.—Train mileage? Yes, train mileage.
- 53. In addition to the Western line there is the Fingal line. What have you credited, or how have you charged the terminal expenses with respect to the Launceston and Fingal line? That does not come into the account at all. The Main Line took the traffic from Conara Junction; it did not go into the Government yard at Launceston at all.
- 54. The Main Line was only charged in the sum of £4800. They were simply charged from Hobart to Launceston? From Evandale Junction to Launceston.
- 55. But then your trucks went into Launceston, and they were unloaded there? Yes, in the Main Line yard.
 - 56. Unloaded in the Main Line? Yes.
- 57. All those trucks and so forth had to be attended to in the Launceston yard of the Western line, had they not,—I mean were they not repaired, &c. in the Launceston yard? So far as repairs are concerned very few had to be effected during that time. The trucks at that time were very nearly all new, so that very little was required.
- 58. In the 1889 account nothing is allowed in connection with the Launceston-Scottsdale line? Yes, a small amount.

- 59. How much? I cannot tell you exactly.
- 60. Do you still carry on the accounts in the same way now ?-I mean is there any distinction whatever as to the whole of these lines coming into Launceston, or are there separate accounts kept for each line? No, not at present; it has to be apportioned.
 - 61. Could not these accounts be kept separate? The receipts could be, with an increased staff.
 - 62. What do you call an increased staff? Probably three or four more clerks.
 - 63. It would involve the expenditure of three or four more clerks? Yes.
- 64. How do you manage with the Main Line now? It is being kept separate. The receipts are being apportioned every month.
- 65. Has that involved an increased staff? Yes; we have had to increase the staff since taking the line over.
- 66. Is the Launceston and Western Line still credited with an amount from the Main Line? Yes, the same amount, £4800.
- 67. Now, in 1882 the Launceston and Western Line was earning 2.26 per cent. interest on the capital. What does it earn now, in 1891, or what was it earning in 1889? I think a little over 2 per cent. in 1889.
 - 68. In 1882 it was earning 2.26 per cent.?
- 69. When it came to be worked with the Formby Line, what was the rate of interest then earned? It was 1.16 for 1889; that includes the through section from Launceston to Formby.
 - 70. Although earning 2.26 per cent. in 1882, you could in 1889 only show 1.16? Yes.
- 71. From your knowledge, after the Formby section was opened did the traffic of the Launceston-Deloraine Line considerably decrease, or otherwise? No; it increased on the Deloraine-Launceston
 - 72. Taking that as the gross earnings, the balance would be how much? £12,530.
 - 73. In 1882 it was a broad gauge line? Yes.
 - 74. It is now a narrow gauge? Yes.
 - 75. Then, although the line has been improving in receipts, it has decreased in percentage? Yes.
 - 76. How do you account for that? I cannot account for it.
- 77. The cost of the whole alteration of the gauge has been charged against the Launceston-Deloraine section? Yes.
 - 78. And not over the whole of the line? No.
 - 79. How do you charge the maintenance expenses? On the same basis.
- 80. Is it not a fact that the maintenance expenses have been very much higher on the Deloraine-Formby Line than on the Western Line? Yes.
 - 81. The renewals have been heavier?
 - 82. And still the charges have been made in a general way? Yes.
- 83. I think it was in 1889 your Manager made a special report on the construction of the Formby? Yes. All these renewals have not actually been charged. It was reported that the renewals were
- 84. Your Manager said the renewals on that line were necessary, because of the work not being as good as on the Launceston-Deloraine section? Yes.
 - 85. Do you understand how they charge these things in England? No.

THURSDAY, NOVEMBER 5, 1891.

WILLIAM HENRY LOVETT, re-called and examined.

- 85. By Mr. Crosby.—I want to ask you, Mr. Lovett, this question, that according to your evidence the Deloraine Line got the credit of its mileage on both passengers and goods traffic—is that so? Quite
 - 87. Although it passed right on to the terminal station? Yes.
- 88. It might have been that the passenger traffic and the goods traffic has increased in consequence of the opening of the line, and that Deloraine ought not to receive any benefit from that because the fact of the line being opened right through has possibly increased the Deloraine traffic by the increased number of of course there was an opportunity there to get a break in the journey. Well, now this opportunity would not have occurred under the old system if the line had simply ended at Deloraine; but through having an opportunity of breaking our journey we took advantage of this, and remained there a time. Do you consider it is fair that the Deloraine line should get the credit of that?

 The Chairman: Why not?

 Mr. Crosby: I don't think so. trains that are run, and also by the fact that has occurred to myself one time: we stopped at Deloraine-

- The Chairman: You paid for your journey from Launceston to Deloraine,—at least, your party paid their fares from Launceston to Deloraine.
 - Mr. Crosby: No, we paid from Launceston to Formby.

