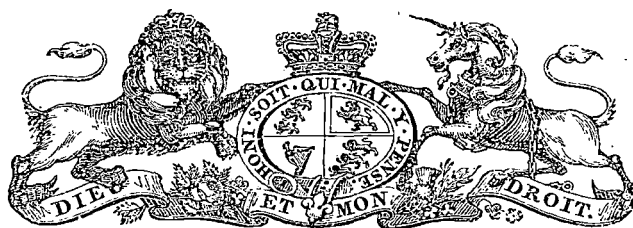


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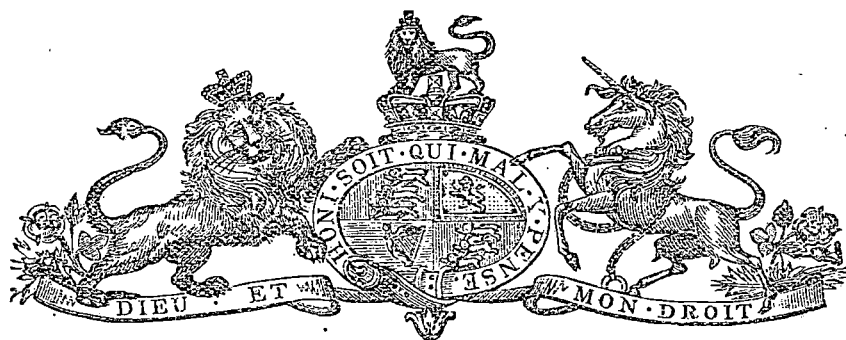
PARLIAMENT OF TASMANIA.

V.D.L. COMPANY'S WARATAH AND ZEEHAN
RAILWAY:

REPORT of the General Manager of Railways on probable effect on the
Government Railways of the Construction of the Railway from
Waratah to Zeehan, with a Branch to Lyell.

Laid upon the Table of the House of Assembly, and ordered by the House to be
printed, November 3, 1897.

Cost of printing—£6 17s.



*Tasmanian Government Railways,
General Manager's Office, Hobart, 1st November, 1897.*

SIR,

I HAVE the honour, in terms of the request of the Honourable Member for Franklin, and by your instruction, to express my views upon the effect of constructing the Emu Bay to Zeehan Railway, with a branch to Mount Lyell.

I must ask permission to refer you to my Report on the subject, dated 7th August, 1895, which was printed in the Report of the Select Committee on the Bill to authorise the construction of a Railway from Waratah to Zeehan (*vide* Parliamentary Paper No. 53 of Session 1895), and to a Memorandum I addressed to you, being chiefly notes, at the time the Bill was going through the House, which Memorandum bears date 26th August, 1895. I consider it desirable to append hereto copies of both these documents, as they expressed my views in 1895, which views I adhere to in every respect, and to which but little is left for me to add.

If anything, my opinion is strengthened that the construction of the Waratah-Zeehan Railway will have a detrimental effect upon our railway revenue. It will carry a large amount of traffic, which will nearly all be diverted from the Government railways and tramways. I have certainly not over-estimated the loss to the Government railways in my two Memoranda of August, 1895—on the contrary, I have under-estimated it.

With regard to the branch from Rosebery to Lyell, I do not consider developments justify the Government making this line at present. The natural outlet of our North-East Dundas Tramway or light railway is somewhere in the Northern District of Tasmania, but the route can only be determined after a full examination of the country and one or more surveys. Survey parties should be sent out to search for routes; say for instance, one through Sheffield and the Forth and Wilmot Gorges, another from Hamilton-on-Forth, a third from Castra, and a fourth from Mole Creek. The line constructed on the plan I propose will serve not only the mineral country, but probably much pastoral and agricultural land now lying too far back from the road to be availed of.

When the time comes it may be desirable to construct a branch from some part of the Government lines to Mount Lyell. At the same time, however, the private line granted between Waratah and Zeehan holds the key to the position. You have always, I know, been in accord with me in the opinion that the Waratah Line should not be allowed to pass south of the Rosebery District, and even now that the Company has statutory rights to do so it may be possible to effect some compromise.

I sincerely regret that Parliament has seen fit to sanction syndicate railways. In other colonies they have been the cause of much legal trouble and great pecuniary loss. Mr. Napier-Bell can give Parliament much valuable information on this matter from his experience in New Zealand.

If Parliament decides to grant further concessions, it should insist upon plans and surveys being deposited with the Bill, and ample proof being given that the applicants are in a position to carry out the work for which a concession is asked.

I append a map of Tasmania showing the various lines, and more particularly the area in which, in the course of time, our narrow-gauge line from North-East Dundas should terminate.

I have the honour to be,

Sir,

Your obedient Servant,

FRED. BACK, *General Manager.*

The Honourable the Minister for Railways.

*Tasmanian Government Railways,
General Manager's Office, Hobart, 7th August, 1895.*

SIR,

I HAVE the honour to acknowledge receipt of your instructions to report upon the Bill to authorise the Van Diemen's Land Company to construct a Railway from Waratah to Zeehan.

