

(No. 32.)



1876.

TASMANIA.

LEGISLATIVE COUNCIL.

MAIN LINE RAILWAY.

CORRESPONDENCE.

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MAIN LINE RAILWAY CORRESPONDENCE.

1.

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, Tasmania, 3rd August, 1875.*

SIR,

I HAVE the honor to remind you that on the 30th June last you desired that at my early convenience I would furnish a specification showing in detail the work that the Main Line Railway Company wished, in the event of their running on to Launceston, that the Launceston and Western Railway should perform for them; and promised that on the receipt of the specification you would, as early as practicable, name the amount claimed by the Government for the exercise of the running powers.

On the 6th ultimo* I had the honor to reply, and state fully the accommodation that it had hitherto been understood the Launceston and Western Railway Department were willing to offer, and the Main Line Company to accept; and I then pressed that the particulars of demand should be supplied as soon as possible, but have not yet had the pleasure of receiving them.

In consequence of the very considerable time that has been occupied in arranging the details of the Launceston station yard, I fear it will now be impossible to have the work completed in time for the opening of the Main Line Railway to Evandale Junction; but every effort will be made to ensure this if the question of tolls can be promptly decided.

As before stated, the Main Line Company cannot run over the Launceston and Western Railway if the terms required are so high as to be seriously prejudicial, and in such case it would be useless to incur any additional expense on a "foreign" railway.

I trust, therefore, you will recognize the extreme importance to all interests of having the matters in question promptly and decisively arranged.

I have, &c.,

(Signed) CHARLES H. GRANT.

The Hon. T. D. CHAPMAN, M.L.C., Colonial Secretary.

2.

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, Tasmania, 14th August, 1875.*

SIR,

I HAVE the honor most respectfully to remind you that my letters of the 6th July* and 3rd instant remain unanswered, and that most valuable time is passing away which might most advantageously be utilised in the execution of those works in the Launceston Station yard, that must be completed before the Main Line Railway trains could, under any circumstances, run into Launceston.

Not having heard that the Government wish to adopt the suggestion of Mr. Greene, that the Main Line trains and goods traffic should be kept out of the present station yard, I am at a loss to know whether such is their final desire; and take this opportunity to again request your consideration of the large extra outlay that such a course would entail upon the Company,—especially as it is only thought about at the last moment,—while my plans for the joint use of the present station yard and buildings, (which have been before the Railway Department more than 12 months, and amended from time to time to suit their views), I had every reason to suppose were finally approved in June last.

Trusting that at your earliest convenience I may be favoured with a reply on such important matters,

I have, &c.,

(Signed) CHARLES H. GRANT.

The Hon. the Colonial Secretary.

* See H. A. J., 1875, Paper No. 29, p. 21.

3.

Colonial Secretary's Office, 16th August, 1875.

SIR,

I HAVE now the honor to acknowledge the receipt of your letter of the 6th ultimo, in reply to my letter of the 30th June, in reference to the exercise of running powers over the Launceston and Western Railway between the Evandale Junction and Launceston, and the use of the Station belonging to the Launceston and Western Railway at Launceston. I have also the honor to acknowledge the receipt of your letters of the 3rd and 14th instant, on the same subject.

In reply, I have the honor of informing you that your letter of the 6th ultimo, in reference to the Launceston Station, was referred to Mr. Lord, the Manager of the Launceston and Western Railway Department; and when Mr. Greene of the Victorian Railway Department was over here, during the early part of the present month, that gentleman was also consulted on the same subject; and in the interviews you had with me at this office, when Mr. Greene and Mr. Lord were both present, it was arranged that the convenience of the public and the Railway Department would be best consulted by the existing Passenger Station at Launceston being made available for the use of the passenger traffic of the Main Line Railway; but as the present accommodation at the Launceston Station for the goods traffic of the Launceston and Western Railway is barely sufficient for the work of that Railway, and as there would also be very great inconvenience in attempting to work the goods traffic of the Main Line Railway in the same station with the Launceston and Western Railway traffic, it was decided to offer your Company the use of sufficient ground on the northern side of the roadway leading from the George Town Road into the Launceston and Western Railway Station ground as shown on the plan which was then before us.

You will remember the conversation that then took place, resulting in your applying, on the part of the Main Line Railway Company, for the use of the piece of ground containing 1 acre 1 rood and 40 perches between the roadway above referred to and the existing fence on the northern boundary of the Launceston and Western Railway Station ground; and also for the use of a piece of the Crown Land adjoining containing 1 acre and 2 roods or thereabouts, the said piece of land having a frontage of 264 feet along the George Town Road, from the corner of the boundary fence of the present Launceston and Western Railway Station.

I have now the honor of transmitting herewith a Plan showing the Launceston and Western Railway Station ground with the two allotments you have applied for marked thereon; and I have to request that you will be good enough to lay down the several lines of rails, together with the works and buildings you propose to construct thereon, upon the receipt of which I will submit the same, together with any official application that you may desire to make for the occupation of the land in question, for the consideration of the Governor in Council.

I have, &c.,

C. H. GRANT, *Esq., Engineer-in-Chief,*
T. M. L. Railway Company, Hobart Town.

(Signed) THOS. D. CHAPMAN.

4.

Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, Tasmania, 18th August, 1875.

SIR,

I HAVE the honor to acknowledge the receipt last evening of your letter of the 16th instant, with plan showing the Launceston and Western Railway Station ground, and also the two allotments of land you propose to grant the Main Line Railway Company; on which plan you desire that I would lay down the several lines of rails, together with the works and buildings, that the Main Line Company would construct for their accommodation at Launceston.

This I shall be most happy to do as soon as I have obtained some necessary additional information from Launceston, and will then return the plan to you.

The areas fixed by Mr. Greene are nearly as stated in your letter, viz.—1 acre 1 rood 30 perches of the Launceston and Western Railway reserve, and 1 acre 2 roods and 18 perches of Crown Land; and this would only allow enough room for the immediate necessities of the Main Line Railway. In all probability it will not be nearly sufficient two years hence; and were I advising the Government on the matter, I should recommend that at least double this area be at once granted for the Main Line.

Although the arrangement respecting this land is most pressing, I think you will agree with me that your letter of the 30th June, to which I replied on the 6th ultimo, more urgently requires a decision; and I trust you will very shortly be able to fulfil your promise to state the claims, &c. of the Government "as early as practicable."

I have, &c.,

(Signed) CHARLES H. GRANT.

Hon. T. D. CHAPMAN, M.L.C., Colonial Secretary.

5

5.

SIR,

Hobart Town, 31st August, 1875.

I HAVE the honor to bring under your notice your letter to Mr. Grant, dated 30th June last, in which you state, "I must request that you will be good enough, at your early convenience, to furnish me with a specification in detail, showing exactly in every respect what the work is that you wish the Launceston and Western Railway Department to undertake to perform on behalf of your Company. On receipt of such specification I will, as early as practicable, name the amount required to be paid by the Company to the Government for the same, and the amount required to be paid by the Company to the Government for exercising running powers over and along the Launceston and Western Railway between the Evandale Junction and Launceston, and also the amount to be paid by the Company to the Government by way of compensation."

In accordance with your request Mr. Grant wrote you on the 6th July last, with a specification in detail setting forth in the most full and ample manner the particulars you asked him to furnish; but I understand that up to the present time the Government have not stated the terms they require for the various services, &c. as specified.

It is my duty, as Solicitor to the Main Line Railway Company, to see that the arbitration between the Company and the Government as to the exercise of the Company's running powers over the Launceston and Western Line is carried out with as little delay as possible; but I hardly like to give you notice to appoint your arbitrator until my client has had an opportunity of considering whether the terms the Government demand from the Main Line Company are satisfactory or otherwise. It is under these circumstances that I would ask you to furnish Mr. Grant, "as early as practicable," with the information he has asked for, and I would point out that the present delay is keeping the negotiations between the Government and the Company at a complete standstill.

I have, &c.,

The Hon. the Colonial Secretary.

(Signed) HENRY DOBSON.

6.

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, 30th September, 1875.*

SIR,

I HAD the honor to address you on the 26th May,* the 6th July, and the 3rd, 14th, and 18th August, requesting to be informed what demands the Government would make on the Tasmanian Main Line Railway Company, Limited, for the exercise of running powers over the Launceston and Western Railway from Evandale Junction to Launceston, and have not at present been favoured with any reply.

I had also the honor to submit for your consideration, on the 31st July, a plan of the arrangements the Main Line Company proposed to make for the receipt of their traffic at Launceston, in the event of their running there, which plan was made solely to comply with the recommendations of Mr. Greene and Mr. R. W. Lord.

On working out the details of the plan proposed by these gentlemen, some practical difficulties occurred which prevented its exact fulfilment, and made necessary a reference to Launceston and inspection of the ground.

I have therefore fully reconsidered the whole matter, and prepared an alternative plan, placing the Main Line Station Yard on the western side of the George Town Road. This plan I have herewith the honor to submit for your inspection and consideration, and have only to state that, although both positions are shown thereon, the new design is that I prefer, and have to request your approval of. It has the advantage of providing a passenger station nearer the town whenever it is required, and continues the railway a distance of one-third of a mile towards the deep water below the bar.

You will notice that this plan provides for the through track being always kept open and available for the trains of either line, and the position of this station is much the most advantageous for the ready landing and transferring of coal, iron, and all such material from vessels berthed almost alongside, and to which sidings could be most readily laid in. The awkward crossing of four side tracks of the Launceston and Western Railway, on the alternative plan, must be attended with inconvenience and danger, and requires to be avoided if at all possible.

On a recent visit to Launceston I consulted some of the parties who are really the most interested in this question, and they unhesitatingly preferred the site I now recommend, and which has hitherto been used for the temporary sidings, locomotive shops, workshops, and store, &c. &c. of the Main Line Railway contractors, who also had two lines of rail laid across the George Town Road, in place of the one line that will now suffice. The permission to temporarily use this ground was granted both by the Government and the Corporation of Launceston, and I have not heard that any inconvenience was thereby caused.

* See H. A. J., 1875, Paper No. 29, page 9.

The third line of rail is permanently laid on to the George Town Road, and if this plan is approved, nothing more is required to be done in the Launceston Station Ground, except a small extension of the present passenger platform.

I shall feel obliged by the return of the plan.

Assuming that the consent of the Government is given to one or the other of these alternative plans, I have to request that you will inform me the terms they will require for the exercise of running powers, on the details given in my letter of the 6th July.

If the Main Line Company undertake the whole of their traffic arrangements, except simply the booking of passengers at Launceston, what amount of tolls will the Government require; and on what schedule of rates will they enter into reciprocal relations?

As regards compensation for any damage done to the Launceston and Western Railway works by the works of the Main Line, will you kindly inform me what the compensation, if any, will amount to additional on that already paid.

Trusting to be favoured with the earliest possible reply, both as to the selection of the station plans, and more especially as to the amount of tolls and compensation demanded,

I have, &c.,

(Signed) CHARLES H. GRANT.

The Hon. the Colonial Secretary.

7.

*Tasmanian Main Line Railway Company, Limited,
Launceston, 15th October, 1875.*

MY DEAR MR. CHAPMAN,

AFTER OUR meeting this morning, I went down to the Launceston Station to arrange the provision of the earth and ballast for making up the proposed Station-yard of the Main Line Railway, and then noticed that my plan was incorrect in showing only four lines of rails to be crossed in place of the five there really are. Two of these sidings were blocked with vehicles at the time; and all the lines must be used by the Launceston and Western Railway more or less continuously,—thus making the crossing them by the Main Line excessively inconvenient and dangerous—I may state absolutely impracticable for safe working.

Having consulted Mr. Batchelor respecting the crossings which the Launceston and Western Railway must necessarily make up with their own rails, I found that he estimated the cost of making and laying the ironwork only at £1000, and other costly arrangements would have to be made,—all of which expense may critically be said to be required simply to damage the property of the Launceston and Western Railway, and make an utterly unworkable approach for the Main Line. The projected alteration of the Launceston and Western Railway engine-sheds and roads, or any future changes of this part of the yard, would also be rendered virtually impossible.

Such being the case, and as the proposed plan would be of no value whatever in connection with the extension to deep water, as was the alternative plan that I recommended, I examined a proposal made to me in Hobart Town by Mr. A. Douglas, and think it quite practicable. A survey thereof shall be made next week; and, within seven days from this time, I hope to be able to inform you that all difficulties are surmounted.

My new plan would necessitate precisely the same arrangements as we have already agreed to arbitrate upon; and I trust, therefore, that the arbitration will be carried into effect as quickly as possible. Will you kindly inform me when the appointments of the Arbitrators can be made? And rest assured that I am most anxious to have the whole matter definitely and expeditiously settled.

I have, &c.,

(Signed) CHARLES H. GRANT.

The Hon. the Colonial Secretary.

8.

MEMORANDUM of Meeting held at the Railway Station, Launceston, October 15th, 1875.

PRESENT—The Honorable the Colonial Secretary, the Honorable the Minister of Lands, C. H. Grant Esq., Main Line Railway Company.

Mr. Lord, Manager of the Launceston and Western Railway, was in attendance.

A plan of the Launceston Station Ground was submitted by Mr. Grant.

The Ministers present agreed to submit for the approval of the Governor in Council a lease of the two sections of land, shown on the plan submitted, one consisting of 2 acres 28 perches, and another block of 2 acres 17 perches; and that the necessary Parliamentary authority should be obtained for leasing this land to the Main Line Railway Company for Station purposes.

It was also agreed by the Ministers present that the existing Station accommodation and Offices for passenger purposes should be available to the Main Line Railway Company, under the running powers, upon terms to be hereafter agreed.

Mr. Grant stated that he was quite prepared to unite in a reference to arbitration, for a limited period, for the settlement of the question of the amount to be paid as Toll and Compensation by the Main Line Railway Company for the exercise of running powers over the Launceston and Western Railway Line between Evandale and Launceston, the decision of which arbitration Mr. Grant undertook to be bound by, on behalf of the Main Line Railway Company, for a period of twelve months from the time of commencing to exercise such powers.

THOS. D. CHAPMAN.

WM. MOORE.

C. H. GRANT.

9.

*Tasmanian Main Railway Company, Limited, Engineer's Office,
Hobart Town, 16th November, 1875.*

SIR,

IN accordance with the understanding arrived at when I had the honor of meeting you at Launceston and of discussing with the Hon. the Minister of Lands and Works, the Manager of the Launceston and Western Railway, and yourself the different proposals that had been made for providing the Main Line Railway with station accommodation at Launceston, when it was eventually decided to let the matter stand over until I could give it further consideration with a view to harmonizing the different opinions that prevailed, I have now the honor of addressing you upon the subject.

Referring to previous negotiations, the first references to this station occur in the letters from Mr. Henry Dobson, the Company's Solicitor, to the then Colonial Secretary, dated the 8th and 14th August, 1871, by which it would appear that both the Government and the Main Line Company contemplated a joint Station at Launceston. A plan for this joint station was accordingly prepared, and frequently exhibited to, and finally left with, the officers of the Launceston and Western Railway; and the approval of the Government thereto was at length definitely requested, on the 15th February and 19th March last, and many times subsequently; but no exception whatever was taken to the plan in any respect until the arrival of Mr. W. H. Greene in this Colony, when, on the 2nd August last, at a meeting held in your office, Messrs. Greene and Lord being present, a plan was exhibited to me showing the Main Line Railway diverted entirely outside the present Launceston Station; and I was informed that all previous negotiations, arrangements, and plans must be put aside, and a new design made on this basis.

Although strongly protesting at the very large extra expense thereby entailed on the Company, so contrary to their reasonable expectations, I prepared and submitted several plans, with the object of getting one approved by all parties; but it was eventually found that there were serious errors in the plan on which Mr. Greene's proposal was founded, and that the Main Line junction, instead of crossing one or two lines of rails only in the Launceston Station yard, would run across five such lines, cutting them all at different angles. It is very obvious that it would be quite impossible to work such a junction, independently of its extreme danger and inconvenience; while the cost of making the rail crossings alone is estimated at about £1000, which would in such a case be wholly unnecessarily and mischievously expended.

There being no other course open at any reasonable cost, I prepared an alternative design, showing the Main Line as crossing the George Town Road, and the Station buildings placed where the contractor's temporary buildings had been erected and long remained, without causing either inconvenience or complaint of any kind.

This plan was submitted to you, with a most earnest recommendation for its adoption, with my letter of the 30th September last.

When I had the honor of meeting you in Launceston on the 16th ultimo, you informed me that, for reasons not stated, you could not approve the plan I prepared, but would adopt the plan founded on Mr. Greene's advice, but which I feel quite sure he would not have suggested had he known the attendant difficulties: but on reconsidering this plan, and advising with practical railway men, I felt that it was utterly impracticable, and ought not to be entertained by either party.

Seeing no other alternative, I re-examined the locality, endeavouring to select a site for an independent Terminus, and was fortunate in finding one which, although involving a heavy outlay in the purchase of ground, seems to be generally approved.

Herewith I have the honor to send you a design for an independent Station at Launceston, to which I have to beg the approval of the Government, with a view to a lease being granted to the Company of the ground, which is "crown property," according to the provisions of the Main Line of Railway Acts.

Should you require any information about this plan or any of the detailed railway arrangements, I shall be happy to give it.

I have, &c.,

The Hon. the Colonial Secretary.

(Signed)

CHARLES H. GRANT.

10.

*Tasmanian Main Line Railway Company, Limited,
Hobart Town, 20th November, 1875.*

SIR,

IN continuance of my letter of the 16th instant, and according to the instructions received from you this day, I have the honor to forward herewith the official sanction of the Mayor and Corporation of Launceston to my plan for the Main Line Railway Station in that town.

I have to request that the approval of the Government may be given to the proposed occupation of the Esplanade, Lawrence-street, and Willis-street, in Launceston, in accordance with the 9th Section of "The Main Line Railway Act," (33 Vict. No. 1), in order that the Main Line Railway Company, Limited, may lay the necessary rails along such streets and raise the level thereof, and divert the same, until the Government may be able to lease to the Company the land on which such streets are formed.

It is not proposed to entirely block up Lawrence-street, or that part of the Esplanade from thence to Charlotte-street, but only to alter the position of Lawrence-street, and make a through communication by a diversion of the Esplanade.

The area of crown land of which the Main Line Railway Company, Limited, request an immediate lease, and which is coloured red on my plan, is about 1 acre and 14 perches.

I have, &c.,

(Signed) CHARLES H. GRANT.

The Hon. the Colonial Secretary.

11.

Town Hall, Launceston, Tasmania, 16th November, 1875.

SIR,

IN reply to your letter of the 10th instant, I have the honor to inform you that the Council has passed the Resolution of which I enclose a copy :—

That this Council having taken into consideration the letter of Mr. C. H. Grant, the Engineer of the Main Line Railway, and also having seen the plan of the proposed line extending from the Launceston and Western Railway to Cimitiere-street, approves of the proposed works, and do not object to the closing of Willis and Lawrence-streets, on condition of Lawrence-street being extended from Brisbane-street to the Esplanade. Also, that a portion of the Esplanade be left open, and that Mr. Grant do arrange with the Gas Company and others for any claims that Company or other parties may have on Willis-street or the Esplanade.

I have, &c.,

(Signed) C. W. ROCHER, A.T.C.

C. H. GRANT, Esq., Hobart Town.

12.

Colonial Secretary's Office, 29th November, 1875.

SIR,

REFERRING to your letters of the 16th and 20th instant, on the subject of the Main Line Railway Station in the Town of Launceston, I have the honor to inform you that the Governor in Council has been pleased, under the provisions of the 9th Section of "The Main Line Railway Act," 33 Vict. No. 1, to authorise the Main Line Railway Company to lay the necessary rails for the said Railway along and across Charlotte-street, the Esplanade extending from the said street past Lawrence-street to Willis-street, and also along and across the said Lawrence and Willis-streets, in the Town of Launceston.

I have, &c.,

(Signed) THOS. D. CHAPMAN.

C. H. GRANT, Esq., Engineer-in-Chief, Main Line Railway Company.

13.

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, 30th November, 1875.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 29th instant, in which you kindly inform me that the Governor in Council has been pleased, under the provisions of the 9th section of the "Main Line Railway Act," 33 Victoria, No. 1, to authorise the Main Line Railway Company to lay the necessary rails for the said Railway along and across Charlotte-street, the Esplanade extending from the said street past Lawrence-street to Willis-street, and also along and across the said Lawrence and Willis-streets, in the Town of Launceston, for which permission I have to express the thanks of the Tasmanian Main Line Railway Company, Limited.

You do not refer to my application for a lease of the Crown land that it will be necessary to occupy, or state the promise verbally made that the Government would, if necessary, seek Parliamentary powers for leasing these streets and land to the Company; but I presume that this may be implied from your letter, and will therefore proceed to fence them in and commence the works.

I have, &c.,

The Hon. the Colonial Secretary.

(Signed) CHARLES H. GRANT.

14.

Colonial Secretary's Office, 4th December, 1875.

SIR,

WITH reference to the last paragraph of your letter of the 30th ultimo, I have the honor to inform you that the Government are quite prepared to carry out the verbal promise made to you that the Government would, if necessary, seek Parliamentary powers for leasing the streets and Crown land in the Town of Launceston to the Main Line Railway Company, which it will be necessary for them to occupy as a site for the terminus of the Line, and delineated in the plan which accompanied your letter of the 16th ultimo.

Before any further steps can be taken, it will, however, be necessary that a regular Survey should be made, and a description and diagram furnished of the exact areas of which the Company desire leases.

If it be your wish that these Surveys should be effected by the Staff of the Company, they can be subsequently checked by a Government Surveyor; or should it be more agreeable to you, the Government Surveyor can be at once instructed to make the Survey at the Company's expense.

I have, &c.,

C. H. GRANT, Esq., Engineer-in-Chief,
Main Line Railway Company.

(Signed) THOS. D. CHAPMAN.

15.

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, 9th December, 1875.*

SIR,

I HAVE the honor to acknowledge and thank you for the letter of the 4th instant, in which you state that the Government will, if necessary, seek Parliamentary powers for leasing the streets and Crown land required for the Main Line Station in Launceston to the Main Line Railway Company, Limited.

As regards the survey of this land, to enable a description and diagram of the exact areas to be made, I have to inform you that my plan is taken from the large scale plan of the Township of Launceston, checked by measurements made on the ground, and may therefore, I think, be considered correct. I shall be happy to put dimensions on this plan, when perhaps you will kindly have it examined on the ground by a Government surveyor, in order that the leases may be properly drawn out and promptly completed.

I have, &c.,

The Hon. the Colonial Secretary.

(Signed) CHARLES H. GRANT.

16.

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, 3rd February, 1876.*

SIR,

SINCE I had the honor of an interview with yourself and other members of the Government last Saturday, I have been most anxiously expecting the promised written permission to complete the junction of the Main Line Railway with the Launceston and Western Railway near Launceston, and to erect the telegraph between Evandale Junction and Launceston.

The Contractor's agent at Launceston is most pressing for permission to lay in the junction; and for some time past has represented the extreme urgency of the work, in order to keep employed the few men he has with great difficulty been able to collect together there.

At the same time, when communicating the much desired reply, will you kindly give permission for the ballast trains of the Main Line Railway to run between Evandale and Launceston, under such terms and conditions as the Government or the Manager of the Launceston and Western Railway may impose,—because it will be almost impossible to complete the Main Line Railway without running ballast for it over the Launceston and Western Railway; and to attempt to do so must almost indefinitely postpone the completion of the works.

I have, &c.,
(Signed) CHARLES H. GRANT.

The Hon. the Colonial Secretary.

EXTRACT from Mr. Grant's Letter, dated the 3rd February, 1876.

“WILL you kindly give permission for the ballast trains of the Main Line Railway to run between Evandale and Launceston, under such terms and conditions as the Government or the Manager of the Launceston and Western Railway may impose, because it will be almost impossible to complete the Main Line Railway without running ballast for it over the Launceston and Western Railway; and to attempt to do so must almost indefinitely postpone the completion of the works.”

MEMO.

THE Colonial Secretary begs to forward the above application from the Engineer-in-Chief of the Main Line Railway Company for the consideration of the Minister of Lands and Works.

Mr. Grant does not say where he proposes bringing the ballast, &c. from; but if the ballast is to be brought from Evandale Junction in trucks from that place to Launceston, it appears to the Colonial Secretary that it would be better for the Main Line Railway Company to make arrangements with the Manager of the Launceston and Western Railway Department to supply the necessary ballast waggons to Mr. Grant, and let him fill them with ballast, and the Launceston and Western Railway Department bring some of these ballast waggons in by each train, on terms to be mutually agreed on between Mr. Grant and the Launceston and Western Railway Department.

THOS. D. CHAPMAN,
Colonial Secretary's Office, Feb. 8, 1876.

The Hon. the Minister of Lands and Works.

WILL the Honorable the Colonial Secretary ascertain from Mr. Grant where he proposes to obtain ballast from, as there is none available between Evandale and Launceston: when in possession of this information the question of hauling can be considered.

WM. MOORE.
17th Feb., 1876.

The Hon. the Colonial Secretary.

17.

Colonial Secretary's Office, 8th February, 1876.

SIR,

IN reply to your application to complete the junction of the Main Line Railway with the Launceston and Western Railway near the Station at Launceston, I have the honor of informing you that it is not deemed expedient to allow any workmen on the Launceston and Western Railway Works other than workmen in the employment of the Launceston and Western Railway Department. I am, therefore, unable to authorise your workmen to complete the junction of the two Railways. With the view, however, of having the junction of the two lines of Railway completed at once, I have to inform you that, if you would be good enough to furnish a working plan of the works required to be done to Mr. Lord, the Manager of the Launceston and Western Railway, and supply him with all the materials required for effecting the works, and giving an undertaking to repay him the cost of labour employed, immediate instructions will be given to carry out your wishes.

I have, &c.,
(Signed) THOS. D. CHAPMAN.

C. H. GRANT, Esq., Engineer-in-Chief,
Tasmanian Main Line Railway Company.

18.

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, 14th February, 1876.*

SIR,

I HAVE the honor to acknowledge the due receipt of your letter of the 8th instant, in which you demur to allowing the workmen of the Main Line Railway Contractors to complete the junction of the two Railways at Launceston, and state that on my furnishing a working plan of the works required for the junction, and engaging to supply all the necessary materials, and to repay the cost of labour employed, the Manager of the Launceston and Western Railway will receive immediate instructions to carry out my wishes.

I am authorised to state that the Company and their Contractors willingly accept these terms, so far as they reach, since they have no especial desire to perform the work themselves, but there seems to be a misunderstanding about the material. A part of the work consists of filling up a side borrow pit on the Launceston and Western Railway, which can most advantageously be done with the carts now employed by the Main Line Company, and this work would in no degree interfere with the Launceston and Western Railway. The laying and ballasting of the points and crossings, which are ready at Launceston, can be done by the Launceston and Western Railway Department, as also all other works consequent upon the junction.

I have not received the honor of a reply as to the supply of the necessary ballast for the new Station-yard of the Main Line Railway, which must be brought by Railway; and would, therefore, again request to know whether the Launceston and Western Railway Department require to supply it, or if the Contractors may run their ballast trains over the third rail from Evandale Junction to Launceston.

I have, &c.,

The Hon. the Colonial Secretary.

(Signed) CHARLES H. GRANT.

MEMORANDUM of 17th February, 1876, MR. C. H. GRANT informed verbally by the Colonial Secretary.

LAUNCESTON and Western Railway Department have no ballast available for supplying the Main Line Railway Company, but if they require earth for ordinary filling up there are several places on the Line near Launceston from whence such stuff could be supplied by the Launceston and Western Railway Department in their own trucks.

19.

*Tasmanian Main Line Railway Company, Limited,
Hobart Town, 19th February, 1876.*

SIR,

IN pursuance of the instructions I had the honor to personally receive from the Honorable the Executive Council this morning, and referring to my letters of the 26th May, 15th June,* 6th July, 3rd, 14th, and 18th of August, and 30th September, (to neither of which I have been favored with a reply), I again address you in reference to the Tolls, &c. payable by the Main Line Railway Company, Limited, for the use of that portion of the Launceston and Western Railway between Evandale and Launceston.

The Government having formally declined to sanction any practicable plan by which a joint use could be made of the present Launceston Station, except in consenting to the extension and use by the Main Line Railway Company of the Passenger Platform; and the Company therefore being compelled to make arrangements for an entirely independent Station; and at their own cost put in the junction; it would appear unnecessary at the present time to fix the Tolls, &c. for any further use of the Launceston and Western Railway, than simply the running on one of their rails from Evandale to near the North Esk Bridge, being a distance of eleven miles; unless the Government deem it desirable that the Main Line Trains should stop at intermediate Stations, and run into the sidings, for traffic purposes, in which case the precise terms required should be mentioned in detail.

I have therefore again to request you will inform me, in the terms of my letter of the 6th July last:—

1st. If the Main Line Railway Company run their Trains between Evandale Junction and Launceston, what scale of remuneration per passenger per mile, and per ton of goods per mile, for each class (using the Launceston and Western Classification), would be required on the through traffic from the Main Line, for running facilities only, without regard to terminals? Such rates to include the whole cost of maintenance of road, &c.

2nd. Should there be any difficulty in stating the charges at per passenger, or per ton of goods, per mile travelled, what would be the toll per train per mile, for each train run over the Launceston and Western Railway, by the Main Line Railway Company?

3rd. If the Main Line Railway Company convey passengers from Evandale Junction to Breadalbane, St. Leonard's, or Launceston, or *vice versâ*, what proportion of the fares obtained would be payable to the Launceston and Western Railway? Or, if this Railway receive the fares, what allowance would they make thereon to the Main Line Railway Company for coaching facilities and haulage?

4th. As regards passengers and goods transferred at Evandale Junction from the Western to the Main Line, or *vice versâ*, on what terms would the Launceston and Western Railway undertake the whole cost of the service?

5th. Should the above specification not, in the opinion of the Government, include every payment and expense under the words "tolls and compensation" in the Launceston and Western Railway Acts (34 Vict. No. 13), what further sum will be demanded? On what account? And under what circumstances?

6th. It is understood that these questions have direct reference to the use for twelve months only by the Main Line Railway Company of the Launceston and Western Railway; but should the terms demanded prove acceptable to the Main Line Railway Company, they desire to reserve the right of exercising such running powers for such longer period as they deem expedient.

I trust that the demand of the Government will be so equitable, and so reasonable in amount, that the Main Line Railway Company may prepare for the perpetual use of this portion of the Launceston and Western Railway; because the break of gauge is already found an intolerable nuisance, and highly prejudicial to the proper development of traffic.

The Company are now constructing costly works at Launceston solely with the object of giving an improved public convenience, and they would greatly regret to find their expenditure made unavailable owing to a prospect of incurring loss by running their trains between Evandale and Launceston.

I have, &c.,

(Signed) CHARLES H. GRANT, *Engineer*.

The Hon. T. D. CHAPMAN, M.L.C., Colonial Secretary.

20.

Colonial Secretary's Office, Hobart Town, 23rd February, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 19th instant, which only reached this Office on the 22nd instant.

You commence your letter by stating that, in pursuance of instructions you had the honor of personally receiving from the Honorable the Executive Council on the morning of the 19th instant, and in reference to your letters of the 26th May, 15th June, 6th July, 3rd, 14th, and 18th of August, and 30th September, to neither of which you state you have been favored with a reply, you now address me in reference to the Tolls, &c. payable by the Main Line Railway Company for the use of that portion of the Launceston and Western Railway between Evandale and Launceston.

In reply I have the honor to point out to you, that you are not justified in stating that any instructions had been given to you by the Executive Council in respect to the matters discussed between us at the interview you had with me on the morning of the 19th instant, when the Honorable Mr. Kennerley and the Honorable Mr. Moore and the Manager of the Launceston and Western Railway were present; nor in stating that you had not received any replies to your letters of the 26th May, 15th June, 6th July, 3rd, 14th, and 18th August, and 30th September. Permit me to refer you to my letter of the 5th June last, in reply to yours of the 26th May; to my letter of the 28th June, in reply to yours of the 15th June; again to my letter of the 16th August, in reply to yours of the 6th July, and of the 3rd and 14th August. And you must remember that during the past six or seven months you have had several interviews with me and other Members of the Executive in reference to the proposed Station for your Railway at Launceston, and the exercise of running powers over the Launceston and Western Line of Railway between Evandale and Launceston.

It must be in your recollection that, early in the month of August last, you attended at this Office for the purpose of arranging and deciding upon the site, when, after discussing the subject with Mr. W. H. Greene, in the presence of the Honorable Mr. Moore and the Manager of the

Launceston and Western Railway, it was agreed between us that your Company should be allowed to occupy a certain area of land on the Northern side of the Launceston and Western Railway Station; and this arrangement was officially communicated to you in my letter of the 16th August, the receipt of which you acknowledged in your letter of the 18th August.

In your letter of the 30th September last, you represented to me that, in working out the details on the Plan of the proposed site, you found some practical difficulties, which induced you to submit another Plan for a Station for your Railway on the bank of the North Esk River, on the western side of the George Town Road; but as this land had been reserved by the Government for the future extension of the Launceston and Western Railway to deep water, the Executive were not prepared to comply with your request.

On the 14th and 15th October last I met you by appointment on the Launceston and Western Railway Station ground at Launceston in company with Mr. Moore and Mr. Lord, when arrangements were made for your occupying between four and five acres of land for your Station purposes on the northern side of the present Launceston and Western Railway Station ground.

On the 16th October you wrote to me to say that after a further inspection of the ground you found that the Main Line crossing the five separate lines of the Launceston and Western Railway would be "excessively inconvenient and dangerous, and absolutely impracticable for safe working."

On the 16th November you submitted a Plan with proposals for the construction of an independent station for your Company, fronting on Cimitiere-street in the Town of Launceston; on the 20th you informed me that the Mayor and Corporation approved of the proposed site; on the 29th November I informed you that the Governor in Council approved of the same; and on the 4th December I intimated to you that the Government would seek from Parliament the necessary authority for the occupation by your Company of the land required.

On Saturday, the 30th of January, you had an interview with me, and stated that the station works were rapidly approaching completion, and you requested that authority might be given to complete a junction with the Launceston and Western Railway at Evandale and at Launceston.

On the 8th instant I wrote to you and informed you that the junction works would be constructed by the Launceston and Western Railway Department at the cost of your Company; and on the 14th instant you signified your acceptance of the terms proposed, and the necessary instructions have been given to the Manager of the Launceston and Western Railway.

As the Company's arrangements for running their trains between Hobart Town and Launceston are now nearly completed, and as you will shortly require to seek the authority of the Governor in Council for your trains to pass over and along the Launceston and Western Railway between Evandale and Launceston, it appears to me that the time has arrived for settling the amount of toll and compensation to be paid by your Company for so doing; but the Government are not prepared to entertain this question in the manner proposed by you from time to time in your several communications addressed to me on that subject. The Government, however, after fully considering the nature of the Company's requirements, and the facilities that will be afforded them by the use of the Launceston and Western Railway, will be prepared to authorise your Company to run their trains over and along the Launceston and Western Railway between the junctions above referred to in accordance with regulations to be approved by the Governor, and on the following terms, viz., by payment of Five thousand Pounds annually by way of toll and compensation, such payment to be made by quarterly instalments of One thousand two hundred and fifty Pounds each, and such arrangement to be terminable at the expiration of one year upon either party giving three months' notice.

The toll and compensation to be paid by the Company to the Government for the use of the Launceston and Western Railway will include the cost of maintenance of the line with this exception, viz., that all rails and other materials required for maintaining the third line of rail must be supplied by the Main Line Railway Company.

I shall be glad to be favoured with an early intimation of your acceptance or otherwise of the terms proposed, as in case it should be your desire to submit the question of toll and compensation to arbitration, in accordance with the provisions of the Launceston and Western Railway Act, 1873, 37 Vict. No. 20, it will be desirable that the Arbitrators should be appointed without delay.

I have, &c.,

(Signed)

THOS. D. CHAPMAN.

C. H. GRANT, Esq., Engineer, and Agent for Tasmanian
Main Line Railway Company, Limited.

MEMO.

At the Colonial Secretary's request I called this day at Mr. Grant's office, about mid-day, and suggested to him that as the *Southern Cross* would leave to-morrow for Melbourne, it would be desirable, should he decline to accede to the proposals of the Government with regard to the amount claimed as "Toll and Compensation" for the exercise of running powers over the Launceston and Western Railway, and desire to proceed to arbitration, that communications should be sent to those gentlemen who might be selected as arbitrators without delay.

Mr. Grant stated that he had only skimmed over Mr. Chapman's letters, that they had been sent after him to Launceston, and had only reached him this morning.

He stated that it would take him a week to prepare his reply, as he had to have voluminous statistics prepared, upon which duty he had two clerks exclusively engaged.

He stated that he estimated the total gross receipts of the Main Line at £25,000; viz.—£10,000 for the 65 miles of the northern portion, and £15,000 for the southern half, and that it was preposterous to demand £5000 for the use of the third rail over 11 miles. That the English Courts had decided over and over again that "Toll" could not be charged by any Company against another who made use of a portion of their Line at a rate based on the cost of construction of such portion, but only upon the proportion of revenue derived from the exercise of such running power; and he added that the Company would only avail themselves of their "running powers" if the Toll demanded was based on such principles.

He therefore required that the demand of the Government should be stated in detail; in other words, that it should be shown how they arrived at the sum named.

He concluded by stating that the matter did not immediately press, as at least three or four months must elapse before the Company's Station accommodation at Launceston could be ready for use.

B. TRAVERS SOLLY.
29th February, 1876.

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, 4th March, 1876.*

SIR,

I HAVE the honor to acknowledge the due receipt of your letter of the 23rd instant, which my absence at the time has necessarily delayed the reply to.

If I have erred in assuming that the instructions given me by yourself before several Members of the Executive Council (who took an active part in the discussion) are those of the Council, I have to apologise for an unintentional mistake; as I have also for not more clearly indicating that the absence of reply to my letters of the 26th May, 13th June, 6th July, 3rd, 14th, and 18th August, and the 30th September, as mentioned in my letter of the 19th ultimo, was not the omission of a formal acknowledgment, but a total silence on the all important question propounded in each of those letters, and respecting which you stated in yours of the 30th June, that, on the receipt of a detailed specification, showing exactly the work that the Main Line Company wished the Launceston and Western Railway Department to perform, you would "as early as practicable name the amount required to be paid by the Company to the Government for the same, together with the amount required to be paid by the Company to the Government for exercising running powers over and along the Launceston and Western Railway between the Evandale Junction and Launceston, and also the amount required to be paid by the Company to the Government."

Such detailed specification was given in my letter of the 6th July, and the particulars therein, taken in conjunction with those in my letter of the 26th May, will, I believe, be found to include every possible question that may become a matter of controversy; but the statement of claim you then promised, and which was at the time, and has ever since been, so earnestly desired and pressed for by the Company, has not, up to the present moment, been furnished them.

It is painfully in my remembrance that, on meeting the Hon. Mr. Moore and Mr. W. H. Greene at your office early in August last, it was suddenly disclosed to me that the very numerous plans I had, at great expense made and furnished to the Launceston and Western Railway Department and the Hon. the Minister of Lands and Works for a joint use of the Station at Launceston, together with all the negotiations thereon, extending over nearly two years, and my arrangements with the Company's Contractors, and the laying of the 3rd rail in the yard, with its attendant works and expenses (paid for by the Company), all which are fully set forth in the printed correspondence, were set aside in one moment at the suggestion of Mr. Greene, and I was compelled by the Government to adopt a new Station site altogether, and under very disadvantageous circumstances. Being urgently pressed to immediately design the new Station arrangements, I gave my whole time and that of my draftsmen to the matter, and at great cost prepared several plans with the object of conciliating the various opposing views from time to time expressed.

The only plan, however, I could, as an Engineer, consider at all admissible was that strongly recommended in my letter of the 30th September, for a station on the ground that had, without any inconvenience or objection whatever, been occupied by the Contractors' buildings, on the western side of the George Town Road : and I then offered, not only to reserve the ground for the extension of the Launceston and Western Railway to deep water, but also to construct and give that Railway the free use of the track for about half of the distance from their Station to the deep water. I do not know why the Government would not adopt my earnest and professional recommendation ; but the plan they favoured I was obliged, after consultation with practical authorities, to pronounce utterly unpracticable for safe working, and entailing an enormous cost, simply to do mischief, by most seriously injuring both lines. As the Government would not give way, I had no alternative but to throw aside the labour of years, and make an entirely new plan, which we have since been carrying out with all possible energy.

I cannot forbear remarking that it is extremely disappointing—after every possible effort has been made by the Company to place themselves in a position to give the public the additional accommodation that an exercise of their optional running powers into Launceston would afford—to be practically forbidden by the Government to run to Launceston at all ; for in no other light can I construe the utterly inapplicable claim made in your letter of the 23rd ultimo, unless, indeed, there be a mistake in the figures.