- 89. Mr. Crosby to Witness-What was the rate of wages in 1884 and 1889-I mean, during those five years what increased charges were made for wages, and what increases took place in salaries as well?
- 90. Was there any increase? I think it is very probable that within the years you mentioned there were some increases in wages; but they would not amount to much, and would simply be the usual increases for long service. They could not have amounted to much.
- 91. Has there been any increase in the rate of pay per day? There might have been; but I am unable to state from memory.
- 92. We used to pay the wharf labourers 8d., and now we pay them a shilling, which is an increase of 50 per cent.? Yes.
- 93. There has been a very great increase in the labour bill, no doubt, and there has also been an increase in the salaries? I do not think there is any increase in the labour bill. If I remember rightly, most of the permanent way men are now receiving the same wages as they were during the years from 1884 to 1889. I think the permanent way men receive 6s. per day, the ganger 7s., and others 8s.
 - 94. Will you, Mr. Lovett, endeavour to find out if there has been any increase? Yes.
 - 95. By the Chairman.—And the amount? Yes.
- 96. By Mr. Crosby.—We would like also, Mr. Lovett, the increases in salaries? I will endeavour to procure them as well, Sir.
- 97. Fares and freights are the same now as in 1884? No, Sir; but in 1889-they were the same as in 1884.
 - 98. By Mr. Gellibrand.—They have raised the fares and freights now, have they not? No.
- 99. By Mr. Crosby.—I will ask you, Mr. Lovett, whether you consider that the opening of the line to Formby has increased the traffic to Deloraine? Increased the traffic to Deloraine?
 - 100. To Deloraine itself? No, it has not.
- 101. Well, I will ask you therefore, considering that the Deloraine Line would be credited with its proportion of mileage, whether it is fair that that proportion should be given to Deloraine, although the direct traffic to Deloraine has not increased? I am of opinion it is fair.
 - 102. You consider it fair? Yes.
- 103. Although Deloraine would not have benefited except for the Formby extension, you think under those circumstances Deloraine should get the credit? Yes.
- Mr. Crosby.—I do not know whether I am justified in asking these questions?

 The Chairman.—You are quite justified, Mr. Crosby. I wish to have a full and impartial enquiry into the liability of the Government to the shareholders in the old Launceston and Deloraine Railway Company. I shall be glad of any suggestion from you, and would like you to elicit any evidence that may concern the matter. My object in naming you as one of the Committee was that we should have the opportunity of your knowledge and your views in the examination of witnesses. I wish for the fullest enquiry, and any questions you put to the witnesses will be noted.
 - Mr. Crosby.—I have no more questions at present to ask.
- 104. By the Chairman.-Will you produce the accounts, Mr. Lovett. Yes. (Accounts produced-Appendix A.)
 - 105. This account shows the particulars of a return furnished by you? Yes.
 - 106. The next account is Account B, and shows Miscellaneous particulars? Yes. (See Appendix B.)
- 107. Now, we will go back if we can, because I have not had an opportunity of going through these accounts. Now, what I want to find out particularly is this: What is the expenditure for station purposes at Launceston—I mean the labour employed and everything else expended in providing a station at Launceston—what is the total? I have not that here, but I can get it, Sir. Shall I include labour and stores?
- 108. Yes, labour and stores, also clerical assistance. You had also better get the Committee a similar return of the expenses incurred at Deloraine, the original terminus; and then, having ascertained that, I want to know then of that amount what have you charged the Main Line of Railway, the Fingal Line, the Scottadele Line and the Fourthy Line? I will consider the Main Line of Railway, the Fingal Line, the Scottsdale Line, and the Formby Line? I will compile a return.
- 109. By Mr. Crosby.—Do you keep these accounts separately in the office? No, Sir; the expenditure has to be apportioned, but I can arrive at them on the train mileage.
 - 110. Would that be a correct basis on which to estimate? Well, it is as near as you can get it.
 - 111. By the Chairman.—It is what you term approximate? Yes.
- 112. Now, since the Main Line trains have been running into the Launceston and Western Line Station, have you increased the subsidy from the Main Line to the Launceston and Western Line? No, not at present, Sir.
 - 113. Is it not reasonable that you should do so? Yes.
 - 114. By Mr. Crosby.—What subsidy is that? It is from the Main Line.
- 115. By the Chairman.—The whole traffic, with the exception of the goods, goes into the Launceston and Western Line, and the accommodation at the Launceston Station has been increased for that purpose, and the expenses have been increased in proportion after that traffic. That would be so, would it not? Yes.
 - 116. The old Main Line Station is done away with now? Yes, except for goods.
- 117. Now, I want to know what proportion of expenses incurred by that is credited to the Launceston and Western Line—to whom were these extra expenses of increased terminal charges made?—was it to the Main Line or to the Launceston and Western Line? To railways generally; not to any particular line.