It is difficult, without sufficient data, to say what the effect would be on the Government railway of a competing line between Waratah and Zeehan, or, as it will be, between Emu Bay and Zeehan. If the line be completed between Emu Bay and Zeehan, I consider it probable that it will compete with the Government railway for traffic, as the facilities for shipping at Emu Bay will have to be taken into consideration. If the gradients of the line are not too severe the line should be worked cheaply, and if a large body of traffic is dealt with I am of the opinion that we should have to reduce our rates between Zeehan and Strahan to prevent losing traffic. Based on our present traffic, a reduction of 1*d.* per ton per mile on the Strahan-Zeehan line would mean a loss of £3000 per annum. It is possible that we might have to reduce 3*d.* per ton per mile, which on the present traffic would mean a loss of £9000 per annum, and the loss would increase as the fields developed.

It becomes a question, I think, as to whether the interests of the Government railway might not be conserved by permitting the line to be constructed through to Rosebery or thereabouts, connection being made from Zeehan by the light trams, a proposal for which is now before Parliament. If this were done, the whole of the country would be opened up, the revenue of the Government railway conserved, and competition at possibly cut-throat rates be prevented.

With regard to the Bill, I would suggest that in the preamble, line 7, after the word "Zeehan," the words "from Waratah to some point between Waratah and Zeehan" be inserted.

Part I., title and interpretation, last section but one, 7th line from bottom of page, see note to Section 8, Part III.

Part II., Section 4, line 7.—Insert same words as proposed in preamble.

Section 5, lines 20 to 29.—Provision should be made for the Company to pay for the use of any portion of the Government lines, stations, staff, signals, &c., the amount to be fixed by agreement, or, pending this, by arbitration under the Land Clauses Act.

Part III., Leases to branch lines, Section 8.—Distance or length of branch lines, I think, should be defined, otherwise the Company would have the power to make a line to Hobart or Launceston, or to any other place in the colony.

Section 17.—I recommend that a fixed charge be made for the inspection by Government, and that the charge be inserted in the Bill. I think a charge at the rate of £300 per annum during the period of construction would be a fair thing.

Part VI., Section 25, after line 25.—The Minister should have the power to stop the railway running if he is of opinion it is not maintained in a safe and efficient manner.

Section 31.—The Minister should have power to take running powers as well as to grant them; such running powers to be paid for by either party by mutual agreement, failing which, by arbitration.

Part VIII., Section 37.—I recommend that the Minister appoint an officer to certify to all construction charges, and that for the purposes of this section of the Act only vouchers so certified by the Government officer should be allowed as a charge to construction.

In the same Section I observe the amount of compensation upon resumption by the Crown is set forth as the actual cost of construction, plus 20 per cent. A fairer thing seems to me to be the actual cost of construction, plus a sum based upon the aggregate profits of the three years preceding the date of the resumption by the Crown.

Section 41.—Certification of accounts by the officer appointed as proposed in amendment to Section 37.

Part XV., Section 85.—I suggest the lessees should be approved by the Minister.

Part XVIII., Section 99.—After the word "railway" in line 3 of the Section I recommend the insertion of the words "or trainways."

Another Section should be embodied authorising the exchange or hire by either party of locomotives, rolling-stock, or other plant; payment to be made by agreement, or failing this, by arbitration under "The Land Clauses Act."

I have, &c.

FRED. BACK, *General Manager.*

The Honourable the Minister for Railways.

*Tasmanian Government Railways,
General Manager's Office, Hobart, 26th August, 1895.*

MEMORANDUM FOR HON. MINISTER FOR RAILWAYS.

Subject—Further *re* Waratah Line.

Competition in Rates.—Accepting the figures given by Mr. Norton-Smith in his evidence, I take the line as 95 miles from Zeehan to Burnie, although it may possibly work out less. The Company starts with a very big instalment in its favour, as it has traffic enough already on half of the line to pay a great deal more than working expenses. They can continue this traffic at the present charges; in fact there is nothing, so far as I am aware, to prevent them. Thus they would be able to cut down the rates on their through traffic, Zeehan to Burnie, very materially. I believe they could carry ore at one penny half-penny per ton per mile, which for the distance would mean 11s. 11d. per ton through freight. The balance in favour of shipping at Burnie, as against Strahan, from the most reliable evidence I can obtain in shipping quarters, would be at least 3s. per ton. This would make the rate, as a competing rate against us, 8s. 11d.

Our present rate for high grade ore is 9s., and the bulk of our traffic is carried at that rate. It may be fairly assumed that if the line were made we should at once have to lower our rates from Strahan to Zeehan 1s. 4d. per ton to be on all-fours. But the matter would not rest there; keen competition must set in, and there is no doubt that the Government would lose considerably.