Had the Company considered that any such very extreme demands would be enforced, they most certainly would not have incurred the large expenditure and liabilities at Launceston that you refer to ; and in this I think they have reason to complain of the great delay in making your claim. It would now appear that such outlay will only be available when the Company consider themselves justified in constructing an independent Line from Evandale into Launceston.

The Main Line of Railway having been fully opened for the transport of goods and merchandise of every description, at its northern end, since the 17th October last, (for bark, wool, and material in quantity, it had been in use more than twelve months previously), and having carried northwards the whole of the wool, bark, and other products of the Districts through which it passes, while conveying southwards a very unusual quantity of fencing material, timber, fresh fruit, &c., we are in a position to accurately estimate the gross future traffic, which I feel certain will not on the whole northern half of the Line, of 66½ miles in length, exceed £10,000 per annum, and will not even approximate to this for the first year. Again, having paid the Launceston and Western Railway Department for the carriage of all the heavy merchandise that has passed over the Main Line, I find that the whole amounts earned by that Department from the Main Line Company, between the 17th October and the 17th February, has not for goods (at their rates, which are higher than those of the Main Line) exceeded £300, while their gross passenger earnings from the same source would be much under £200. The Department can of course give you the exact figures. Bearing in mind that these figures include the exceptionally favourable passenger traffic of Christmas and the summer season, and of many special local attractions, and also the carriage of the whole of the wool, and most of the bark and fresh fruit that would come on the Line throughout the entire year, it would certainly appear a very excess estimate to assume that the gross annual earnings of the Launceston and Western Railway from the Main Line traffic, if they conveyed the whole of it from Evandale to Launceston, would amount to £1500 a year ; while it is quite certain that the Main Line extra receipts from the same source, if they ran into Launceston, would not amount to £1000 per annum. For the above gross sum of £1500 annually it is now very advantageous to the Launceston and Western Railway Department to allow the use of their Line, to provide maintenance, haulage power, rolling stock, terminal facilities, use of all clerks, porters, and staff, and in fact to undertake the whole cost and risk of the service.

On the other hand, to earn their £1000 above quoted, the Main Line Company would have to provide for themselves all the traffic requirements just mentioned, which could only be done at a cost of several thousand pounds annually, irrespective of the claim of the Government for the partial use of eleven miles of the Launceston and Western track, which would therefore be wholly an additional loss.

For rough corroboration of these figures and results I would refer to the very small gross increase of traffic on the Launceston and Western Railway since the Main Line has been opened, the additional revenue being but slightly more than the natural and ascertained increment of increase by time of operation, although it has received the whole terminal traffic of the Main Line, which has also been most exceptionally large, owing to a conjunction of favourable circumstances.

It being a well-settled principle of railway law, that the compensation for running powers should be directly proportioned to the amount of profit derived by the Company using them, I leave it to the Government to consider what their rental would be on the figures above quoted, and which they have the means to verify in their hands.

Supposing that the Government take a different view of these amounts and estimate the prospective increase of traffic at the most extravagantly high figures, I need scarcely state that the Company could not concur in such views, nor would any disinterested persons be likely to do so, since the figures quoted give the certain data to guide us.

May I therefore most respectfully suggest, as the only really equitable arrangement we can at present obtain, and one that might be likely to meet the views of all parties, that the Company should, with all possible expedition, complete their works at Launceston; and should then run their trains over the Launceston and Western Railway for twelve months, giving a prior undertaking to pay the Government on the expiration of that period such sum for tolls and compensation as may be assessed by mutual consent, or, in the event of difference, be decided by arbitration; and that the future annual payment should then be settled, either mutually or by arbitration, on the reliable data that would then be available.

I would submit that the Government could not be prejudiced by such a course, because, being paymasters of the guaranteed interest, they might at any time deduct the amount of tolls and compensation due to them, in the improbable event of the Company not paying the same.

It does not appear to me possible that the Main Line Company would run their trains over the Launceston and Western Railway on any other conditions than these, since it would clearly be to their interest to defray, at their own proper cost, the whole expense of trans-loading goods at Evandale, (which will not amount to £250 per annum), and also all the passenger and freight charges of every description between Evandale and Launceston, rather than to run their own trains, and to pay the Government even one-fifth of the amount now demanded.

The Hon. the Colonial Secretary.

I have, &c.,

(Signed) CHARLES H. GRANT.

23.

Colonial Secretary's Office, 7th March, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 4th instant, in reply to my letter of the 23rd ultimo, in respect to the use of the Launceston and Western Railway between the junction of the Tasmanian Main Line Railway with the Launceston and Western Railway near Evandale, and the junction again of the two Railways near the Tasmanian Main Line Railway Company's Station at Launceston.

In reply, I have the honor of informing you that it does not appear to me desirable that I should prolong the correspondence between us by replying to the arguments you have put forth for reconsidering the amount of toll and compensation to be paid to this Government.

In my letter of the 23rd ultimo, I informed you "that the Government after fully considering the nature of the Company's requirements, and the facilities that will be afforded them by the use of the Launceston and Western Railway, will be prepared to authorise your Company to run their trains over and along the Launceston and Western Railway between the junctions referred to in accordance with Regulations to be approved by the Governor," on certain terms therein named.

In reply to the offer made by the Government, you proceed to point out to me that the terms named by the Government are in excess of what you consider the Company should be called upon to pay for the facilities offered, and you suggest that your Company should be allowed to run their trains over the Launceston and Western Railway for a period of twelve months, giving a prior undertaking to pay the Government on the expiration of that period such sum for tolls and compensation as may be assessed by mutual consent, or in the event of difference, be decided by arbitration; and you submit that, in your opinion, the Government could not be prejudiced by such a course. Permit me, in reply, to point out to you that the authority for allowing your Company to use the Launceston and Western Railway is vested by Act of Parliament (37 Victoria, No. 20) in the Governor in Council, who may authorise all trains going along the Main Line Railway to pass over and along the Launceston and Western Railway upon payment of reasonable tolls and compensation for so doing; and the amount of such tolls and compensation shall, in case of difference, be decided by arbitration, in the manner provided by the Lands Clauses Act for cases of disputed compensation.

The Legislature having provided the remedy for settling all such differences between the Government and your Company, there remains no alternative but that Arbitrators should immediately be appointed, in accordance with the provisions of the Lands Clauses Act, to settle and determine what amount of toll and compensation shall be paid by your Company to the Government.

As it is proposed that the arrangement may be terminated at the expiration of twelve months upon either party giving three months' notice of their desire to do so, I can see no valid reason why the question should not be forthwith referred to arbitration, as provided by the terms of Contract.

Waiting your early reply,

I have, &c.,

(Signed) THOS. D. CHAPMAN.

C. H. GRANT, *Esquire, Manager Tasmanian Main Line
Railway Company, Hobart Town.*

24.

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, 8th March, 1876.*

SIR,

I HAVE the honor to acknowledge the due receipt of your letters of the 3rd and 7th instant, and deeply regret to notice what I cannot but characterise as the utterly unreasonable and unpromising attitude of the Government.

It is necessary that I should take exception to the oft-repeated statements in your letter of the 3rd instant, that the terms of the Contract between the Government and the Company involve running trains direct from Hobart Town to Launceston, or that this is any Contract obligation of the Company.

Your letters of the 5th and 28th June last were fully answered in mine of the 8th and 15th June, and 15th July; since which time the Company (while entertaining no doubt whatever of the purely optional character of their running powers,) have submitted the whole question for the legal opinion of the very highest professional authorities in England and these Colonies, who all entirely confirm them in their position; from which, therefore, they decline to yield in the least degree.

I am not, therefore, able to assume at the present time that the Company will complete arrangements for running trains from the station in Hobart Town to the station in Cimitiere-street in the Town of Launceston, since such a condition the Company consider to be entirely outside of their Contract; and I cannot submit any other Time Table than that already furnished, but of which I will make any modification required by the Government.

As, however, you distinctly state that in such a case the Government will repudiate the payment of interest under the Contract, and thereby involve both the Colony and the Company in a most equivocal and possibly disastrous position, I have to request that you will immediately obtain the consent of the Government to a submission of the question to the Judges of the Supreme Court, in the manner insisted upon by the whole Executive Council on the 28th May last, when this matter first came under discussion.

The Company's Solicitors inform me, that if the Law Officers of the Crown would meet them, and agree to take the opinion of their Honors the Judges of the Supreme Court on a "special case," a final decision would probably be obtained before the station at Launceston could be finished.

It would be utterly futile to arrange for an arbitration until this question is decided; since the Government decline to accept the very conciliatory and equitable proposal in my letter of the 4th instant.

It does not appear that either the Law or the Contract requires that the amount of the Tolls and compensation should be settled before any use of the Launceston and Western Railway is made by the Main Line Railway Company; and I am therefore entirely at a loss to comprehend on what grounds of justice or equity the Government require that we should immediately attempt to adjust the matter, while the all-important figures affecting it are purely hypothetical, but would be realised after the slight and unimportant delay I proposed.

It cannot be denied that the longer the Arbitration is postponed, within a reasonable period, the better opportunity will be obtained for equitably assessing the liability of the Company, should they elect to exercise their optional running powers: and considering that through the delay of the Government in determining whether or not, or to what extent, the Launceston Station should be used by the Main Line Company,—which resulted in the Company being compelled to build a new Station altogether, that cannot possibly, even under the most favourable conditions, be ready for use in less than three months,—it would seem both unwise and unnecessary to force on the Arbitration, although the Government should consent to the full reservation by the Company of their Contract rights.

The concluding paragraph of your letter of the 3rd instant I must necessarily accept as the determined refusal of the Government to allow the Company the very slight concession of six weeks beyond the contract date, on account of the extremely severe floods at the time of the new year, notwithstanding that the contract appears expressly to provide for this, if it can be shown that the delay has arisen from circumstances beyond the reasonable control of the Company. Under such circumstances, the Company are left with no alternative but to run their trains according to the time table submitted, but which will be altered at any time at the desire of the Government.

The Company feel most strongly, as they believe do the whole Colony, that whatever may be the nature and extent of the legal liability of the Government or the Company, for any consequences following therefrom, that the *whole moral responsibility* must rest on the Government, of forcing the Company to run their trains at an *entirely unprecedented speed* on a narrow gauge road, which, from circumstances beyond the control of the Company, must for the next six weeks be in an unfinished and incomplete state.

I am, &c.,

(Signed) CHARLES H. GRANT.

The Hon. T. D. CHAPMAN, M.L.C., Colonial Secretary.

25.

Colonial Secretary's Office, 28th February, 1876.

SIR,

IN my letter of the 4th December last, I informed you that the Government would seek from Parliament the necessary authority for the occupation of your Company of all the land you required for your station in the Town of Launceston; but in a letter I received from Messrs. Dobson and Mitchell, dated the 21st instant, they requested me to be good enough to inform you that a lease of the Crown Land required by your Company for station purposes at Launceston will at once be granted to the Tasmanian Main Line Company in accordance with your application, and I have now the honor of informing you that instructions have been given for the preparation of a lease to your Company of the allotment of land, containing one acre or thereabouts, fronting on Willis-street in the Town of Launceston, applied for by you on behalf of the Tasmanian Main Line Railway Company for Railway purposes.

I avail myself of this opportunity to inform you that instructions have also been given to prepare leases to your Company of the several allotments of Crown Land, together amounting to 57 acres 2 roods and 19 perches, applied for by you, on behalf of the Tasmanian Main Line Railway, in your letter of the 4th February, 1874.

I have, &c.,

(Signed) THOS. D. CHAPMAN.

C. H. GRANT, *Esq., Manager Tasmanian Main Line
Railway Company, Hobart Town.*

26.

Colonial Secretary's Office, 1st March, 1876.

SIR,

At the interview you had with me at this office on Saturday, the 19th ultimo, in the presence of Mr. Moore, and the Manager of the Launceston and Western Railway, you will remember my calling your attention to the condition of the third rail laid down for your Company along the Launceston and Western Railway, between the Evandale Junction and Launceston; and that from the report made by the officers of the Launceston and Western Railway Department, it would appear that the rail would require to be relaid before the line could be used for traffic by the Main Line Railway Trains. I understood you to say that you had given instructions to some officer in the employment of your Company to inspect the line, and that it would be put in good order before the Main Line Railway Company would require to use it.

As the Minister of Lands and Works is now in Launceston, I requested him to be good enough again to call Mr. Lord's attention to the state of the third rail, and to report thereon, and I this day received a letter from Mr. Lord on the subject, and it appears that the condition of the third rail along the Launceston and Western Railway is now in a worse condition than it was when previously reported on. I thought it better therefore to forward you extracts from the letters addressed by Mr. Lord to the Minister of Lands and Works on the 13th December last, and on the 29th ultimo, so that you may make the necessary arrangements for having the line of railway put in good order before you require to use the line for the trains belonging to your Company.

You will no doubt be glad to learn from Mr. Lord's letter of yesterday's date, that the Launceston and Western Railway Department have completed the junction between the Main Line Railway and the Launceston and Western Railway near Evandale, in accordance with the arrangements made between your Company and the Government, and that Mr. Lord is now only waiting communications from you to complete the junction of the two lines of railway as proposed by you near the Launceston station.

I have, &c.,

(Signed) THOS. D. CHAPMAN.

C. H. GRANT, Esq., *Manager Tasmanian Main Line Railway Company, Hobart Town.*

27.

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, 10th March, 1876.*

SIR,

I HAVE now the honor to acknowledge receipt of your letters of the 28th ultimo and the 1st instant.

In the first letter you kindly inform me that instructions have been given for the preparation of a lease to the Main Line Railway Company, for railway purposes, of the allotment of land, containing about an acre, fronting on Willis-street, Launceston, as applied for by the company.

Also that instructions have been given to prepare leases to the Main Line Railway Company of several allotments of Crown Land, as applied for by the Company on the 4th February, 1874.

On behalf of the Company I have to offer you their best thanks for your attention to their requests.

In the letter of the 1st instant you kindly remind me that the condition of the third rail (for the Main Line Railway traffic) between Evandale Junction and Launceston is not as it should be, for the immediate running of trains. The matter shall receive my attention, but I am informed by the officers of that railway that three weeks will always be ample time in which to do what is necessary, and I had long since requested the Company's resident engineer in the North to inspect the work with Mr. Dowling, and procure any material that might be required.

The amount of damage done to the works of the third rail by the maintenance of the broad gauge tract only, is not, I am glad to learn, so serious as represented by Mr. Lord, nor are the timbers much injured, owing to their being of good quality, and well secured at the ends. I am informed by Mr. Dowling that the renewals required will be merely nominal.

I am much gratified to learn that the junction of the Launceston and Western and the Main Line Railways is completed, and trust that, as recently greatly improved, it will prove satisfactory in working.

The material for the extension of the Electric Telegraph from Evandale Junction to Launceston is being collected at Evandale, and I hope therefore that this work will soon be completed.

I have, &c.,

(Signed) CHARLES H. GRANT.

Hon. T. D. CHAPMAN, M.L.C., *Colonial Secretary.*

28.

** Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, 15th September, 1875.*

SIR,

I HAVE the honor to trouble you with a few remarks in reply to the letter from Mr. Greene, dated the 4th September, in which he comments upon my observations on his previous Report, bearing date the 12th August last.

Omitting all personal questions, which were only introduced into my previous letter because necessary to the proper understanding of the relative positions of the contending parties, I have first to express my belief that, although the appointment of the Board of Engineers proposed by Mr.

* Continuation of further correspondence in continuation of Paper H.A., No. 60, (1875.)

Greene might be desirable if the Colony were about to purchase and work the line under the existing Contract, the value of their opinion, either to the Government or the Company, would be altogether incommensurate with its cost, and could not possibly have any legal validity. As, however, the Government would employ and remunerate these Commissioners, defraying also the attendant expenses, the Company cannot object to their appointment

Mr. Greene remarks in some detail on the character, &c. of the works :—

Plate-laying.

That the plate-laying, sleepers, ballast, and rails on the Main Line Railway are seriously defective.

This I entirely deny, and affirm that the plate-laying has been carefully done under inspection, the rails properly seated, the gauge laid exactly true, as specified,—only clip gauges having been used,—and the sleepers so placed as to give the best results; that half-round and square sleepers are *not* intermixed at the joints; and elsewhere this is much the best manner of using them, which Mr. Greene does not deny, although the contrary is implied.

Sleepers.

To the best of my belief the half-round sleepers *were* cut from small old stunted peppermint trees, and *not* saplings. I inspected them repeatedly at the saw-mills, near Evandale, and can affirm that what I passed were of the above-mentioned description; and what little sapwood would have come under the rail was adzed off. Mr. Greene's objections probably arise from this not being done with the special machinery used in the neighbouring colonies.

Ballast.

Mr. Greene states his preference for good gravel ballast; and might also have mentioned that this material has been used on the Main Line to the fullest extent procurable. In other places broken stone is used, which he also recommends, and which is laid the whole distance between Oatlands and Tunbridge,—the material being mostly a hard freestone or very hard surface bluestone. On a portion of this distance—in the Tin-dish—Mr. Greene expressed his high approval of the ballast, and considered it the best on the line. Until his attention was directed to the comparatively small quantity available, he desired to see it very extensively used. It is quite certain that no harder and more durable material can be obtained throughout the whole country than is used on the larger portion of this section, while there is *nothing like it* on the northern end of the line.

A *very few* chains in length of rejected ballast is on the line near Tunbridge, south of the end of the track, and will be changed as Mr. Greene was informed.

As regards the quantity of ballast I can only repeat my assertion that a great deal more than the contract quantity of eighteen inches below the top of the rail has been put on, and in very few places has so little been used.

The gravel obtained from the New Town Race-course is well known to be the best locally procurable; and I have, in default of better, incurred the expense of using it over 18 miles of the line.

Rails.

Mr. Greene's experience must be very different to mine if he ever knew a line of railway, on the rails of which permanent way material and ballast have been run over, without some of the rails having to be taken out and replaced. I notice that the New South Wales Government are now objecting to some rails that were rolled for them, under a most stringent specification, and were subject to highly skilled English professional inspection throughout their manufacture.

Cost of the Works.

It is stated that labour in Victoria is at least 10 per cent. higher than in Tasmania, and that there are heavy Customs duties and wharfage rates. Mr. Greene evidently assumes the first from being told that the hours were longer; but had he enquired sub-contractors' prices, he would have found that labour was practically from 20 per cent. to 30 per cent. dearer here than in Victoria, because its class is so inferior and selection very limited, while as regards material heavy freight is many times dearer from England to Tasmania than Victoria,—the Contractors having found it more economical to import a large quantity through Victoria, and pay the extra freight, wharfage, shipping charges, and insurance on to Tasmania; while, as a considerable quantity of material and stores had necessarily to be purchased in Melbourne, the charges mentioned by Mr. Greene had to be paid, as also the freight, wharfage, &c. incurred in the importation. Mr. Greene's arguments on these matters are therefore entirely opposed to his conclusions.

In the *Official Reports* of the Commissioner of Railways for Victoria, I find that the cost of the line works, of *all* the very light lines, are stated to have averaged £2913 per mile in 1873, and £2951 in 1874; the average of the whole being therefore £2932 instead of £2715 as stated by Mr. Greene.

As these returns and figures embrace the *whole* of the light lines, I cannot understand the selection of the heavier lines that is stated to be made, since such a distinction must certainly have greatly increased the price; but, taking the official figures, the cost of the lightest Victorian lines, (exclusive of such bridges as those at Bridgewater and Clarendon), if made on a gauge of 3 feet 6 inches, would be £2672 per mile, instead of the £2455 quoted. In applying this estimate to Tasmania, it should be corrected to the before-mentioned higher cost of materials and labour.

In the price of the stations Mr. Greene does not allow anything near the *actual* cost of the Hobart Town station, yard, and shops in his estimation of £12,300 for the whole line, on which there will be thirteen stations, some of which have involved a very heavy cost, while the station fittings, water and gas supply, tools and stores—all important items—are entirely ignored. The amount allowed is very much below the cost of the stations on the Launceston and Western Railway!

Rails and fastenings are estimated to cost £932 per mile, which is much less than the net cost to the Contractors of a considerable portion of those used in the Main Line; but no allowance whatever is made in the estimate for the cost of points and crossings, sleepers, turntables, sidings, water supply, and many other very costly items. The other estimates, although less than actual cost prices, are not so wide of the mark as those above quoted, but no allowance is made for legal expenses, management, and the numerous miscellaneous expenses incidental to the net cost of any line.

Referring again to the Commissioner's Report on the Victorian Railways for 1874, it will be found that the North-eastern Line, (one of the chief light lines), 187 miles long, is shown to have cost (without the costly terminal station) £1,497,513 6s. 1d., being an average of £8008 per mile. None of the other light lines are completed, and therefore their total cost per mile cannot yet be ascertained, but that of the North-eastern Railway gives some indication of what this will be when all the expenses connected therewith are brought into account. Moreover, these amounts represent only so much net cash paid by the Government on demand, without allowing for any financial or managerial charges; while most of the stations on the line are mere timber shanties of the very roughest description, and with extremely limited accommodation.

Contract Speed.

Mr. Greene states, in which I agree with him, that in order to fulfil the Contract the trains must run on the northern end of the line at a speed exceeding forty miles per hour, and even then could make but four stoppages; but he does not lay any particular stress upon the fact that such must be the case, in whatever manner the line may be constructed, and irrespective of the rolling-stock used.

On this ground alone I have uniformly advised that the material interests of the Colony would be better served by adopting a lessened rate of speed, and stopping all trains at the principal stations.

The recommendation of Mr. Greene that the Company should run an extra daily fast train at the contract speed exactly coincides with the course they had intended to adopt; but they fear that it will be an unnecessary and costly extravagance, except in the summer season, or on the arrival of the mail packets.

I have never proposed that the trains should be restricted to ten miles per hour; for this would be unnecessary, since Mr. Greene certifies the line and its appliances to be safe and reliable for the maximum narrow-gauge speed of 15 miles per hour, including stoppages.

The speed that the mixed and freight trains should run must be determined by the number of stoppages required; but it should be remembered that an increase in the speed must necessarily denote a diminished public accommodation, and a light goods traffic.

If it be true that when the Contract was negotiated the Company's Agent was willing to undertake a speed of 25 miles per hour, including stoppages, the reasonable inference must be that he had no practical knowledge of the working of railways; but the same ignorance can hardly be charged against the other contracting party, who held in their hands a report on the proposed Main Line Railway from Mr. S. V. Kemp, advising that 18 to 20 miles per hour should be the *maximum speed, not therefore excluding stoppages*, and a letter from Mr. Higinbotham, the Engineer-in-Chief of the Victorian Railways, stating that on a light line "the highest possible speed consistent with safety cannot exceed 25 miles per hour, and the average will not exceed 15 miles," and this on the very favourable Victorian Railways.

I am not surprised at the supercilious tone adopted by Mr. Greene in referring to the Main Line Railway, since he evidently regards it in the same light as the Victorian colonists generally esteem Tasmania; but it is surely unnecessary to allow such opinions to put us out of conceit either of ourselves or of our Railway.

I have, &c.,

(Signed) CHARLES H. GRANT.

The Hon. the Colonial Secretary.

29.

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, 29th December, 1875.*

SIR,

I HAVE the honor to request that the formal sanction of the Government may be immediately given to the continuation of the Main Line Railway Electric Telegraph from Evandale to Launceston, along the line of the Launceston and Western Railway.

It is immaterial to the Main Line Company whether they put up their own poles or suspend their wire on the posts of the Launceston and Western Railway, so long as they are permitted to complete their line without any delay. I shall therefore feel greatly obliged by your stating which course the Government would prefer.

I have, &c.,

(Signed) CHARLES H. GRANT.

The Hon. the Colonial Secretary.

MEMO.

THE Colonial Secretary begs to forward this letter for the consideration of the Hon. the Minister of Lands and Works. The Colonial Secretary thinks it would be better to let the Main Line Railway Company erect a separate line of Telegraph along the Launceston and Western Railway, from the Evandale Junction to the Main Line Railway Station at Launceston.

THOS. D. CHAPMAN.

Colonial Secretary's Office, January 19th, 1876.

The Hon. the Minister of Lands and Works.

WILL the Manager of the Launceston and Western Railway be good enough to transmit to the Minister of Lands (with as little delay as possible) his opinion on this matter?

WM. MOORE.
19.1.76.

30.

*Launceston and Western Railway, Manager's Office,
Launceston, Tasmania, 20th January, 1876.*

SIR,

I HAVE the honor to acknowledge the receipt this day of your Minute upon Mr. Grant's communication of December 29th last, in which he asks permission to complete his Telegraph into Launceston.

I think it very desirable that Mr. Grant should have separate poles for his Telegraph, but take the liberty to suggest that really the privilege now asked, of using the Launceston and Western Railway Line between Evandale and Launceston, is a portion of the Toll question, and therefore should not be conceded until that most important matter is settled. Mr. Grant is continually asking concessions, as if the question of his availing himself of running powers was satisfactorily settled; and I beg to ask your careful consideration of the matter.

Mr. Grant must have some object in view in so constantly applying for permission to carry out detail arrangements such as the completion of the Evandale Junction, the Telegraph, &c., all of which might be finally and satisfactorily settled when the Toll is dealt with, and which it seems to me should not be separated from that question.

I have, &c.,

(Signed) R. W. LORD, *Manager.*

The Hon. the Minister of Lands and Works.

FORWARDED to the Hon. the Colonial Secretary,—Mr. Lord's views being embodied in a Memo. herewith.

WM. MOORE.
24.1.26.

23

31.

Colonial Secretary's Office, 7th February, 1876.

SIR,

WITH reference to the application you have made on behalf of the Tasmanian Main Line Railway Company to be allowed to erect a Line of Telegraph on the Launceston and Western Railway, from the Evandale Junction to Launceston, I have the honor of informing you that the Manager of the Launceston and Western Railway does not consider it expedient that any other persons should be allowed to perform any work on that line of Railway except persons in the employment of the Railway Department.

With the view, however, of affording your Company every facility to make their arrangements for completing the Main Line Railway from Hobart Town to their Station, Launceston, the Government will be prepared to erect the line of Telegraph along the Launceston and Western Railway from the Evandale Junction to the Company's Station in Launceston on the same terms as the third rail was laid down by the Launceston and Western Railway Department for the Main Line of Railway.

If, therefore, you agree to the terms proposed, immediate instructions will be given to the Manager of the Launceston and Western Railway to erect a separate Line of Telegraph along the Launceston and Western line of Railway, for the sole and separate use of your Company, on your supplying him with all the poles, insulators, and wire that may be required, and undertaking to pay to the Launceston and Western Railway Department the amount they may have to pay for labour, &c.

I have, &c.,

C. H. GRANT, Esq., *Engineer-in-Chief,*
T. M. L. Railway Company.

(Signed) THOS. D. CHAPMAN.

32.

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, 14th February, 1876.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 7th instant, in which you state that the Government are willing to erect the line of Telegraph for the Main Line Railway, between Evandale Junction and Launceston, on the same terms as the third rail was laid down by the Launceston and Western Railway Department along that line of Railway; and, on my agreeing to such terms, immediate instructions would be given to the Manager of the Launceston and Western Railway to erect a separate Line of Telegraph along that Railway, for the sole and separate use of the Main Line Railway, on our supplying him with all the poles, insulators, and wire that may be required, and undertaking to pay the amount he may have to expend for labour, &c.

The Contractors to the Main Line Railway Company request me to express their concurrence in these terms (which are also accepted by the Main Line Railway Company, Limited), and to state that they will now deliver the poles and other material for the Telegraph at the Evandale Junction, relying upon such being erected as early as practicable.

I have, &c.,

The Hon. the Colonial Secretary.

(Signed) CHARLES H. GRANT.

33.

MEMO.

THE Colonial Secretary has the honor of forwarding, herewith, copies of correspondence between the Government and the Tasmanian Main Line Railway Company, in reference to the construction of a line of Telegraph from Evandale Junction, on the Launceston and Western Railway, to Launceston; and the completion of the junction of the two Railways at Launceston and Evandale.

The Colonial Secretary has to request that the Minister of Lands and Works will be good enough to give instructions to the Manager of the Launceston and Western Railway to carry out the arrangements.

(Signed) THOS. D. CHAPMAN.

Colonial Secretary's Office, 17th February, 1876.

The Hon. the Minister of Lands and Works.

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, Tasmania, 21st July, 1875.*

SIR,

In view of the rapidly approaching completion of the Main Line Railway, which may be looked for next November, and the desirability of giving the public the earliest possible use of this undertaking,—remembering also that the preliminary arrangements, preparation of time tables, &c. must occupy some considerable time,—I have the honor to request that you would favor me with a prompt reply on the following matters:—

1st.—Time of Starting Trains.

The Schedule to the Contract between the Government and the Main Line Railway Company provides,—

When the said Railway is completed, and open for traffic, at least four trains shall run daily upon the said Line throughout its entire length; viz.,—two trains daily from Hobart Town to the opposite Terminus, and two trains daily from the opposite Terminus to Hobart Town; and such trains shall be of such capacity and shall start at such hours as the Governor may from time to time determine, having reference to the exigencies of a single Line of Railway, and the general convenience in the working of the Railway, as well as regards the Company as the Public.

The Company propose to run the four trains mentioned, starting the slow or freight trains from Hobart Town at 7 A.M., and from Evandale Junction at 9 A.M.; and the fast, or express trains, from Hobart Town at 4.15 P.M., and from Evandale Junction at 5.50 P.M. The slow trains to run through at the Contract speed of ten miles, and the express trains of twenty-three miles, per hour, making the times of arrival at Hobart Town 9 P.M. and 11 P.M.; and at Evandale Junction 7.10 P.M. and 9.30 P.M., respectively.

Will you, therefore, kindly inform me whether the Government approve of this arrangement of the trains, or desire to propose any alteration therein? To start the express trains later in the day would undoubtedly be inconvenient to the travelling public, and seriously prejudicial to the traffic receipts, more especially to that derivable from local sources. The country roads are at present in a condition that would deter passengers from passing over them, to and from the railway stations, late on dark nights or wet weather.

2nd.—As regards the Mail Service.

The Contract requires that the Company shall carry all mails to and from all townships stations, and places along the Line, upon such terms as may from time to time be agreed upon between the Government and Company; and, until otherwise agreed, it is stipulated as follows:—

Every train to carry mails if required to do so by the Postmaster-General.

The mails to be accompanied by a guard, or to be without a guard, at the option of the Postmaster-General. The Postmaster-General may require the whole inside of a carriage to be exclusively appropriated for the purpose of carrying mails and sorting letters during transit.

The Company to receive such remuneration for the mail service as may be agreed upon, and in case of difference to be settled by arbitration.

It is necessary that the Company should be immediately favoured with the decision of the Postmaster-General in the above matters, which I state categorically as under:—

- 1st. Does the Postmaster-General desire that the Railway Company should arrange to carry the mails to and fro between the townships and the Railway stations, or will his department undertake that service?
- 2nd. Is it thought advisable that each of the four trains above mentioned should carry mails?
- 3rd. Will the Postmaster-General provide mail guards? and for each train? or for what trains?
- 4th. If the above questions be answered in the affirmative for all trains, will the Postmaster-General require the separate carriage for each train?
- 5th. In what manner is it proposed to remunerate the Company for the postal service? Will the Post Office Department name the payment? or should it be proposed by the Company?

I should feel greatly obliged by a prompt and specific reply on these points, since there is no time to lose in making the necessary arrangements, in readiness for the opening of the Line for public traffic.

I have, &c.,

The Hon. the Colonial Secretary.

(Signed) CHARLES H. GRANT.

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, 29th February, 1876.*

Sir,

ON the 21st of July last I had the honor to forward you a statement of the proposed Time Table for the Main Line Railway on its completion, and to ask thereto the approval of the Government; and in the same letter I requested to be informed, in detail, as to the views of the Government on the question of the Postal Service, but was not favoured with any reply to this communication.

For this reason I did not trouble you with such questions on the partial opening of the Line early in October last, and its complete opening, with the full service of trains in last December.

Since the time for running the trains under Contract conditions has nearly arrived, I have the honour to forward you herewith a draft Time Table of the Train Service it is proposed to adopt, and after Monday, the 13th of March next, to which I beg the prompt consideration of the Government, in order that a proper notice be given to the public of the new train service, and of the alteration that may be required.

any

The freighting business of the Company renders it imperatively necessary that two of the trains in each direction should carry general and heavy freight, and therefore we are compelled to run the express train as an additional train for the sole purpose of fulfilling the Contract speed, and to connect it with the mid-day service of the Launceston and Western Railway.

Although prepared to commence the increased train service on the 13th prox., I feel it my duty to represent to the Government that the unprecedentedly severe floods at the end of last year, and early in this, caused such serious damage to the Line that it has occupied the whole force of men, both mechanics and labourers, that were at the service of the Contractors, or could be obtained on any terms whatever, to repair the damage of the flood waters. More than six weeks have therefore been entirely lost of the period allowed for the construction of the Line; and this time would have been very ample for doing everything that is required. Extra labour has been, and still is, quite unprocurable, and will be so until the harvest is all gathered in; and, therefore, the Line will not be in so satisfactory a condition on the 13th prox. as it would be the six weeks later, nor, indeed, in such a state as I should desire, in order to fulfil the necessary requirements. Seeing that the public have enjoyed the whole benefit of the Line for months past, during which upwards of twenty-five thousand paying passengers and two thousand tons of merchandise have been conveyed over it; and noting also that the present service consists of two trains daily in each direction,—both travelling at a rate exceeding sixteen miles per hour, including all stoppages and detentions (ten minutes being allowed at Oatlands and twenty minutes at Antill Ponds), and is found most convenient for all classes of travellers,—I humbly venture to submit whether it would not, under the circumstances, be advisable to postpone the running of the express trains for a month or six weeks, in order to allow me the time abstracted by the new year's floods from that available for the completion of the Line, so as to enable me to have the advantage of a better supply of labour and to get all portions into reasonably perfect condition.

It cannot be gainsaid that the running of an additional train at the extremely and unprecedentedly high (Contract) speed of twenty-three miles an hour (for any narrow gauge Railway) would be attended with the loss to the Company of almost its entire cost, in every particular, irrespective of the liability for extra risk. The public certainly do not require this train, nor would they be likely to use it after the evidence against it which the Government has supplied, while its temporary suspension would really be quite as advantageous to the public as to the Company.

In this request I place myself entirely in the hands of the Government, and will carry out their instructions, having now furnished the necessary information to guide their deliberations and judgment.

Requesting to be favoured with the earliest possible reply,

I have, &c.,

(Signed)

CHARLES H. GRANT, *Engineer.*

Hon. T. D. CHAPMAN, M.L.C., Colonial Secretary.

Sir,

Colonial Secretary's Office, 3rd March, 1876.

I HAVE the honor to acknowledge the receipt of your letter of the 29th ultimo, which only reached this Office on the morning of the 2nd instant.

You refer to a letter you addressed to me on the 21st July last, with proposals for running Trains on the Tasmanian Main Line Railway and the conveyance of Mails, to which you had not received any reply.

You will pardon me reminding you that the letter you refer to commenced by stating "that in view of the rapidly approaching completion of the Main Line Railway, which may be looked for next November," you requested me to favour you with a prompt reply on certain proposals for running Trains on the Main Line Railway then in course of construction between Hobart Town and Launceston; but as you had not made any arrangements for running Trains direct from Hobart Town to Launceston, in accordance with the terms of contract between the Government and your Company, it was deemed expedient to postpone the consideration of your letter till those arrangements were made.

In your letter of the 29th ultimo you state that, as you had not received a reply to your letter of the 21st July last, "you did not trouble me with such questions on the partial opening of the Line early in October last, and its complete opening with the full service of Trains last December." You further "state that since the time for running the Trains under contract conditions has nearly arrived you have the honor to forward a draft Time Table of the Train service it is proposed to adopt on and after the 13th March, to which you beg the prompt consideration of the Government in order that a proper notice be given to the public of the new Train service."

On looking over the proposed Time Table I find that no provision is made for running your Trains from Hobart Town beyond Evandale, and that no provision whatever is made for running your Trains from Launceston to Hobart Town: under these circumstances the Government are unable to take your proposals into consideration.

It is my duty again to remind you of the Contract obligations of your Company.

I called your special attention to this subject in my letters of the 5th and 28th June last, copies of which will be found in the printed papers laid before Parliament on the 27th July last. When you inform me that your arrangements are nearly completed for running your Trains with goods and passengers from the Station of your Company in Hobart Town to the Station of your Company in Cimitiere-street, in the Town of Launceston, and submit for the approval of the Governor a Table showing the time you propose that the several Trains belonging to your Company shall start from Launceston to Hobart Town, and from Hobart Town to Launceston, the Government will be prepared to take the same into consideration; but you will clearly understand that they will not recognise the running of Trains between Hobart Town and Evandale, and Evandale and Hobart Town, as entitling your Company to the payment of any Interest under the Contract; nor will the running of Trains by your Company between Hobart Town and Evandale, and Evandale and Hobart Town, be recognised by the Government as the opening of the Tasmanian Main Line Railway between Hobart Town and Launceston in accordance with the terms and conditions of the Contract.

With regard to the other matters referred to in your letter of the 29th ultimo, now under consideration, I can only refer you to the conditions of the Contract, by which the Government are under engagement to pay Interest on a certain amount during construction for a period not exceeding four years from the 15th March, 1872, and for a period of thirty years from the opening of the entire Line for traffic, so long as the conditions specified in the Contract are fulfilled.

I have, &c.,

(Signed) THOS. D. CHAPMAN.

C. H. GRANT, *Esquire, Manager,*
Tasmanian Main Line Railway Company, Hobart Town.

37.

Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 10th March, 1876.

SIR,

I HAVE the honor to forward you, herewith, for the use and information of the Government, six printed copies of the Time Table which the Company propose, in the absence of any instructions from the Government, to adopt on and after Monday next, the 13th instant; but which they will be happy at any time to vary and alter, in any manner you may be pleased to direct.

Will you kindly permit me to observe that, while the express trains are calculated to run at a speed of fully twenty-three miles per hour including all stoppages and detentions, the two other trains run at a speed of nearly seventeen miles per hour including all stoppages and detentions, in place of the one train running at ten miles an hour named in the Contract.

I trust, therefore, that the Government will give the Main Line Company full credit for having so very zealously over-fulfilled the terms of the Contract; and will consider that the present service of trains gives the Colony every possible advantage that such a Railway is able to afford.

I have, &c.,

The Hon. the Colonial Secretary.

(Signed) CHARLES H. GRANT,

TASMANIAN MAIN LINE RAILWAY.

PROPOSED TIME TABLE, 1876.

To take effect on and after the 13th March.

DOWN TRAINS.

UP TRAINS.

Leave Stations at	1. 1st & 2nd Class and Freight.	2. <i>Express.</i> 1st & 2nd Class Passengers only.	3. 1st & 2nd Class and Freight.	4. 1st & 2nd Class and Freight.	Leave Stations at	5. 1st & 2nd Class and Freight.	6. 1st & 2nd Class and Freight.	7. <i>Express.</i> 1st & 2nd Class Passengers only.	8. 1st & 2nd Class and Freight.
	A.M.	A.M.	A.M.	P.M.		A.M.	A.M.	P.M.	P.M.
Hobart Town.....	—	7.45	10.0	6.0	Deloraine—by L. & W. Railway	—	7.25	12.0	4.25
O'Brien's Bridge	—	—	10.20	6.20	Launceston—ditto	—	8.0	12.30	5.0
New Norfolk Road	—	—	10.40	6.40	Evandale Junction—ditto	Arrive	8.31	1.6	5.31
North Bridgewater	—	—	10.45	6.55	By M. L. Railway	Leave	9.10	2.10	6.10
Brighton	—	—	11.0	7.10	Evandale	—	9.20	—	6.20
Tea Tree	—	—	11.15	7.25	Snake Banks	—	9.50	—	6.45
Campania (Richmond).....	—	9.0	11.40	7.50	Forest	—	10.20	—	7.10
Jerusalem	—	—	12.20	8.30	Cleveland	—	10.35	—	7.20
Flat Top	—	—	1.0	9.10	Corners (Fingal Road)	—	10.45	—	7.30
Jericho	—	—	1.15	9.25	Campbell Town	—	11.10	3.10	7.50
Oatlands..... Arrive	—	10.30	1.25	9.35	Ross	—	11.40	3.30	8.10
Ditto	Leave	—	1.30	9.45			P.M.		1.40
York Plains.....	—	—	1.55	10.10	Tunbridge.....	—	12.10	—	8.40
Antill Ponds..... Arrive	—	11.5	2.20	10.35	Antill Ponds.....	Arrive	12.30	4.0	9.00
Ditto	Leave	11.10	2.40		Ditto	Leave	12.45	4.5	
Tunbridge	6.0	—	3.0		York Plains	5.55	1.5		
Ross.....	6.30	11.40	3.30		Oatlands	Arrive	6.20	1.30	4.40
Campbell Town.....	6.50	12.0	3.50		Ditto	Leave	—	1.40	
Corners (Fingal Road).....	7.10	—	4.10		Jericho	6.30	1.50		
Cleveland	7.20	—	4.20		Flat Top	6.45	2.5		
Epping Forest.....	7.30	—	4.30		Jerusalem	7.20	2.40		
Snake Banks	7.55	—	4.55		Campania	8.0	3.20	6.10	
Evandale	8.20	—	5.20		Tea Tree	8.20	3.45		
Evandale Junction.....	Arrive	1.0	5.30		Brighton	8.35	4.0		
By L. & W. Railway	Leave	2.4	6.9		North Bridgewater	8.55	4.15		
Launceston—ditto	Arrive	2.40	6.40		New Norfolk Road	9.0	4.20		
Deloraine—ditto.....	Ditto	3.10	7.15		O'Brien's Bringe.....	9.20	4.40		
					Hobart Town	Arrive	9.40	5.0	7.25

28

38.