118. By Mr. Crosby.—Originally, that station was provided for by the Government, was it not? Yes.

119. By the Chairman.—The Government gave eight acres of land in Launceston to the Launceston and Western Railway Company, and they erected the building? The Government have since taken it over, and have been receiving 2½ per cent. on that.

The Chairman: My object in this enquiry is simply this—to ascertain what are the actual earnings

of the Launceston and Western Line, so as to be able to report to the House that the earnings of the line are so and so, and that some arrangements ought to be made between the old shareholders and the Government as to the interest of the former in the line. That is my sole object.

Mr. Crosby: That is, the £50,000.

- 120. By the Chairman.—I dare say you are aware that many of the buildings there had to be put on piles? Yes.
- 121. By Mr. Crosby.—Was it of the same character as the land on the opposite side of the road where buildings are now situated? Yes.

The Chairman: The drainage made all the difference.

- 122. By Mr. Crosby.—Have the improvements on that land since it fell into the hands of the Government increased the traffic on the Deloraine branch? The improvements that have been made were necessitated through the increased traffic.
- 123. If those improvements had not been made the Deloraine traffic would not have increased? I cannot say that.
- 124. By the Chairman.—Nearly the whole of your land is now covered with buildings? Yes, the greater portion of it.
- 125. Until you took the Fingal line over you had to pay the Main Line Railway over £4000 a year for running powers? No, but we paid a considerable amount for hire of rolling stock, &c.
- 126. You now nominally receive that from them? The balance for interchange of rolling stock was in our favour.
 - 127. A balance in your favour? Yes.
- 128. In order to get that balance you must have paid them a very large amount? Yes, there was a considerable amount paid.
- 129. If you got a balance of nearly £6000, how many thousands would you have had to pay to get that balance? That balance is in our favour.
 - 130. Then it shows that they must have received a very large sum of money? Yes.
- 131. By Mr. Crosby.—Can you say how many trains per day were running between Deloraine and Launceston up to 1884? Three each way.
- 132. To 1889? I think five. I think in 1889 there were five or six trains running between Launceston and Deloraine.
 - 133. Nearly double the number as compared with 1884? Yes.
- 134. By the Chairman.—That extra service was for the benefit of Formby and the Western country?
- 135. You start from Launceston at 8 o'clock in the morning, and you are compelled to start from aby at 7 o'clock, and now from Ulverstone at an earlier hour. That creates another train running to Formby at 7 o'clock, and now from Ulverstone at an earlier hour." Well, the train that goes out in the afternoon, the first train only goes to Deloraine, or rather Launceston. the last train in the afternoon only goes to Deloraine, then another train in the afternoon has to go right Yes. away to Formby, has it not?
- 136. By Mr. Crosby.—The three-trains per day service was quite sufficient for Deloraine, was it not? Yes.
 - 137. And now it gets the benefit of this six trains per day? Yes.
- 138. And in consequence of that six-train service through to Formby it gets a proportion of the mileage? Yes.
 - 139. By the Chairman.—They are charged proportionate expense? Yes.
- 140. By Mr. Salier.—The expenses of getting the accounts kept separate would be very large, I understand from your evidence, Mr. Lovett? No.
 - Mr. Crosby: The best thing would be to give £50,000 and cry quits. The Chairman: We will be satisfied with $3\frac{1}{2}$ per cent. debentures.

- 141. By the Chairman.—There is nothing in the Launceston-Deloraine Railway Act, is there, that entitles Members of Parliament, or distinguished visitors, or illustrious visitors to travel on that line free of cost? I believe not, sir.
- 142. Has any credit been given to the Launceston and Western line for travelling Members of Parliament and distinguished visitors? None whatever. I might mention also, volunteers.
 - 143. Free passengers? Yes.
 - 144. On the Main Line payment used to be made for this sort of thing by Government? Yes.
- 145. That money ought to be credited to that line, ought it not? The Launceston and Deloraine line, no, not as a Government line.
 - 146. But as a private line? Yes, of course, if it were a private line it would have to be paid for.
 - 147. The mails—how are they charged for? They are paid for.
 - 148. You get paid for mails? Yes,