Construction of line to Rosebery.—There is not, so far as I can see, the slightest grounds for granting the concession south of the Rosebery District. The line is not required to develop the country, because the tramway which it is proposed we should make from Zeehan to Rosebery would at once open up that district, and a cheap system of feeders to the tramway can be constructed in all directions, the main tram and its branches being all feeders to the Government railway. If the Company is allowed to go south of the Rosebery District their line would at once absorb the whole of that traffic, and the loss to the Government Railway would be enormous.

I am fully alive to the importance of opening up our mineral country. You are aware that I have advocated such a course for years, and were we not in a position to construct the trams and conserve the traffic to the Government railway, I should feel less inclined to oppose the construction of the Waratah line south of Rosebery; but, however, as we are able to do all that is necessary, I would strongly urge that the interests of the Government railway with its large expenditure be protected. The Government have constructed the Zeehan line, together with wharves and sheds at Strahan, at a very large outlay; interest, together with cost of renewals, must go on for all time. The importance of conserving our railway revenue must be manifest when it is remembered that the receipts of the railways form one-fifth of the whole revenue of the Colony.

Power to construct branch lines.—I strongly urge that this should be limited, as under the present Act the Company have power to do as they please.

I invite your attention to my Report of the 7th instant printed with the Bill. You will observe that there are several important provisions necessary to be made, such as for the Company paying for the use of Government lines, stations, staff, signals, &c.

Section 31.—The Minister should have power to take running powers as well as grant them.

Sections 37 and 41.—Unless some such proposal as I have already recommended is agreed to, that is to say, that an officer should be appointed by Government to certify all construction accounts, there would be the same trouble and disputes as arose during the Main Line Company's time. Such a charge could be fairly debited to construction account. I recommend that an officer, who may be termed Commissioner for the time being, be appointed, and he should be sworn in the same way as the Valuator. All vouchers for expenditure should be certified by him, and he should determine whether or not they are fair and *bonâ fide*.

Charge to construction and capital account. In purchasing the line afterwards, or in any other dealings with the Company, there would be a fixed and indisputable account of the capital cost of the line. If this had been done with the Main Line Railway many thousands of pounds would have been saved to the Colony.

Provision should be made in the bill for the exchange or hire by either side of locomotives, rolling stock, or other plant.

In conclusion, I sincerely trust that we shall not see power given to the Company to come south of Rosebery district.

FRED. BACK, *General Manager.*

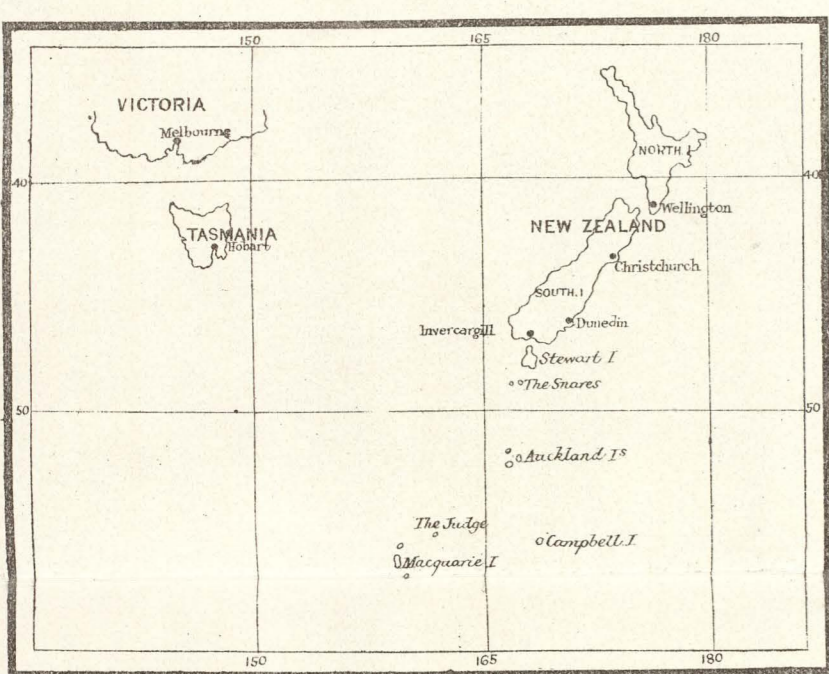
MAP OF TASMANIA

NOTE: GOVERNMENT RAILWAYS SHOWN IN RED
PRIVATE RAILWAYS SHOWN IN BLUE

SCALE 8 MILES TO AN INCH

- AB Strahan to Zeehan
- BC North East Dundas Tramway
- BD Zeehan Dundas
- BE Proposed Emu Bay Line
- BF Proposed Mole Creek
- *BG Proposed Line to Hobart*
- AH McIyell Coys Railway
- HL Proposed North McIyell Coys R^d
- *As shown on plan accompanying report of Select Committee

Note. Approximate Area into which the extension of North East Dundas Line should be continued coloured Green



CHARACTERISTICS.

Coastline. Shaded and partially in. Towns. Railways. Main Roads. Mountains of Hills. Diagrammatical Stations. Ordinary County Roads and Tracks. CHAS. W. JONES.

KENT
OUTLANDS
MONTGOMERY