Colonial Secretary's Office, 11th March, 1876.

SIR, I HAVE the honor to acknowledge the receipt of your letter of the 10th instant, transmitting copies of a Time Table which the Company propose to adopt on and after the 13th instant.

In reference thereto, I have only to refer you to my letter of the 3rd instant, to which I would call your attention.

I have, &c.,
(Signed) THOS. D. CHAPMAN.

C. H. GRANT, *Esq., Manager Tasmanian Main
Line Railway Company.*

39.

Colonial Secretary's Office, 13th April, 1876.

SIR, I HAVE the honor at the request of the Colonial Secretary to introduce to you the bearer, Mr. E. Boulton, who has been instructed by the Government to note the time of the arrival and departure of the trains now running on the Main Line Railway at and from the Hobart Town Terminus, and I am directed to request that you will be good enough to afford him all needful facilities for the discharge of his duties.

I have, &c.,
(Signed) B. TRAVERS SOLLY, *Assistant Colonial Secretary.*

C. H. GRANT, *Esq., Manager Main Line
Railway Company.*

40.

*Tasmanian Main Line Railway Company, Limited, General Manager's Office,
Hobart Town, 15th April, 1876.*

SIR, I HAVE the honor to acknowledge the receipt of your letter of the 13th instant, introducing Mr. E. Boulton, who, you inform me, has been instructed to note the time of arrival and departure of the trains from the Hobart Town Terminus, for which, I beg to assure you, he shall have all needful facilities.

Since your letter appears to exactly define the extent of Mr. Boulton's duties, I presume that I am to regard them as limited to what is mentioned. Should they at any time be extended, I shall feel obliged by your informing me of the alteration.

I have, &c.,
(Signed) CHARLES H. GRANT.

B. T. SOLLY, *Esq., Assistant Colonial Secretary.*

41.

*Tasmanian Main Line Railway Company, Limited, General Manager's Office,
Hobart Town, 27th April, 1876.*

SIR, WHEN you did me the honor to inform me that the Government proposed to appoint an officer to note and report the exact time of the arrival and departure of the trains on the Main Line Railway, I mentioned that regularity could not possibly be obtained under the present time table, nor had I expected such when the running times were fixed. These were only considered to be what the line was capable of under favourable circumstances, *i.e.*, when the loads were not extremely heavy, and when there was not any unusual amount of shunting to be done. This was the case for the first three weeks, during which the new time table was used, but more sidings having been added, and the loads of grain and bark being now very heavy, and distributed all over the line, it is hopeless to expect that we can keep to the advertised times with the freight trains; and the only question is, as to whether we shall allow the trains to be frequently late, or issue a new time table, giving more time to the freight trains, and between the arrival and departure of the trains, to allow of their being properly made up.

The express trains have uniformly kept excellent time, and have never been in the least delayed for any fault of the train, or the road, but purely from the detention of other freight trains that have to be passed at fixed localities. They have unfortunately not obtained the patronage of the public, and the cost of running them is therefore entirely lost money.

The Company are now giving the public the express train service, of one train in each direction daily, at a speed of 22 miles per hour, and of two trains, travelling, when punctual, at nearly 17 miles per hour, in place of the one train, travelling 10 miles per hour, provided by the Contract.

In order to obtain regularity it would seem expedient to reduce this train service, both in speed and amount; and as the Government have, under the Contract, the power of regulating it, I feel very desirous to obtain the expression of their views on the question before venturing to make any definite proposal. I fear that the rendering of the exact Contract service would greatly disappoint the public, and injure the development of the traffic, but it could certainly be performed with undeviating punctuality.

If you would kindly favour me with an interview, we could discuss these matters, and I hope arrive at a conclusion which would be satisfactory to the public and not unjust to the Company.

I have, &c.,
(Signed) CHARLES H. GRANT.

The Hon. GEORGE GILMORE, Colonial Secretary.

42.

Colonial Secretary's Office, 29th April, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 27th instant, having reference to the fact that the Trains now running on the Main Line Railway do not and cannot, except under favourable circumstances, keep to the advertised time, and requesting an interview for the discussion of the subject of Train Service.

In reply, I have to inform you that the Government are quite prepared to consider any proposals you may desire to make in connexion with the Train Service on the Main Line Railway that shall fulfil the conditions of the Contract; but as regards the Trains now running on the Line, and the Time Table forwarded with your letter of the 10th March, I can but refer you to my predecessor's letter of the 3rd March last.

I cannot anticipate that any benefit would be derived from a personal interview for the discussion of this subject; but if it is your desire to confer with the Government upon any specially important matters affecting the interests of the Company, and their fulfilment of the Contract, the Government will be happy to meet your wishes.

I have, &c.,
(Signed) GEORGE GILMORE.

C. H. GRANT, *Esquire, Manager Main Line Railway Company,
Hobart Town.*

43.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 1st May, 1876.*

SIR,

IN your letter of the 29th ultimo you do me the honor to state that, irrespective of a personal interview, the Government are quite prepared to consider any proposals I may desire to make in connexion with the Train Service on the Main Line Railway that shall fulfil the conditions of the Contract; but that if I desire to confer with the Government upon any specially important matters affecting the interests of the Company, and their fulfilment of the Contract, the Government will be happy to meet me.

In thanking you for this reply I need scarcely state that there are grave questions at issue, as indicated in my letter to the Honorable the Colonial Treasurer of Saturday last, probably making it desirable that the interview above referred to should take place as soon as possible.

May I therefore ask that you would kindly arrange a meeting, and give me notice of the time and place?

I have, &c.,
(Signed) CHARLES H. GRANT.

Hon. GEO. GILMORE, M.H.A., Colonial Secretary.

44.

Colonial Secretary's Office, Hobart Town, 3rd May, 1876.

SIR,

I HAVE the honor, by direction of the Colonial Secretary, to inform you that the members of the Government will be prepared to afford you the interview you desire at half-past 3 o'clock to-morrow the 4th instant, in this Office.

I have, &c.,

(Signed) B. TRAVERS SOLLY.

C. H. GRANT, *Esquire, Manager Main Line Railway Company.*

45.

Colonial Secretary's Office, 5th May, 1876.

SIR,

I HAVE now the honor to address you with reference to that portion of your letter to me of the 1st instant, in which you refer me to a letter addressed by you to the Honorable the Colonial Treasurer, under date the 29th April. I have carefully perused that letter; and, reading it by the light supplied by your interview with me yesterday, it appears to me that you therein endeavour to fix upon the Tasmanian Government the onus of stopping the working of the Main Line Railway, although such stoppage would really seem to be threatened by the failure of your Contractors, and the avowed impecunious condition of your Company.

The Honorable the Colonial Treasurer has sufficiently answered the letter to which you refer me, so far as the same relates to your premature demand for interest in respect of the so-called "first quarter" of the period of thirty years during which your Company has undertaken to work the Line. It remains, therefore, for me only to notice that portion of your letter which relates to my predecessor's letter to you of the 3rd March last, as to your stopping your line at Evandale Junction.

I must be permitted to state that it is the desire of my colleagues and myself—as I believe it has been the desire of all my predecessors who have had to deal with this question—that your Company should be afforded every reasonable facility for the performance of their Contract; and as I understand from you that you are really desirous to run through to Launceston (as the Government hold you are bound to do), and as you further state that you are now expending a considerable sum in station buildings at Launceston, I have the honor to inform you that the Government will withdraw all objections to your running your trains through to Launceston as soon as you are in a position to do so, and will agree to your exercising your running powers over the Launceston and Western Line for a period of twelve months from this date,—giving an undertaking to pay at the end of that time the amount of tolls and compensation which may be assessed by arbitration as the sum to be paid for the exercise of such powers. Your running powers of course to be exercised in conformity with the provisions of the Contract, and of the several Acts of Parliament relating thereto.

I trust that this concession, which is identical with the proposal contained in your letter of the 4th March last, will serve to show you how far you are in error in supposing that the course taken by my colleagues and myself in defence of the Contract rights of the Colony is to be regarded as "an indication of the desire of the Government to stop the working of the Railway." It is as much an object of desire to the Government as it can be to those whom you represent that the Main Line Railway should be continuously, safely, and profitably worked, in accordance with the conditions of the Contract and to the mutual advantage of the Company and the Colony.

I have, &c.,

(Signed) GEORGE GILMORE.

C. H. GRANT, *Esq., General Manager,
Tasmanian Main Line Railway Company.*

*Tasmanian Main Line Railway Company, Limited, General Manager's Office,
Hobart Town, 16th May, 1876.*

SIR,

I HAVE the honor to inform you that the Company desire to immediately discontinue running the through night trains on this Railway, because the public patronage afforded them is not nearly sufficient to meet the direct expenses.

These trains were especially intended to carry the mails on the terms of the Contract between the Government of Tasmania and the Company; but since the Government prefer to subsidise an opposition line, to the very serious prejudice of the Company, there is no option but to give up the train, however great the inconvenience may be to the public.

As it would appear that the Government take an especial interest in the times of arrival and departure of the trains, it seems desirable to take advantage of any alteration of the time table to allow more time to the freight trains, which I have several times previously stated cannot possibly be made to run exact to time when there is much shunting to be done at our very numerous stations and sidings, I therefore propose, on and after the 22nd instant, to start at 8.30 A.M. the freight train now leaving Hobart Town at 10 A.M., and that it shall arrive at Evandale junction not later than 6 P.M.; also that the freight train now leaving Evandale junction at 9.10 A.M. should arrive at Hobart Town not later than 7 P.M.

These running times you will notice considerably exceed the contract speed of ten miles per hour over the 122 miles of distance.

It is but just to the Company to state that these alterations of trains are not due to any want of rolling stock, appliances, or staff on the Railway, all which are most ample to allow of a considerable increase of the train service, but arise from the non-profitable character of the service performed, and as a precaution against the apparent desire of the Government to have a record of any circumstance that may be used against the Company to its prejudice.

Requesting that you will at your earliest convenience intimate your approval of these suggestions as being within the terms of the Contract between the Government and the Company,

I have, &c.,

(Signed) CHARLES H. GRANT.

The Hon. the Colonial Secretary.

Colonial Secretary's Office, 19th May, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 16th instant, which only reached this office at half-past three o'clock yesterday.

You inform me that the Company desire to immediately discontinue the through night trains, and that these trains were especially intended to carry the mails on the terms of the Contract between the Government of Tasmania and the Company.

Allow me to point out that there never has been a "through" night train service on the Line, and that by the train leaving Hobart Town at 6 P.M. and reaching Evandale junction at 8.30 A.M. passengers and goods can only reach Launceston by the train of the Launceston and Western Railway at 9.40, or more than an hour later than the mail coach from Hobart Town to Launceston.

With regard to the proposed discontinuance of the 6 P.M. train the Government desire to offer no remarks; the subject is one the consideration of which rests solely with the Company, nor do they desire to express any opinion upon the alteration in the times allowed for the freight trains.

The present unsatisfactory train service does not fulfil the conditions of the Contract, and cannot be recognised by the Government as a compliance by the Company with their contract obligations. When the Company are prepared to supply a train service from Hobart Town through to Launceston, and from Launceston through to Hobart Town, the Government will be prepared to consider the question of a Time Table that shall meet the requirements of the public, both as regards the mail service and the passengers and goods traffic.

I regret to observe in your letter renewed evidence of your desire to impute to the Government motives hostile to the interests of the Main Line Railway Company, which are both uncalled for and unwarranted. Allow me to assure you that the Company's interests will be more certainly promoted by a loyal fulfilment of their Contract obligations than by attributing to the Government any unworthy desire to act in antagonism to the progress of the undertaking.

I have, &c.,

(Signed) A. KENNERLEY,
For Colonial Secretary, absent.

C. H. GRANT, *Esq.*, *Manager*,
Tasmanian Main Line Railway Company.

48.

Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 20th May, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 5th instant; and must at once take exception to the remark that the stoppage of the Railway really seems to be threatened by the failure of the Contractors, and the avowed impecunious condition of the Company.

To the first phrase, in regard to the failure of the Contractors, I have to state most emphatically that I have not heard of any such event, and have certainly stated nothing that would justify the expression,—the responsibility of which must rest wholly with the Government; while in respect to what you are pleased to call the impecunious condition of the Company, this is certainly a perfectly natural and necessary sequel from the former Colonial Secretary having, in an uncalled for and utterly unwarrantable manner, deliberately and intentionally destroyed the credit of the Company on the London money market,—which credit alone constituted their resources, as it must constitute that of all other English public companies.

It could not fail to have occurred to the former Hon. Colonial Secretary, when, unknown to his colleagues, he penned the memorable letter to the Crown Agent for publication in the *London Times*, that the course he was adopting must necessarily destroy the vitality, if not the very existence, of the Company; and, therefore, it seems like a refinement of cruelty to reproach the Company for a result which the Government, through their Colonial Secretary, went so far out of their way and took such pains to encompass.

I thank you for the assurance that the refusal of the Colonial Treasurer to pay the guaranteed interest to the 31st March, is simply because he considers the demand premature; but do not feel so grateful for the permission to run the Main Line trains between Evandale junction and Launceston on the conditions you imply, especially when taken in connection with the statements in your letter of the 19th instant.

If, however, the Government are willing that the Company's trains should run to Launceston, and they will engage not to take advantage of such a course as possibly legally affecting the question of their option, and will not on this account withhold the guaranteed interest as threatened in your predecessor's letter of the 3rd March last, the Company will be glad to exercise their running powers for twelve months, and will abide the result of an arbitration as to the tolls or compensation to be paid for the temporary running powers.

It is, indeed, satisfactory to learn that the course taken by the Government in defence of the Contract rights of the Colony does not necessarily indicate the desire of the Government to stop the working of the Railway, which would most certainly be a suicidal course for all interests.

I trust, therefore, the Government will not allow any minor difficulties to interfere with the regular conduct of the traffic; but will rather concur, to the extent of their power, in a final adjustment of all differences and questions between the Government and the Company; being assured that it is the earnest desire, no less than a necessity of the Company, to meet the Government in a loyal and friendly spirit, with the simple object of endeavouring to adjust all matters in dispute on an equitable basis.

In reply to your letter of the 19th instant, I have to refer to my letters to the Honorable the Colonial Treasurer of the 10th March last; in which, after remarking that I had been unable to obtain any instructions from the Government respecting the running of the trains, I submitted a draft time table of my own, but stated that the Company would be happy at any time to vary and alter it in any manner desired by the Government.

Again, in addressing the Hon. the Colonial Treasurer on the 15th March, I requested that the carriage of the mails should be given to the Company, and stated that they were prepared to undertake it in any manner he desired. On the least intimation from the Government that they would treat for the carriage of the mails, the Company would have gladly engaged a mail conveyance to run from Evandale to Launceston (11 miles only), and would have arranged their trains to run continuously through, if desired; although, previously to deciding on the night stoppage half-way for the convenience of the public, I had consulted the officers of the Post Office Department, and ascertained that there would be no objection to this so long as the safety of the mails was secured.

It should also be remembered that the Government are endowed with the right to determine the times of running both on the Launceston and Western and the Main Line, and might be supposed to prefer that the western and southern mails should arrive at the same time.

In remarking that the present train service is unsatisfactory, I presume this can only refer to the stoppage at Evandale; because, as regards the trains, the express service is conducted with undeviating regularity and punctuality, while by the freight trains passengers and goods are always transported between the terminal points in many hours less than the contract time.

In respect to the stoppage at Evandale junction I would observe, that, had the Government adopted the suggestion in my letter to the Hon. Colonial Secretary of the 8th March last,—which was simply that they should at once carry out their former requirement, that the question of option should be decided on a statement of case submitted to the Judges of the Supreme Court for their decision,—the unsatisfactory train service would have been sooner remedied; and, until this is done, it is hopeless to attempt to prepare a time table that would meet the views expressed in your letter.

While feeling and endeavouring to express the gratitude usually accorded for unsolicited advice, I may perhaps be allowed to observe that the present is the most opportune time ever likely to occur for a friendly settlement of all matters in dispute between the Government and Company; and, therefore, if the Government have the desire they so repeatedly express,—that the Main Line should be continuously, safely, and profitably worked,—it should not be difficult to provide all these requirements at the present juncture, since such is the most ardent desire of the Company.

I have, &c.,

(Signed) CHARLES H. GRANT.

The Hon. the Colonial Secretary.

49.

*Tasmania,
Colonial Secretary's Office, 13th April, 1876.*

SIR,

I HAVE the honor to solicit the assistance of your Government in a matter of very considerable importance to the interests of this Colony.

You may be aware that on the 15th March, 1872, a Contract was entered into between the Tasmanian Main Line Railway Company, Limited, and the Government of Tasmania, whereby the former undertook to construct and work a Railway connecting Hobart Town with Launceston. The Railway was to be of the 3 feet 6 inches gauge, with light rails; and sharp curves and steep gradients were permitted within certain limits. A minimum rate of speed was fixed by the Contract, which further stipulated that the Railway should be completed within four years from the above date, and that "the Railway, together with all stations, rolling-stock, and other works connected with such Railway, shall be constructed of the best material, and in a thoroughly substantial manner." And, in consideration of this, the Government undertook to pay interest during construction, and also five per cent. on £650,000 for a period of thirty years from the 15th March, 1876, the payment of such interest being dependent upon the due fulfilment by the Company of all the conditions of the Contract.

By the courtesy of the Victorian Government, Mr. W. H. Greene, an Engineer for that Colony, visited Tasmania, and in March, 1874, and again in August, 1875, made a careful inspection of the works, and reported thereon to this Government—such Report being decidedly unfavourable to the manner in which the Railway was being constructed; and in his last Report Mr. Greene recommended "that at the time fixed for the completion of the Contract, or so soon after as the line may be ready to be opened for traffic, the Government should appoint a Board or Commission of two or three professional men of the highest standing, and of experience in the construction and working of Railways and rolling stock, and who have not hitherto been consulted upon the subject of the Main Line, to inspect the Railway and to enquire and report to the Government upon it."

The time indicated by Mr. Greene has now arrived; and as serious differences have already arisen between the Government and the Company, and as the Company represent English capitalists, it is obviously desirable that any Report upon the character of the works constructed by the Company should proceed from the highest engineering authority which the Colonies can furnish. Such a Report might be expected to set at rest much of the existing controversy between the Government and the Company's local representative, and might possibly avert all litigation.

I have, therefore, the honor to request the kindly aid of your Government by your consenting to nominate an Engineer in your employ whose position and attainments would enable him, when associated with similar officers from the other Colonies, after an inspection of the work to furnish this Government with such a Report as that above indicated.

As the matter is one that presses for immediate attention, I should be glad to hear from you by Telegram, naming the Engineer you can permit to visit Tasmania, and the time about which he would be in Hobart Town; if possible, not later than the middle of May next.

Of course this Government would be ready to pay all charges connected with the matter, and such remuneration beyond expenses as the rules of your service may permit the gentleman appointed to receive.

To save time, and in anticipation of a favourable response to the request of this Government, I have the honor to forward two copies of the Contract; of the latest Reports on the Line; and some other correspondence likely to give preliminary assistance to the gentleman named. I should be glad if you would, upon his signifying his willingness to act, cause one copy to be placed in his hands.

I have, &c.;

(Signed) GEORGE GILMORE.

The Hon. the Colonial Secretary, New South Wales.

[Similar to Victoria, South Australia, Queensland, and New Zealand.]

50.

*Queensland,
Colonial Secretary's Office, Brisbane, 28th April, 1876.*

SIR,

I HAVE the honor to inform you that, in compliance with the request contained in your letter of 13th April instant, Mr. H. C. Stanley, Chief Engineer of the Queensland Southern and Western Railways, has been permitted to visit your Colony for the purpose of being associated with officers of a similar class from the other Colonies in a Commission to be appointed to inspect the Railway between Hobart Town and Launceston, and to report upon it to the Government.

It is understood, in terms of your letter, that your Government will pay Mr. Stanley's travelling expenses, and he will be permitted to receive the same remuneration beyond his expenses as that awarded to each of the Engineers from the other Colonies whose names are included in the Commission.

I have, &c.,

(for the Colonial Secretary,)

(Signed) H. W. MESSIR.

The Hon. the Colonial Secretary, Tasmania.

51.

BY ELECTRIC TELEGRAPH.

Hobart Town, 4th May, 1876.

WITH reference to my letter of the 13th ultimo, it is proposed that Engineers from other Colonies shall meet here for inspection of Railway on or about 15th instant.

May we hope for assistance from you?

(Signed) GEORGE GILMORE.

The Hon. the Colonial Secretary, Wellington, New Zealand.

35

52.

BY ELECTRIC TELEGRAPH.

Wellington, 5th May, 1876.

YOUR letter only received here on 2nd May. Much regret, owing to the near approach of Session of our General Assembly, it will be impossible for us to spare either of our leading Engineers this or next month; but only too glad to assist you if later period will answer your purpose.

(Signed) CHAS. C. BOWEN,
(in absence of the Colonial Secretary.)

The Hon. the Colonial Secretary.

53.

Colonial Secretary's Office, Sydney, New South Wales, 11th May, 1876.

SIR,

WITH reference to your letter of the 13th of last month, and subsequent correspondence by telegraph, on the subject of your request that an Engineer might be sent by this Government to inspect and report, in conjunction with Engineers from the other Colonies, upon the construction of the Main Line Railway of Tasmania, I have now the honor to inform you that Mr. William Mason, the Engineer in charge of the permanent way and works of the Great Southern, Western, and Richmond Railways, has been selected for this service, and instructed to proceed on his mission immediately.

2. I have the honor to apologise on the part of this Government for the delay that has intervened in the acting upon your application, with the cause of which delay you were made acquainted by my telegram of the 2nd instant.

I have, &c.,

(for the Colonial Secretary,)

(Signed) HENRY HALLORAN.

The Hon. the Colonial Secretary of Tasmania.

54.

South Australia,

Chief Secretary's Office, Adelaide, 15th May, 1876.

SIR,

I HAVE the honor to acknowledge receipt of your letter of the 13th ultimo, requesting this Government to nominate an Officer in their service to furnish you, in association with officers to be appointed from other Colonies, with a Report upon the character of the works constructed by the Tasmanian Main Line Railway Company, Limited; and in reply, to inform you that, in compliance with such request, Mr. Henry Coathupe Mais, Engineer-in-Chief of this Province, has been named to act in that capacity.

Mr. Mais will be permitted to accept such *honorarium* beyond expenses (which your Government propose to defray) as the other professional gentlemen engaged may receive.

The copies of the Contract and other documents enclosed in your letter have been handed to Mr. Mais, who proceeds to Tasmania by this day's steamer.

I have, &c.,

(Signed) GEORGE C. HAWKER.

The Hon. the Colonial Secretary, Tasmania.

55.

Tasmanian Main Line Railway Company, General Manager's Office,
Hobart Town, 22nd May, 1876.

SIR,

HEARING that three Engineers have arrived from the neighbouring Colonies for the purpose of inspecting the Main Line Railway, I beg to inform you that I have received no official notice whatever of such visit, which is entirely a surprise. If my information be correct, I have to request that you will let me know the grounds on which such visit is made, because, under the Contract between the Government and Company, the Government have no power whatever to inspect the Company's line at any period of its construction, and although the Company contend that it is complete, the Government have imperiously denied it; and this is set forth as one of the grounds for their defending an action at law for the recovery of the interest now overdue.

It is true that the Government have the power under the "Main Line Railway Amendment Act" to inspect the Company's line by one officer, after it is complete; but this power of inspection has reference solely to the efficient repair and working of the undertaking, and not to any matters affecting its construction.

Shortly after the line was commenced the Government, with the concurrence of the Company, appointed their Engineers to examine the line throughout the whole period of its construction, and every possible facility was afforded them for the purpose; and later, the Government obtained the advice, on two occasions, (without, however, the preliminary courtesy of informing the Company, or obtaining their consent to the inspection) of a Victorian Engineer, (Mr. W. H. Greene), to whom also every facility of inspection and assistance therein was most freely and heartily given.

I have, however, the most serious reason to complain of the extremely unfair and discourteous manner in which I was treated on Mr. Greene's last visit; and more especially that the reports of Mr. Greene, although incorrect, and most seriously prejudicial to the Company, were published in full, instantly received, in the Government organ of the Press, and before I had the opportunity of otherwise perusing them, while my replies, immediately sent in, were withheld for weeks, until they had been submitted to and counter-replied upon by Mr. Greene; and in the last case were not given to the public at all, but I was obliged to publish them at my own expense. A more deliberate and determined method of prejudicing the Railway in the public estimation could hardly have been devised, nor one more uncalled for, after the very courteous manner in which the Company, having no reason to conceal their work, or the manner of its execution, allowed the inspection to be made, and cordially assisted therein, while fully aware that neither under the Contract, nor any of the Acts incorporated therewith, had the Government any legal power to make such inspection.

I need scarcely inform you that the Company have the greatest reason to regret the courtesy then extended, because the reports of Mr. Greene, and the unfavourable comments derived therefrom continually made in the Government newspaper, have deprived the Company of a very large amount of traffic, and most seriously prejudiced the line throughout the whole of the neighbouring Colonies, where the Main Line Railway has become almost a by-word or term of reproach.

It is therefore unreasonable to expect that any Engineer in these Colonies could possibly visit this line without being biassed with a strong prejudice against it.

Under these circumstances it becomes my imperative duty to carefully consider whether the conciliatory course hitherto adopted by the Company, and so far only taken advantage of by the Government to the direct injury and prejudice of the Company, should be further persisted in; and therefore I have obtained the advice and opinion of those who I believe desire to see the Company treated with common justice, which I regret to state is all to the effect that the Company should at least adhere to their strict Contract rights, and peremptorily forbid any examination of their line.

The Company consider that the appointment of all the Chief Engineers of the neighbouring Colonies,—gentlemen of the highest skill and reputation, but accustomed to carry out Government works only, without a too pressing regard to financial questions, and at an expenditure many times exceeding the cost per mile that was available for this line,—is a more extraordinary and unjust proceeding than has ever hitherto been known in the history of public works throughout the whole world. It is not possible that the same financial questions could occur to them as have most deeply affected the Company, and therefore their opinions (though of the greatest value on their special works) cannot possibly be made applicable to this line. Moreover, it must be considered that these gentlemen represent the highest engineering talent in these Colonies, and have been *all* secured on the side of the Government at a time when a suit is pending before the Supreme Court, which, as it concerns the very existence of the Company, might be gravely prejudiced by any public statement of these Commissioners; while the Company, having had no notice whatever of their being sent for, are not prepared with other Engineers to meet them, and properly discuss the details of the work.

On a very full and careful consideration of the many and serious questions at issue between the Government and the Company,—which the former have not at present shown any inclination to lessen,—and remembering the statement made in Parliament by successive Hon. Colonial Treasurers, and continuously and publicly by certain of the Honorable Executive Council and their friends, all in the very highest degree inimical to the Company; with the persistently unfavourable comments of the Government press; and in expectation that they can only receive the same uncourteous treatment hitherto experienced, it is with the greatest regret that (on behalf of the Company) I have in the most solemn and formal manner to protest against the Commissioners entering upon any part of the line, unless I am previously well assured that their instructions are such as, while giving to the Government every information they may legally, or even reasonably require, would tend to an honorable and final settlement of all matters in dispute having special reference to the history of the undertaking and the whole circumstances under which it has been carried out.

I have, &c.,

(Signed) CHARLES H. GRANT.

The Hon. GEORGE GILMORE, Colonial Secretary.

37

56.

Colonial Secretary's Office, Hobart Town, 25th May, 1876.

SIR,

I HAVE the honor to acknowledge your letter of the 22nd instant, and assure you that the Executive had no intention to act so discourteously to you as to avail itself of the professional services of the Engineers to whom you refer without previously communicating that intention to you; but the Executive is at a loss to understand how the presence of these gentlemen can be a "surprise" to you, inasmuch as the reference now contemplated to their professional opinion was recommended in a Report from Mr. Greene, and was not objected to by yourself in your elaborate rejoinder to that Report.

I beg now to acquaint you that His Excellency has appointed Messrs. Mais, Mason, and Stanley to inspect the Line,—of which a formal notice will reach you with this,—and I sincerely trust that, on reflection, you will throw no impediment in their way.

You will excuse my entering into controversy with you on the matters you have introduced into your letter which are not immediately relevant to the main question. The Executive desires to have competent and unimpeachable advice on the present state of the Main Line Railway; and in seeking such advice the Government is persuaded that it is indispensable to the attainment of the object you profess to desire of "an honorable and final settlement of all matters in dispute."

I have, &c.,

(Signed) GEORGE GILMORE.

C. H. GRANT, *Esq., Manager Tasmanian Main Line Railway Company.*

TO the Tasmanian Main Line Railway Company, (Limited).

ON the part and behalf of the Government of Tasmania, I hereby give you notice that the Governor in Council has been pleased to appoint Messieurs William Mason, Henry Charles Stanley, and Henry Coathupe Mais as Officers for the purpose of inspecting the Main Line of Railway, and all stations, rolling stock, and works connected therewith, and reporting to the Governor in Council whether the said Railway and the whole undertaking are in good and efficient repair and working condition, pursuant to the provisions of the 5th Section of "The Main Line of Railway Amendment Act, No. 2," (34 Vict. No. 13.)

Dated this twenty-sixth day of May, A.D. 1876.

GEORGE GILMORE, *Colonial Secretary.*

57.

Colonial Secretary's Office, 26th May, 1876.

GENTLEMEN,

You are doubtless aware of the main objects for which the Government of this Colony have sought the benefit of your professional skill in connection with the line of Railway which the Tasmanian Main Line Railway Company undertook to construct and work between Hobart Town and Launceston; and on behalf of the Government I desire to convey to you their thanks for the readiness you have evinced to meet their wishes, and to your respective Governments for the aid thus afforded in the consideration of a subject of such serious importance to the Colony.

I have now to request that you will proceed to inspect the Main Line of Railway, and all stations, rolling stock, and works connected therewith, and report to the Governor in Council whether the said Railway and the whole undertaking are in good and efficient repair and working condition, pursuant to the provisions of the 5th section of "The Main Line of Railway Amendment Act, No. 2," (34 Vict. No. 13).

I have, &c.,

(Signed) GEORGE GILMORE.

Messrs. MAIS, MASON, and STANLEY, Webb's Hotel.

38

58.

Webb's Hotel, Hobart Town, 26th May, 1876.

SIR,

WE have the honor to acknowledge the receipt of your communication of this date, requesting us to proceed to inspect the Main Line of Railway, and all stations, rolling stock, and works connected therewith, and report upon the same to the Governor in Council.

In reply, we beg to state that we shall have great pleasure in complying with your request; and shall proceed forthwith to carry out your instructions.

We have, &c.,

(Signed)

WILLM. MASON.
HENRY C. STANLEY.
H. C. MAIS.

The Hon. G. GILMORE, Colonial Secretary, Tasmania.

59.

Colonial Secretary's Office, 26th May, 1876.

SIR,

YOUR Solicitor having informed the Government that you had withdrawn all objection to the proposed inspection of the Main Line of Railway and works, &c., I have the honor to request that you will be good enough to place at the disposal of the Engineers engaged on this duty one trolley and two men with green and red signals, together with one beater, one shovel, and two men.

Of course, the wages and expenses will be defrayed by Government.

I have, &c.,

(Signed)

GEORGE GILMORE.

C. H. GRANT, Esq., *Manager Tasmanian
Main Line Railway Company.*

60.

Webb's Hotel, Hobart Town, 27th May, 1876.

SIR,

SINCE replying to your communication of yesterday's date, about the examination and inspection of the Main Line of Railway, we have the honor to inform you that we have had an interview with Mr. Grant, the Railway Company's Manager, at his special request, on the subject of the nature of the examination Mr. Grant will permit.

As we differ in opinion from Mr. Grant as to the necessity of making certain examinations into the works so as to certify to their efficient and safe condition, we are of opinion that such an examination as Mr. Grant is prepared to allow would not enable us to make a satisfactory report on the subject to the Government.

We therefore respectfully submit the matter for reconsideration.

We have &c.,

(Signed)

WILLM. MASON.
HENRY C. STANLEY.
H. C. MAIS.

The Hon. the Colonial Secretary.

61.

Colonial Secretary's Office, 27th May, 1876.

GENTLEMEN,

I HAVE the honor to acknowledge your letter of this date, in which you represent that you have had an interview with Mr. Grant, the Railway Company's Manager, at his special request, on the subject of the nature of the examination Mr. Grant will permit, and that it is one which will not

enable you to make a satisfactory report to the Government; and in reply I desire to state that Mr. Grant has this morning waited upon me and offered the assurance that he will facilitate a thorough investigation of the line in its construction and present state, showing you also his vouchers and books detailing outlay.

You will, therefore, be pleased to proceed on that understanding to make a thorough investigation; but should any practical hindrance,—which can scarcely be anticipated,—be interposed, you will please report the fact to the Government.

I have, &c.,

(Signed)

GEORGE GILMORE.

Messrs. MASON, STANLEY, & MAIS, *Webb's Hotel*.

62.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 27th May, 1876.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 25th instant, and of a formal notice to the Company dated the 26th instant, informing me that the Governor has been pleased to appoint Messieurs Henry Coathupe Mais, William Mason, and Henry Charles Stanley as officers for the purpose of inspecting the Main Line of Railway, and all Stations, Rolling Stock, and works connected therewith, and reporting to the Governor in Council whether the said Railway and the whole undertaking are in good and efficient repair and working condition, pursuant to the provisions of the Fifth Section of "The Main Line Railway Amendment Act," No. 2, (34 Victoria, No. 13).

In reply I have to inform you that the Company will cheerfully afford every possible facility and assistance to these Engineers for the examination of the whole of the Company's line and works, and everything connected with the undertaking, and also of all the Company's books of account and vouchers; and I have the further consent of the Contractors to a full examination of their books of account, sub-contracts, and vouchers, in order that these Engineers may make a full and reliable report to the Government as requested.

I have further to acknowledge your letter of the 26th, received late last evening, and in accordance with your instructions have four men with a trolly, and the tools you mention, now waiting in the station here, who will hold themselves entirely at the disposal of the Inspecting Engineers.

I have, &c.,

(Signed)

CHARLES H. GRANT.

Hon. GEO. GILMORE, *M.H.A., Colonial Secretary*.

63.

Colonial Secretary's Office, 27th May, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of this day's date, informing me that the Main Line Railway Company will cheerfully afford every possible facility and assistance to the Engineers appointed to inspect the Railway and works, and that the Company's Books of Account and Vouchers, as well as those of the Contractors, will be at their disposal for examination.

You also inform me that, in accordance with the request contained in my letter of yesterday's date, you have given instructions for four men with a trolly and tools to hold themselves entirely at the disposal of the Inspecting Engineers.

I desire to convey to you the thanks of the Government for the very courteous manner in which you have signified the readiness of the Company to meet their wishes in this matter; and that no unnecessary delay may occur the Engineers will wait upon you at your present office at half-past two o'clock, with the object of their commencing the proposed inspection.

I have, &c.,

(Signed)

GEORGE GILMORE.

C. H. GRANT, *Esq., Manager
Tasmanian Main Line Railway Company.*

40

64.

Colonial Secretary's Office, 31st May, 1876.

SIR,

I HAVE the honor to request that you will have the goodness to facilitate the inspection of the Main Line Railway by the Engineers now engaged on that duty, by placing at their disposal a small engine and carriage to convey them to and fro morning and evening.

The Government will be happy to pay for the use of the engine and carriage for the time it may be required.

The Engineers also request that they may be allowed the loan of the original drawings of the iron swing bridge at Bridgewater.

I have, &c.,

(Signed) GEORGE GILMORE.

C. H. GRANT, *Esq., Manager Main Line Railway Company.*

65.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 31st May, 1876.*

SIR,

I HAVE the honor to acknowledge the due receipt of your letter of this date, in which you desire that I would furnish a small locomotive engine and carriage for the use of the Engineers now engaged in inspecting the condition and repair of the Main Line Railway, to convey them to and fro morning and evening.

You also request that these Engineers should have the loan of the original drawing of the iron swing bridge at Bridgewater.

In reply, I have the honor to inform you that a small locomotive engine and carriage will be held entirely at the disposal of the inspecting Engineers for such time as they require it; and the original drawings of the Bridgewater swing bridge shall be at once lent them.

I have, &c.,

(Signed) CHARLES H. GRANT.

The Hon. Colonial Secretary.

66.

Colonial Secretary's Office, 2nd June, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 31st ultimo, intimating that a small locomotive engine will be placed entirely at the disposal of the inspecting Engineers for such time as they require it; and that the original drawings of the Bridgewater swing bridge shall be at once lent them.

I desire to return you my thanks for the very prompt and courteous manner in which you have complied with my request.

I have, &c.,

(Signed) GEORGE GILMORE.

C. H. GRANT, *Esq., Manager Main Line Railway Company.*

Hobart Town, 15th June, 1876.

SIR,

WE have the honor to forward herewith our Report upon the Main Line Railway Works, Tasmania, for the information of His Excellency the Governor in Council.

We have the honor to be,

Sir,

Your most obedient Servants,

WILLM. MASON, C.E.

H. C. MAIS, C.E.

HENRY C. STANLEY, C.E.

To the Hon. the Colonial Secretary, Hobart Town.

Hobart Town, 14th June, 1876.

SIR,

IN accordance with the instructions contained in your letter of the 27th ult., we have inspected the whole of the works and rolling stock of the Main Line Railway from Hobart Town to Launceston, constructed by the Main Line Railway Company, and have the honor to report thereon as follows:—

TASMANIAN MAIN LINE RAILWAY.—HOBART TOWN TO LAUNCESTON.

Land.

The land taken for the purposes of constructing the railway works, stations, approaches, &c. appears generally to have been sufficient, with some few exceptions where side cutting has been taken out for making embankments, &c.; in such cases the excavation has been taken out too near the fence line, and in some cases undermined the fence.

Clearing Timber off the Land.

The whole of the heavy timber has been cleared off the land within the Railway fences, but not to any extent beyond; and we observed some places where this ought to have been done to prevent accidents by trees falling across the Line. The undergrowth has been allowed to grow and accumulate, and now requires thoroughly clearing, so as not to intercept or obstruct the drainage.

Fencing.

There are five different kinds of fencing; viz.—

1. Sawn post and 5-rail fence.
2. Split post and 4-rail fence.
3. Split post and 1 top rail with 4 wires.
4. Split post and 5 wires only, with small post driven in centre of panel.
5. Sapling log fence.

Nos. 1 and 2 are tolerably good fences, with the exception of the posts, which in some instances have not been firmly fixed in the ground. No. 3 is also a very fair fence. Nos. 4 and 5 are of a very temporary character, and cannot in any way be considered substantial. Throughout the whole Line there are several portions that require immediate repairs.

Earthworks.

The excavations in the cuttings and forming of embankments have been fairly executed, as far as we can now ascertain; but the side drains, inlet and outlet drains, appear in many places to have been defectively executed, and are now in a very bad state of repair, owing to the grass, brushwood, &c. being allowed to grow in them and obstruct the drainage. The water tables in the cuttings have not been kept clear, causing the water to stand in them and soak into the ballast. The general drainage throughout appears to have been neglected.

The cesses to the embankments in a great number of places throughout the Line have settled, in some instances to the extent of three feet below the level of rails, leaving no cess to retain the ballast: this is a matter of great importance, and ought to be repaired forthwith, as it affects the safety of the Line.