- 149. That will only be a cross-entry? No, Sir
- 150. It goes into the account? Yes
- 151. Then it is merely a cross-entry? No, the cash is paid to the Department.
- 152. It really is a cross-entry? The Post Office Department is debited and Railway Department credited with the amount.
- 153. The question arose in the House of Assembly the other night, when Mr. Back wanted to charge persons travelling on the line with Government passes—for instance, the Inspector of Rabbits, and so forth—and Mr. Back wanted to charge them in order to show that he was really earning his money? Yes.
- 154. It seems ridiculous on the part of the Government to pay out of one pocket and put it into the other? Yes.
- 155. I don't think I have got down clearly and distinctly in the evidence the estimated earnings of the line. You are aware from the accounts, Mr. Lovett, that the line is calculated to earn 2.26 per cent. in 1884? Yes.
- 156. And in 1889, what is reckoned as being the credit of that line—that is the whole line from Launceston to Formby—it only earns now one per cent.? In 1889 it included the Western line. With the Western line in 1889 it earned 2.77 per cent.
 - 157. By Mr. Crosby.—You deduct the interest? No, Sir.
- 158. By the Chairman.—Well, according to the increase of traffic on the line, would it not be apparent that the Launceston and Deloraine line ought now to be credited with more than 2.77 per cent.? At the outset, if the line were a private line, undoubtedly charges would be made for running powers and terminal charges and matters of that kind, which would probably increase the revenue considerably.
 - 159. Not probably but actually? Yes, it would actually increase the receipts.
- 160. By Mr. Crosby.—Are the railway accounts so kept that the goods going to Deloraine probably could be checked, and the passengers also? Yes.
- 161. By the Chairman.—The Launceston station and the Deloraine station were built before the additions to the Western line? A portion of them.
- 162. And the cost of those stations and the construction of the line was put down at £450,000, was it not? Originally for the whole of the line.
 - 163. The whole of the line, £450,000? Yes.
- 164. Is not the whole interest of that £450,000 charged solely against the Launceston and Deloraine line? The interest has never been separated since it was charged to the one account—the interest account.
 - 165. By Mr. Crosby.—In making up the cost of the railway is the interest not always added? No.
 - 166. It just stands as a ledger account for interest? Yes.
 - 167. Is that a fair way of making it up? Yes, I should think so.
- 168. By the Chairman.—The amount paid a ton on goods then was 30s. from Deloraine to Launceston? Yes.
 - 169. It is very much less now? Yes; I think it is 7s. a ton now.
- 170. By Mr. Crosby.—Do you know how the Victorian railway accounts are kept? In the same way.
 - 171. And the New South Wales? Yes.
 - 172. By the Chairman.—We are losing something like £50,000 per year on our railways? Yes.
- 173. By Mr. Crosby.—Can Mr. Lovett say how much of that £50,000 is charged to the Launceston and Deloraine Railway? No, I could not answer that.
- 174. By the Chairman.—The Launceston and Western Line is the only one that is paying anything. Is that not a fact? Yes. There is also the Fingal Line.
 - 175. But that is merely nominal? Yes; and the Scottsdale as well.
 - 176. By Mr. Crosby.—But that is not charged with its proportion of interest either? No, Sir.

APPENDIX A.

TASMANIAN GOVERNMENT RAILWAYS.

Western Line, 1889.		
Passenger Miles— Launceston and Deloraine Section Deloraine and Formby Section	3,609,717·69 1,600,434·31	Per cent. 69·28 30·72
Total	5,210,152.00	$\overline{100\cdot00}$
Ton Miles— Launceston and Deloraine Section Deloraine and Formby Section	1,190,295 529,962·82	69·19 30·81
Total	1,720,257	100.00
Train Mileage— Launceston and Deloraine Section Deloraine and Formby Section	175,137 64.936	72·95 27·05

RECEIPTS.

Total

	Amana	Apportionment.	
	Amount.	Launceston and Deloraine Section.	Deloraine and Formby Section.
Passengers Parcels Goods, &c. Mails, Rents, &c. Tasmanian Main Line Railway Toll	1931 0 8	£ s. d. 17,430 14 11 ^a 1338 0 0 ^a 12,416 15 7 ^b 3215 0 0 ^b 4800 0 0	£ s. d. 7729 2 2 598 0 8 5529 2 10 1426 14 10
•	54,478 11 0	39,200 10 6	15,278 0 6

a 69.28 per cent. of Total.

240,073

100.00

WORKING EXPENSES.

Amount, £36,575 9s. Apportionment—Launceston and Deloraine Section, £26,681*; Deloraine and Formby Section, £9894 9s.

* 72.95 per cent. of Total.

APPENDIX B.

TASMANIAN GOVERNMENT RAILWAYS.

Western Line, 1889.

	Launceston and Deloraine Section.	Deloraine and Formby Section.	Total.
Capital expended to 31st December, 1889 £	454,079*	192,090	646,169
Gross Earnings £	39,200	15,278	54,478
Working Expenses£	26,681	9894	36,575
Profit on Working£	12,519	5384	17.903
Profit on Working per £100 Capital Expenditure	2.75	2.80	2.77
ings	68·06 175,137	64·75 64,936	$67 \cdot 13$ $240,073$

^{*} Exclusive of £50,000 paid by Launceston and Deloraine Railway Shareholders.

^b 69.1 per cent. of Total.