There are various slips in cuttings and embankments, but not more than are generally found in executing works of this extent. The most serious are those in embankment at 41 miles 70 chains, and in cutting at south end of tunnel: we do not, however, anticipate any danger from these slips, provided they be carefully watched and promptly attended to should any further signs of slipping appear.

Viaducts and Bridges.

Nearly the whole of the viaducts and bridges have timber superstructures fixed either on timber, piles, tressels, or stone piers and abutments. They are built in various designs varying in depth, span, &c. Where stone has been used in piers and abutments it appears to be, with some exceptions, of fair average quality and workmanship, as far as we can ascertain; but it appears to us in many cases that the foundations are of a doubtful nature, not being of sufficient depth, especially in places subject to high floods. Several of the abutments, wings, &c. are cracked, but not of a very serious kind except the south stone abutment to the viaduct over the River Derwent, which has sunk bodily towards the embankment about 1 in 30, causing a short incline at end of viaduct.

Where timber piles have been used they are in many cases insufficiently braced, and in some cases not braced at all; for instance the whole of the land openings in the Clarendon viaduct, which is about 10 feet high, have no braces to the piles, and therefore nothing to resist the lateral pressure except the rigidity of the piles, which is we consider very insufficient.

The whole of the timber in the superstructures is of an inferior kind and unsuited to the purposes to which it is applied; and although there is at present an abundance of strength, owing to the large scantling and quantity of the timber used, the structures cannot be considered as sound and permanent, as the timber has in nearly every instance split both vertically and horizontally in a very serious way calculated to considerably reduce its strength, especially when we take into consideration the inferior workmanship throughout and the neglected state of repair in which we found these viaducts. The majority of the bolts in all the bridges and viaducts required "screwing up," and a very large proportion of them had the appearance of never having been touched since they were originally put in. At the date of our inspection we found them in this respect in a most deplorable condition of disrepair and neglect.

The iron "swing bridge" in the viaduct over the River Derwent requires special notice. The lattice tension bars are too small in sectional area, consequently have become "buckled" with the weights passing over the bridge; the top and bottom booms seem strong enough, but owing to the light bracing the bridge has been "crippled." The insecure manner in which the pile abutments are formed for the support of the bridge, and the way in which it rests—or rather on one side does not rest at all—upon the abutment plate is much to be condemned; the inconvenient way of having to take off the fish-plates and put them on again every time the bridge requires to be opened is in our opinion very unsatisfactory; in fact the construction of the bridge abutments is of such a nature as to require reconstruction, and we doubt whether any officer of the Board of Trade would attempt to examine it in its present state, much less pass it for public traffic.

Tunnel.

The tunnel through the main range, which is about 47 chains long, is through solid sandstone rock, and lined only in a few places. The work seems sound and substantial.

Culverts.

There are a great number of culverts under the line varying from 6 feet span to 12-inch square drains or 12-inch earthenware drain pipes and of various forms and materials, the chief being square stone drains averaging about 24 inches by 16 to 18 inches. A few stone and brick arches, stone walls, and timber tops, and some wholly composed of timber logs and saplings.

The stone and brick arched culverts seem in tolerably good repair with some few exceptions; but all the bricks used are very inferior in quality. The walls of the square stone drains or culverts where built in sandstone seem in tolerable repair; but those built in bluestone are of a very temporary kind and inferior workmanship. The majority of these stone culverts appear to have been laid in dry work or filled up with loam mortar and pointed on the outside with a little lime mortar. They are all of a mixed kind; some may be considered tolerably substantial, whilst others are just the reverse. In some cases the side walls have bulged out; the inverts in almost the whole of them are pitched with stone, the majority of which being very small, are not sufficient to prevent the water from scouring out the foundations to the side walls: which result is certain to follow unless the whole inverts were "rendered" in cement.

Level Crossings.

The whole of the public road level crossings have gates fixed to them of tolerably good quality, but those to the occupation or private level crossings are of a very inferior and temporary kind. The huts built at the public crossings for the gate-keepers are of a very temporary kind. The approaches to the private crossings are in several instances not finished, and in most instances insufficiently drained. There are a few "cattle guards" at some of the level crossings which we consider very dangerous, and ought to be forthwith superseded by proper level crossing gates.

Station Buildings, Goods Sheds, &c.

The whole of the station buildings, with the exception of those at Hobart Town, are built of timber and unwrought weatherboards. The station offices and dwellings for station masters are

lined with lath and plaster, and tolerably finished in a plain way. These buildings, which are of timber, can only be considered of a temporary kind. The framing to the roofs of some of the goods sheds is of a very temporary nature, having no "principals" framed but merely diagonal braces spiked to the rafters, with a simple plate resting on and spiked to the capsills as a tie beam, which we consider very unsubstantial.

The station buildings, &c. at Hobart Town are of a more substantial character, being all built of stone—with the exception of the goods shed and station platform shed—and well finished.

The goods shed is built of timber. The framing consists of round pile storey posts, with small sawn scantling between, fixed on sills notched into the storey posts, and the whole covered on the outside with unwrought weatherboards; the storey posts appear to be merely "planted" in the ground. The work is rough and for the present strong, but can hardly be regarded as a permanent structure. The roofs to all the buildings are covered with shingles.

Turntables.

Engine turntables have been fixed at the following stations; viz., one at Hobart Town, one at Antill Ponds, and one at Evandale Junction; the former and latter are of a tolerably substantial kind, but that at Antill Ponds appears to be unfinished.

Water Supply for Locomotives.

Water tanks have been fixed on timber framing at several of the stations and on various parts of the line where most convenient for obtaining good water. Some of these are of a substantial kind and others of a temporary nature. They are chiefly supplied by hand pumps.

Permanent Way.

Ballasting.—The ballast on the permanent way is composed of various materials; viz., blue-stone, sandstone, gravel of various kinds, sand both coarse and fine, marl, loam, sandy clay, &c., and in many instances so mixed together—the good and bad—as to render that which would otherwise have been good ballast useless. Where stone of any description has been used it has not been broken to any fixed gauge, but put on the line of all sizes, ranging from 3 to 6 inch gauge, and in many instances much larger. With such a mixture of material as this for ballast it is impossible to keep the permanent way in good running order, except at very great expense. The depth of ballast is also deficient in various places.

Sleepers.—The majority of the sleepers used on the line are of rectangular section, and the remainder "half round" section, and are either sawn or split; those of the former section are of very fair quality, but some of the latter are of doubtful character, and are not in accordance with the Contract.

Rails.—The permanent way rails appear to vary in quality; those branded I.S.R. are inferior, judging from the manner in which they have worn: in numerous instances we found these rails in the road with the top lamination of the head torn away from the web of the rail to the extent of four and five feet in length; others were bulged and bruised on the head in such a way as to clearly indicate a bad quality. Those branded E.V. and CRAWSHAY appeared to be of a better quality, judging them by the same test of wear.

Fastenings, &c.—The fish-plates, fish-bolts, and spikes appear to be of fair average quality; but the joints of the rails we consider weak, owing chiefly to the bearing span between the sleepers and the light section of fish-plates, together with the heavy weights of the engines passing over them. On some of the viaducts they are "blocked," which makes them more secure.

Laying Permanent Way.—Before the rails were laid down in the curves it is evident from their present state that they had not been curved to the proper radius; in some of the curves we found rails nearly straight, and had evidently been laid down in that condition. No attention appears to have been paid to the "lead" at the joints in laying in the rails, and have in consequence been overlapped, in some cases as much as from 9 to 12 inches instead of 3 to 4 inches, which is the maximum generally allowed in ordinary practice. The sleepers being placed about two feet apart this lengthened "lead" has the effect of increasing the bearing span between the sleepers, which is highly objectionable.

It is impossible to say with certainty what amount of superelevation has been originally given to the outer rail in the curves; but it appears to us that no fixed rule has been observed in that respect; and in all instances the superelevation of the outer rail at the commencement and end of curves has been "run out" too short and abrupt, instead of being run gradually into the straight portions. The following Table will show the variation both in gauge and superelevation of outer rail:—

Radius of Curve.	Variation in	
	Superelevation of Rail.	Gauge.
5 chains	$\frac{7}{8}$ to $3\frac{3}{8}$	$\frac{1}{2}$ to $1\frac{1}{10}$ wide
6 ..	1 to 3	$\frac{1}{4}$ to $1\frac{1}{8}$..
7 ..	$1\frac{1}{2}$ to $2\frac{1}{4}$	$\frac{1}{4}$ to $\frac{5}{8}$..
8 ..	$\frac{1}{2}$ to $2\frac{3}{4}$	0 to $\frac{7}{8}$..
10 ..	1 to $3\frac{1}{4}$	$\frac{1}{4}$ to $1\frac{1}{8}$..
12 ..	$\frac{1}{2}$ to $2\frac{3}{4}$	0 to $\frac{7}{8}$..
15 ..	1 to $2\frac{1}{2}$	tight to $\frac{7}{8}$..
18 ..	1 to $2\frac{1}{8}$	$\frac{1}{4}$ to 1 ..
20 ..	$\frac{1}{2}$ to $2\frac{1}{4}$	tight to $\frac{7}{8}$..
25 ..	1 to 2	0 to $\frac{7}{8}$..

In two instances, one in a curve of 6 chains and another of 12 chains radius, we found in the middle of the curves that the outer rail had no superelevation at all.

Condition of Permanent Way.

If we except some portions of the line between the Corners station and the Clarendon viaduct, the remainder is in a very bad state of repair. The rails are "crippled" and the road full of "slacks," and, in consequence, very knotty; the rails, both in curves and straight portions, are laid in to various gauges and superelevations respectively as previously shown. Numerous joints require "screwing up,"—being allowed to go slack have caused abrupt joints in the rails. These, together with the bulged and broken rails which we found in the road, render the line unfit to travel over at the time-table speeds.

Rolling Stock.

Engines.—There are three classes of engines used on the line, two of which are unsuited for working the traffic over a 40 lb. rail, owing to their great weight, and the large amount of lateral "play" allowed in the bogie truck. The other class are well adapted for light general work. Some of the engines at present are under repairs: the lighter class require some thorough repairs; and the remainder are in a tolerable state of efficiency.

Carriages.—The 1st and 2nd class passenger carriages are of a very light description and of very indifferent manufacture, some of which are fixed on plate springs, and others on spiral steel and India rubber springs. The latter we consider very objectionable on passenger carriages, and ought to be replaced by plate springs.

Wagons or Trucks.—The whole of the traffic trucks are fixed on spiral steel and India rubber springs; and, although light, will probably answer the purposes for which they were intended. The whole are in an average ordinary state of repair.

General Remarks.

We are of opinion that the provision made for carrying off the flood waters, in several instances, is very insufficient; and, in consequence, must render portions of the line liable to be damaged or destroyed by heavy floods. The line we observed near to Antill Ponds has been formed for some distance down the bed of Antill Ponds creek, diverting the channel on each side of the line, which already has had the effect of washing away in several places the base of the embankment, and will ultimately probably destroy the embankment, unless protected by some means from the wash of the flood waters.

There are no fixed signals on any portion of the line. We are of opinion that distance signals should be fixed on each side of the viaduct over the river Derwent,—that on the north side say about half a mile from the bridge, and that on the south where most convenient,—to protect the line when the swing bridge is open for river traffic.

We are of opinion that the speed stated in the time-table at which the express trains are run is very excessive, and, in the present condition of the permanent way, dangerous.

There are in round numbers about 35 miles of curves, varying from 5 to 80 chains radius, over which it would not be advisable to run at a greater average speed than 14 miles an hour including stoppages; therefore, to maintain the speed of the time-table, the express trains would have to run at an average speed of 32 miles per hour over the straight portions, including stoppages.

It may be stated, in reply to this opinion, that the speed of the time-table is actually accomplished daily; this fact cannot be denied, but the wisdom of trying such a dangerous experiment, in the present condition of the line, is in our opinion very questionable.

After a full and careful examination and consideration of the whole subject in all its bearings, we are unanimously of opinion that the general conditions of the Contract, as far as the construction and maintenance of the line is concerned, have not been complied with.

We also examined the station buildings at Launceston now under construction, as well as the works executed by the Main Line Railway Company in connection with the Launceston and Western Railway, and found them of a similar kind to those already described.

In conclusion, we beg to acknowledge the kind and courteous attention shown us by Mr. Grant, the Company's Engineer and Manager, in accompanying us over the Line, and furnishing us with any information or assistance that we required in making our inspection of the works.

We have the honor to be,

Sir,

Your most obedient Servants,

WILLM. MASON, C.E., *Member of the Institution of Civil Engineers,*
Chief Assistant Engineer for Railways, N. S. Wales.

H. C. MAIS, C.E., *Memb. Soc. Engs., Engineer-in-Chief, S. Australia.*

HENRY C. STANLEY, C.E., *Chief Engineer, Queensland.*

The Hon. Colonial Secretary, Tasmania.

68.

Webb's Hotel, Hobart Town, 15th June, 1876.

SIR,

WE wish to convey to the Government our thanks for the excellent arrangements made, and for the facilities afforded us for making the inspection of the Main Line Railway Works.

We also wish to mention the great and valuable assistance rendered by Mr. G. F. Lovett, which greatly facilitated our inspection of the works.

We have, &c.,

(Signed)

WILLM. MASON.

HENRY C. STANLEY.

H. C. MAIS.

The Hon. the Colonial Secretary.

69.

Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 14th June, 1876.

SIR,

PRESUMING that the Consulting Engineers appointed by the Government to enquire into the state of repair and working condition of the Main Line Railway, who last week completed their examination of the Railway, have now made their Report, I have the honor to request that you will do me the great favour to let me have a copy thereof at your earliest convenience. As it might possibly be seriously prejudicial to the interests of the Company I represent if this Report were made public before I have had any opportunity of fully considering and replying thereto (if necessary), I have the honor to request that the Government would withhold from publication the Report when received until such time as any explanation or reply I may feel obliged to make thereon has been prepared, and until sufficient time has been given for a full understanding to be arrived at respecting the bearing or effect of this Report on the interests of the Government and of the Company.

I have, &c.,

CHARLES H. GRANT.

Hon. GEORGE GILMORE, Colonial Secretary.

70.

Colonial Secretary's Office, 16th June, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 14th instant, received yesterday, requesting that you may be furnished with a copy of the Report of the Engineers appointed by the Government to enquire into the state of repair and working condition of the Main Line Railway, and that the Government will withhold such Report from publication until you had had the opportunity to prepare any explanation or reply you might feel obliged to make thereon.

In accordance with your request I have now the pleasure to forward a copy of the Report for your private information, and with the full understanding that, as the Government are prepared to defer its publication until the receipt of any observations you may desire to offer, you will equally consider it in the meantime a confidential communication.

As the subject is one of great importance and general interest, you will, I doubt not, see the necessity for promptly enabling the Government to publish the Report, as under no circumstances could they consent to a protracted delay.

I have, &c.,

(Signed) A. KENNERLEY,
(For the Colonial Secretary, absent.)

C. H. GRANT, Esq., General Manager Tasmanian Main Line Railway Company.

71.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 19th June, 1876.*

SIR,

I HAVE the honor to acknowledge the due receipt of your letter of the 16th instant, with which you kindly enclose a copy of a Report made by Messrs. Mais, Mason, and Stanley on the repair and working condition of the Main Line Railway, for which I have to tender you my best thanks, and to assure you that the document will be kept strictly private in my hands.

I regret to notice that some of the terms of this Report are eminently calculated to needlessly alarm the travelling public, and that therefore its publication would be extremely prejudicial to the Company; and as the Report may be made the foundation for legal proceedings, I am at present unable to give it that public and satisfactory refutation which could so readily be made,—the more so because on some particulars the Engineers appear to have departed from their instructions, and expressed strong opinions on matters wholly outside the scope of their enquiry.

It appears to me most desirable that ere Mr. Mason leaves the Colony I should have an opportunity of meeting him before the Government, when I could explain the very small importance of some of the items touched upon in the Report, and show that others were questions of opinion, in which many Engineers agree with me in holding a contrary opinion to those stated in the Report.

Should the Government decide to grant me this interview, I have to request the further favour of their continuing to withhold the Report from publication until the effect of the expressions used therein on the interests of the Company have been fully considered at the interview now requested.

I have, &c.,

The Hon. the Colonial Secretary.

(Signed) CHARLES H. GRANT.

72.

Colonial Secretary's Office, 20th June, 1876.

SIR,

I HAVE the honor to acknowledge the receipt this day of your letter of yesterday's date, in which you request that you may have an interview with Mr. William Mason, one of the three Engineers who recently inspected the Main Line of Railway on the part of the Government, in the presence of the members of the Ministry, prior to that gentleman's departure from the Colony, for the purpose of discussing the Engineers' Report on the Construction and Condition of the Line.

In reply, I have the honor to inform you that the Cabinet are unable to see what useful end would be subserved by such an interview, as the various points to which you allude in the Report can in their judgment be better dealt with in writing.

As you have not availed yourself of the opportunity afforded you to forward to the Government any written comments upon the Report, and have verbally informed me through your Solicitor, Mr. Dobson, that you do not intend to do so, I presume that you have sufficient reasons for your silence, and under these circumstances the Government must consider the Report without the advantage of your comments, and take such action thereon as they may deem necessary.

I have, &c.,

(Signed) ALFRED KENNERLEY,
(For the Colonial Secretary, absent.)

C. H. GRANT, Esquire, Manager Tasmanian Main Line
Railway Company, Hobart Town.

Hobart Town, 24th June, 1876.

SIR,

I WAS surprised beyond expression to see in the *Mercury* of 22nd instant a copy of the Commissioners' Report on the Tasmanian Main Line Railway; and it is a duty I owe to myself to ask you how you, as the head of the Government, could allow the publication of the Report without giving me the notice promised by you at our interview on the 17th instant? On that day I attended you in the office of the Honorable the Colonial Secretary for the express purpose of obtaining your promise to give me notice before publishing the Report; and I afterwards informed Mr. Grant that I had so arranged the matter with you, and the entry in my day-book, written on the same day, bears testimony to the same arrangement. You will remember that on the day in question I pointed out to you that under some circumstances Mr. Grant would resist to the uttermost the publication of the Report on the following grounds:—

That the evidence therein contained was given by three Engineers who had been selected by the Government—handsomely paid by the Government, and also instructed by them; that Mr. Grant had no opportunity of cross-examining these witnesses; and that he had no possibility of procuring any skilled evidence in Tasmania to answer those parts of the Report in which Mr. Grant feels compelled to differ very considerably from the Commissioners.

I then stated to you that if the Government believed there was a probability of litigation ensuing between them and the Railway Company, it would be a most unfair and harsh proceeding on their part to publish the *ex parte* evidence contained in the Report, and so prejudice the Railway in the minds of the jury who might have to decide the questions in dispute. In reply to what I said you informed me that the members of the Government had not had sufficient time either to consider fully the Report or decide upon their course of action; but that you could say, not only for yourself but for all your colleagues, that the Report should not be published without giving me notice. I then told you that it would not suit me to receive a letter one day informing me that the Report would appear in the following morning's *Mercury*, but that I required three days, or such reasonable notice as would enable me to file a Supplication under the Crown Redress Act, in the nature of a short Bill in Equity, praying for an injunction to restrain the publication of the Report.

You again promised to give me notice before publishing the Report, and I again repeated in substance what I have just written; viz. that I required sufficient notice to prepare proceedings and take the opinion of the Supreme Court as to whether the Report should be published; and you then said you understood what I wanted, and for the third time repeated that you would give me notice before publishing the Report.

You will also recollect that I saw you again on the 19th instant, in the presence of the Honorable the Attorney-General; and after repeating to the Attorney-General the purport of what I had stated to you at our interview on the 17th instant, I was again promised notice before the Report was published. I went on to explain that under some circumstances Mr. Grant would make no reply to the Report, but that under other circumstances he would reply; when the Attorney-General said that if Mr. Grant sent in his reply to the Report, the Government would be glad to receive and publish it; but that if he wrote and said he did not intend to reply, you would immediately telegraph for the absent members of the Government to return to town, and let us know what course the Government would take. You acquiesced in what the Attorney-General said, and then informed me that the Government would expect to hear from Mr. Grant, and I promised he should write. You are aware that Mr. Grant did write, and asked for a conference with Mr. Mason in the presence of the Government on the Report; and in his letter he said, "As the Report may be made the foundations of legal proceedings, I am at present unable to give it that public and satisfactory refutation which could so readily be made." Had you considered this paragraph in conjunction with what I told you as to the circumstances under which Mr. Grant would send a reply to the Report, you would never have consented to the Officer of the Government who wrote the letter to Mr. Grant having your signature saying, that Mr. Grant had verbally informed you through his Solicitor (Mr. Dobson) that he did not intend to reply to the Report. In conclusion, I must call your attention to the last paragraph of your letter to Mr. Grant, in which you say, "Under these circumstances the Government must consider the Report without the advantage of your comments, and take such action thereon as they may deem necessary."

You will, of course, admit that the paragraph just quoted is all the information we have received from you as to the publication of the Report or the intentions of the Government; and I would ask you if the words just referred to can by any possibility be construed into any notice whatever, either to Mr. Grant or myself, that the Report would be printed in the *Mercury* of the following morning, or do they contain any information whatever as to the course the Government intend to take.

I regret exceedingly that you appear to have utterly forgotten the promise, so positively and repeatedly made by you, to give me notice before having the Report published. I need hardly say that your action in the matter has placed me, as one of the Solicitors for the Railway Company, in a most painful position.

If you did forget the honorable arrangement into which you entered with me, or if your colleagues determined to publish the Report at the earliest opportunity and felt justified in disregarding the promise you made to me, I must ask you in justice to myself to write and tell me so, or offer such explanation for not giving me notice that you intended to publish the Report as will exonerate me from the charge of having erroneously represented to my client that a complete and positive agreement was entered into between you and myself as to the publication of the Report; because it would appear from the action of the Government in the matter that no such agreement was ever entered into by you.

Requesting the favour of an early reply,

I have, &c.,

(Signed) HENRY DOBSON.

The Honorable the Premier.

74.

Colonial Secretary's Office, 27th June, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter dated the 24th instant, which reached me yesterday afternoon.

In reply, I beg most distinctly to deny that at our interview on the 17th instant I made you any promise whatever as to the publication of the Report of the Engineers on the Main Line Railway, or that any such promise was made by me, or in my presence, on the 19th instant, as alleged by you.

I have referred to those to whom I immediately communicated the substance of what passed at the interview you had with me on the days named, including the Attorney-General, and I desire to affirm most positively that no "promise," "honorable agreement," "complete and positive agreement," or mutual understanding was come to on either of those occasions to give you notice before publishing the Report. At both interviews, and especially at the last, I declined to discuss the matter or to submit any proposal on the subject to my colleagues unless it was put in writing; and I was specially careful not, either on my own behalf or on theirs, to make any promise or to assent to any proposition that would fetter the action of the Government.

I have forgotten no circumstances occurring at either of the interviews referred to,—neither your pertinacity nor my reserve; and I cannot help regretting that your memory seems to have dwelt so exclusively upon one side of the conversations which took place between us that you cannot recall the other. But it may serve to refresh your memory if you ask yourself the question, why did you seek a second interview with me on the 19th instant if your first (on the 17th) had terminated so satisfactorily to you as in your letter you now allege it did?

I have, &c.,

(Signed)

ALFRED KENNERLEY.

HENRY DOBSON, *Esq., Solicitor, Macquarie-street.*

75.

Hobart Town, 28th June, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 27th instant, in which you deny having made me any promise whatever as to the publication of the Report. Your recollection of the matter certainly astonishes me; but I notice that your denial is couched in vague and general terms, whereas in my letter I gave you many details of our conversation, and reminded you of the precise language used by you at our interviews, the use of which language I hardly think your memory will allow you to contradict. Permit me to use against yourself your own argument as contained in the last paragraph of your letter. If you are thoroughly satisfied that you are justified in making the denial you have done, why should you try and support your position by very unfairly inferring rather than asserting that I sought a second interview with you because at my first interview I could not obtain the promise I required you to make? The inference you try to suggest is easily answered. On the 17th instant I waited on you to obtain the consent of the Government to give me notice before publishing the Report, and I did not leave your office until I had received your assurance, repeated three different times, that the Report should not be published without giving me notice, unless the English language when spoken by a Premier has a different meaning to that generally given to it. On the 19th instant I waited upon you and the Attorney-General for quite another purpose, namely, to inform you that Mr. Grant did not feel inclined to reply to the Report

until he knew whether the Government intended to make that document the basis of legal proceedings; and you and the Attorney-General then promised that if Mr. Grant wrote to the Government, either with a reply to the Report or without one, you would let us know what course the Government would take,—a promise which I venture to assert has never been complied with.

I question the taste of the remark, but I thank you for admitting, that you have not forgotten “my pertinacity” at the interview referred to. If you do remember how pertinaciously I required that you should give me notice before publishing the Report, and how I kept repeating that one day’s notice was not quite what I wanted, perhaps you can now remember something more of our conversation. And with the view of giving you another opportunity of doing so, I will conclude by asking you a few questions in which I can remind you of some of the very words and sentences made use of by you, and the stage of the conversation in which they were introduced.

1. Did I not, at the beginning of our interview on the 17th instant, point out fully the great unfairness of publishing the Report? And in reply, did you not say that the Government had decided nothing, but that you would let me have notice before publishing the Report?
2. Did I not then point out that I wanted three days, or such reasonable notice as would enable me to apply for an injunction to restrain the publication; and did you not (after again stating that the Government had had no time to consider the Report) say you could answer not only for yourself but for all your colleagues that the Report should not be published without giving me notice?
3. Did I not then tell you that it would not suit me to get a letter one day informing me that the Report would appear in the *Mercury* of the following morning, and that I required sufficient notice, say two or three days, to enable me to take the opinion of the Supreme Court as to the publication of the Report? And did you not in reply say in these words, “I understand what you want,” and repeat for the third time that you would give me notice before the Report was published?
4. As you remember so well “my pertinacity” and your “reserve,” will you be good enough to inform me whether, in reply to my pertinacious demands for notice before the Report was made public, you either remained silent or declined to give the promise I required? You will see for yourself that such pertinacity as you say I displayed must have produced either a promise, a refusal, or dead silence on your part.
5. If at our interview on the 17th instant you were “reserved” and “declined to discuss the matter,” or to “submit” any proposal to your colleagues, and you were “careful not to assent to any proposition that would fetter the action of the Government,” why should you *immediately* after our interview, as you admit you did, communicate the *substance* of it to some of your colleagues? If you did nothing but remain silent, or say no to all my proposals, you could not have had much substance to communicate.

It may further help to assist your memory when you know that on the afternoon of the 17th instant I wrote the following entry in my day-book: “Attending Mr. Kennerley as to publication of Report, and explained why we protested against it, and he told me it should not be printed without giving us two or three days notice, or sufficient time to enable me to file a Bill to test the point on an application for an injunction to restrain the publication; he told me the Government had had no time, and had really decided nothing as to their future action. Attending Mr. Grant and explained interview with Mr. Kennerley.”

I must now leave the matter in your hands and wait your reply, which I shall do with some anxiety because on it will depend whether I shall ever again consider myself justified in telling a client that a matter of business is arranged, when I have nothing but a verbal promise to depend upon, even although such promise was given in a most direct and positive manner, as to which there could be no room for misunderstanding, and repeated three times at one interview, and once at another.

I have, &c.,

(Signed)

HENRY DOBSON.

The Honorable the Premier.

76.

THE Premier has to acknowledge the receipt, this day, of a communication from Mr. Henry Dobson, dated the 28th instant, the terms and tone of which preclude him from doing more than refer Mr. Dobson to the Premier’s letter to him of the 27th instant.

*Colonial Secretary’s Office,
29th June, 1876.*

HENRY DOBSON, Esq., *Solicitor, Macquarie-street.*

77.

*Tasmanian Main Line Railway Company, Limited,
Engineer's Office, Hobart Town, Tasmania, 5th July, 1876.*

SIR,

I HAVE the honor to send herewith my reply to the Report made by Messrs. Mason, Mais, and Stanley on the Main Line Railway.

A pressure of business has prevented my commencing the reply until now, and I regret that the result of this is your having a most imperfect copy, in every respect; but time will not admit of any alteration if it is to be published before the departure of the next English mail, as I most earnestly desire. Trusting that under the circumstances you will pardon the imperfections,

I have, &c.,
(Signed)

CHARLES H. GRANT.

Hon. GEO. GILMORE, Colonial Secretary.

78.

*Tasmanian Main Line Railway Company, Limited,
Engineer's Office, Hobart Town, 5th July, 1876.*

SIR,

I HAVE the honor to acknowledge the receipt of a letter dated the 20th ultimo, and signed by the Honorable the Premier on your behalf, in which it is stated that the Government are unwilling to meet me before Mr. Mason, and that they understand that I do not purpose to reply to the Report of the Inspecting Engineers, and will therefore take such action thereon as they may deem necessary. At the same time the Report was handed to the Government Press, notwithstanding my protest against it as being *ultra vires*, and most unfairly calculated to prejudice the public on matters that there can be no legitimate excuse for including in such Report, and although the Premier had positively pledged himself to give us ample time, after the Government had decided on the publication of the Report, to obtain a judicial opinion as to the right of the Government, under the circumstances, to publish it, and thereby inflict great injury on the Company's traffic.

I need scarcely observe that my objection to replying on the Report was simply that such a course might be taken as countenancing the very improper remarks that the Inspecting Engineers made on subjects not included in their instructions, as communicated to me by yourself in duplicate notices of the 26th ultimo, wherein it is stated that these Engineers have been appointed for the purpose of reporting to the Governor in Council whether the said Railway and the whole undertaking are in good and efficient *repair and working condition*, pursuant to the provisions of the fifth section of the Act, 34 Victoria, No. 13. These instructions have never been varied with my knowledge or consent; although I withdrew my objection to the Engineers examining the construction of the Line for the purpose of privately advising the Government thereon.

On several occasions I have had the honor to explain, at meetings with the Government, the objections there were to obtaining such reports as that in question, for they are simply the *ex parte* statements of experts, professionally engaged on one side, where every matter, however trifling, that would tell on their side is brought forward and painted in the strongest colours, while all evidence of an opposite tendency is wholly suppressed. I further stated that the greater the number of Engineers employed the more objections they would find, in a much increased ratio, and the greater would be their recklessness from the division of responsibility. In replying on this Report I have no doubt of being able to show that the Engineers, with the usual desire to show value for their professional fees, have been far more anxious to make points against the Railway than to state facts which would verify my observations, and should convince you that the system hitherto adopted of inspecting the Railway is most unfair and prejudicial to the undertaking. The oft repeated reply of the Government in various meetings to these objections was, that the Engineers would be summoned for the purpose of treating them rather as a Board of Advice than simply as Inspectors, and that, although they might require to go along the Line, it was not so much an inspection which was desired as that they should advise the Government (who were without professional referees of their own) on the general questions involved in the Railway Contract.

It is only necessary to glance at the Report to show that, as under ordinary circumstances, they considered themselves solely as hostile inspectors; the numerous points for which they gave the Line credit while going over it with me being wholly ignored, and the most trivial complaints made to appear important matters. I do not complain of this, for it is a necessity of the course adopted. Had I submitted the Contract Deed to the hostile criticism of the three Attorney-Generals of the neighbouring Colonies, in briefs endorsed with fees proportioned to the magnitude of the interests involved, it is at least doubtful whether the opinions would have been wholly commendatory of that instrument. The evidence of Engineers before Committees of Parliament, and in Patent cases, of Doctors in Lunacy and Probate cases, of experts in caligraphy, and indeed of professional witnesses in any cause, are matters on which the public entertain decided opinions; and the tone and character of your numerous reports on the Main Line must now convince you that the same judgment should be applied to the evidence, if it can be called such, contained in the reports.

As the Government have thought proper to publish the Report, I have no alternative but to reply thereto or to close the Line for the conveyance of passengers; I will therefore proceed to remark thereon as briefly as is possible, omitting *all* reference to those matters which are not adversely commented on.

Land.

It is objected by the Engineers that in a few exceptional cases the excavation has been taken too near the fence line, and in some cases undermined the fence. I only know of one such case, which is in very light pasture land, where the three years weathering of the slopes of the upper ditch has weakened the fence; but half a day's work in shifting a few posts would entirely remedy the grievance.

Clearing Timber off the Land.

It is stated that the timber has not been cleared off the land outside the Railway fences, and therefore that trees would fall across the line. This is *entirely an error*, as the landowners can certify. Every tree that could fall across the line has been removed in the bush land, and in all cases where they were not useful or of an ornamental character, and their destruction would be an unnecessary and wanton violation of private property. In these cases they have been trimmed, and are not in any degree a source of danger. The permanent way repairers have strict injunctions to protect the line in this respect.

That the undergrowth has been allowed to grow, simply means that small wattles are springing up where the bush has been scrubby; but every one of these would, under ordinary circumstances, be removed the first wet day, when the permanent way repairers were unable to open the road.

Fencing.

The five-wire fence without top rail, and log fence, are objected to. Of the former it may be said that there are many thousands of miles of precisely similar fence in all the Colonies, including this; but the reason it was used was the absolute impossibility of putting up any other description of fence at the time, (although commenced in many places), and to comply with the desire of the landowners (expressed in notices of actions at law) to have the Railway closed throughout their runs. The Company would far rather have waited and put up their usual post and rail fence, when the material could be transported; but the landowners were very much too urgent in their demands to permit this.

This fence could now at any time be quickly renewed; but it is strong, and in good condition, and as it is used only in bush land, there can be no pressing necessity for its alteration. A precisely similar fence, described as a "new fence, gum posts, and five wires, no top rail," has been erected by Mr. Mais on the line between Adelaide and Kapunda, (see Public Works Report, No. 16, South Australia, page 11), with an alternative "new fence, gum posts, top rail, and three wires." The log fence, which is well put together, firmly laid and bedded, and strongly treenailed, is undoubtedly the strongest there is. The portions of fence that require repair are confined solely to the fracture of a few wires, that are mended by the permanent way men in odd times, and would not in all constitute one day's work.

As regards the proper description of fence for a railway in bush land, I would quote Mr. John Whitton, C.E., the *Engineer-in-Chief for Railways* in New South Wales, who thus recommends his Government for their Railways:—"The whole of the fencing to have two rails only, and to be formed of saplings, or any other timber that may be found in the district," (*vide* Report of the Commissioner of Railways for New South Wales, Legislative Assembly, 1873, pps. 19, 20, 25, 26, all different reports, but to precisely the same effect). Mr. H. C. Stanley, in his elaborate Report to the Government of Queensland on the extension of the Southern and Western Railway, recommends "a rough two-rail fence, made of the timber that can be obtained almost anywhere along the line," and states that this will be "half the cost of the ordinary fence" (*vide* Report of Royal Commission on Railway Construction in Queensland, pp. xix); and also elsewhere advises doing without fencing; which advice is concurred in by Mr. Whitton of New South Wales, and by the Commission recently appointed to enquire into the subject of Railway Construction in South Australia, 1875, (of which Mr. Mais was a principal member), who, in the 36th paragraph of their report, finally advised that "fencing may be dispensed with, except at stations and heavy cuttings. Ballast may be unnecessary in certain localities, and its cost materially reduced from that now paid." The fencing most used in New Zealand is (as many Tasmanians have seen on the Wellington and Hutt Railway) a light two-rail sapling fence, as above described; and in Victoria, although a much cheaper description of fence was recommended in the Report of the Select Committee on Railways, and by Mr. Higinbotham, 1869-70, the fence finally adopted on the North Eastern Railway has 4 wires and a top rail, being precisely similar (and not one whit better) than the corresponding fence on the Main Line.

It will be noticed that all these comparisons are made with lines costing from £9000 to upwards of £20,000 per mile; and yet we find the small portion of the Main Line log fence [of fine *peppermint* timber (parallel) logs firmly laid and bedded, and well trenailed together] condemned as not substantial; and the highest term of commendation to be found is that some are "tolerably good" fences, with the trivial allusion that a few posts want a little punning,—from which it must be presumed that not alone in the legal mind does the point of view from which a statement is made "alter the case."

In the Contract between the Company and their Contractors it was assumed (on information received) that, as in Spain, North and South America, and many other countries, no fences would be required, except in the neighbourhood of Towns, and through cultivated lands.

Earthworks.

The side drains, and inlet and outlet drains to culverts, are stated to be in a very bad state of repair, as also the water tables in the cuttings; and that the original drainage appears to have been neglected. As regards the latter point it may be seen that almost the whole line has side and catch water drains carefully taken out, and led to the culverts, which, to this extent, is unusual on any Railway; while, in regard to their obstruction, and the trimming of the water tables, these experienced engineers well know that it is a most trivial job, always reserved for wet weather, when the road cannot be touched; and it is only the late unusually dry season which has fortunately allowed of the permanent way repairers spending their whole time on the infinitely more important running line, that has caused this wet weather service to be held over. A few wet days, which we are certain to have, will remove every ground for complaint.

It is stated that the wasting of the cesses of the embankments is a matter of importance, and ought to be repaired forthwith, as it affects the safety of the line. This is both an extreme and incorrect statement. The only use of the cess on a straight embankment is to properly keep up the ballast; and, if the top of the bank be wide enough for this, the Engineers cannot deny that it is *far better* that the cess should be rounded or wasted, than that—through obtaining sharp edges to the top of the bank—the formation should lie hollow. I regard the matter complained of as quite a fault in the right direction, since the banks were all made extra wide at first, and were again trimmed out when bottom ballasted. On the backs of the curves, where it is necessary that the banks should be full and high, they are carefully maintained so; nor can it be thought we would lose the more costly ballast for the want of a few spadeful of earth.

The Inspecting Engineers state that they see no danger from the slips, which, however, they feel bound to describe in somewhat alarming terms,—omitting, however, to mention their oft repeated statement to me, that they had never before seen a line of the length with such few and unimportant slips or settlements thereon.

Viaducts and Bridges.

It is stated that where stone has been used in piers and abutments, it appears to be, with some exceptions, of fair average quality and workmanship; but, as these exceptions are not stated, and are unknown to me, I cannot reply thereto.

They assert that in many cases the foundations are of doubtful nature, not being of sufficient depth, especially in places subject to high floods; but as the Engineers *did not examine or enquire into the foundation of any one bridge*, and certainly saw no sufficiently distinct signs of settlement of any pier or abutment to warrant the remark, I can only express my great surprise that they should without cause have made such a purely apocryphal and unjustifiable statement. The cracks alluded to are of the most insignificant possible description, and such as will occur in the very soundest work. As regards the south abutment of the Bridgewater Bridge, which subsided with the heavy bank tipped behind it to about half the extent stated, being less than six inches in its whole length, the fact that it did so bodily (under the simple influence of the additional weight thrown upon the tip end of the Causeway, by the high new embankment made upon it) without showing the least crack or flaw in its solid portion, must be a most convincing proof of the extreme excellence of the foundation, and of the soundness of the work. This settlement has entirely ceased for two years past, and there is no probability of its being resumed. When I have had the opportunity to pack the end beams to their original level, every ground for criticism will be removed, but the bridge cannot be made safer than it is now.

The statement that where timber piles have been used they are in many cases insufficiently or not at all braced, is utterly incorrect, and wholly unwarranted; but one case is, or can be quoted, viz., the land openings of the Clarendon Bridge, which are most thoroughly braced in an unusually strong manner; the exception to the diagonal bracing being only where its angle would be so very small that the strain would be practically in a horizontal line, to meet which very strong double walings are placed at the ground level, which, while answering the same purpose, are stronger and better situated than diagonals could be.

To mention a want of strength to resist lateral pressure except the rigidity of the piles (*which is all there ever is in any case*), in a bridge at mostly only 10 feet high in the parts objected to, having 4 strong piles to a pier, all driven 20 feet into a good holding ground, the outside piles having a strong rake, and each pier a base of 18 feet at the ground level, capsills 12 inches square and double walings, 13" x 6" notched into the piles at the ground level, at most only six feet below the capsills; surmounted by a superstructure, very strongly framed and iron trussed, to a width of 15½ feet for only 20 feet spans, will, I think, be admitted by all my professional brethren to be the weakest objection that could possibly be raised. I very much doubt if either of the Engineers are able to show me a timber bridge of their own design that has even one half the strength of that objected to.

As a contrast to this extremely strong bridge, I would instance those recommended by H. E. Stanley, C.E., in his Report (page 19 Report of Royal Commission) on the extension of the Southern and Western Railway of Queensland, for which he recommends that the superstructure of the bridges should be made with round timber, and states that "*the greater part of the timber should be used in its rough state, so that beyond being properly barked it would merely be dressed at the bearings, and, in the case of the girders, on the upper side to receive the cross planking or sleepers;*" thereby implying the use of young trees, with all their heart and sapwood. Visitors to Victoria can also inspect the extremely light bridges on the new lines lately constructed there, and compare them with our very massive structures.

There is more reason in their remark upon the whole of the timber in the superstructures as being of an inferior kind, and unsuited to the purpose to which it is applied, and I have never taken occasion to specially recommend it; but as such consisted only of stringy-bark, blue and celery-topped gum, obtained from various parts of the River Derwent, from the Dromedary Mountain, the forests of Native Corners, Flat Top, Mount Seymour, &c., from the Western Tiers near Oatlands, and the Eastern near Campbell Town, and largely from Deloraine and the Tamar River, &c. (some of the timber of the largest size being free of heartwood, as is all timber under 12 x 12 in. scantling), it will be seen that this observation is a wholesale condemnation of all Tasmanian wood.

The Engineers seem entirely unacquainted with the peculiar splitting and shrinking qualities of this timber, although they *most grossly exaggerate* in stating that it has in nearly every instance split both vertically and horizontally; that the workmanship is inferior throughout; also that the bridges are in a deplorable condition of disrepair and neglect. Better or stronger work than the whole of the Bridgewater Bridge could not be desired, as the many who witnessed its construction will I am sure allow; nor have the bridges been neglected, but all have been many times screwed up all round, *as the Engineers noticed and commented upon*, from the additional washers of various sizes put in these bridges, and evidently added since their erection. At the time of their visit the Risdon Viaduct had just been tightened up for the fourth time, the Bridgewater Bridge was in progress for the third time, and has since been completed, and all the others would follow in their usual order. The fact is that the Inspecting Engineers could not realise the very free nature and extraordinary shrinkage (during a protracted period) of Tasmanian timber, (which enormously exceeds what I have hitherto known, but having been warned of, especially designed the structures to meet); and what they designate as bad workmanship and neglect is not so, but simply the necessary result of this shrinkage and rending which has not even yet come to an end, but does not seriously impair the strength of the structures, all being now in a fully effective condition.

The iron swing bridge is especially marked out for condemnation, but the remarks are equally far-fetched. The lattice tension bars are stated to be too small in sectional area, and consequently have become "buckled," which is equivalent to stating that a very loosely hanging string is more strained than if tightly pulled. The simple facts of the case are, that after the iron bridge was constructed the owner of the steamer *Monarch* wished the opening a little increased, and made much wider than the old bridge to allow a freer passage for his vessel, to do which it was necessary to slightly project the long beams, and in this operation some of the lattice bars were slightly bent. I did not allow the bridge to be used until I had thoroughly satisfied myself, both by calculation and testing, of its superabundant strength. On my offering to test it, by running a train composed of our very heaviest locomotives *only* over the bridge, to allow of their ascertaining its deflection under at least twice the load that could ever practically come upon it, they stated that it was unnecessary, and that they felt assured of its ample strength. The performance with the fish-plates is a voluntary exertion on the part of the bridge-keeper, who has little else to do, and I have frequently told him there was no occasion for it, still it cannot do harm, but tends to insure safety, while costing nothing whatever. The looseness of the wedges is not due to any sinking or defect in the abutments (or rather piers) but simply and only to the disproportionate shrinkage of the mass of timber that corresponds with the ironwork of the turning machinery, (as is proved by the state of the bolts).

This is now properly allowed for and corrected. In regard to these abutments, the absurdly numerous piles of which were driven down to the solid rock and braced in every direction, I venture to assert, in contradiction of the Inspectors, that no reasonable Engineer would think of making them stronger, or of objecting in any way to those erected, except in the sole matter of the

uneven shrinkage of the superstructure ; and would treat the suggestion for their reconstruction as quite ludicrous. It certainly would never have been suggested had their construction been properly examined into and understood.

They are not only the strongest part of the Bridgewater Bridge, but also far stronger than any timber piers on the whole line.

Since a distinct issue is raised in regard to this and other Bridges, I should be glad to show them to any practical carpenter or builder (acquainted with such timber) enjoying the confidence of the Government, in order that they might report to you thereon.

It will be remembered that Mr. W. H. Greene approved of the bridge as being "substantially built and well finished," and especially praises the bridge over the South Esk at Clarendon as being "sound and sufficient."

Culverts.

I do not know whether it is intended to complain of the culverts or drains wholly composed of timber logs and saplings (*i.e.* peppermint logs), but is difficult to see how they could be made stronger or more durable : and timber culverts exclusively are recommended by Mr. Whitton for the Railways of New South Wales, (*vide* his Report on Railway Extensions, *op. cit.* pages 19, 25, and 26), wherein he recommends "to dispense with brickwork in culverts and bridges, and use timber only, such as the districts will afford, and constructed in the most economical manner ;" and by Mr. S. V. Kemp in his Report on the Main Line Railway (page 6). Timber culverts are also generally used, for economy in construction, in every country of the world.

The inferior bricks were simply the *very* best obtainable in the north, and were all carted from 15 to 30 miles. The blue-stone culverts were built of the best blue-stone at all procurable, set in good mortar (as on the Launceston and Western Railway), and are, without exception, thoroughly sound, strong, and substantial. It is therefore extremely unfair and incorrect to class them as of a temporary character or inferior workmanship, since the very worst of them must be of far greater permanent value than the best of the timber culverts.

It would appear to surprise these Engineers that some of these culverts (a few in the Midland district only, and entirely the reverse of the majority on the line) were laid dry, and without having worked inverts rendered in cement, but it is an universally recognised system of construction. I notice that the specification for the New South Wales Railways provides such dry wall culverts, even in much heavier bank ; and every Engineer in practice, Architect, Surveyor, and road-maker must have frequently used them, without thinking of providing other than that the pitching stones should be of sufficient size to extend well under the side walls ; which I also have been careful to ensure ; and although the culverts have all been made for about three years I have seen no indication of the bottom being washed out, or of the failure of any culvert, but all remain in exactly the same state as finally constructed.

Level Crossings.

The gates to the public road crossings are described as of only "tolerably good quality," although well constructed of the best seasoned wrought blackwood, strongly bound and trussed with iron. Those to the private road crossings are objected to, as of very inferior and temporary kind. This must be solely because the unnecessary extravagance of working and painting the timber was not incurred. The public can judge of these gates as well as can the Engineers ; and I would ask them to compare the railway gates with the ordinary farm gates, often alongside, which are doubtless sufficient for the same purpose.

The huts at the public crossings are, as usual throughout the colonies, put up by the persons temporarily in charge of the gates, and are therefore of the usual diverse description.

Wherever the approaches to the private crossings are not finished, and properly drained, is in the instances pointed out to the Engineers, where they will never be used, and the gates will be at some time removed.

I am astounded to read that the few cattle-guards at some level crossings are dangerous, and ought to be forthwith superseded by gates, when Mr. Mais informed me that the whole of the railways in South Australia had cattle-guards only, (but very inferior in dimensions and effectiveness to those I constructed) and that they would not think of using gates. Cattle-guards are also recommended by Mr. Whitton for the railways of New South Wales, (*vide* his minutes of the 24th January, and 19th June, 1872,) advising "to dispense with all gate houses and gates at public road crossings,"—and have been and continue to be used throughout the whole colony of New Zealand.—I feel certain that the unbiassed opinion of each of the Inspecting Engineers would be in favour of replacing all the gates on the Main Line with cattle-guards.

Station Buildings, Goods Sheds, &c.

The station buildings of timber it is stated can only be considered of a temporary kind, which is necessarily a truism as applied to any timber structure; still the Contract particularly provides that "the stations buildings shall be built of brick, stone, iron, or *wood*, and with such offices and accommodation as the Company's Engineer may consider necessary." The roofs of some of the goods-sheds are objected to, as having no principals framed; but it is not stated that these roofs never exceed 20 feet span, for which little sheds any carpenter or builder would consider it absurd to *frame* principals, and especially in a country where there is so little snow or weight on a roof as in this. The scantlings and quantity of timber used is in all cases sufficient to make a strong shed. Where the span exceeds 20 feet well-formed principals have in all cases been used.

The goods-shed at Hobart Town is unfavourably criticised, because the storey posts appear to have been merely "planted" in the ground. Had the question been asked it would have been found that these posts instead of being "planted" are all long piles, driven with a pile engine, which is surely sufficient to ensure the strength of the whole structure.

Turntables.

That at Antill Ponds was put in for a temporary purpose, and is not now required or used. That at Hobart Town is described as "tolerably substantial," on which point I should like the public to judge by inspection, since it is as strong as heavy plate iron girders, ashlar masonry, and Portland cement can possibly make it.

Water Supply for Locomotives.

Some water-tanks are described as substantial, and some as temporary, but I am unable to discriminate, since all the permanent tanks are made in exactly the same manner, and fixed on very strong staging.

Permanent Way.

The off-hand description and condemnation of the ballast is couched in extreme terms, and in some respects is untrue; since neither marl, loam, nor sandy clay has been used on the work, while the mixture of the ballast that is reprobated is simply the effect of the weather on what is considered good. In all the quarries of loose basaltic rock there is a certain proportion of small friable material, or dirt in the joints, which could only be removed by the entirely impracticable process of thoroughly washing the stone. When laid out on the work and broken the weather performs this operation, and the dirt is washed to the bottom, while the clean hard stone remains on the top,—this the Engineers were shown on the works, but, as in all other instances, it did not suit their case to take notice of it. It is also *entirely incorrect* to state that broken stone ballast has been put on the line, of all sizes ranging from 3 to 6 inches gauge, since any *broken* stone put thereon was first brought to a 2 inch gauge, and the natural stone is the only exception to this. A quantity of large stone for topping up ballast has, however, been run out along the line, some of which is not properly broken for want of suitable labour. I have used my very best exertions to get this done, without success, and hold a sum of money of the sub-contractors' in hand expressly for this service. This stone is never required for packing, since special material has always been provided for it in the lift over the bottom ballast; the remark of the Engineers as to the difficulty of keeping the permanent way in good order therewith, is therefore inapplicable. The Inspecting Engineers further state, that the depth of ballast is also deficient in various places, but had it been their cue to state both sides of the case they would have reported that in a very great number of trials (especially to make which men were employed along the whole line) there were only two or three instances they could notice, which were, as might be reasonably expected, on the crown of the gradients, where the ballast was in the least degree deficient, but there were many scores of places in which it was in excess of the contract depth.

As regards the question of the material for ballast as treated in the neighbouring Colonies, the recent report of the South Australian Royal Commission recommends that its cost should be greatly reduced, (*vide* 36th paragraph). Mr. H. C. Stanley in Queensland proposed to reduce its depth to 5 inches, under the ends of sleepers, and 4 inches in the centre, (*in place of the minimum 10 inches we allow under sleepers*). Mr. Whitton (*op. cit.*) proposes at first "to use bottom ballast only, (such material as may be found in the district.)" As regards the general question of the ballast, I can only repeat that we in all cases used the very best that was reasonably obtainable, and refer to my replies to Mr. Greene on the same subject.

Sleepers.

The rectangular sleepers were especially and highly praised by the Engineers in passing over the line, but for the report they are only "fair," while as regards the half-round sleepers, *which are distinctly allowed by the Contract*, they were in all cases when measured found to be of full dimensions. The statement that some of them are of doubtful quality, and therefore not in accordance with the Contract, can only apply to the temporary and rejected sleepers they saw along the line, and which were not allowed to be used therein.

I notice that on the Extension Railways of New South Wales they are "cut from saplings, or split from large trees, as found most economical, and the best the district will afford." Mr. H. C. Stanley in his estimate for the Northern Railway (Report of Royal Commission on railway construction in Queensland *op. cit.*) only proposes sleepers "*half-round, 8 inches by 4 inches, spaced 3 feet to centres, except to joints, where they would only be 2 feet.*" On the Main Line we use sleepers 8 inches by 4½ inches, spaced 2 feet 6 inches centres on curves, to 2 feet 9 inches on straight, and the same distance of 2 feet at the joints.

Rails.

The inspecting Engineers assured me that no fault could be found with any of the rails except the "I. S. R." brand, which were, as often before stated, purchased and sent out when we were greatly in need of rails here, and the manufacturers were so extremely busy that it was totally impossible to procure any others at the time. A surplus was sent to replace any that might prove defective, and those in the track are most carefully watched, and renewed whenever necessary. Independently of former extra supplies, the *Hazel Holme* now in port here has 100 tons of first-class rails on board, for maintenance purposes, and a much larger quantity has been ordered, and is probably now on the way out. I can only say that I am fully aware of the doubtful wearing quality of some of these rails, and that each one found imperfect will be renewed. The large majority of these questioned rails will doubtless have a longer life than any other kind, on account of the hard, strong character of the iron.

Fastenings, &c.

The joints are considered weak owing to the lightness of the fish-plates and the distance apart of the joint sleepers, but the weight of the former being over 8 lbs. to the pair is the fullest usual for a 40 lbs. rail (they are sometimes made only 5 lbs. the pair); and the spacing of the sleepers at joints, where rectangular sleepers are allowed, is precisely that adopted by Mr. Stanley with his *half-round* sleepers upon other dimensions.

I am taking measures to strengthen all the joints, so that they may readily carry without displacement any weight of engine.

Laying Permanent Way.

I cannot acquit the Engineers of a wilful misstatement in their remark that before the rails were laid down in the curves they had not been curved to the proper radius, since they were positively assured that this had been done, and the curved rails they saw lying about the yard and on the Line, independently of the merest glance at the track on the curves, fully disproved their observation. There are probably few residents of Hobart Town who did not witness the long continued operation of curving the rails by steam power and rollers in the station yard, or notice the large piles of curved rails lying there marked with the radius of curvature. It is therefore unnecessary for me to affirm that *all the rails were properly curved* before laid, and that where any are out of shape it is owing to the traffic. To the professional eye, looking at the road, the absurdity of their remark must be apparent. They also state what I explained to them was incorrect in regard to the lead of the rails being at random, or from 9 to 12 inches, which they have only one measurement to justify, taken on work done, as I informed them, in a day or two while I was absent from the country and without an Inspector of Permanent Way. This was condemned on being noticed, and an extreme lead of 6 inches on the curves and square jointed on straights has since been kept to. For such a sinuous railway as is the Main Line it would be an unnecessary and most extravagant waste of material and labour to adopt a less lead than 6 inches on the sharp curves. The Engineers are also incorrect in stating that the effect of this lead has been to increase the bearing span of the joint sleepers, since it was maintained the same throughout the Line. The super-elevation of the outer rails on curves is presumed to have been done without rule, which is also incorrect, because, as the Engineers were informed, all the Inspectors had written and positive instructions in this respect, as also tables for the bending of the rails and different clip gauges for the laying of the track to gauge. The permanent way laying was also done by most experienced men under constant inspection, and the super-elevation was properly "run out," but has since been in some cases altered by the repairers.

The table of variations in the "super-elevation of rail" and gauge, and remark on two rather slack places can only be considered as a triviality and waste of time and trouble, since the Line in its present state runs perfectly well, without undue wear and tear, as the daily service unquestionably proves. Were I able to procure better and more experienced inspectors and gangers of permanent way, such as they have in the other Colonies, these slight and almost unimportant peculiarities would not occur. The Engineers omit to inform you that the gauge was necessarily and properly laid from ¼ inch to ⅜ inch wide on the curves, and has since slightly adjusted itself to ease the lateral pressure; and such are the differences they tabulate.

Condition of Permanent Way.

The Engineers having gradually worked themselves to a high pitch of enthusiasm in their cause, then condemn the whole permanent way, and state that numerous joints require screwing up, which I am quite sure is the case on their as on all other Lines, this being a daily operation of the plate-layers. Having before replied in detail to the reiterated objections, I can only ask you whether the efficient performances of much more than the contract daily service for many months past is not an irrefutable answer to the assertion that the various faults make the Line unfit to travel over at the time table speed. The train service must in all cases be the practical test of the working condition of the Line; and I would ask you whether in that respect we have in any degree failed.

Rolling Stock.

It is somewhat amusing to read that two classes of the Main Line Railway engines are unsuited for working the traffic owing to the large amount of lateral play allowed in the bogie truck, when it is that alone which has allowed them to perform, most admirably and efficiently, for *nearly three years*, over a most difficult Line, while its amount can be reduced and regulated as found desirable.

The springs to the passenger carriages are being altered, because, as sent out, although well suited for slow speeds, they certainly ride "rough" on our fast trains. As regards the manufacture of the carriages, they are of precisely the same pattern and description made by the same very eminent manufacturers for many other Railways; and Mr. Lee Smith, C.E., informs me that the vehicles on the Main Line Railway are decidedly stronger and heavier than those on (1) the Swiss Narrow Gauge Railways, (2) the Majorica Railway, (3) the Cape Government Railway, and (4) the Norwegian Railways.

General Remarks.

Under this heading the Engineers first remark on a subject that they did not enquire into, or even glance at, and can therefore know nothing whatever about, except indirectly. Their statement that the provision made for carrying off the flood waters in several instances is very insufficient, is directly contradicted by my four years experience of the Line, during which we have suffered, at one time or the other, the most severe floods ever known in the respective localities. It is true that near Antill Ponds and Tunbridge, where by far the heaviest flood known in an experience of 40 years occurred last December and January, taking the road bridges as an example, and rather more than doubling the waterway, there allowed, the flood arches were insufficient for such an unprecedented torrent of water, but these have since been *doubled in area*, and will therefore far more than suffice for another such abnormal occasion. The other extraordinary high floods in the Macquarie, Elizabeth, and South Esk Rivers have proved conclusively the ample provision made for their passage. It is absolutely incorrect to state that the Line has been carried for any distance down the bed of the Antill Ponds Creek, as the most cursory glance of any traveller will prove, but the creek has been much widened and deepened in forming the bank, and now that such a greatly extended waterway is given under the Line, it is very improbable that the embankment can hereafter be injured. The marks noticed are those of the great flood, and it must be a very unusual flood that would touch the bank at all.

The Engineers noticed the distant signals that have long been prepared for the Bridgewater Bridge, but which from various causes I have been unable to get fixed. This will be done at once. Except in such very special cases signals are not now used on similar Lines to the Main Line, and were reported against by the Indian Commission.

A very positive opinion is given that the speed stated in the time table, at which the express trains are run, is very excessive, but it is that which the Government most firmly hold the Company to, as being stated in the Contract. *This, however, gives the Government full power to control or moderate the speed, or have the trains run as they please*, and the Company in their arrangements only desire to comply with the wishes of the Government.

It is further stated that this speed is in the present condition of the permanent way dangerous, to which I must reply, that these Express Trains have run perfectly true to time, and without casualty or mishap of even the most trivial nature, from the 13th March to this date; and as the road daily improves in condition, so the safety of running must be even more assured.

Having this practical fact in view, it is unnecessary that I should reply on the varying running speed over different portions of the line, further than to say that they have been most carefully regulated to all the circumstances, and that an experiment can scarcely be continued for four months without merging into a substantial proof.

The Government have always affected to consider, and were advised by Mr. Greene, that the contract speed was the test of the substantial construction and efficiency of the line; and therefore since

Mr. Greene's confident prediction that a speed of 23 miles per hour could never be regularly maintained, and that 15 miles per hour was the highest to be hoped for, have been so entirely falsified in fact, it would only be an act of justice for the Government to graciously, promptly, and officially acknowledge the satisfactory completion of the Railway.

I was glad to find that the dangerous character of the express service, as reported, did not prevent the two younger Inspecting Engineers (both married men with families) from travelling from and to Launceston by the Express, having the honor to do so in the company of His Excellency the Governor, &c. It was also gratifying to observe that they did not exhibit the least nervousness or anxiety on any part of their journey.

I presume that the Station buildings at Launceston are also to be considered of a temporary kind, being built of timber, as are all the buildings of the Launceston and Western Railway, but those of the Main Line are certainly somewhat stronger, and far more convenient in every respect.

From the whole tone of the hostile remarks above quoted, it cannot surprise the reader to learn that it is given as the opinion of these engineers in the Report, that the general conditions of the Contract, so far as the construction and maintenance of the line are concerned, have not been complied with. Putting aside the grossly unfair and highly improper allusion to the construction of the line, which is a direct breach of the conditions on which they were permitted to inspect it, I can only express the hope that every objection they have made has been fully answered by quotations of their own practice under other circumstances, and the practice shown to exist in the neighbouring Colonies.

Nothing would have been easier for me than to quote the opinions and works of engineers in all parts of the world, on behalf of the Company, nor could there be the least difficulty in getting my opinions and practice supported by engineers of cosmopolitan experience and reputation; but to narrow the issue as much as possible, I have resolutely confined my reply to the testimony of the Inspecting Engineers themselves, in regard to their own very costly lines. That these views will be moderated I cannot doubt in future, especially after the professional visit to America of Mr. Elsdon on account of the Victorian Government, and should the very recent and unanimously signed Report of the Royal Commission on South Australian Railways be carried out. This Commission was composed of the highest professional talent of that country (Mr. Mais being an eminent member thereof), and in the 37th paragraph of its Report strongly recommends as follows:—

"That the Engineer-in-Chief (Mr. Mais) be instructed to visit America for the purpose of witnessing the improvements in Railway construction, and applying them in the Colony without risk of loss, since the circumstances that obtain in the Colony are there more nearly represented, and a greater modification of Railway construction and management has taken place than in any other country. The Commission are satisfied that if such a course is followed it will be the means of saving a very large sum to this country, and may introduce into the Province a much improved and *more economical* system of Railways."

I do not profess in this reply to comment generally on the merits or demerits of the line, which are more fully stated in my replies to Mr. Greene's strictures, and should therefore be read in conjunction with these remarks, if it be desired to obtain a true understanding of the points at issue,—on this occasion I have for the sake of brevity simply quoted and commented upon *each* unfavourable observation of the three Engineers.

For years past I have endeavoured to impress on the minds of the Government that Inspecting Engineers must by reason of their professional engagement become strong partizans, and had those recently engaged been on my side they would doubtless have given stronger and better evidence of a somewhat different character. It is worthy of remark that these gentlemen represent lines of which the actual cost, taken from the Government returns, vary from £12,609 to upwards of £15,691 per mile on the different lines in New South Wales, *without rolling stock or establishment charges*, (see official Report, 1873, page 6); that in Queensland have cost £2,212,000 for 218 *completed miles*, or £10,151 per mile, including some very easy country (see Queensland Estimates, 1876); and in South Australia an average of £10,063 per mile, (*vide* Report of Public Works Department, published 1875), and are therefore built under very different circumstances to a line, of *which the primary condition for the construction* was thus set forth in the draft Contract submitted by the Premier, dated the 31st October, 1870. "*It pre-supposes that the Contracting Company have satisfied themselves that the proposed line of railway can be constructed, the necessary rolling stock provided, and all expenses met for a sum of £650,000, which on the 133 miles of its length allows £4887 per mile.*" But as through the system of a contingent guarantee on the minimum capital only (leaving the whole construction, possession, and working of the line to the Company and Contractors) was adopted by the Government and Parliament, in entering into the Contract, an enormous expenditure was necessarily incurred in raising the capital, the sum available for works *out of that guaranteed* was reduced to about £4000 per mile, and had therefore to be very largely supplemented by additional sums, raised as capital, which, though imperatively necessary for the completion of the undertaking according to the Contract conditions, the Government certainly gave no assistance in procuring.

Finally I would ask leave to express the earnest hope that we have now seen the last of these reports; since, although futile for any good purpose, they are pregnant with mischief, both to the

Colony and Company, as depreciating the value and nullifying the benefits that should result from the completion of a relatively great and costly public work, in which the whole Colony have such a vital interest.

Whatever faults there may be in the Line, or its appurtenances, are surely best known to its responsible officers, who would naturally be the most anxious to correct them ; not less in the interest of the Company than of the Colony. Had the interest of the public not been the chief study of the Company, would they have provided the numerous sidings and very ample station accommodation now on the Line, and of which not a tithe could have been enforced under the contract, or would the trains have been more numerous, and run at a far higher speed, than the conditions impose ?

Since the opening of the Line have not the Company's trains carried every passenger, parcel, head of live stock, and ton of goods offered, and at the minimum contract charge, and is not the freight traffic daily largely increasing ? While I write not less than fifteen trucks of cattle and sheep are in transit via the railway for to-morrow's market.

As usual in the commencement of any industrial undertaking rarely a day passes but some improvement suggests itself for the convenience and comfort of passengers, or for increased facility in working the traffic, which is immediately carried out, or noted to be done at the earliest opportunity, since the Company's officers have imperative instructions to do everything that is required in the public interest, or the fulfilment of the contract.

The legal question as to the extension to Launceston having been arranged by mutual agreement, nothing further is required for the growth and prosperity of the undertaking than simply peace and public confidence.

If a certain small section of the community refuse this, why offer them the opportunity to disturb the minds of the more numerous travelling public, who from the first have given the railway the constant and unswerving support so necessary to its proper development ?

It would ill become me to venture to dictate to the Government as to their proceedings, but since so large a measure of responsibility, both as to the past and the future of this great public work, rests with me personally, I hope I may be permitted to plead on its behalf for the loyal support of the Government and Parliament of Tasmania, to whom its existence is due, and would fain express the hope that the inhabitants of this Colony, of every degree and shade of politics, will cordially co-operate with the Company in endeavoring to exact from their costly creation the very fullest amount of benefit it is able to render.

I have the honor to be,
Sir,

Your most obedient Servant,

The Hon. GEORGE GILMORE, Colonial Secretary.

CHARLES H. GRANT.

79.

Colonial Secretary's Office, Hobart Town, 6th July, 1876.

SIR,

I HAVE the honor to acknowledge your letter of 5th instant, with an accompanying reply to the Report of the Board of Engineers who lately inspected the Main Line Railway.

The Government at once took the necessary steps to give immediate publicity through the local press to your counter statements and arguments, but cannot enter into controversy with you on purely professional matters.

They much regret that you should have gone beyond professional detail and indulged in personal insinuations which reflect upon the integrity of the Members of the Board of Inspection, and quote alleged verbal statements on their part at variance with the tenor of their deliberate and united Report. These gentlemen, as you know, are now immediately inaccessible, dispersed among Colonies more or less remote. But your reflections, if warranted, would compromise not these gentlemen only, but this Executive.

It is, however, not deemed necessary that I should do more than refer to these too characteristic features in your official correspondence. The Government has always appreciated the difficulties of your position as Agent of the Main Line Railway Company, and given due credit to your zeal and assiduity in promoting its interests, but your success would not be less, either now or in future contingencies, if you gave equal credit to this Executive for being incapable of disreputable artifices in the performance of its duty to the Colony.

I have, &c.,
(Signed)

C. H. GRANT, Esq., Manager
Tasmanian Main Line Railway Company.

GEORGE GILMORE.

Colonial Treasury, 5th July, 1876.

SIR,

I HAVE the honor to acknowledge your letter of the 26th ultimo*, wherein you inform me that the sum of Three thousand pounds advanced on loan by the Government of Tasmania to the Main Line of Railway Company has been more than expended, and telegraphic communication with your Directors being still unavailable, you will be without the means to carry on the traffic unless the Government make a further advance, which you should like to be for Three thousand five hundred pounds, in order to enable you to clear off certain pressing liabilities.

I duly note also your intimation that, on the 30th (June) instant, the sum to be claimed by the Company will amount to upwards of Ten thousand eight hundred pounds; and that the line has been running regularly and satisfactorily throughout the whole quarter, but with gross receipts far below the working expenditure, and that this sum will be claimed in a few days.

I regret that any delay should have taken place in replying to your letter, but assure you it has not exceeded the time necessary to enable the Executive maturely to consider its position in respect to the Main Line Railway Company, and decide upon that course of action which it is incumbent on it to pursue under present circumstances; with a due regard to the just rights of the Colony. I need not remind you that the cardinal features of the Contract between the Government of Tasmania and the Main Line Railway Company are,—That the Company should construct and equip with Rolling Stock, Stations, &c., a Railway to connect Hobart Town and Launceston in a certain defined manner, and that it should maintain this Line of Railway in a state of efficiency, and keep it in operation at a specified frequency and speed. During the construction of the Line the Government engaged to pay interest on the Company's progressive outlay; and if, at a given date, its construction was completed and the Railway was in operation, the Government would then become liable for any deficiency in the receipts of the undertaking after covering its working expenses, to the extent of Five per cent. on Six hundred and fifty thousand pounds of the capital invested therein.

In entering into this agreement, it was anticipated by the Executive which, under the authority of the Legislature, contracted with the Company, that the contingent liability, fixed at a maximum of Thirty-two thousand five hundred pounds, would, by the development of traffic on a Line constructed and equipped in an approved manner and worked with due efficiency and economy, be gradually reduced, and eventually that the Line would prove self-paying. Throughout the period of construction, as amply provided in the Contract, the stipulated interest of Five pounds per cent. was punctually met, no corresponding reduction being made even for disputed items of account, reserved for future arbitration; and with the loan of Three thousand pounds, which your communication acknowledges, the total sum which has been paid to the Company amounts to Ninety thousand five hundred and seventy-six pounds fifteen shillings and four pence; a sum which exceeds all demands made or admissible in this stage of the Contract.

Keeping distinctly in view that the Contract between the Government of Tasmania and the Tasmanian Main Line Railway Company was not only, as already stated, a Contract for the maintenance of railway communication between two defined places, but also for the construction of such a durable and safe line as would attract a profitable traffic, and thus contribute to reduce the contingent liability of the colony,—in 1873-4, the Government took steps to obtain a competent, trustworthy, and detailed examination and report in respect to the character and quality of the works in progress. For this duty the Executive did not itself select an agent, but confided the choice to the Government of Victoria, who nominated a gentleman high in its Railway Department, and possessing the most thorough confidence of Mr. Higinbotham its chief. This gentleman, Mr. W. H. Greene, having made his inspection, in a Report thus epitomised his conclusions:—

“That many of the works on the Company's line, especially between Oatlands and Evandale Junction, are of the most unsubstantial character.

That the culverts on the Company's line are not sufficient, either in number or size, to provide for the drainage; and that the waterway at the Macquarie, the Elizabeth, and the South Esk Rivers is not sufficient.

That, considering the class of work on the Company's line, the construction of the whole Railway from Hobart Town to Evandale would be undertaken by Contract for the sum of Five hundred and forty thousand pounds sterling, including rolling-stock, stations, and purchase of land. That the Government have no power to interfere at the present stage, and until the time fixed for the completion of the works arrive it would be impolitic and inexpedient to do so, even if they had the power, as any interference would have the effect of relieving the Company from its Contract obligations.

That when the contract time for the completion of the works has arrived the Government should cause an examination of the line, with a view of ascertaining whether the Contract conditions have been complied with.

That it will be impossible to obtain the Contract speed on the Company's line, and that if an average of Fifteen miles an hour is accomplished by passenger trains it will be necessary to provide better ballast, and to lay the permanent way in a more careful manner than the Company have hitherto done.”

* See post, page 70.

Mr. Greene's Report was duly communicated for your information as Agent for the Tasmanian Main Line Railway Company, and it elicited a rejoinder on your part, of which the following was the concluding paragraph :—

“As regards the general character of the line, both in respect to the details of construction throughout, and the quality of material employed, I only desire that the Government would allow their Engineer to visit and inspect the narrow gauge lines of New Zealand, Queensland, and Western Australia, which were constructed at a much higher cost than our capital will allow, and then to survey the (so called) cheap additions to the broad gauge lines of Victoria and New South Wales : on his return he must honestly report that our little line will in all respects bear a most favourable comparison with the best of the others, and has been obtained for the country at no mean reduction of cost.”

As it was not unfairly contended by you at that date, that it would be premature to adopt a final conclusion upon the character of the works, then in an incomplete state, the Executive took no steps beyond placing Mr. Greene's Report in your hands, and giving it that publicity which was required by the local importance of the subject to which it related, as well as its interest to the Shareholders of the Main Line Railway Company.

After the lapse of fifteen months Mr. Greene was commissioned to renew his inspection of the Line, and the results of this, his second inspection, were given in a Report dated 12th of August, 1875, seven months prior to the railway being opened for traffic. Premising that this Report was dealt with in precisely the same way as the previous one, the following extracts will show the unsatisfactory manner in which the construction and equipment of the Line were being carried out :—

“The ballasting, which is a most essential feature in railway construction, is, I regret to say, of exceeding bad quality. The material used is of all sizes and descriptions, and in all stages of decay ; and it will be impossible to maintain a good road unless the line is re-ballasted. The ballast is certainly not of the depth (18 inches) specified in the Contract. The Contract quantity may, however, be supplied before the Line is completed.

The rails themselves are evidently of a very mixed quality : a large number show signs of failure, and many have already been taken out of the road : this doubtless is, in a great measure, attributable to the excessive weight of the locomotives, but partly also to the indifferent quality of the iron used in the manufacture of the rails : a number of damaged rails I observed to be branded I.S.R., being originally intended for the Indian State Railways.

With respect to your enquiry as to the probable cost of the Railway, I have to remark that, in estimating the cost of construction at five hundred and forty thousand pounds, or at the rate of four thousand five hundred pounds per mile between Hobart Town and Evandale, I anticipated that the expenditure on rolling stock would have been greater than it has been, and that the station accommodation would have been of a more extensive and substantial character than that now being provided ; I am, therefore, of opinion that the amount stated in my Report of April, 1874, is in excess of the actual cost of the works, and that such a Line as the Company has constructed would have been completed by local contracts considerably within the amount of my estimate.

In the same statement the price of seven locomotives is given at four thousand pounds each, or twenty-eight thousand pounds. The price of such imported engines, complete and in running order, at Melbourne, would be two at two thousand two hundred, and five at three thousand one hundred pounds each, or, say, twenty thousand pounds.”

Mr. Greene on this occasion advised in the following terms, that when the construction part of the Company's contract was reported complete, or sufficiently so, for the Line to be put in operation, that it should be inspected by a “Board of Professional Officers :”—

“Inspection by Board of Professional Officers.”

“The Contract provides that the ‘Railway, together with all stations, rolling stock, &c. shall be constructed of the best materials and in a thoroughly substantial manner.’ I regret to have to record my opinion that in the most essential particulars this provision has been disregarded ; and I beg to advise that at the time fixed for the completion of the Contract, or so soon after as the line may be ready to be opened for traffic, the Government should appoint a Board or Commission of two or three professional men of the highest standing, and of experience in the construction and working of railways and rolling stock, and who have not hitherto been consulted upon the subject of the Main Line, to inspect the Railway and to enquire and report to the Government upon the whole subject. The advice of such a Board or Commission would doubtless be of good value to the Government, and would fortify them in any position which they might consider necessary to take up.”

In accordance with this recommendation, as soon after you had, as agent of the Main Line Railway Company, intimated that the Line was opened, the Executive expedited negotiations, which it had previously initiated, with the neighbouring Colonial Governments, to obtain the services of their most competent Engineers as a Board of Inspection ; and in making this application, due regard was paid to your own suggestion, previously quoted, that the Engineers chosen should not be wedded to one class of railways, but conversant both with broad and narrow gauges. The Governments of New Zealand and Queensland, where the narrow gauge prevails, and of South Australia, where it is in partial operation, as well as New South Wales and Victoria, where the broad gauge exclusively is at present known, were requested to send their best available Engineers to pronounce an opinion on the works of the Tasmanian Main Line in connection with the Contract between the Government and the Company.

To this application the Government of Victoria found it inconvenient to accede ; but it also held it to be unnecessary on its part, after the successive reports already made by one of the principal Engineers attached to the Railway Staff of that Colony ; and New Zealand could not spare one of its officers for so distant a mission. But this Executive was fortunate enough, as you

are aware, to obtain the professional services of the Chief Engineers of Government Railways respectively of South Australia and Queensland, and of the Chief Assistant Engineer of New South Wales, a gentleman originally selected for his present appointment by the Home Government, and under whose immediate supervision the principal Railways of that Colony have been constructed or extended. I beg to accompany this letter with a copy of the Report of these gentlemen,—constituting the most unexceptionable Board of Inspection it was possible for this Government to obtain. From that Report it will be seen that if, as you wrote in the letter to which I have the honor to reply, it be true that Contract speed has been obtained in the working of the Main Line, it has been at imminent risk to the lives of passengers; and, it might have been added, in the terms of Mr. Greene's last Report—"without a load, or perhaps with one or two passenger carriages attached, &c." It will also be seen that the Board have pronounced their opinion upon the work as a whole in these terms:—

"After a full and careful examination and consideration of the whole subject in all its bearings, we are unanimously of opinion that the general conditions of the Contract, as far as the construction and maintenance of the line are concerned, have not been complied with."

Upon a review of these facts as set forth in the testimony of experts, deputed by the Governments of four of the adjacent Colonies, and having regard to the notorious fact that, in consequence of prevailing distrust in the mind of the community in the safety of the Main Line, every calculation of advantage from it is disappointed, and must continue to be so, until the Line is constructed, equipped, and worked in conformity with the conditions of the contract, the Executive is obliged, though most reluctantly, to decline acceding to your request for a further pecuniary advance. Already the disbursements from the revenues of this Colony on account of the Main Line of Railway exceed Ninety thousand five hundred and seventy-six pounds; and without the express sanction of the Legislature, the Government would be compromised by making any additional payments in the face of professional reports that the Company has not fulfilled its contract engagements.

In making this communication to you for the information, by the outgoing mail, of your Directors, it appears to this Executive fitting that I should refer to the proceedings at the sixth ordinary meeting of the Tasmanian Main Line Railway Company, held in London, as reported in *The Times* of 1st May last. Statements appear to have been made on that occasion which cannot be reconciled with facts by those officially implicated therein in this Colony, and allusions were made to the contingency of "default" by the Tasmanian Government.

The fragmentary character of newspaper reports on such occasions may not warrant the conclusion that any reflection was designed, but lest it should be otherwise, I desire to state that the Public Credit of Tasmania has never been impeached; and the resources which sustain it have received large accessions since the date of the Main Line Contract in mineral discoveries, while the immediate Revenue of its Government has considerably increased beyond the contribution to it from an addition to certain duties of Customs.

If ever the Main Line Railway was desirable, it is now a grievous disappointment that, by reason of its flagrantly defective construction and equipment, it is not in safe and efficient operation, stimulating, and at the same time profiting by, the new development of enterprise and industry which the Colony presents.

Before however this communication shall have reached your Directory, it is the earnest hope of the Tasmanian Government that such steps will have been taken as will impart to the Railway the character for which the Colony stipulated, and that thus the relations of the Government and the Company may become mutually satisfactory.

I have, &c.,

(Signed) FRED^k. M. INNES, *Colonial Treasurer.*

C. H. GRANT, *Esq., Agent T. M. L. R. Company.*

81.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 6th July, 1876.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 5th instant, in reply to mine of the 25th ultimo, in which I requested that—on the terms of your letter of the 1st of June last—"such temporary assistance may be accorded as will relieve the Company's difficulties, until such time as advices from England, either by post or telegram, may arrive," and stated the amount of assistance required as being £3500.

In full faith of, and reliance upon your assurance, I have kept open the Railway to the present time, and in so doing have necessarily incurred various heavy liabilities, which are now payable.

You are aware that the telegraph is still unavailable for obtaining remittances from Home; and as the necessity for such has only lately become apparent, I cannot, under the most favourable circumstances, obtain money from the Company by post until next August or September, neither can I keep the Railway open for traffic without it, since the mere weekly wages exceed the gross receipts.

While duly noting your statement that the Government decline to make a further pecuniary advance without the express sanction of the Legislature, I must remind you that the Government have delayed the meeting of Parliament to a late period, and have thereby contributed to the difficulties of the Company. I feel assured that they will hereafter regret if this proceeding should be the direct means of having the important Main Line of Tasmania stopped, while in full and efficient working order, and daily giving to the country every benefit that a Railway can afford.

It is my painful duty to state that, if the Government remain inexorable in refusing present assistance, the Railway must be instantly closed, and the whole of the trained and experienced staff,—collected with such great difficulty and expense during the past four years,—entirely disbanded.

This must, I think, result in its remaining closed for two or more years, until the legal question with the Government has been settled by the very highest tribunal, and afterwards the conflicting interests of the creditors, bondholders, and other parties interested in the Company have been finally decided upon in the English Courts of Chancery and Appeal.

As regards the concluding paragraph of your letter, in which you state, that “before, however, this communication shall have reached your Directory, it is the earnest hope of the Tasmanian Government that such steps will have been taken as will impart to the railway the character for which the Colony stipulated, and that thus the relations of the Government and the Company may become mutually satisfactory,” I freely and unreservedly assert, that if the Government will indicate to me the precise meaning they attach to this expression, I will do my very best to give full effect to their views, being fully convinced that there is not necessarily any divergence either in our opinions or desires. I must, however, remark that in all probability some financial assistance will be needed for this result, and as the Government are fully aware of the pecuniary position of the Company here, I trust that they are ready, as the logical result of your statement, to assist us in our present great need.

I have the honor to be,

Sir,

Your most obedient Servant,

CHARLES H. GRANT.

Hon. F. M. INNES, *Colonial Treasurer.*

82.

Colonial Treasury, 7th July, 1876.

SIR,

I HAVE the honor to reply to your communication of yesterday, just received; and I do so promptly, as the Mail leaves for England to-morrow, and the Executive is anxious, both in the interests of the Colony, and for the sake of “the creditors, bondholders, and other parties interested in the Company,” that your Directory in London should be acquainted with the true state of matters as speedily as possible. This Government cannot take upon itself the responsibility of making any further advance on account of the Railway; and, in reference to your intimation that in this case you cannot keep it open for traffic, I would remark that with the Report of the Board of Engineers before it, and having received the advice of those gentlemen personally that the Line, as constructed, furnished, and now in operation, is *dangerous*, it would be culpable in the Executive to interpose for your assistance in maintaining the traffic while the Line remains in that state.

The advance, which you have acknowledged, was made prior to the Board of Inspection having given their report on the Line, and it was conceded from a desire not to prejudge the claims of the Company. It was also made, in the anticipation that the Mail which has reached the Colony since, would relieve you of the difficulties of which it appears by the published report of the Sixth Meeting of the Tasmanian Main Line Railway Company, held in London in April last, the Company was already informed. This Executive, when it arranged the terms of that advance with your Solicitor, did not give him any right to infer that it would follow it by further advances, and could in no case have committed itself to such an engagement, irrespective of the judgment which the Board of inspection might pronounce on the manner in which the Company's Contract was fulfilled.

Passing over extraneous reflections in your letter, I have only to say in conclusion that it is not for this Government to indicate to the Main Line Railway Company what course it should pursue other than that of fulfilling the conditions of its Contract. Any advances, however, in this direction will, the Executive confidently states, be received as the most welcome escape from a situation that is not only disastrous to "the creditors, bondholders, and other parties interested in the Company," but disappointing to the hopes of the Tasmanian public and embarrassing to its Government.

I have, &c.,

(Signed) FRED^K. M. INNES.

C. H. GRANT, *Esq.*, Agent T.M.L.R. Co.,
Macquarie-street.

83.

MEMO.

THE Members of the Executive Council, believing that His Excellency will not fail to place the situation of this Government with the Tasmanian Main Line of Railway Company in London in its true light in His Excellency's outgoing Despatches to the Colonial Office, desire that it should be fully understood that the letters from the Colonial Secretary and Colonial Treasurer express the views of his Ministers in Cabinet.

A. KENNERLEY.
FRED^K. M. INNES.
W. R. GIBLIN.
GEO. GILMORE.
P. O. FYSH.
W. MOORE.

Government Offices, Hobart Town, 7th July, 1876.

CORRESPONDENCE WITH THE HON. COLONIAL TREASURER.

84.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 13th April, 1876.*

SIR,

IN accordance with the 8th Condition of the Contract between the Government of Tasmania and the Tasmanian Main Line Railway Company, Limited, I have the honor to forward herewith an Abstract of the Receipts and Expenditure of the Company for the period between the 15th and 31st March, so far as they can be made up in this Colony.

By such account you will notice that the expenditure has far exceeded the receipts, and therefore the Company are entitled to the full interest on the capital sum of £650,000 for the above period, being an amount of £1424 13s. 2d. (Fourteen hundred and twenty-four pounds thirteen shillings and two pence), for which I enclose the account; and I shall feel greatly obliged by your paying the same to the Commercial Bank, to the credit of the Company's Account with them.

I have, &c.,

(Signed) CHARLES H. GRANT.

Hon. F. M. INNES, M.H.A., Colonial Treasurer.

EXPENDITURE and Receipts of the TASMANIAN MAIN LINE RAILWAY for Period 15th to 31st March, 1876.

Expenditure.

NAME.	No. of Vouchers.	DETAIL OF EXPENDITURE.						
		Permanent Way.	Locomotive Charges.	Rolling Stock Charges.	Traffic Charges.	Gates, &c.	General Charges.	TOTAL.
John West.....	1	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Paymaster.....	2	328 14 6	139 16 10	29 19 1	81 16 0	12 14 0	..	598 0 5
Stephenson & Son..	3	18 0 0	18 0 0
		328 14 6	139 16 4	29 19 1	89 16 9	12 14 0	18 0 0	619 1 2

ANALYSIS OF EXPENDITURE.

Actual.	£ s. d.	Accounts passed for Payment.	£ s. d.
Salaries and wages.....	598 0 5	Salaries and wages.....	1018 16 7
Extra labour.....	8 0 9	Extra labour.....	8 0 9
Stationery.....	18 0 0	Stores, coals, &c.....	331 4 0
		Stationery.....	73 6 9
Total.....	£619 1 2	Total.....	£1431 8 1

The details of Stores issued cannot be given on this sheet, because such are issued at the commencement of each month; and this account represents only the latter end of the month.

Receipts.

STATIONS.	DETAILS OF RECEIPTS.			
	Passengers.	Horses, Carriages, and Dogs.	Goods and Live Stock.	TOTAL RECEIPTS.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Hobart Town.....	253 14 1	21 12 8	415 4 11	690 11 8
New Town.....	—	—	—	—
O'Brien's Bridge..	3 17 10	—	—	3 17 10
Austin's Ferry.....	—	—	—	—
New Norfolk Road ..	—	—	—	—
North Bridgewater ..	—	—	—	—
Brighton.....	11 8 11	0 8 10	0 8 1	12 5 10
Tea Tree.....	—	—	—	—
Campania.....	20 17 1	2 14 11	9 13 4	33 5 4
Lower Jerusalem.....	—	—	—	—
Jerusalem.....	23 14 3	2 12 7	6 18 10	33 5 8
Flat Top.....	—	—	—	—
Jericho.....	—	—	—	—
Oatlands.....	28 3 6	0 2 3	17 8 9	45 14 6
Eastern Marshes.....	—	—	—	—
York Plains.....	—	—	—	—
Antill Ponds.....	15 5 0	0 19 7	13 6 6	29 11 1
Tunbridge.....	—	—	—	—
Mona Vale.....	—	—	—	—
Ross.....	20 2 1	1 10 8	12 10 0	34 2 9
Campbell Town.....	55 4 11	4 14 8	21 16 8	81 16 3
Corners.....	32 17 5	3 14 8	30 1 6	66 13 7
Cleveland.....	—	—	—	—
Minor Stations, through	—	—	—	—
Guards.....	40 14 0	1 15 7	0 1 6	42 11 1
Snake Banks.....	—	—	—	—
Clarendon.....	—	—	—	—
Evandale.....	—	—	—	—
Evandale Junction.....	199 19 7	8 16 6	0 7 2	209 3 3
Launceston.....	—	—	—	—
TOTAL.....	705 18 8	49 2 11	527 17 3	1282 18 10

STATEMENT OF FINANCIAL POSITION.

Particulars.	Dr.	Cr.
	£ s. d.	£ s. d.
To receipts for period of 15 to 31 March.....	1282 18 10	
By expenditure, actual.....	..	619 1 2
Accounts passed for payment.....	..	1431 8 1
Outstandings..... 162 1 6		
Less previous ditto..... 94 2 5		
	67 19 1	
TOTAL.....	1350 17 11	2050 9 3

DETAILS OF OUTSTANDINGS.

	£ s. d.
Hobart Town.....	65 11 5
Campania.....	3 6 0
Jerusalem.....	7 7 0
Antill Ponds.....	1 14 10
Ross.....	0 5 0
Campbell Town.....	0 8 7
Corners.....	6 2 0
Evandale Junction.....	14 14 5
Launceston.....	62 12 3
TOTAL.....	£162 1 6

Certified as correct,

H. SIMPSON.

CHARLES H. GRANT, General Manager.

TASMANIA.

THE GOVERNMENT OF TASMANIA, *Dr.*

To THE TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

Guaranteed Interest Department.

£ s. d.

To Guaranteed Interest due by the Government of Tasmania, as per Contract, to the
Tasmanian Main Line Railway Company, Limited, for period from 15th to 31st
March, 1876,—say 5 per cent. on £650,000

1424 13 2

Amounting to Fourteen hundred and twenty-four pounds thirteen shillings and two pence.

(Signature of Claimant)—*The Tasmanian Main Line Railway Company, Limited,*
per their Agent and Attorney—

£1424 13s. 2d.

CHARLES H. GRANT.

85.

Colonial Treasury, 26th April, 1876.

SIR,

I HAVE the honor to reply to your communication of the 13th instant, enclosing a claim of £1424 13s. 2d., being for interest on the capital sum of £650,000 named in the Contract between the Government of this Colony and the Tasmanian Main Line Railway Company; and as I am advised that this claim is a premature one, and not in accordance with the Contract between this Government and the Tasmanian Main Line Railway Company, I am under the necessity of declining to comply with it.

I have, &c.,

(Signed) F. M. INNES, *Colonial Treasurer.*

C. H. GRANT, *Esq., Agent T.M.L.R. Co.,*
Macquarie-street.

86.

Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 29th April, 1876

SIR,

I HAVE to acknowledge the due receipt of your letter of the 26th instant, in which you inform me that the claim of £1424 13s. 2d. made by the Tasmanian Main Line Railway Company, Limited, for interest on the contract sum of £650,000 to the 31st March last is premature, and not in accordance with the contract, and you therefore decline to comply with it.

This announcement caused me extreme surprise, from being in connection with the letter of the Hon. the Colonial Secretary of the 3rd March last, on which it is evidently founded; a virtual repudiation of the line and of the whole contract, for which I cannot imagine any possible justification. I regret to state that the non-payment of the guaranteed interest has a very much more serious and prejudicial effect upon the Company than the repudiated amount would imply, and can only be regarded as an indication of the desire of the Government to stop the working of the Railway, and in this manner terminate all the difficulties surrounding the undertaking.

The accounts submitted show that the expenses of maintenance greatly exceed the whole traffic receipts, and therefore the punctual payment of the guaranteed interest is an absolute necessity in operating the line, because the Company have now already expended their whole available resources, which are very largely in excess of the sum that the Government estimated the line would cost and guaranteed interest upon.

Should the Government persist in repudiating the payment of interest, the credit of the Company must immediately collapse, the line would at once be stopped, and the whole of the very numerous and now experienced staff (which it has taken four years and great expense to collect together) would be disbanded, while the condition of the line would be most seriously impaired, requiring a greatly increased future outlay. In such case the Company would hold the Government responsible, not alone for the full payment of interest throughout the whole period of the contract, but also for the total expense of restoring the line, renewing the staff, and for any prejudicial financial results that may ensue, either to the line or to the holders of the Company's securities, or may in any way affect the Company through the repudiation of the contract by the Government.

I have, &c.,

(Signed) CHARLES H. GRANT.

The Hon. the Colonial Treasurer.

Colonial Treasury, 2nd May, 1876.

SIR,

I HAVE the honor to acknowledge the receipt this day of your letter dated 29th ultimo. I must express my regret that you should presume in that letter to make and repeat the assertion that my refusal to pay to your Company money not yet due nor shown to be earned, is a repudiation of a Contract. The substitution of abusive epithets for proof or reasoning is an unworthy mode of asserting a claim alleged to be legal, and is not calculated to induce a calm and dispassionate examination of demands thus supported.

With regard to my statement, that your application for interest alleged to be due for some fifteen or sixteen days of the month of March last is "premature," I must beg to refer you to the eighth section of the Contract between your Company and the Government, under which I am advised that no claim for interest arises until you have been at least a full quarter performing the conditions of your Contract; and apart from the other grave questions at issue between your Company and the Government, I cannot consent to treat the broken period in respect of which you claim as a quarter of a year, within the meaning of that and the ninth, twelfth, thirteenth, and fourteenth sections.

I have, &c.,

(Signed)

W. R. GIBLIN,

for Colonial Treasurer, absent.

C. H. GRANT, Esq., General Manager

*Tasmanian Main Line Railway Co. (Limited).**Tasmanian Main Line Railway Company, Limited,**General Manager's Office, Hobart Town, 20th May, 1876.*

SIR,

I HAVE the honor to acknowledge the due receipt of a letter from your department dated the 2nd instant, and signed, in your absence, by the Hon. the Attorney-General.

I have waited your return to the Colony before answering this extraordinary communication, the language of which surprised me as much as it doubtless will yourself; as in it I am told that it is a presumption to address you, and that the simple statement, in purely legal language, of a realized situation, is a substitution of abusive epithets for proof or reasoning, and an unworthy mode of asserting a claim alleged to be legal; with the ironical addition that this is not calculated to induce a calm and dispassionate examination of demands.

Having carefully re-perused the eighth, ninth, twelfth, thirteenth, and fourteenth sections of the Contract between the Government and the Main Line Railway Company, I can only take the same view of it that was taken by your department, and also, without exception, by every business man who has considered the matter, viz., that the accounts must be made up at the close of each quarter, (without any reference whatever to broken time in such quarter, whether one day only or many,) and especially for the first time on the 31st March; which has accordingly been done, and the latest period for the payment of the interest was on or about the 27th ultimo, when I received your letter of the 26th ultimo declining to pay it.

Being legally advised that such refusal is a virtual repudiation of the Contract, making the Government responsible for all the consequences ensuing therefrom, I had no alternative but to give you notice that the Company must view it in this light; and this aspect of the case is not altered by your letter, under reply, into which other issues are imported under the statement that certain other grave questions are at issue between the Government and the Company.

As it must be abundantly clear that the Company cannot work the line (with receipts never reaching half the working expenses, notwithstanding the Report of the Royal Commission) unless the guaranteed interest is paid with unfailing regularity, it seems desirable that all questions at issue should be brought to an immediate decision; and therefore, (but solely with this object in view,) I have instructed the Company's Solicitors to take immediate proceedings against the Government for the recovery of the interest to the 31st March, amounting to £1424 13s. 2d., and also for the balances of previous payments, being £1127 15s. 11d., making a total sum of £2552 9s. 1d., now overdue.

I trust, however, that the Government will avoid present difficulties by paying the money, or otherwise, will not cause any such delay in the legal proceedings that the Company should be forced into closing the line, and thus—whilst vastly deteriorating the property—deprive the Colony of its advantages for a very lengthened and indefinite period.

I have, &c.,

(Signed)

CHARLES H. GRANT.

The Hon. F. M. INNES, M.H.A., Colonial Treasurer.

Colonial Treasury, 26th May, 1876.

SIR,

I HAVE the honor to acknowledge your letter of date 20th, received at this office on the 22nd inst.; and declining discussion where I fear that it would not promote a satisfactory adjustment of present disputes between the Main Line Railway Company and the Government, I beg to state that I have duly noted the intimation therein contained that you "have instructed the Company's Solicitors to take immediate proceedings against the Government for the recovery of the interest to the 31st March," &c.

And upon this I desire only to observe that the amount in question is less than that which, upon the view taken originally by my predecessor, has been overpaid to the Company in interest upon its outlay. At the same time I desire to assure you that nothing can be more opposed to my wishes than to withhold any payment which can be made without compromising the Government in its relations with the Company; and I am persuaded that it would not be injurious to the interests you represent to reciprocate the amicable disposition to which I have always sought to give effect in our official intercourse.

I have, &c.,

(Signed) F. M. INNES, *Colonial Treasurer.*

C. H. GRANT, *Esq., Agent T.M.L.R., Macquarie-street.*

*Tasmanian Main Line Railway Company,
General Manager's Office, Hobart Town, 31st May, 1876.*

SIR,

I HAVE the honor to acknowledge the due receipt of your letter of the 26th inst., and thank you for the courteous and equitable manner in which you received the notice it was my unpleasant duty to give in my letter of the 20th inst. I note especially your statement that it is contrary to your wishes to withhold from the Company any payment which can be made without compromising the Government in its relations with the Company.

It is not altogether a pleasing duty for me to so shortly afterwards prefer a request under these conditions; but unfortunately I have no alternative, because the continued failure in the telegraphic communication with England has deprived me of the means of procuring the monetary supplies, which, under arrangements with my directors, were to be telegraphed from England, as required here. It is now more than eight weeks since I desired to forward a telegram requesting a remittance, and then found I was deprived of the means of doing so.

With some little difficulty, and outside assistance (which, unfortunately, is no longer available), the Line has been kept open to the present time, but must certainly be closed at the end of this week, and the whole of the skilled and trained staff disbanded (which will be excessively difficult to replace, and occupy much time to again organise), unless you can afford me immediate assistance.

I must therefore urgently request that you will, under reasonable conditions, pay the amount now in question, as stated in my letter of the 20th inst., and also make an advance on account of the interest due on the 30th June next, of (say) half the amount then becoming due, or about Four thousand pounds (£4000).

The amount required may seem large, but this is accounted for by many quarterly accounts for materials and stores having lately become due: these I shall be happy to exhibit to you, and will at the same time explain by the accounts the sum necessary for the purpose of simply keeping open the Line until there is a prospect of the telegraphic communication with England being restored.

Trusting that this request may be favoured with your kind and early consideration,

I have, &c.,

(Signed) CHARLES H. GRANT.

Hon. F. M. INNES, *M.H.A., Colonial Treasurer.*

Colonial Treasury, 1st June, 1876.

SIR,

I HAVE the honor to reply to your letter of the 31st ult., after having submitted the same to the consideration of my colleagues.

The Executive learn with regret that your pecuniary position is embarrassed by the interruption of Telegraphic communication, and that it will become necessary for you to close the Main Line at the end of this week, when the whole of the skilled and trained staff must be disbanded, unless you obtain assistance.

With every desire to avert that result, the Government cannot commit itself to any step which may compromise it in its legal relations with the Main Line Railway Company. But should you accede to an arrangement, of which the terms will be communicated to you through the Law advisers of the Government, such temporary assistance may be accorded as will relieve the Company's difficulties until such time as your advices from England, either by post or telegram, may be expected to arrive.

I have, &c.,

(Signed) FRED. M. INNES.

C. H. GRANT, Esq., *Manager Main Line Railway Company.*

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 3rd June, 1876.*

SIR,

I HAVE the honor to acknowledge with thanks your letter of the 1st instant, informing me that the Government agree with the Company in desiring to avoid the immediate closing of the line for public traffic, and the consequent dismissal of the whole of the trained and skilled staff; to prevent which you are willing to accord such temporary assistance as will relieve the Company's difficulties, until such time as advices can be received from England, either by post or telegram.

You further intimate that the Government, in granting such assistance, cannot commit itself to any steps which may compromise it in its legal relations with the Company, and therefore require me to enter into an arrangement with their legal advisers that will conserve all existing rights. This I shall be most happy to do, and have to assure you that the Company feel under a great obligation to the Government for having acceded to their request in a time of extreme need.

I have, &c.,

(Signed) CHARLES H. GRANT.

Hon. F. M. INNES, M.H.A., Colonial Treasurer.

This Agreement made the third day of June, in the year of Our Lord One thousand eight hundred and seventy-six, between the Honorable FREDERICK MAITLAND INNES, Colonial Treasurer of Tasmania (acting on behalf of the Government of Tasmania), of the one part, and the Tasmanian Main Line Railway Company (Limited) of the other part.

1. By a Contract made the fifteenth day of August, One thousand eight hundred and seventy-one, the above Company contracted with the Governor of Tasmania to construct the Main Line Railway upon certain terms and conditions.

2. The said Company have constructed a Railway which they claim fulfils the conditions of the said Contract, but the Government of Tasmania assert that the said Railway does not in various respects fulfil the conditions of the Contract.

3. The Company claim that two sums of One thousand one hundred and twenty-seven pounds fifteen shillings and eleven pence, and One thousand four hundred and twenty-four pounds thirteen shillings and two pence, are due and payable to them for interest under the said Contract; but the Government deny that such sums, or either of them or any part thereof, are or is due or payable.

4. The Company allege that in consequence of the interruption now existing, and which has existed for seven weeks past, in telegraphic communication between Tasmania and England, the General Manager of the Company has not been enabled to procure funds with which to carry on

and work the said Railway, and the Company have applied by their said Manager to the said Colonial Treasurer for payment of the two sums mentioned in Clause 3, and for the Government to advance to them a further sum of Four thousand pounds to enable them to continue to work the said Railway, and the Government have declined to make the said payments, but with a view to temporarily assist the said Company have consented to advance to them a sum of Three thousand pounds as a loan without prejudice to all or any questions in dispute between the Government and the Company, whether relating to sufficiency of construction, the northern terminus, the opening of the Line for traffic, the efficiency of maintenance, or any other matter whatsoever connected with or relating to the said Railway and the Contract therefor, or the Acts of Parliament relating thereto.

5. The Company agree to repay the said Colonial Treasurer the said sum of Three thousand pounds and interest at five pounds per centum per annum upon the first day of January next, unless in the meantime the Company have established to the satisfaction of the Government or by legal process their right to receive interest under the said Contract beyond the amount heretofore paid to them, and in that event the Colonial Treasurer shall have the right out of the first moneys awarded or admitted to be due to the Company to retain payment of the said sum of Three thousand pounds advanced under this agreement and interest thereon until retention at the rate aforesaid.

6. Should no money or no sufficient money become due and payable by the Government to the Company under the said Contract before the first day of January next, the Colonial Treasurer may proceed to enforce payment of the same as a creditor of the Company for the amount now advanced with interest at the rate aforesaid, or for so much thereof as may then remain unpaid or unretained as aforesaid, and may take such proceedings to compel payment of the same as he thinks fit.

7. All powers herein given to the Colonial Treasurer are given to him on the part of the Government of Tasmania, and may be exercised by the Colonial Treasurer of Tasmania for the time being.

8. It is hereby expressly agreed between the parties hereto, and this agreement is made upon this express understanding and condition, that the loan of money hereby agreed to be made shall not nor shall any clause or thing herein contained operate or be construed to operate as an admission by either party that the conditions of the Contract have or have not been fulfilled, or as a waiver of any right now possessed by either party against the other of them, but all such rights and all liabilities shall be and remain as if these presents had not been made or executed save in so far as is herein expressly provided or declared to the contrary.

The Tasmanian Main Line Railway Company (Limited), by their Attorney and General Manager,

C. H. GRANT.

Signed in the presence of—

HENRY DOBSON, *Solicitor, Hobart Town.*

FREDK. M. INNES.

Signed in the presence of—

J. E. PACKER, *Treasury.*

Received from the above-named Colonial Treasurer the sum of Three thousand pounds sterling upon the terms and conditions set forth in the above agreement. £3000.

C. H. GRANT.

Witness—

HENRY DOBSON.

94.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 26th June, 1876.*

SIR,

ADVERTING to my letter of the 31st ultimo, in which I stated that the sum of £6552 would be necessary to maintain the Main Line Railway open for public traffic until the guaranteed interest due on the 30th June became payable, and that owing to the unforeseen and long-continued stoppage of telegraphic communication with England I was entirely without funds available for the work; also to your reply of the 1st instant, in which you state that the Government—on my acceding to an arrangement proposed by their law advisers—will accord such temporary assistance as will relieve the Company's difficulties until such time as my advices from England, either by post or telegram, may be expected to arrive,—(On this I received the sum of £3000, for which I was greatly obliged,)—I have now the honor of informing you that the sum advanced has been more than expended, and telegraphic communication with my Directors being still unavailable, I shall be without the means of carrying on the traffic unless you will kindly let me have a further advance, which I should like to be for the balance of £3500, in order to enable me to clear off certain pressing liabilities.

I need scarcely remark that on the 30th instant the sum claimed by the Company will amount to upwards of £10,800, and that the line has been running regularly and satisfactorily throughout the whole quarter, but with gross receipts far below the working expenditure, as will be shown by the statement of accounts that will be sent you at the commencement of next month. I trust, therefore, that there will be no objection on your part to pay the amount asked a few days in advance of the rendering of the accounts, as this will secure the continued operations of the Railway.

I have, &c.,

(Signed) CHARLES H. GRANT.

The Hon. the Colonial Treasurer.

95.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 4th July, 1876.*

SIR,

I HAD the honor to address you on the 26th ultimo, with the request that the Government would advance the Tasmanian Main Line Railway Company, Limited, the sum of Three thousand five hundred pounds (£3500), such sum being absolutely necessary to enable them to keep open the line and discharge some very pressing liabilities, but have not as yet been favoured with a reply.

The line has been kept in full working order to the present time, and all really necessary liabilities incurred in full reliance on your assurance that such temporary assistance would be accorded as would relieve our difficulties until I could obtain assistance from England.

The Submarine Cable being still unavailable, and my letters requesting assistance having only gone by the May mail, I cannot expect to receive help from the Company at present, and therefore must continue to take advantage of your kind promise.

When the quarterly accounts of our traffic receipts and disbursements to the 31st ultimo are ready for your examination the amount due to the Company will be upwards of £10,500, on which only £3000 has been paid, therefore your advancing the sum of £3500 towards our immediate and really most urgent necessities will still leave a substantial balance due.

Trusting that you will kindly give this request an immediate and favourable consideration,

I have, &c.,

(Signed) CHARLES H. GRANT.

The Hon. the Colonial Treasurer.

96.

Colonial Treasury, 5th July, 1876.

SIR,

I HAVE the honor to acknowledge your letter of the 26th ultimo, wherein you inform me that the sum of Three thousand pounds advanced on loan by the Government of Tasmania to the Main Line of Railway Company has been more than expended, and telegraphic communication with your Directors being still unavailable, you will be without the means to carry on the traffic unless the Government make a further advance, which you should like to be for Three thousand five hundred pounds, in order to enable you to clear off certain pressing liabilities.

I duly note also your intimation that, on the 30th (June) instant, the sum to be claimed by the Company will amount to upwards of Ten thousand eight hundred pounds; and that the line has been running regularly and satisfactorily throughout the whole quarter, but with gross receipts far below the working expenditure, and that this sum will be claimed in a few days.

I regret that any delay should have taken place in replying to your letter, but assure you it has not exceeded the time necessary to enable the Executive maturely to consider its position in respect to the Main Line Railway Company, and decide upon that course of action which it is incumbent on it to pursue under present circumstances, with a due regard to the just rights of the Colony. I need not remind you that the cardinal features of the Contract between the Government of Tasmania and the Main Line Railway Company are,—That the Company should construct and equip with Rolling Stock, Stations, &c., a Railway to connect Hobart Town and Launceston in a certain defined manner, and that it should maintain this Line of Railway in a state of efficiency, and keep it in operation at a specified frequency and speed. During the construction of the Line the Government engaged to pay interest on the Company's progressive

outlay ; and if, at a given date, its construction was completed and the Railway was in operation, the Government would then become liable for any deficiency in the receipts of the undertaking after covering its working expenses, to the extent of Five per cent. on Six hundred and fifty thousand pounds of the capital invested therein.

In entering into this agreement, it was anticipated by the Executive which, under the authority of the Legislature, contracted with the Company, that the contingent liability, fixed at a maximum of Thirty-two thousand five hundred pounds, would, by the development of traffic on a Line constructed and equipped in an approved manner and worked with due efficiency and economy, be gradually reduced, and eventually that the Line would prove self-paying. Throughout the period of construction, as amply provided in the Contract, the stipulated interest of Five pounds per cent. was punctually met, no corresponding reduction being made even for disputed items of account, reserved for future arbitration ; and with the loan of Three thousand pounds, which your communication acknowledges, the total sum which has been paid to the Company amounts to Ninety thousand five hundred and seventy-six pounds fifteen shillings and four pence ; a sum which exceeds all demands made or admissible in this stage of the Contract.

Keeping distinctly in view that the Contract between the Government of Tasmania and the Tasmanian Main Line Railway Company was not only, as already stated, a Contract for the maintenance of railway communication between two defined places, but also for the construction of such a durable and safe line as would attract a profitable traffic, and thus contribute to reduce the contingent liability of the colony,—in 1873-4, the Government took steps to obtain a competent, trustworthy, and detailed examination and report in respect to the character and quality of the works in progress. For this duty the Executive did not itself select an agent, but confided the choice to the Government of Victoria, who nominated a gentleman high in its Railway Department, and possessing the most thorough confidence of Mr. Higinbotham its chief. This gentleman, Mr. W. H. Greene, having made his inspection, in a Report thus epitomised his conclusions :—

“That many of the works on the Company’s line, especially between Oatlands and Evandale Junction, are of the most unsubstantial character.

That the culverts on the Company’s line are not sufficient, either in number or size, to provide for the drainage ; and that the waterway at the Macquarie, the Elizabeth, and the South Esk Rivers is not sufficient.

That, considering the class of work on the Company’s line, the construction of the whole Railway from Hobart Town to Evandale would be undertaken by Contract for the sum of Five hundred and forty thousand pounds sterling, including rolling-stock, stations, and purchase of land. That the Government have no power to interfere at the present stage, and until the time fixed for the completion of the works arrive it would be impolitic and inexpedient to do so, even if they had the power, as any interference would have the effect of relieving the Company from its Contract obligations.

That when the contract time for the completion of the works has arrived the Government should cause an examination of the line, with a view of ascertaining whether the Contract conditions have been complied with.

That it will be impossible to obtain the Contract speed on the Company’s line, and that if an average of Fifteen miles an hour is accomplished by passenger trains it will be necessary to provide better ballast, and to lay the permanent way in a more careful manner than the Company have hitherto done.”

Mr. Greene’s Report was duly communicated for your information as Agent for the Tasmanian Main Line Railway Company, and it elicited a rejoinder on your part, of which the following was the concluding paragraph :—

“As regards the general character of the line, both in respect to the details of construction throughout, and the quality of material employed, I only desire that the Government would allow their Engineer to visit and inspect the narrow gauge lines of New Zealand, Queensland, and Western Australia, which were constructed at a much higher cost than our capital will allow, and then to survey the (so called) cheap additions to the broad gauge lines of Victoria and New South Wales : on his return he must honestly report that our little line will in all respects bear a most favourable comparison with the best of the others, and has been obtained for the country at no mean reduction of cost.”

As it was not unfairly contended by you at that date, that it would be premature to adopt a final conclusion upon the character of the works, then in an incomplete state, the Executive took no steps beyond placing Mr. Greene’s Report in your hands, and giving it that publicity which was required by the local importance of the subject to which it related, as well as its interest to the Shareholders of the Main Line Railway Company.

After the lapse of fifteen months Mr. Greene was commissioned to renew his inspection of the Line, and the results of this, his second inspection, were given in a Report dated 12th of August, 1875, seven months prior to the railway being opened for traffic. Premising that this Report was dealt with in precisely the same way as the previous one, the following extracts will show the unsatisfactory manner in which the construction and equipment of the Line were being carried out :—

“The ballasting, which is a most essential feature in railway construction, is, I regret to say, of exceeding bad quality. The material used is of all sizes and descriptions, and in all stages of decay ; and it will be impossible to maintain a good road unless the line is re-ballasted. The ballast is certainly not of the depth (18 inches) specified in the Contract. The Contract quantity may, however, be supplied before the Line is completed.

The rails themselves are evidently of a very mixed quality: a large number show signs of failure, and many have already been taken out of the road: this doubtless is, in a great measure, attributable to the excessive weight of the locomotives, but partly also to the indifferent quality of the iron used in the manufacture of the rails: a number of damaged rails I observed to be branded I.S.R., being originally intended for the Indian State Railways.

With respect to your enquiry as to the probable cost of the Railway, I have to remark that, in estimating the cost of construction at five hundred and forty thousand pounds, or at the rate of four thousand five hundred pounds per mile between Hobart Town and Evandale, I anticipated that the expenditure on rolling stock would have been greater than it has been, and that the station accommodation would have been of a more extensive and substantial character than that now being provided; I am, therefore, of opinion that the amount stated in my Report of April, 1874, is in excess of the actual cost of the works, and that such a Line as the Company has constructed would have been completed by local contracts considerably within the amount of my estimate.

In the same statement the price of seven locomotives is given at four thousand pounds each, or twenty-eight thousand pounds. The price of such imported engines, complete and in running order, at Melbourne, would be two at two thousand two hundred, and five at three thousand one hundred pounds each, or, say, twenty thousand pounds."

Mr. Greene on this occasion advised in the following terms, that when the construction part of the Company's contract was reported complete, or sufficiently so, for the Line to be put in operation, that it should be inspected by a "Board of Professional Officers:"—

"Inspection by Board of Professional Officers."

"The Contract provides that the 'Railway, together with all stations, rolling stock, &c. shall be constructed of the best materials and in a thoroughly substantial manner.' I regret to have to record my opinion that in the most essential particulars this provision has been disregarded; and I beg to advise that at the time fixed for the completion of the Contract, or so soon after as the line may be ready to be opened for traffic, the Government should appoint a Board or Commission of two or three professional men of the highest standing, and of experience in the construction and working of railways and rolling stock, and who have not hitherto been consulted upon the subject of the Main Line, to inspect the Railway and to enquire and report to the Government upon the whole subject. The advice of such a Board or Commission would doubtless be of good value to the Government, and would fortify them in any position which they might consider necessary to take up."

In accordance with this recommendation, as soon after you had, as agent of the Main Line Railway Company, intimated that the Line was opened, the Executive expedited negotiations, which it had previously initiated, with the neighbouring Colonial Governments, to obtain the services of their most competent Engineers as a Board of Inspection; and in making this application, due regard was paid to your own suggestion, previously quoted, that the Engineers chosen should not be wedded to one class of railways, but conversant both with broad and narrow gauges. The Governments of New Zealand and Queensland, where the narrow gauge prevails, and of South Australia, where it is in partial operation, as well as New South Wales and Victoria, where the broad gauge exclusively is at present known, were requested to send their best available Engineers to pronounce an opinion on the works of the Tasmanian Main Line in connection with the Contract between the Government and the Company.

To this application the Government of Victoria found it inconvenient to accede; but it also held it to be unnecessary on its part, after the successive reports already made by one of the principal Engineers attached to the Railway Staff of that Colony; and New Zealand could not spare one of its officers for so distant a mission. But this Executive was fortunate enough, as you are aware, to obtain the professional services of the Chief Engineers of Government Railways respectively of South Australia and Queensland, and of the Chief Assistant Engineer of New South Wales, a gentleman originally selected for his present appointment by the Home Government, and under whose immediate supervision the principal Railways of that Colony have been constructed or extended. I beg to accompany this letter with a copy of the Report of these gentlemen,—constituting the most unexceptionable Board of Inspection it was possible for this Government to obtain. From that Report it will be seen that if, as you wrote in the letter to which I have the honor to reply, it be true that Contract speed has been obtained in the working of the Main Line, it has been at imminent risk to the lives of passengers; and, it might have been added, in the terms of Mr. Greene's last Report—"without a load, or perhaps with one or two passenger carriages attached, &c." It will also be seen that the Board have pronounced their opinion upon the work as a whole in these terms:—

"After a full and careful examination and consideration of the whole subject in all its bearings, we are unanimously of opinion that the general conditions of the Contract, as far as the construction and maintenance of the line are concerned, have not been complied with."

Upon a review of these facts as set forth in the testimony of experts, deputed by the Governments of four of the adjacent Colonies, and having regard to the notorious fact that, in consequence of prevailing distrust in the mind of the community in the safety of the Main Line, every calculation of advantage from it is disappointed, and must continue to be so, until the Line is constructed, equipped, and worked in conformity with the conditions of the contract, the Executive is obliged, though most reluctantly, to decline acceding to your request for a further pecuniary advance. Already the disbursements from the revenues of this Colony on account of the Main Line of Railway exceed Ninety thousand five hundred and seventy-six pounds; and without the express sanction of the Legislature, the Government would be compromised by making any additional

payments in the face of professional reports that the Company has not fulfilled its contract engagements.

In making this communication to you for the information, by the outgoing mail, of your Directors, it appears to this Executive fitting that I should refer to the proceedings at the sixth ordinary meeting of the Tasmanian Main Line Railway Company, held in London, as reported in *The Times* of 1st May last. Statements appear to have been made on that occasion which cannot be reconciled with facts by those officially implicated therein in this Colony, and allusions were made to the contingency of "default" by the Tasmanian Government.

The fragmentary character of newspaper reports on such occasions may not warrant the conclusion that any reflection was designed, but lest it should be otherwise, I desire to state that the Public Credit of Tasmania has never been impeached; and the resources which sustain it have received large accessions since the date of the Main Line Contract in mineral discoveries, while the immediate Revenue of its Government has considerably increased beyond the contribution to it from an addition to certain duties of Customs.

If ever the Main Line Railway was desirable, it is now a grievous disappointment that, by reason of its flagrantly defective construction and equipment, it is not in safe and efficient operation, stimulating, and at the same time profiting by, the new development of enterprise and industry which the Colony presents.

Before however this communication shall have reached your Directory, it is the earnest hope of the Tasmanian Government that such steps will have been taken as will impart to the Railway the character for which the Colony stipulated, and that thus the relations of the Government and the Company may become mutually satisfactory.

I have, &c.,
(Signed) FRED^K. M. INNES, *Colonial Treasurer.*

C. H. GRANT, *Esq.*, *Agent T. M. L. R. Company.*

97.

Colonial Treasury, 6th July, 1876.

SIR,

SINCE replying on behalf of the Government to your letter of the 26th ult., applying for an advance of £3500, I have received and submitted your renewed application of the 4th instant to the same effect, and regret having to acquaint you that it is impossible to accede to your wishes consistently with a due regard to the just rights of the Colony.

I am at the same time to disclaim that, in the personal negotiations which resulted in the advance to you of £3000, it was ever intimated or implied that any further advance would be made.

I have, &c.,
(Signed) FRED^K. M. INNES.

C. H. GRANT, *Esq.*, *Agent T. M. L. R.*

98.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 6th July, 1876.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 5th instant, in reply to mine of the 25th ultimo, in which I requested that—on the terms of your letter of the 1st of June last—"such temporary assistance may be accorded as will relieve the Company's difficulties, until such time as advices from England, either by post or telegram, may arrive," and stated the amount of assistance required as being £3500.

In full faith of, and reliance upon your assurance, I have kept open the Railway to the present time, and in so doing have necessarily incurred various heavy liabilities, which are now payable.

You are aware that the telegraph is still unavailable for obtaining remittances from Home; and as the necessity for such has only lately become apparent, I cannot, under the most favourable circumstances, obtain money from the Company by post until next August or September, neither can I keep the Railway open for traffic without it, since the mere weekly wages exceed the gross receipts.

While duly noting your statement that the Government decline to make a further pecuniary advance without the express sanction of the Legislature, I must remind you that the Government have delayed the meeting of Parliament to a late period, and have thereby contributed to the difficulties of the Company. I feel assured that they will hereafter regret if this proceeding should be the direct means of having the important Main Line of Tasmania stopped, while in full and efficient working order, and daily giving to the country every benefit that a Railway can afford.

It is my painful duty to state that, if the Government remain inexorable in refusing present assistance, the Railway must be instantly closed, and the whole of the trained and experienced staff,—collected with such great difficulty and expense during the past four years,—entirely disbanded.

This must, I think, result in its remaining closed for two or more years, until the legal question with the Government has been settled by the very highest tribunal, and afterwards the conflicting interests of the creditors, bondholders, and other parties interested in the Company have been finally decided upon in the English Courts of Chancery and Appeal.

As regards the concluding paragraph of your letter, in which you state, that “before, however, this communication shall have reached your Directory, it is the earnest hope of the Tasmanian Government that such steps will have been taken as will impart to the railway the character for which the Colony stipulated, and that thus the relations of the Government and the Company may become mutually satisfactory,” I freely and unreservedly assert, that if the Government will indicate to me the precise meaning they attach to this expression, I will do my very best to give full effect to their views, being fully convinced that there is not necessarily any divergence either in our opinions or desires. I must, however, remark that in all probability some financial assistance will be needed for this result, and as the Government are fully aware of the pecuniary position of the Company here, I trust that they are ready, as the logical result of your statement, to assist us in our present great need.

I have, &c.,

(Signed) CHARLES H. GRANT.

Hon. F. M. INNES, Colonial Treasurer.

99.

Colonial Treasury, 7th July, 1876.

SIR,

I HAVE the honor to reply to your communication of yesterday, just received; and I do so promptly, as the Mail leaves for England to-morrow, and the Executive is anxious, both in the interests of the Colony, and for the sake of “the creditors, bondholders, and other parties interested in the Company,” that your Directory in London should be acquainted with the true state of matters as speedily as possible. This Government cannot take upon itself the responsibility of making any further advance on account of the Railway; and, in reference to your intimation that in this case you cannot keep it open for traffic, I would remark that with the Report of the Board of Engineers before it, and having received the advice of those gentlemen personally that the Line, as constructed, furnished, and now in operation, is *dangerous*, it would be culpable in the Executive to interpose for your assistance in maintaining the traffic while the Line remains in that state.

The advance, which you have acknowledged, was made prior to the Board of Inspection having given their report on the Line, and it was conceded from a desire not to prejudge the claims of the Company. It was also made, in the anticipation that the Mail which has reached the Colony since, would relieve you of the difficulties of which it appears by the published report of the Sixth Meeting of the Tasmanian Main Line Railway Company, held in London in April last, the Company was already informed. This Executive, when it arranged the terms of that advance with your Solicitor, did not give him any right to infer that it would follow it by further advances, and could in no case have committed itself to such an engagement, irrespective of the judgment which the Board of Inspection might pronounce on the manner in which the Company's Contract was fulfilled.

Passing over extraneous reflections in your letter, I have only to say in conclusion that it is not for this Government to indicate to the Main Line Railway Company what course it should pursue other than that of fulfilling the conditions of its Contract. Any advances, however, in this direction will, the Executive confidently states, be received as the most welcome escape from a situation that is not only disastrous to “the creditors, bondholders, and other parties interested in the Company,” but disappointing to the hopes of the Tasmanian public and embarrassing to its Government.

I have, &c.,

(Signed) FREDK. M. INNES.

C. H. GRANT, Esq., Agent T.M.L.R. Co.,
Macquarie-street.

Colonial Treasury, 8th July, 1876.

GENTLEMEN,

I HAVE the honor to transmit by this mail copies of an official correspondence with the Agent in this Colony of the Tasmanian Main Line Railway Company, together with the Report of a Board of Engineers who have lately inspected this work, and a rejoinder thereto from the Company's Agent, who is also their Engineer.

These papers speak so clearly for themselves that it is unnecessary for me to add anything to what they contain. My object in transmitting them is to request on behalf of this Government that, should occasion arise, you will expend such a sum as may be necessary to put the position of the Colony in a correct light before the creditors, shareholders, and other persons interested in the Tasmanian Main Line. For this purpose it appears to me that the publication in the *Times* of the letter to Mr. Grant from this Department of the 5th July will be sufficient. On this point, however, you can exercise your own discretion with a view to the protection of the good name of this Colony.

The Tasmanian Government has no wish for controversy, and would be too glad that there was no occasion for it. But it is of importance that it should not be reflected upon injuriously without the justification of the course it is compelled to adopt being promptly brought before the English public.

I have, &c.,

(Signed) FRED^K. M. INNES.

*Messrs. JULYAN & SARGEANT, Crown Agents,
Colonial Buildings, London.*

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 8th July, 1876.*

SIR,

I HAVE the honor to acknowledge the receipt this day of your letter of the 7th instant, and regret to notice that my request for a loan, on account of the guaranteed Interest now overdue, is not favourably entertained.

It would appear that the Government can hardly have given full consideration to the very disastrous effects, both to the Colony and the Company, that the closing of the Railway would entail. Independently of the passenger traffic which the Railway has developed in its particular district, and which would suffer extreme inconvenience and loss from being suddenly deprived of the accustomed facilities for travel, there are many large and important contracts in course of fulfilment, and which entirely depend upon the Railway for their execution. About five hundred tons of farm produce, and such goods, are now weekly conveyed along the Line, a large part of which could not be moved at all except in the Railway trucks. While, as regards the Railway, the necessary disbandment of the Railway staff, and relegating the interests in the undertaking to the purview of the Law Courts, must ensure the Line being totally closed for two or more years, during which it would become overgrown, destroyed by water, a prey for plunder, and in fact almost valueless, while its valuable stock decayed away.

All this could undoubtedly be obviated, without in any degree prejudicing either the Colony or the Company, by the Government advancing the small sum of money needed to keep the line open as at present, and which (rather than have the line closed) the Company would accept as a loan bearing interest at five per cent. per annum, as was the last £3000 advanced, if it were hereafter proved that the Company were not legally entitled to the money. In this case the Government would pay, and the Company receive, the sum now required for its immediate and most urgent necessities, absolutely without prejudice to the rights of either party under the contract; and the Colony, in consideration of the purely nominal risk they undertook in lending the money, would continue in the full receipt of all the benefits of the Railway.

I notice that, from the advice of the Inspecting Engineers, you consider that the Government might be considered culpable were they to assist the Company in running the trains at what is reported as a very excessive speed on a narrow gauge railway; and on the part of the Company have to assure you that they have no desire to run at the Contract speed, if the Government or their advisers consider it dangerous. Doubtless the speed is very high, as also that it has been done with absolute safety for the four months past, but the Company will be happy to immediately reduce the speed to what the Government may consider safe, and at the same time make the service more generally acceptable to the public, who would then doubtless place more confidence in the trains if worked at less speed, and thus correspondingly increase the traffic. This alteration can also be made without in any degree prejudicing the rights of the Colony or the Company, as should it

hereafter be decided that the Company could not have continued to give the speed with reasonable safety, the subsidy would be subject to reduction, according to the views of the Tribunal who decided the questions at issue ; or, in an extreme case, were the breach of Contract absolute, the Company would be bound to repay, with interest, the whole of the money received since the opening of the line.

The reasons for keeping intact the property, in which the Colony have so great an interest, are so numerous and weighty that they could not be stated in a letter : should, however, the Government desire any further information before granting my request, I trust that they will favour me with an immediate interview, in order that a result, fully as beneficial to the Colony as to the Company, may by some means be obtained.

When the last quarter's accounts are prepared and submitted to you, I trust the Government will be able to state their views as to the fulfilment of the Contract, and beg to assure you that such shall have the immediate and earnest attention of the Company ; who, while considering they have done everything that can reasonably be required of them, would, on this being proved erroneous, be willing to expend such further sums of money as may be requisite, or to do or suffer anything that may be demanded of them by the Tribunal before whom the differences were adjusted. The Company further trust that, should there be any dispute which cannot be amicably settled between the contracting parties, any action thereon may be taken in a friendly spirit, with a view to the promptest settlement of the points at issue, and to avoid the enormous legal and other costs that must otherwise be incurred.

I have, &c.,

(Signed) CHARLES H. GRANT.

The Hon. F. M. INNES, M.H.A., Colonial Treasurer.

102.

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, 12th July, 1876.*

SIR,

I HAVE the honor to send you herewith an abstract of the Receipts and Expenditure of the Tasmanian Main Line Railway Company, Limited, for the quarter ending 3rd June last.

This account shows that the expenses have much exceeded the revenue, and therefore (under the eighth clause of the contract between the Tasmanian Government and the Main Line Company) the full quarter's interest on £650,000, amounting to £8125, is now due to the Company. The balance owing at the expiration of the previous quarter was £2552 9s. 1d., (as stated in my letter of the 20th May), and therefore the whole sum now payable amounts to £10,677 9s. 1d., which I shall be glad to receive, in accordance with the eighth condition of the contract.

In the annexed account I have shown and furnished vouchers for the further expenditure, on "Capital" account purely, since the last accounts were sent in, which makes the total cash cost of the Line to the Company at this date £723,958 5s. 6d., irrespective of the sum of £370,000 paid in the Company's securities.

I may add that the Company do not consider their Capital account "closed," but are now supplying from England all such additional plant and material for the line as experience has shown desirable for the fullest possible development of its capabilities of traffic ; and will continue to expend in this country such sums as the necessities or condition of the Railway may require, in order that it may be always maintained in good and efficient repair and working condition.

I have, &c.,

(Signed) CHARLES H. GRANT, *Engineer and Agent.*

The Hon. the Colonial Treasurer.

SUMMARY Expenditure and Receipts of the TASMANIAN MAIN LINE RAILWAY for Three Months ending 30th June, 1876.

Expenditure.

DATE.	DETAIL OF EXPENDITURE.							
	<i>Permanent Way.</i>	<i>Locomotive Charges.</i>	<i>Rolling Stock Charges.</i>	<i>Traffic Charges.</i>	<i>Wages, part Construction.</i>	<i>General Charges.</i>	<i>Stores.</i>	<i>TOTAL.</i>
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
April	1173 8 10	616 7 1	144 8 1	346 11 4	201 17 4	41 2 4	1042 9 6	3566 4 6
May	1282 2 7	638 1 11	170 8 10	371 19 1	140 17 3	329 3 4	2 11 4	2935 4 4
June	1475 7 9	846 17 3	101 2 3	460 13 6	21 19 1	110 8 3	612 1 7	3628 9 8
	3930 19 2	2101 6 3	415 19 2	1179 3 11	364 13 8	480 13 11	1657 2 5	10,129 18 6

ANALYSIS OF EXPENDITURE.				DETAIL OF STORES ISSUED.	
<i>Actual.</i>	£ s. d.	<i>Accounts passed for Payment.</i>		<i>Description.</i>	£ s. d.
Salaries and wages ..	7874 18 1	(Part chargeable to Construction only.)		Fuel, coals	780 14 10
Locomotive charges..	85 3 10			Oils	122 13 4½
General charges	387 16 8			Tallow and grease ..	10 8 1
Traffic	96 15 0			Waste, &c.	16 16 0½
Compensation	28 2 6			Stationery, &c....	24 4 6½
Stores, &c.....	1657 2 5			Timber.....	6 10 3
				Iron and steel....	76 12 7½
				Tools	54 17 8½
				Ordinary sundries ..	60 15 4½
				Ironmongery	96 14 5½
Total	£10,129 18 6	Total	£3318 5 0	Total	£1452 7 3½

Receipts.

STATIONS.	DETAILS OF RECEIPTS.					
	<i>Passengers.</i>	<i>Parcels.</i>	<i>Horses, Carriages, and Dogs.</i>	<i>Goods and Live Stock.</i>	<i>Telegrams.</i>	<i>TOTAL RECEIPTS.</i>
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
Hobart Town.....	1019 17 4	31 11 2	48 14 7	1936 15 0	1 2 9	3038 0 10
New Town.....	—	—	—	—	—	—
O'Brien's Bridge	1 16 0	—	—	8 5 4	—	10 1 4
Austin's Ferry	—	—	—	—	—	—
New Norfolk Road	55 6 5	0 11 2	0 3 4	2 1 2	—	58 2 1
North Bridgewater	—	—	—	—	—	—
Brighton.....	28 16 0	0 14 8	1 3 8	10 9 2	—	41 3 6
Tea Tree.....	—	—	—	—	—	—
Campania	91 14 9	1 3 10	1 9 11	30 8 5	0 15 7	125 12 6
Lower Jerusalem	—	—	—	—	—	—
Jerusalem.....	118 5 0	3 10 1	3 8 7	84 17 2	1 12 4	211 13 2
Flat Top.....	—	—	—	—	—	—
Jericho	—	—	—	—	—	—
Oatlands.....	102 2 9	4 2 11	4 9 11	132 5 10	0 4 1	243 5 6
Eastern Marshes.....	—	—	—	—	—	—
York Plains	—	—	—	—	—	—
Antill Ponds	69 3 4	2 7 2	2 13 4	57 11 9	1 1 4	132 16 11
Tunbridge.....	—	—	—	—	—	—
Mona Vale.....	—	—	—	—	—	—
Ross	107 6 8	3 9 10	1 19 6	111 10 7	0 4 10	224 11 5
Campbell Town.....	183 15 9	3 3 9	9 15 10	143 12 5	0 8 0	340 15 9
Corners	53 5 1	2 5 7	6 0 5	49 9 7	0 2 0	111 2 8
Cleveland	—	—	—	—	—	—
Minor Stations, by Conductors	165 18 9	—	0 19 10	0 2 0	—	167 0 7
Clarendon	—	—	—	—	—	—
					Sale of old Stores.	—
Sale of old Stores	—	—	—	—	16 13 6	16 13 6
Evandale Junction.....	748 19 5	9 12 2	23 15 1	444 19 4	—	1227 6 0
Launceston	—	—	—	101 13 6	—	101 13 6
TOTAL.....	2746 7 3	62 12 4	104 14 0	3114 1 3	22 4 5	6049 19 3

REVENUE ACCOUNT CURRENT.

Particulars.	Dr.	Cr.
To receipts for months of April, May, and June.	6049 19 3	
By cash deposited in Bank during months of April, May, and June.	5674 14 11
Outstandings 931 12 3		
Less previous ditto 586 7 11	..	375 4 4
TOTAL.....	6049 19 3	6049 19 3

Balance of Outstandings as per Statement..... £375 4 4

Certified as correct,

H. SIMPSON.

CHARLES H. GRANT, *General Manager.*

TASMANIA.

THE GOVERNMENT OF TASMANIA, Dr.

To THE TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

1876.

Guaranteed Interest Department.

£ s. d.

To One full Quarter's Interest due, as per Contract between the Government of Tasmania and the Tasmanian Main Line Railway Company, Limited, at the rate of five per cent. per annum on the full sum of £650,000 expended on the Construction of the Railway, as shown by previous accounts and vouchers in possession of the Government. Say one quarter of whole guarantee of £32,500 per annum £8125 0 0

£ s. d.

March 31.	To actual Cash Expenditure on Railway, as previously shown in vouchers for payment	714,853 11 3
17.	To Invoice of Rails, &c, per <i>Hazel Holme</i> , as exhibited to Customs	1122 19 9
	Invoice of Rolling Stock per <i>Hazel Holme</i> , as exhibited to Customs.....	1422 0 2
	Invoice of Goods per s.s. <i>Khedive</i> , as exhibited to Customs ..	27 3 6
	Invoice of Goods per s.s. <i>Northumberland</i> , as exhibited to Customs.....	7 12 9
23.	Vouchers for Works	900 0 0
31.	Ditto.....	500 0 0
April 7.	Ditto.....	750 0 0
11.	Ditto.....	250 0 0
21.	Ditto.....	750 0 0
May 5.	Ditto.....	400 0 0
20.	Ditto.....	195 11 4
June 30.	Ditto, including the Company's expenses in Tasmania, from 31st October, 1875	2779 6 9
		9104 14 3
	Total Cash Expenditure	£723,958 5 6
	To Vouchers for Payments in the Company's securities, as per account rendered, January, 1876	370,000 0 0
	TOTAL EXPENDITURE	£1,093,958 5 6

Amounting to Eight thousand one hundred and twenty-five Pounds.

£8125 0 0

(Signature of Claimant)—*The Tasmanian Main Line Railway Company, Limited,*
per their Agent and Attorney—

C. H. GRANT.

103.

Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, 12th July, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 7th instant, and feel surprised and embarrassed beyond measure that you should suddenly withdraw from the positive undertaking given me in your letter of the 1st June last, that, subject only to my "acceding to the terms of an arrangement which would be communicated through the Law Advisers of the Government, such temporary assistance would be afforded as will relieve the Company's difficulties, until such time as advices from England, either by post or telegram, may be expected to arrive." At that

time I requested the loan of £6500, in order to keep open the line until the guaranteed interest became payable, of which sum but £3000 was given me (simply as a loan bearing interest until repaid), I presumed only as a first instalment, and therefore (but solely on your assurance of support) arranged to continue the traffic, and pledged the Company's credit, both here and in the neighbouring Colonies, to enable me to do so.

In consequence of the refusal you now give, I am utterly without funds to meet the current wages overdue, and thus much hardship and suffering will be thrown upon several hundred men who have given faithful service to the Colony, as well as the Company, while safely and efficiently working the line, *for the sole benefit of the Colony.*

You are aware that the telegraph is still unavailable to me, and that monetary assistance by post could not possibly arrive for the next month or two; I have therefore earnestly to request, on behalf of the employees and creditors of the Company, that you will so far redeem your positive undertaking as to relieve them from the very unfortunate position they would be involved in by its breach, even if your Government decline to be in any manner responsible for keeping open the line.

The £3500 asked for is already wholly expended and overdue, but the payment of £7118, (less the £3000 already advanced) being only two-thirds of the amount due from the Government (representing a subsidy of about £20,000 per annum), would enable me to keep the line in full working order until Parliament had been able to express their decision on the questions at issue, or until the arrival of the expected remittances by post or cable may render me temporarily independent of the payment of interest.

Trusting that this final request for the immediate payment of well-earned money may not be made in vain,

I have, &c.,

(Signed)

CHARLES H. GRANT.

The Hon. the Colonial Treasurer.

104.

Colonial Treasury, 13th July, 1876.

THE Colonial Treasurer regrets that the Agent of the Tasmanian Main Line Railway Company should repeat statements which have been already answered, and that it should be necessary for the Colonial Treasurer to say that it would be unsuitable for a Ministry, who only hold office until their successors are appointed, to accept the responsibility which the Agent's letter of the 12th instant, just received, proposes.

C. H. GRANT, *Esq., Agent*
Tasmanian Main Line Railway Company.

MAIN LINE RAILWAY.

Additional Correspondence in continuation of Paper No. 32.

[Laid upon the Table by the Colonial Secretary, and ordered by the House to be printed, 13 September, 1876.]

105.

To His Excellency **FREDERICK ALOYSIUS WELD**, *Esquire, C.M.G., Governor, Commander-in-Chief, and Vice-Admiral of Tasmania, &c.*

MAY IT PLEASE YOUR EXCELLENCY.

WE, Her Majesty's dutiful and loyal subjects, Citizens of Hobart Town, in Public Meeting assembled at the Town Hall, Hobart Town, on the 15th instant, unanimously adopted and passed the following Resolutions:—

Firstly.—"That in the opinion of this Meeting the general traffic returns of Main Line Railway already exhibit ample and reliable evidence that the continuous active working of the said Line is indispensable to the material progress of the Colony; and that its stoppage would be ruinous to many individuals who have embarked in various undertakings dependent on its facilities, and would effectually retard the manifest dawning prosperity of the community."

Secondly.—"That a respectful Address, signed in behalf of this Meeting by the Chairman hereof, be, by deputation, presented to His Excellency the Governor, embodying the foregoing Resolution, and also setting forth the urgent necessity which exists for His Excellency's constitutional Advisers to afford at once, under proper security and without prejudice to the Contract, the requisite means to speedily rectify, in a satisfactory manner, any acknowledged defects in the said Line, so that the present very important traffic may not be interrupted."

In furtherance of this desirable object thus publicly discussed and advocated, we, the Citizens of Hobart Town, by deputation, approach Your Excellency and pray that Your Excellency will be pleased to cause this most important matter to be early brought under the consideration of Your Excellency's Advisers, in order that the train service of the Main Line Railway may be continued without interruption; and that such a measure may be introduced in the Parliament of Tasmania as shall satisfactorily adjust the existing difficulties between the Government and the contracting Company, and thus secure the full benefits of a great work which commercially unites the Capitals of the North and South of the Island, and affords the essential aid in developing the resources of the Colony.

On behalf of the Citizens of Hobart Town in Public Meeting assembled,

JOHN PERKINS, JUN., *Mayor, and Chairman of the Meeting.*
July 19, 1876.

106.

Colonial Secretary's Office, 24th July, 1876.

SIR,

HIS Excellency the Governor has referred to Ministers the Petition presented by you on the 19th instant, on behalf of the Citizens of Hobart Town, praying that the questions at issue between the Government and the Main Line Railway Company might be early brought under the consideration of His Excellency's Advisers, in order that the train service of the Main Line Railway may be continued without interruption; and that such a measure may be introduced in the Parliament of Tasmania as shall satisfactorily adjust the existing difficulties between the Government and the contracting Company, and thus secure the full benefit of a great work which commercially unites the capitals of the north and south of the Island, and affords the essential aid in developing the resources of the Colony.

In reply, I have the honor to inform you that His Excellency's responsible Advisers are fully alive to the great and pressing importance of the several matters referred to in the prayer of the Petition, and to state that they will receive the earnest consideration of the Government.

I have, &c.

(Signed) **THOS. REIBEY.***The Right Worshipful the Mayor.*

107.

Stöckdale, Richmond, 31st July, 1876.

SIR,

At a meeting held at Jerusalem on the 22nd instant, in reference to the Railway, a Committee was appointed to submit the resolutions passed at that meeting to the Government. As one of that Committee, I have been desired to ask the proper mode in which the Executive should be approached; and if by deputation, or otherwise, to be kindly informed; and also at what time it will please your honorable body to receive the resolutions of the inhabitants of Jerusalem.

Should it be necessary for a deputation to attend, I will be thankful if, in naming the time that it will be received, you take into consideration that we have only postal communication twice a week; and that you will give time to communicate with the members of Committee and make arrangements for waiting upon the Executive.

I have, &c.

(Signed) GEO. STOKELL.

The Hon. Colonial Secretary.

108.

Colonial Secretary's Office, Hobart Town, 7th August, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 31st ultimo, requesting to be informed whether it is necessary that the resolutions passed at a public meeting of the inhabitants of Jerusalem, with reference to the Main Line Railway, should be presented to the Executive Government by deputation.

In reply I have to inform you that it is not requisite that these resolutions should be presented personally; but that if forwarded by the Chairman of the Committee appointed by the meeting they will receive careful consideration on the part of the Government.

I have, &c.

(Signed) THOS. REIBEY.

G. STOKELL, Esq., Stöckdale, Richmond.

109.

Campbell Town, 5th August, 1876.

SIR,

I HAVE the honor to forward herewith copy of Resolution with Petition adopted at a meeting held at Campbell Town on the 3rd instant, for the purpose of taking into consideration the desirableness of petitioning the Governor in Council regarding the impending closure of the Main Line Railway.

I have, &c.

(Signed) CHARLES H. LEAKE, *Chairman.**The Private Secretary.**To His Excellency the Governor in Council, &c.*

The humble Petition of the undersigned Residents of Campbell Town,

RESPECTFULLY SHOWETH:

THAT your Petitioners have, since the commencement of the running of trains on the Main Line Railway, been greatly benefited thereby, which benefits they find to be daily increasing; and, consequently, view with anxiety and alarm the possible closing of the Line.

That your Petitioners earnestly pray that Your Excellency's Advisers may be enabled to adopt such measures as may, whilst maintaining the integrity of the Contract entered into by the Main Line Railway Company with the Government, avert such a calamity.

And your Petitioners will ever pray, &c.

[Here follow 120 Signatures.]

110.

Colonial Secretary's Office, 7th August, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 5th instant, addressed to the Private Secretary, enclosing a Petition adopted at a Meeting held at Campbell Town on the 3rd instant, and praying that His Excellency's Advisers may be enabled to adopt such measures as may, whilst maintaining the integrity of the Contract entered into by the Main Line Railway Company with the Government, avert the necessity for the closing of the Main Line Railway.

I have, &c.

(Signed)

THOS. REIBEY.

C. H. LEAKE, *Esq., Chairman of the Meeting,*
Campbell Town.

111.

Tasmanian Main Line Railway Company, Limited,
Engineer's Office, Hobart Town, 25th July, 1876.

SIR,

I HAD the honor to address the Hon. the Colonial Treasurer on the 21st instant, expressing the very urgent need of the Main Line Railway Company for immediate financial assistance from the Government to enable them to keep the line open; and received a reply dated the following day, in which the promise was given that the subject should be brought before the Hon. the Executive Council at an early date. Since then I notice from the public prints that the Hon. Mr. Meredith has left town.

On this occasion I have the painful necessity of making the last appeal; because this week the whole financial resources of the Company in this colony will be exhausted, and it will be impossible to keep the line open after Saturday next without assistance from the Government.

I feel it unnecessary on the present occasion to trouble you with any allusion to the controversy between the Government and Company, but would desire to state that the Railway is now in full and efficient working order (even more so than it has ever yet been), and is doing a very large business in live stock and other freight, while the passenger traffic is now increasing.

Since the need of funds to carry on with is so urgent, I am prepared to accept (at the present time) the bare sum necessary to meet the requirements of traffic; and would be happy to take the same under any reasonable conditions the Government please to impose, and especially as being made without prejudice to any rights under the Contract, or as injuriously affecting in even the slightest degree the position of the Colony under the Agreement.

Trusting that the very serious loss which must necessarily accrue both to the Colony and the Company by the closing of the line, and discharge of every one connected therewith, on Saturday next, may yet be averted, and assuring you of the fervent and honest desire of the Company to honorably fulfil their contract in every particular,

I have, &c.

(Signed)

CHARLES H. GRANT.

The Hon. THOS. REIBEY, M.H.A.,
Premier and Colonial Secretary.

112.

Colonial Secretary's Office, 25th July 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of this day's date, referring to your communication addressed to the Hon. the Colonial Treasurer of the 21st instant, expressing the very urgent need of the Main Line Railway Company for immediate financial assistance from the Government to enable them to keep the line open, and again appealing to the Government to prevent the stoppage of the line, which you state it will otherwise be impossible to keep open after Saturday next.

In reply, I beg to inform you that the earliest attention will be given to the subject by Ministers.

I have, &c.

(Signed)

THOS. REIBEY.

C. H. GRANT, *Esq., Manager Tasmanian*
Main Line Railway.

113.

*Tasmanian Main Line Railway Company, Limited, General Manager's Office,
Hobart Town, 22nd August, 1876.*

SIR,

ADVERTING to my letter of the 4th March last to the Hon. the Colonial Secretary, in which I proposed that—without prejudice to any of the rights of the Government or the Main Line Railway Company—the latter should complete their Station works at Launceston, and then run their trains over the Launceston and Western Railway for twelve months, giving a prior undertaking to pay the Government on the expiration of that period such sum for tolls and compensation as may be assessed by mutual consent or decided by arbitration, also to the acceptance of such offer by your Hon. predecessor in his letter of the 5th May last, I have the honor to inform you that the Company, having nearly completed their Station Buildings, will, in about four weeks from this date, desire to run their trains into Launceston.

I presume that before doing so it is only necessary to repeat my assurance, already given on behalf of the Company, that they are willing to pay the amount of tolls for the twelve months' use of the line that may be assessed by Arbitrators legally appointed, and will exercise the powers in strict accordance with the Contract and with the Acts of Parliament incorporated therewith.

As it will be necessary to arrange with the Manager of the Launceston and Western Railway the times at which the Main Line trains may run over that line, I should feel greatly obliged by your informing me whether Mr. Lord can be instructed and authorised to decide upon these times, in order that the necessary arrangements may be made.

I have, &c.

(Signed) CHARLES H. GRANT.

The Hon. THOS. REIBEY, M.H.A., Colonial Secretary.

FORWARDED to the Hon. the Minister of Lands and Works, with the request that he will arrange with Mr. Lord as to the times at which the Main Line Railway trains may run over the Launceston and Western Line in accordance with the terms of the Colonial Secretary's letter to Mr. Grant under date the 5th May last.

(Signed) THOS. REIBEY.
25th August, 1876.

The Hon. the Minister of Lands and Works.

114.

Colonial Secretary's Office, 25th August, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 22nd instant, in which you inform me that the Main Line Railway Company having nearly completed their Station Buildings at the Launceston Terminus, will in about four weeks desire to run their trains over the Launceston and Western Railway from the Evandale Junction into Launceston.

In reply, I beg to inform you that your communication has been forwarded to the Hon. the Minister of Lands and Works, with the request that he will arrange with Mr. Lord as to the times at which the Main Line trains may run over the Launceston and Western Line, in accordance with the terms of my predecessor's letter of the 5th May last.

I have, &c

(Signed) THOS. REIBEY.

C. H. GRANT, Esq., Manager

Tasmanian Main Line Railway Company.

115.

*Tasmanian Main Line Railway Company, Limited, General Manager's Office,
Hobart Town, 29th August, 1876.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 25th instant, in which you state that my letter respecting the times of running the trains of the Main Line Railway over the Launceston and Western Railway has been referred to the Hon. the Minister of Lands and Works, in order that he may arrange with Mr. Lord as to the times at which such trains may run.

In thanking you for this reply, I have only to add that the Main Line Company have no desire that their trains should in the least interfere with the present train service of the Launceston and Western Railway.

I have, &c.

(Signed) CHARLES H. GRANT.

*The Hon. THOS. REIBEY, M.H.A., Premier
and Colonial Secretary.*

116.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 4th September, 1876.*

SIR,

I HAVE arranged with Mr. Lord, the Manager of the Launceston and Western Railway, that rather than the Main Line Railway Company should run their material trains over his line he will supply the whole quantity of ballast required for the Main Line station-yard at Launceston, being about 2500 cubic yards, at the price of three shillings and three-pence per cubic yard, delivered at the junction at Launceston; and have the honor to request that a credit account be opened between the Government and the Company, and that the account for this, and for any other services rendered to the Company, should be sent in monthly for payment.

It would be an inconvenient arrangement for the Company to pay for the ballast as delivered, or the wages of getting it; and as they claim to be creditors of the Government for such a proportionally large amount, they trust that their plans may be facilitated in the manner I request.

The Main Line Company are now expending a considerable sum in the endeavour to afford the public the use of their Launceston station at a very early date.

I have, &c.

(Signed) CHARLES H. GRANT, *General Manager.*

The Hon. THOS. REIBEY, M.H.A., Colonial Secretary.

117.

Colonial Secretary's Office, 6th September, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 4th instant, requesting that a credit account may be opened between the Government and the Main Line Railway Company for the sale and purchase of metal ballast for the Company's station yard in Launceston, which, you inform me, Mr. Lord, the Manager of the Launceston and Western Railway, has intimated that he is prepared to supply at the price of three shillings and three-pence per cubic yard, delivered at the junction at Launceston.

In reply, I have to inform you that the Government are prepared to carry such ballast as you may require over the Launceston and Western Line at such a price per ton, per mile as may be agreed upon, and to sanction the opening of a credit account, with monthly settlements, for this service, but they are not prepared to procure and deliver the ballast on the terms you propose.

I have, &c.

(Signed) THOS. REIBEY.

C. H. GRANT, *Esq., Manager T.M.L. Railway.*

118.

Hobart Town, 27th July, 1876.

SIR,

MR. Grant has handed to us the letter of the Honorable the Colonial Secretary, dated the 25th instant, in which Mr. Reibey declines to accede to Mr. Grant's request to pay the interest (£10,677 9s. 1d.) due to the Tasmanian Main Line Railway Company on the 30th June last. The exact amount due by the Government to the Company is £10,553 6s., the former sum having been mentioned by Mr. Grant in error.

We have to express our extreme surprise that the Government should still persist in withholding from the Company the money which they have so fairly earned, more especially when the Executive

is aware that the non-payment of the guaranteed interest must necessitate the immediate stoppage of the railway,—a course which, while very injurious to the Colony, must cause great damage to the works of the Company.

We have therefore to give you notice, on behalf of the Company, that they will hold the Government liable for all damage which they may sustain by the course which the Government have taken, and that unless the sum claimed for interest be paid by noon to-morrow, we shall be compelled to take immediate proceedings under the "Crown Redress Act" for the recovery of the amount due, together with interest thereon.

We have, &c.

(Signed) DOBSON & MITCHELL,
Solicitors for the Company.

The Hon. the Attorney-General.

119.

Attorney-General's Office, Hobart Town, 27th July, 1876.

GENTLEMEN,

I HAVE the honor to acknowledge the receipt of your letter of this day, in which you state that unless the sum claimed for interest alleged to be due by the Government to the Tasmanian Main Line Railway Company is paid by noon to-morrow you will be compelled to take immediate proceedings under the "Crown Redress Act" for the recovery of the amount claimed.

I have, &c.

(Signed) C. HAMILTON BROMBY.

*Messrs. DOBSON & MITCHELL, Solicitors
for the Tasmanian Main Line Railway Company.*

120.

Crown Solicitor's Office, 22nd August, 1876.

SIR,

TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED, v. THE QUEEN.

COMPLYING with instructions received from you on the 16th instant, I wrote to the Company's Solicitors on the same day, and a copy of my letter is forwarded herewith, as also the reply thereto dated 18th instant.

You will observe that the Company's Solicitors do not answer my enquiry whether the Company intend proceeding to the trial of this suit in October next, and that they appear to evade the question by an assumption that "from the tone of my letter I do not think it will be necessary for the Company to go to trial."

A copy of my reply, dated 19th instant, accompanies this letter.

I now recommend that applications be made immediately by this Government to the Governments of Victoria, New South Wales, South Australia, and Queensland, requesting them to permit the attendance in Hobart Town shortly before 31st October next of such of the under-mentioned gentlemen as are in their respective service. You are aware that the gentlemen whom it is proposed to call as witnesses on behalf of the Crown are Messrs. Higinbotham, Whitton, Mais, Mason, Stanley, and Greene.

I have, &c.

(Signed) ROB. P. ADAMS.

The Hon. the Attorney-General.

WILL the Hon. the Colonial Secretary be so good as to give effect to the recommendation of the Solicitor-General?

C. HAMILTON BROMBY.
22nd August, 1876.

(Copy.)

Crown Solicitor's Office, 16th August, 1876.

DEAR SIR,

TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED, *v.* THE QUEEN.

BEFORE formal application is made to the Governments of Victoria, New South Wales, South Australia, and Queensland, to permit Messrs. Higinbotham, Whitton, Mais, Mason, Stanley, and Greene to attend the Civil Sittings here, commencing 31st October next, will you inform me if the suppliant intends then proceeding to trial? You will understand that the enquiry is made so that the Government of Tasmania may not place itself under further obligation to the Governments referred to unless the presence of their engineers will be actually required in October.

I have, &c.

(Signed) ROB. P. ADAMS.

Messrs. DOBSON & MITCHELL, Macquarie-street.

(Copy.)

Hobart Town, 18th August, 1876.

DEAR SIR,

TASMANIAN MAIN LINE RAILWAY *v.* THE QUEEN.

YOUR letter of the 16th instant came duly to hand, and we immediately sent a copy of it to Mr. Grant, but he was then out of town. We have now seen Mr. Grant, and also the Attorney-General, on the subject of your letter, and have explained to the latter the position in which the Company is placed by the postponement of the trial from 22nd instant to 31st October next. We understand that Parliament is to meet for business on 12th September next, and is to be specially asked to take into consideration the railway question, but in what form we are not aware, nor has Mr. Grant ever been able to ascertain from the present or the late Government the particulars of their defence to his demand for the guaranteed interest. If it is seriously contended that the line is not constructed in accordance with the Contract when the train service and the high rate of speed demanded by the Colony is being performed in a thoroughly efficient and satisfactory manner, the Company has surely a right to expect that all objections to the railway on account of its alleged defective construction will be at once pointed out. We gather from the tone of your letter that you do not think it will be necessary for the Company to go to trial; if the Government is prepared to take any steps which will render it unnecessary to submit the points in dispute to a jury, which they must know cannot definitely decide the matter, we shall be glad to hear it.

We have, &c.

(Signed) DOBSON & MITCHELL.

R. P. ADAMS, Esq., Crown Solicitor.

(Copy.)

Crown Solicitor's Office, 19th August, 1876.

DEAR SIR,

TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED, *v.* THE QUEEN.

YOUR letter dated 18th instant was delivered at my office to-day in the course of the forenoon, and I hasten to suggest that you should re-peruse my letter of the 16th instant, as I am entirely at a loss to comprehend how you can draw the inference from the tone of my letter that I do not think it will be necessary for the Company to go to trial. Permit me to add, that I asked you a question which is unanswered by your letter, and I protest against the assumption you are pleased to make.

May I also venture to suggest that it will be more in consonance with the practice of legal firms if, when a matter is in course of litigation, your communications with respect to such matter are made to the Solicitor who, like yourselves, has the conduct of his client's business instead of to the principal.

I have, &c.

(Signed) ROB. P. ADAMS.

Messrs. DOBSON & MITCHELL, Macquarie-street.

Colonial Secretary's Office, Hobart Town, 23rd August, 1876.

SIR,

THE Manager of the Tasmanian Main Line Railway Company, Mr. C. H. Grant, having entered an Action in the Supreme Court of Tasmania against the Government for the recovery of interest alleged to be due to the Company under their Contract, the Government deem it their duty to resist the claim; and the cause will be heard at the Civil Sittings at Hobart Town commencing on the 31st October next.

You are aware that the case is one involving large and important interests; and I have now the honor to request that you will be good enough to sanction the attendance of Messieurs Whitton and Mason shortly before the 31st of October, as it is considered that their evidence will be of much importance to the Government in the conduct of the Crown defence.

Trusting that under the circumstances connected with this case you may be enabled to comply with the request of the Government of Tasmania,

I have, &c.

(Signed) THOS. REIBEY.

The Honorable the Colonial Secretary, New South Wales.

Similar to the Chief Secretary of Victoria, requesting the attendance of Messrs. Higinbotham and Greene.

Similar to the Colonial Secretary, Queensland, requesting the attendance of Mr. Stanley.

Similar to Chief Secretary, South Australia, requesting the attendance of Mr. Mais.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 6th September, 1876.*

SIR,

THE Honorable the Colonial Treasurer being reported to have stated in his election address at Longford that the Government would favour the principle of arbitration as the preferable manner of adjusting their differences with the Main Line Railway Company, Limited, I have instructed the Company's Solicitors to withdraw the Action now pending in the Law Courts—a decision in which would have benefited the Company had the case been tried on the 22nd of last month as they desired, but will be utterly useless to them if postponed until November; since whatever might be the result of such Action it could not definitively settle the questions at issue, or even serve to indicate the course of proceeding that would have that effect.

While the Company contend that they have entirely fulfilled the conditions of their Contract with the Colony, and have expended on the Railway a very large additional amount on that contemplated in the negotiation of the Contract, as its maximum cost, and that they have moreover for the past six months performed a much better train service than was stipulated as the full consideration for the guaranteed interest to be paid, they appreciate the difficulty caused by the Government having been professionally advised that the Contract is to some undefined extent not fulfilled.

Since no other course appears available by which the line may be kept running, and a prompt settlement of all disputes arrived at, the Company will submit to arbitrate them, and suggest, without prejudice, the under-mentioned terms as being probably the best and most equitable that can be framed, but they are quite willing to concur in any other conditions that will protect the interests of both parties.

1st. The Government to forthwith engage an Engineer on behalf of the Colony to examine the Main Line Railway and works, in conjunction with the Company's representative, and point out to the latter all the requirements of the Government, in order that the line may be made to fulfil their interpretation of the Contract.

2nd. The Company's representative to immediately execute all such works and repairs (if any) as the Engineer for the Colony may show to be necessary, and reasonably required by the terms of the Contract; and with regard to all works and repairs as to the necessity for which there shall be any dispute between them, such disputes to be referred to the Chief Engineer of New Zealand, and his decision to be binding upon both parties; and the Company to execute with all reasonable speed the works and repairs which such arbitrator shall award to be necessary under the Contract.

3rd. The Company to immediately complete their Station at Launceston, and regularly run their trains through to Launceston under the conditions as to payment of tolls and compensation agreed upon with the late Government in letters dated the 23rd March, 5th May, and 22nd and 25th August.

4th. The Government to pay the Company, without prejudice to any of the rights of the Colony under the Contract, the amount of the guaranteed interest so long as the train service is efficiently conducted; but should any expenditure of money be necessary in order that the second preceding article be properly fulfilled, and until such has been done, the whole of the interest money shall be expended in this Colony on the Railway, and no part thereof remitted to London.

I am informed by the Secretary of the Company in his last advices that the Directors complain of having no statement before them of the requirements of the Colony, or their probable cost; but if these could be positively settled and agreed to, the expense (if any) ascertained, and an assurance given that on their satisfactory fulfilment the guaranteed interest would be regularly paid, the Company would have little difficulty in procuring any necessary funds, since the security of their Contractors, and of the very substantial sureties under their Contract, would then be available to them, and, moreover, the financial assistance of the bondholders could be positively relied on.

Should the Government be unable to concur in an arbitration, no other course is possible to the Company than to close the line on the 30th instant, (after about twelve months efficient operation, when £18,678 6s. will be due to them), and after totally disbanding the staff, that I should advise personally with the Directors in London on the course that it is most advisable to adopt.

The closing of the line for the long period necessary to arrange the dispute in this manner implies its most serious injury, and even partial destruction, for which the Company would hold the Government responsible, as also for all the damages and loss in any way consequent upon the stoppage, or derived therefrom; since, having exhausted their present means in the construction of the line, and in the present unsettled condition of their affairs owing to the Government not having made known their requirements, and with the large sum of guaranteed interest owing to them, they are totally unable to provide the necessary funds with which to defray the excess cost of the working expenditure over receipts.

I have, &c.

(Signed) CHARLES H. GRANT, *General Manager.*

The Hon. THOS. REIBEY, M.H.A., Premier and Colonial Secretary.

123.

Colonial Secretary's Office, 8th September, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 6th instant, informing me that you had instructed the Company's Solicitors to withdraw the action between the Main Line Railway Company and the Government, now pending in the Law Courts, in consequence of the Colonial Treasurer having been reported to have stated in his election address at Longford that the Government would favour the principle of arbitration in the adjustment of differences between the Government and the Company; at the same time you inform me that any decision arrived at in the case upon the hearing at the time appointed, namely, November, would be utterly useless to the Company, a fact which no doubt duly weighed with you when deciding to withdraw the action.

You proceed in your letter to inform me that the Company, while contending that they have entirely fulfilled the conditions of their Contract, are prepared to submit to arbitration all points in dispute, and you suggest certain terms as being probably the best and most equitable that can be framed, though willing to concur in any other conditions that will protect the interests of both parties.

In reply, I have to inform you that the subject matter of your communication will receive the earnest and prompt consideration of His Excellency's responsible Advisers.

As regards the course the Company may decide upon pursuing in the event of your proposals not meeting with the concurrence of the Government, the responsibility of closing the Line, and the consequences of such a step, must rest entirely with the Company, inasmuch as the statement that on the 30th instant the sum of £18,678 6s. will be due to them assumes that the terms of the Contract have been complied with.

While the Government would much regret that the trains on the Main Line Railway should cease to run, they decline to recognise any liability arising from the adoption of a measure which could only become necessary by reason of the failure on the part of the Company to fulfil their Contract obligations.

I have, &c.

(Signed) THOS. REIBEY.

CHAS. H. GRANT, *Esq.*, General Manager
Main Line Railway Company.

124.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 11th September, 1876.*

SIR,

THE interests of the Tasmanian Main Line Railway Company, Limited, at the present most important juncture appear to me to require that my letter to you of the 6th instant should be immediately made public; I have, therefore, the honor to request your concurrence in this course unless you see any special objection thereto.

I have, &c.

(Signed) C. H. GRANT.

The Hon. Colonial Secretary.

125.

Colonial Secretary's Office, 11th September, 1876.

SIR,

IN reply to your letter of this day's date, requesting my concurrence in the publication of your letter of the 6th instant, I desire to assure you that I have no objection to its being printed at once in conjunction with the reply of the Government of the 8th.

I have, &c.

(Signed) THOS. REIBEY.

C. H. GRANT, *Esq.*, Manager Main Line Railway.

CORRESPONDENCE WITH THE HON. COLONIAL TREASURER.

(In continuation of Paper No. 32, of Session 1876, Page 80.)

126.

*Tasmanian Main Line Railway Company, Limited,
Engineer's Office, Hobart Town, 21st July, 1876.*

SIR,

ON the 12th instant I had the honor to forward an Abstract of the Receipts, &c. of the Main Line Railway Company for the Quarter ending the 30th June last, on which occasion I showed that the amount now due to the Railway Company is £10,677 9s. 1d., the payment of which was requested in accordance with the eighth Clause of the Contract.

The Company are in *most urgent* need of money with which to keep open the line and pay some very pressing accounts; I have, therefore, to request that you will kindly give my application the earliest possible consideration.

Should the examination of the accounts be likely to cause any delay in the payment of the interest, may I ask that a less sum of money should be immediately advanced, in order that the trains may not be stopped at a time when they are doing such good public service.

I have, &c.

(Signed) CHARLES H. GRANT.

The Hon. CHAS. MEREDITH, M.H.A., Colonial Treasurer.

91

127.

Colonial Treasury, 22nd July, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of yesterday, requesting that your application of the 12th instant, for interest to the 30th June last, may receive early attention at the hands of the Government; and in reply, I beg to inform you that the subject will be brought under the notice of my colleagues at an early date.

I have, &c.

(Signed) CHARLES MEREDITH, *Colonial Treasurer.*

C. H. GRANT, *Esq., T.M.L.R. Company.*

128.

Colonial Treasury Hobart Town, 25th July, 1876.

SIR,

WITH reference to your letter of the 21st instant, and my reply of the 22nd, I have now the honor to inform you that, after due consideration, His Excellency's Ministers are unable to accede to your request for the payment of the sum of £10,677 9s. 1d. to the Tasmanian Main Line Railway Company.

I have, &c.

(Signed) THOS. REIBEY, *for Colonial Treasurer, absent.*

C. H. GRANT, *Esq., Agent T.M.L.R.,
Liverpool-street.*

129.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 3rd August, 1876.*

SIR,

REFERRING to my letter of the 21st ultimo, and to your reply of the following date, I have the honor to inform you that the whole means at my disposal for keeping open the Main Line Railway will be exhausted with the payment of the wages due on Tuesday next, and that unless the Government are prepared to offer assistance in some form that the line must then be finally closed for traffic.

The Company consider that the sum of £10,500 is due to them, but are willing to accept of any sum that will keep the line open, on any condition the Government like to impose, and will do their best to maintain the present highly satisfactory train service.

The *Ly-ee-Moon* steamer leaves early to-morrow morning with cablegrams for Europe, and I most earnestly desire to telegraph my Directors whether the line will be closed or not; I trust therefore you will favour me with an answer to this application in the course of the day.

Should you be willing to confer with me on this matter, I shall be happy to attend on you immediately on receiving notice of an appointment.

I have, &c.

(Signed) CHARLES H. GRANT.

The Hon. CHARLES MEREDITH, M.H.A., Colonial Treasurer.

130.

Colonial Treasury, 9th August, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your communication of the 3rd instant, which duly reached the Treasury on the following day, requesting the Government to grant your Company some pecuniary assistance to aid in maintaining the present train service.

In reply, I beg to assure you that the subject has again received the most careful and earnest consideration on the part of the Government; and I have now to inform you that His Excellency's Ministers are not prepared to recommend any departure from the decision conveyed to you in my letter of the 25th ultimo.

I have, &c.

(Signed) CHARLES MEREDITH.

C. H. GRANT, *Esq., Agent T.M.L.R. Company.*

131.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 22nd August, 1876.*

SIR,

I HAVE the honor to address you respecting the carriage of the mails on the Main Line Railway, which the Main Line Railway Company consider should, *under the terms of the Contract*, have been transferred to them on the opening of the complete line in March last.

At that time the Company were running a night train with the express object of providing for the mail service. This I announced to your honorable predecessor, and often stated to him the very great injustice done the Company by continuing the subsidy to a rival mode of conveyance. The carriage of mails has always been relied upon by the Company as a sure and permanent source of revenue, and therefore the Company severely feel and protest against the action of the late Government.

On this occasion I desire to renew the assurances formerly given that the Company are prepared to make every necessary arrangement for the proper and efficient conduct of the mail service, and shall feel obliged by your stating your requirements in this respect.

I have, &c.

(Signed) CHARLES H. GRANT, *General Manager.*

The Hon. CHAS. MEREDITH, Postmaster-General.

132.

Colonial Treasury, Hobart Town, 1st September, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 22nd instant, in reference to the conveyance of mails by the Main Line Railway Company.

I beg to state, in reply that, when the Railway Company has completed the line through to Launceston according to Contract, the Government will be prepared to enter into negotiations with the Company for carrying the mails under the provisions of the schedule of the Contract: in the meantime, if the Company has any offer to make on the subject the Government will give it full consideration.

I have, &c.

(Signed) CHARLES MEREDITH, *Colonial Treasurer.*

C. H. GRANT, *Esq., Agent T.M.L.R. Company.*

133.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 4th September, 1876.*

SIR,

I HAVE the honor to acknowledge the due receipt of your letter of the 2nd instant, and to thank you for the assurance that if the Main Line Company has any offer to make respecting the carriage of the Mails the Government will give it full consideration.

In reply, I have to repeat the statement made to the Hon. the Colonial Secretary in my letter of the 21st July, 1875, that the Company consider the carriage of the Mails a most important condition of their Contract, obligatory on both the contracting parties, and would be glad to know what arrangements would be preferred by the Government as to their delivery from the Railway Stations to the Townships, and for a reply to the other queries contained in such letter.

The Company are prepared to immediately establish a night train for the carriage of the Mails, running at such times as the Government may determine, in pursuance of the powers vested in them under the Contract; and would arrange for suitable conveyances to convey the Mails from Oatlands Station to the Post Office in the Township, and from Evandale Junction to Launceston, because such would also afford a much desired public accommodation.

After the 1st October next the Company will, for twelve months as arranged, run all their trains into Launceston, and can then offer every necessary facility for the carriage of letters twice daily. They trust, therefore, that by that date they will have been enabled to arrange with you for the transfer of the Mail Service to them on the terms of the Contract between the Government and the Company.

In the earnest hope that you will immediately favour me with the expression of your views on a subject of such extreme importance to the Company, and assuring you of our earnest desire to meet them in every possible manner,

I have, &c.

(Signed) CHARLES H. GRANT, *General Manager.*

*The Hon. CHARLES MEREDITH, M.H.A., Colonial
Treasurer and Postmaster-General.*

134.

Colonial Treasury, 6th September, 1876.

SIR,

I HAVE the honor of acknowledging your letter of the 4th instant, which reached the Treasury to-day, in reference to the carriage of Mails by the Main Line Railway Company.

From the tone of your communication I fear that you have misinterpreted the meaning of the concluding paragraph to my letter of the 1st instant, which states that "in the meantime if the Company has any offer to make on the subject the Government will give it full consideration." I desire to explain that this had no reference to any proposal from the Company for service in the present condition of the line, but simply to intimate that the Government would be prepared to consider any scheme submitted for the performance of the Mail Service, which could only be definitely agreed to on completion of the line through to Launceston in accordance with the terms of the Contract.

I have, &c.

(Signed) CHARLES MEREDITH.

C. H. GRANT, *Esq., Agent T.M.L.R. Co.*

135.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 9th September, 1876.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 6th instant, in which you explain your previous communication to mean that the Government could only arrange with the Company for the Mail Service on the completion of the line through to Launceston in accordance with the terms of the Contract. It may be unnecessary, but to avoid any possibility of misunderstanding, I write to explain that the Company consider, and are professionally advised by the very highest legal authority, that their Contract with the Government does not require that the Main Line should run to Launceston, but only to Evandale Junction; and further that the Company claim the right under the Contract to have had the Mail Service, with all its contingent advantages, since the opening of the line on the 13th day of March last.

I have, &c.

(Signed) CHARLES H. GRANT.

The Hon. CHARLES MEREDITH, M.H.A., Colonial Treasurer.

POWERS OF ATTORNEY.

RECEIVED the sum of Five Pounds penalty on stamping this Power of Attorney.

GEO. PATTEN ADAMS,
Collector of Stamp Duties
18th June 1875.

A.

To ALL TO WHOM these presents shall come unto or concern The
Tasmanian Main Line Railway Company Limited, Send Greeting.

WHEREAS the Tasmanian Main Line Railway Company Limited hereinafter called the Company is a Joint Stock Company duly established and incorporated on the seventeenth day of March one thousand eight hundred and seventy in England under the provisions of the Act 25 and 26 Victoria cap. 89 the short title of which is "The Companies Act 1862" AND WHEREAS a contract in writing has been duly made and entered into between His Excellency CHARLES DU CANE Esquire Governor of Tasmania in pursuance and exercise of the powers given him by certain Acts of the Tasmanian Parliament and the Company whereby it has been provided that the Company shall construct maintain and work a Main Line of Railway between Hobart Town and Launceston or between Hobart Town and any point on the Launceston and Western Railway with running powers over that Railway to Launceston subject to and in accordance with the conditions in the said Contract mentioned or referred to but with power to add to alter and vary such conditions as in such Contract is mentioned And by the said Contract the Governor had conferred upon the Company various powers and privileges immunities and guarantees and especially has guaranteed to the Company interest at the rate of Five Pounds per cent. upon the money actually expended in and for the purpose of the construction of the said Main Line of Railway up to and not exceeding the sum of Six hundred and fifty thousand Pounds during four years of the period of construction commencing from the date of the Contract and for a period of thirty years from the opening of the entire line for traffic And by the said Contract it is provided amongst other things as follows:—

The Company shall pay into the Bank of New South Wales in London or some other Bank approved of by the Governor to the credit of the Company the money raised by them for the construction of the said Railway as the progress of the works may require and such sums of not less than Twenty-five thousand Pounds in amount and shall bear interest at the specified rate from the date at which they are paid in.

Not more than Two hundred and fifty thousand Pounds shall be paid into the said Bank in any one year and no greater sum than One hundred thousand Pounds shall be kept idle at the Bank from a period not exceeding three months.

The Company shall with each payment forward to the Colonial Secretary to his office in Hobart Town a receipt from the Manager of the said Bank showing that the money has been duly paid to the credit of the Company and before the interest is actually paid by the Governor shall produce to him or whom he may appoint vouchers or documents showing that the money within the limitation named has been actually expended for the purposes of the construction of the said Railway. The interest will be paid in cash quarterly to the Company's Bankers in Hobart Town.

And by Clause 25 of such Contract it is provided as follows:—

"The Company shall before receiving any interest under this Agreement be incorporated in Tasmania or otherwise made capable of suing and being sued in Tasmania."

And whereas the Company have entered into a Contract or Contracts with Edwin Clark and William Henry Punchard Engineers and Contractors of Westminster Chambers Victoria Street in the County of Middlesex for the execution of the works the subject of the said recited Contract so entered into between the Company and the said Governor as above mentioned. And whereas in pursuance of the said recited provisions contained in the Contract so entered into between the Company and the said Governor as above mentioned the Company have already paid large sums of money into the New South Wales Bank mentioned in such Contract and will from time to time during the construction of the said Main Line of Railway pay large sums of money into the said Bank. And whereas the Company are desirous of doing all things which may be necessary or expedient to enable them to receive the interest which will from time to time be payable to them in consequence of the said Guarantee of the Governor contained in the said recited Contract so entered into between the Company and the Governor as aforesaid. And whereas the Company on the nineteenth April One thousand eight hundred and seventy-two appointed Audley Coote Esquire to be their Attorney for the purposes mentioned in a certain Power of Attorney of that date but are now desirous of appointing Mr. Charles Henry Grant their present Engineer in Tasmania to be their Attorney in lieu of the said Audley Coote. Now these presents witness that the Company doth hereby revoke and make void the

Stamped in my presence this eighteenth day of June, 1875.

(Signed) GEO. PATTEN ADAMS.

Stamp

Five Shillings.

This is the Power of Attorney marked with the letter A referred to in the Declaration of William Jesse Parry made this 18th day of November 1874 Before me

(Signed) D. H. STONE, Lord Mayor, London.

Stamp

One Shilling.

powers conferred by them upon the said Audley Coote by virtue of the said Power of Attorney of the nineteenth April One thousand eight hundred and seventy-two or otherwise and do hereby nominate and appoint the said Charles Henry Grant the Attorney of the Company for all or any of the purposes following that is to say,

To appear before any Judges magistrates or other officers in any Court or Courts in Tasmania and then and there or otherwise to commence sue and prosecute to judgment and execution all such actions suits and proceedings whether legal or equitable as the Company may from time to time desire to commence sue or prosecute in Tasmania and also to appear plead to and answer or otherwise defend on behalf of the Company all and any action suit or other proceeding which may be commenced or prescribed against the Company in Tasmania by any person or persons Government official or Corporation whomsoever and whatsoever. Also to submit all or any difference or dispute which may arise between the Company and any other person or persons Government official Corporation or Company to Arbitration in such manner as the said Attorney shall think fit.

Also in accordance with such written instructions as shall be from time to time duly signed on behalf of the Company and transmitted to and received by the said Charles Henry Grant but not further or otherwise to discontinue compound settle or compromise all and such action suit proceeding difference or dispute upon such terms and conditions if any as may from time to time be prescribed in such written instructions and if no terms or conditions shall be so prescribed then upon such terms and conditions as to the said Charles Henry Grant shall seem reasonable or expedient. And also to do all such other Acts deeds matters and things not connected with the execution of works or which Messrs. Clark and Punchard have undertaken or shall hereafter undertake to do and perform as shall be necessary for the purpose of enabling the Company to receive all interest which may from time to time be payable to the Company by from or on account or behalf of the Governor or Government of Tasmania or otherwise under or in accordance with the said recited Contract so entered into between the Company and the said Governor as above mentioned. And the Company hereby agree and covenant on behalf of the Company and its successors to ratify allow and confirm whatsoever the said Charles Henry Grant shall do or cause to be done or purport to do or cause to be done in and about the premises by virtue of these presents.

IN WITNESS whereof the said Company have hereunto affixed their common Seal this twelfth day of November One thousand eight hundred and seventy-four.

Sealed with the common Seal of The Tasmanian
Main Line Railway Company Limited by
order of the Board of Directors in the presence
of

(L.S.)

(Signed) GEORGE SHEWARD,
Chairman of the Company.

J. B. DAVISON,
Secretary.

WM. J. PERRY
*Clerk to Messrs. Wilson & Co.
1 Copthall Buildings, London, Solrs.*

To ALL TO WHOM these Presents shall come I DAVID HENRY STONE Lord Mayor of the City of London DO HEREBY CERTIFY that on the day of the date hereof personally came and appeared before me WILLIAM JESSE PARRY the Declarant named in the Declaration hereunto annexed and by Solemn Declaration which the said Declarant then made before me in due form of Law did solemnly and sincerely declare to be true the several matters and things mentioned and contained in the said annexed Declaration.

(L.S.)

IN FAITH AND TESTIMONY whereof I the said Lord Mayor have hereunto signed my name and caused the Seal of the Office of Mayoralty of the said City of London to be hereunto put and affixed and the Power of Attorney marked A mentioned and referred to in and by the said Declaration to be hereunto also annexed Dated in London the thirteenth day of November in the year of our Lord One thousand eight hundred and seventy-four.

(Signed) D. H. STONE, *Mayor.*

(Signed) RICHD. J. PAWLEY,
Deputy Registrar.

Stamp
2s. 6d.

Stamp
1s. 6d.

I WILLIAM JESSE PARRY of No. 1 Copthall Buildings in the City of London Clerk to Messieurs Wilson Bristows and Carpmael of the same place do solemnly and sincerely declare that on Thursday the twelfth day of November one thousand eight hundred and seventy-four I was present together with JAMES BORWICK DAVISON of No. 113 Cannon-street in the City of London Secretary to the Tasmanian Main Line Railway Company Limited and did then see the Common Seal of the said Tasmanian Main Line Railway Company Limited the constituents named in the Power of Attorney hereunto annexed and marked with the letter A duly affixed to the said Power of Attorney in the presence of the said James Borwick Davison and myself and that the seal affixed to the said Power of Attorney as the Seal of the Company executing the same is the Common Seal of the said Tasmanian Main Line Railway Company Limited and the names "J. B. Davison" and "Wm. J. Parry" subscribed thereto as the names of the witnesses attesting the execution thereof are of the respective handwritings of the said James Borwick Davison and of me the Declarant AND I MAKE this solemn Declaration conscientiously believing the same to be true and by virtue of the provisions of an Act made and passed in the sixth year of the reign of His late Majesty King William the Fourth intituled an Act to repeal an Act of the present Session of Parliament intituled "An Act for the more effectual abolition of Oaths and Affirmations taken and made in the various Departments of the State and to substitute Declarations in lieu thereof and for the more entire suppression of voluntary and extra-judicial Oaths and Affidavits and to make other provisions for the abolition of unnecessary Oaths."

Declared at the Mansion House in the City
of London this thirteenth day of No- } (Signed) WM. J. PARRY.
vember 1874 before me.

(Signed) D. H. STONE, *Lord Mayor, London.*

[Endorse.]

Dated the 12th November, 1874.

TASMANIAN MAIN LINE RAILWAY
COMPANY, LIMITED,
TO
CHARLES HENRY GRANT, ESQUIRE.

POWER OF ATTORNEY.

Copy.

Filed and registered this eighteenth day of June one
thousand eight hundred and seventy-five by Henry
Dobson of Hobart Town, Solicitor.

(Signed) GEO. PATTEN ADAMS.
Regd. of Deeds
No. 1432

ARRIVED in Tasmania 7th May, 1873, and stamped in my presence this fourth day of June, 1873.

GEO. PATTEN ADAMS,
Collector of Stamp Duties.

Stamp

5s.

A

TO ALL TO WHOM THESE PRESENTS SHALL COME.

THE TASMANIAN MAIN LINE RAILWAY COMPANY LIMITED hereinafter called "the Company" SEND GREETING

WHEREAS the Company have already duly constituted CHARLES H GRANT of Hobart Town their Chief Engineer in Tasmania and they are desirous of conferring upon him the powers and authorities hereinafter expressed NOW KNOW YE that the Company do hereby make ordain constitute and appoint the said CHARLES H GRANT to be the true and lawful Attorney of the Company in Tasmania with power from time to time to act in Tasmania on behalf of the Company and in the name of the Company or otherwise for all each or any of the following purposes that is to say To exercise all powers given to or conferred upon the Company and requiring to be exercised either for the purchase or taking of land or otherwise in or for the construction of the TASMANIAN MAIN LINE RAILWAY or the works connected therewith and for the purposes aforesaid or any of them or for any purpose connected with the making or construction of the said Railway or the works connected therewith or incidental thereto to make sign seal execute and deliver for and on the behalf and in the name and as the act and deed of the Company all such Deeds Instruments and Writings and do execute and perform all such acts and things as their Attorney shall consider proper or expedient The Company hereby agreeing to confirm whatsoever the said Attorney shall lawfully do by virtue hereof IN WITNESS whereof the said TASMANIAN MAIN LINE RAILWAY COMPANY LIMITED have hereunto affixed their common Seal on the Fourth day of March one thousand eight hundred and seventy-three.

This is the Exhibit marked A referred to in the declaration of Henry Anderson Bryden made before me this 5th day of March 1873
SYDNEY H. WATERLOW
Lord Mayor.

Stamp

1s.

THE Common Seal of the Tasmanian Main Line Railway Company was on the day of the date of the above-written Power of Attorney duly affixed thereto in our presence in pursuance of a Resolution of the Board of Directors ordering the said Seal to be affixed thereto.

GEORGE SHEWARD *Chairman.*

J. B. DAVISON *Secretary.*

(L.S.)

H. A BRYDEN—*Clerk to Messrs WILSON BRISTOWS & CARPMAEL
No. 1 Copthall Buildings London Solicitors.*

TO ALL TO WHOM these Presents shall come I Sir SYDNEY HEDLEY WATERLOW Knight Lord Mayor of the City of London Do HEREBY CERTIFY that on the day of the Date hereof personally came and appeared before me HENRY ANDERSON BRYDEN the Declarant named in the Declaration hereunto annexed and by Solemn Declaration which the said Declarant then made before me in due form of Law did solemnly and sincerely declare to be true the several matters and things mentioned and contained in the said annexed Declaration.

(L.S.)

IN FAITH AND TESTIMONY whereof I the said Lord Mayor have hereunto signed my name and caused the Seal of the Office of Mayoralty of the said City of London to be hereunto put and affixed and the Power of Attorney marked A mentioned and referred to in and by the said Declaration to be hereunto also annexed—DATED in London the fifth day of March in the year of our Lord one thousand eight hundred and seventy-three.

SYDNEY H. WATERLOW *Mayor.*
RICH. J. PAWLEY *Depy. Registrar.*

Stamp
2s. 6d.

I HENRY ANDERSON BRYDEN of No 1 Copthall Buildings in the City of London in England clerk to Messieurs Wilson Bristows and Carpmael of the same place Solicitors do solemnly and sincerely declare that on Tuesday the fourth day of March one thousand eight hundred and seventy-three I was present together with GEORGE SHEWARD and JAMES BORWICK DAVISON and did then see the Common Seal of the Tasmanian Main Line Railway Company Limited affixed to the Power of Attorney hereunto annexed and marked with the letter A in the presence of the said GEORGE SHEWARD the Chairman of the said Company and JAMES BORWICK DAVISON the Secretary of the said Company and myself and that the Seal affixed to the said Power of Attorney as being the Seal of the Company executing the same is the common seal of the Tasmanian Main Line Railway Company Limited and that the same was so affixed in pursuance of an order of the Board of Directors of the said Company and that the names "George Sheward" "J. B. Davison" and "H. A. Bryden" subscribed to the said Power of Attorney as the names of the witnesses attesting the execution thereof are of the respective handwritings of the said George Sheward James Borwick Davidson and of me the Declarant AND I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of an Act made and passed in the sixth year of the reign of His late Majesty King William the Fourth intituled "An Act to repeal an Act of the present Session of Parliament intituled "An Act for the more effectual abolition of Oaths and affirmations taken and made in various Departments of the State and to substitute Declarations in lieu thereof and for the more entire suppression of voluntary and extra-judicial Oaths and Affidavits and to make other provisions for the abolition of unnecessary Oaths."

H. A. BRYDEN.

Declared at the Mansion House in the City of London this
5th day of March 1873 Before me

SYDNEY H. WATERLOW, *Lord Mayor.*

Stamp
1s.

[Endorse.]

Dated March 1873.

THE TASMANIAN MAIN LINE RAILWAY
COMPANY

(LIMITED)

TO

MR. CHAS. H. GRANT

Copy

POWER OF ATTORNEY.

Filed and registered this 4th day of June 1873 by
HENRY DOBSON of Hobart Town Solicitor.

GEO. PATTEN ADAMS
Regr of Deeds

No. 1262

ARRIVED in Tasmania the sixth day of April 1876 and stamped in my presence this twenty-ninth day of April, 1876.

(Sd.) GEO. PATTEN ADAMS,
Collector of Stamp Duties.

A

TO ALL TO WHOM THESE PRESENTS SHALL COME UNTO OR CONCERN

THE TASMANIAN MAIN LINE RAILWAY COMPANY LIMITED Sends Greeting.

WHEREAS by a Letter or Power of Attorney under the Seal of the said Company bearing date the twelfth day of November One thousand eight hundred and seventy-four the Company constituted CHARLES HENRY GRANT Esquire therein described to be their Attorney for the purposes and with the powers in such instrument expressed AND WHEREAS by another Letter or Power of Attorney under the seal of the said Company bearing date the ninth day of July One thousand eight hundred and seventy-five the Company by way of confirmation or extension of the powers already given to and exerciseable by the said CHARLES HENRY GRANT under and by virtue of the said Instrument of the twelfth day of November One thousand eight hundred and seventy-four and fully recognising the same as being and continuing in full force and effect nominated and appointed the said CHARLES HENRY GRANT to be the Attorney of the said Company for all or any of the additional purposes and with the additional powers in the said Instrument now in recital expressed. AND WHEREAS neither of the said Instruments enables the said CHARLES HENRY GRANT to delegate to any other person any of the powers thereby given to him and it is considered by the Directors of the Company that it would be proper and expedient and for the benefit of the Company that a power of delegation should be given to and exerciseable by him to such extent and under such conditions as hereinafter expressed and a Resolution to that effect which is appended at the foot hereof has been passed at a Board Meeting of the Directors of the Company held on the seventeenth day of February One thousand eight hundred and seventy-six. NOW THEREFORE these Presents Witness that the said TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED, Do hereby in addition to the powers already conferred on the said CHARLES HENRY GRANT by the hereinbefore recited powers of Attorney of the twelfth day of November One thousand eight hundred and seventy-four and the ninth day of July One thousand eight hundred and seventy-five authorise and empower the said CHARLES HENRY GRANT to delegate either revocably or irrevocably to any other person or persons being and whilst continuing to be resident or residents in Tasmania all or any of the powers given to or conferred upon him by either of the said Instruments so that such person or persons shall and may exercise the powers so to be delegated whilst but only whilst the said CHARLES HENRY GRANT shall be himself absent from Tasmania and for such purposes to nominate or appoint the person or persons to whom such powers shall be delegated to be an Attorney or Attornies of and for the Company in lieu and substitution for the said CHARLES HENRY GRANT with the powers so to be delegated and with full power to exercise the same the said TASMANIAN MAIN LINE RAILWAY COMPANY LIMITED hereby recognizing and declaring that all the powers given to the said CHARLES HENRY GRANT by the said Instruments are and remain in full force and effect and that all and whatsoever any such substitute or substitutes shall in virtue of and to the extent of the powers so to be delegated to him or them by the said CHARLES HENRY GRANT do cause or suffer to be done shall be of the same force and effect and as binding and conclusive upon and against the Company as if the same had been done or caused or suffered to be done by the said CHARLES HENRY GRANT himself in his own proper person. IN WITNESS whereof the said TASMANIAN MAIN LINE RAILWAY COMPANY has hereunto fixed its Common Seal the seventeenth day of February One thousand eight hundred and seventy-six.

The Common Seal of the said Company
was hereunto affixed in the presence of

(L.S.)

(Signed) J. B. DAVISON, *Secretary*.

ALFRED CARPMAN, *Solicitor*.

COPY Resolution referred to in the foregoing Indenture

UPON reading and considering a Letter from Mr. Charles Henry Grant dated the twenty-seventh day of December, One thousand eight hundred and seventy-five.

Resolved that it would be expedient and proper and for the benefit of the Company that Mr. Charles Henry Grant should be able to delegate his powers as Attorney for the Company whilst he is absent from Tasmania and that the seal of the Company be affixed to the Instrument prepared and submitted to the Board by the Solicitors of the Company for conferring upon him such power.

This is the Power of Attorney marked with the Letter A referred to in the Declaration of
James Borwick Davison made this 18th day of February 1876 Before me
W. J. R. COTTON Lord Mayor London.

Stamp
Five Shillings.

Stamp
One Shilling.

[Endorse.]

Dated 17th February, 1876.

THE TASMANIAN MAIN LINE RAILWAY
COMPANY LIMITED

TO

CHAS. HY. GRANT, ESQUIRE.

POWER

TO

Mr. C. H. GRANT TO DELEGATE HIS POWER
DURING HIS ABSENCE FROM TASMANIA.

Filed and registered this 29th day of April 1876 by
Messrs Dobson & Mitchell of Hobart Town Solicitors.

(Sd.) GEO. PATTEN ADAMS
Regr of Deeds

Entd.

Sd. G M

1495

TO ALL TO WHOM these presents shall come I WILLIAM JAMES RICHMOND COTTON Lord Mayor of the City of London DO HEREBY CERTIFY that on the day of the date hereof personally came and appeared before me said JAMES BORWICK DAVISON the Declarant named in the Declaration hereunto annexed and by Solemn Declaration which the said Declarant then made before me in due form of Law did solemnly and sincerely declare to be true the several matters and things mentioned and contained in the said annexed Declaration.

(L.S.)

IN FAITH AND TESTIMONY whereof I the said Lord Mayor have hereunto signed my name and caused the Seal of the Office of Mayoralty of the said City of London to be hereunto put and affixed and the Power of Attorney marked A mentioned and referred to in and by the said Declaration to be hereunto also annexed. Dated in London the eighteenth day of February in the Year of our Lord One thousand eight hundred and seventy-six.

(Signed) W. J. R. COTTON, *Mayor*.(Signed) FRED. C. SYDNEY, *Deputy Registrar*.

Stamp

2s. 6d.

I JAMES BORWICK DAVISON of 113 Cannon-street in the City of London Secretary to the Tasmanian Main Line Railway Company Limited do solemnly and sincerely declare that on Thursday the seventeenth day of February One thousand eight hundred and seventy-six I was present together with ALFRED CARPMAEL a member of the firm of Wilson Bristows and Carpmael 1 Copthall Buildings in the said City of London Solicitors to the above-named Company and did then see the Seal of the Tasmanian Main Line Railway Company Limited the Constituents named in the Power of Attorney hereunto annexed and marked with the letter "A" duly affixed to the said Power of Attorney in the presence of the said Alfred Carpmael and of me the Declarant and that the said Seal purports to be and is the Common Seal of the said Tasmanian Main Line Railway Company Limited and the names "J. B. Davison" and "Alfred Carpmael" subscribed thereto as the names of the Witnesses attesting the execution thereof are of the respective handwritings of the said Alfred Carpmael and of me the said Declarant AND I MAKE this Solemn Declaration conscientiously believing the same to be true and by virtue of the provisions of an Act made and passed in the Sixth year of the reign of His late Majesty King William the Fourth intituled "Act for the more effectual abolition of oaths and affirmations taken and made in various Departments of the State and to substitute declarations in lieu thereof and for the more entire suppression of voluntary and extra-judicial oaths and affidavits and to make other provisions for the abolition of unnecessary oaths."

(Sd.) J. B. DAVISON.

Declared at the Mansion House in the City
of London this eighteenth day of Feb-
ruary, 1876. Before me

(Sd.) W. J. R. COTTON, *Lord Mayor, London*.

JAMES BARNARD,
GOVERNMENT PRINTER, TASMANIA.

MAIN LINE RAILWAY.

Additional Correspondence in continuation of Paper No. 32.

[Laid upon the Table by Mr. Chapman, and ordered by the Council to be printed, October 25, 1876.]

[133.]

CLOSING OF THE TASMANIAN MAIN LINE RAILWAY.

PUBLIC NOTICE.

THE Colony of Tasmania having incurred a debt to the Main Line Railway Company, amounting at this date to about £17,000, for their faithful performance during the past seven months of even more than the Contract obligations, and the Company being refused the payment (or loan at interest, and made without prejudice to the rights of either party) of even a small portion of this sum, and no reasonable explanation being given for such a total repudiation, made in the face of all the benefits and advantages derived by the Colony from the Railway, the Company have the deepest regret in announcing that their whole resources are now exhausted, thus debarring them from the continued fulfilment of such an one-sided arrangement, and that the Line must be PERMANENTLY CLOSED after SATURDAY, the 28th instant, and can only be re-opened when some appreciation is shown of the just contract rights of the Company.

The payment of only a small part of the money expended by the Company in providing during the past seven months efficient Train Service, which has been pronounced highly satisfactory by all who have availed themselves of it, would enable the Company to keep the Trains running until the Government inform themselves and the Company, through the medium of a Colonial Engineer-in-Chief, what they may, under such advice, consider to be required, in order to make the Railway fulfil their own interpretation of the contract.

It will be remembered that the Passenger Train Service has been continuous for more than 12 months, and that the Line was previously much used for the transport of heavy goods. It has, therefore, been thoroughly tested by the unquestionable *result of a long practical working*,

Arrangements being now completed with the Government for the Main Line Trains to run into the new Station at Launceston, the regular Trains will *travel through between Hobart Town and Launceston*, from MONDAY, the 23rd, to SATURDAY, the 28th inst. All Passengers and Freighters, wishing to avail themselves of the Railway before its final closing, are requested to do so at once. The extra Freight Train running daily (in addition to the regular Express and Mixed Trains) will also go through to Launceston on account of the heavy traffic requirements.

By Order,

C. H. GRANT, *General Manager.**Main Line Railway Offices, 14th October, 1876.*

[134.]

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 14th October, 1876.*

SIR,

NOTICING the result of a division in the Legislative Council last evening on the question of granting aid to the Main Line Railway Company, I have the honor to address you respecting the position of the Company, being now driven to the extreme course of closing the Line for public traffic, and discharging the whole of the employes.

Relying upon Parliament to afford the Company the small amount of help I requested, I obtained the assistance of the Company's Bankers for a limited amount, which has now been expended, and any extension of credit has been positively refused. I am therefore without the means (except on my personal guarantee) to pay the Company's servants their fortnightly wages, due on Tuesday next, and thereafter; and since the expenses continue to exceed the traffic receipts it would not be right to retain the services of those I am unable to remunerate. They must therefore be discharged in the shortest time that is legally possible, and the line finally closed, unless financial assistance is meanwhile rendered.

On behalf of the Company I have therefore to request that you will endeavour to obtain the consent of Parliament to afford such assistance to the Main Line Railway Company as will keep the trains running; the amount necessary for this being Six thousand Pounds advanced at once, and a payment at the rate of about One thousand five hundred Pounds per month, to make up the loss in working the line, so long as the train service is efficiently conducted. The terms of the loan to be such as Parliament or Government may choose to impose, providing that the Contract rights of neither party are impaired. If I could depend upon such assurance being given, I would use every possible effort towards keeping the Railway open, otherwise the Main Line Railway will practically cease to exist; and can only be revived after an enormous expenditure has been incurred in various ways and in reconstructing the works, which must fall into decay when not maintained under constant supervision.

I have, &c.

(Signed) CHARLES H. GRANT.

The Hon. THOS. REIBEY, M.H.A., Colonial Secretary.

[135.]

Colonial Secretary's Office, Hobart Town, 17th October, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 14th instant, informing me that, relying upon Parliament affording assistance to the Main Line Railway Company, you obtained the aid of the Company's banker for a limited amount, which has now been expended, and that consequent upon the result of the division in the Legislative Council on Friday evening last, on the question of granting aid to the Company, you are now driven to the extreme course of closing the Line for public traffic, and discharging the whole of the employes on the shortest time that is legally possible unless financial assistance is meanwhile rendered.

On behalf of the Company you request that I will endeavour to obtain the concurrence of Parliament in affording the Main Line Company such assistance as will keep the Trains running, which, according to your estimate, is a sum not less than £6000, together with an advance at the rate of £1500 per month so long as the Train service is efficiently conducted; the loan to be on such terms as Parliament or Government may chose to impose, providing that the Contract rights of neither party are impaired.

In reply I have to inform you that the Government will be prepared to submit this your definite appeal for assistance on behalf of the Main Line Railway Company for the favorable consideration of Parliament without unnecessary delay.

I have, &c.

(Signed) THOS. REIBEY.

C. H. GRANT, *Esquire, Manager Main Line Railway.*

MAIN LINE RAILWAY.

Additional Correspondence in continuation of Paper No. 32.

136.

No. 69, Macquarie-street, Hobart Town, 2nd October, 1876.

SIR,

I READ in the press reports of the 28th instant that the Honorable T. D. Chapman has in his place in Parliament, in excessively strong language, charged the Manager of the Main Line Railway with making the statement that the Government claimed £10,000 per annum for the exercise by the Main Line Railway Company of their running powers over the Launceston and Western Railway, well knowing this to be totally untrue, and in every way contrary to the facts.

As the primary responsibility of this statement rests with me, it is only fair to Mr. Grant that I should explain how it originated, and it will then be clearly seen that Mr. Chapman's charges of falsehood against Mr. Grant are entirely without foundation.

On the 27th May, 1875, Mr. Grant and myself met the Honorable Members of the Executive Government on the subject of the arbitration in reference to the tolls payable for the running powers above mentioned, when we were informed that the execution of an agreement of reference must be a preliminary condition for such arbitration, but Mr. Grant asserted that any such deed was unnecessary and inexpedient, and that in assenting thereto he must reserve all the Company's rights under the Contract. The meeting was then adjourned to the following day, on the understanding that I was to see the Honorable Attorney-General in the meanwhile respecting this deed, and arrange, if possible, terms that would be mutually satisfactory.

At such interview I was informed, when quoting statements I had heard, that the Government had no desire to conceal their information; and that they were advised that the claim against the Main Line Railway Company for the exercise of the running powers was from £7000 to £10,000 per annum, and that calculations made in four or five different ways gave these figures, which included £5000 for "tolls," over £2000 for "compensation" in respect of the abstraction of traffic from the Launceston and Western Railway at Perth and Evandale, &c., and a proportion of the annual subsidy guaranteed to be paid by the Government to the Main Line Company, being a twelfth of £32,500 (say £2705), which latter claim the Attorney-General stated Mr. Lord had always advised the Government to make. It will thus be seen that the precise figures named by the Attorney-General amount to almost the larger sum of £10,000. These statements were communicated by me to Mr. Grant, and being made by the Attorney-General under the circumstances before mentioned, and on the eve of arbitration, were received by my client as the claim which the Government would contend for before the Arbitrators; but there was nothing new to Mr. Grant in the figures, since they had often previously been unofficially discussed, and their excessive amount was the sole reason why he deemed it necessary to carefully reserve the optional privilege given by the Contract of delivering the Main Line Traffic at Evandale.

When Mr. Chapman made the charge against Mr. Grant before referred to, he must have remembered the views of his late colleagues, and he had the figures here quoted before him, and was also aware that the late Attorney-General had communicated them to me; it therefore appears very disingenuous that he should strive to make it appear that the claim of the Government had always been limited to £5000 or £6000, since nothing but sums varying from £7000 to £10,000 had at that time been mentioned, and it could only have been Mr. Grant's determined resistance that reduced the claim, when made, to the more moderate amount of £5000 per annum.

By the printed correspondence it will be found that Mr. Grant wrote the Colonial Secretary, Mr. Chapman, on the 15th June, 1875, asking that the claim of the Government should be communicated in writing, and on the 30th June was promised that it should be named "as early as practicable." Mr. Grant wrote again on the 6th July, 3rd, 14th, and 18th August, 30th September, 15th October, 1875, and the 19th February, 1876, for the same information; and it was only after these numerous applications that, on the 23rd of the last-named month, the Government made the written demand of £5000 for the use of the Launceston and Western Railway between Evandale and Launceston.

Mr. Chapman's statements imply that the sum of £6000 only had been claimed from the Company in 1874 and 1875, when the fact is that the Company received no intimation whatever of any such amount being claimed, and had only heard of the larger figures already quoted.

It will doubtless be satisfactory to my clients to learn that the first claim of £10,000 per annum is so strongly repudiated by a late member of the Government as being grossly extortionate; and to some extent justifies their opinion that at no distant date the claim last made will also be considered exorbitant.

Mr. Chapman is also reported to have charged the Company with endeavouring to raise money upon £400,000 of their share capital by false pretences, in asserting that this stock was guaranteed by the Government, when in fact there was no such guarantee; and in support of this charge he appears to have read a paragraph from the *Times*, the latter part of which concludes as follows:—

“The Capital consists of £650,000 in Debentures, which bear a guarantee of £5 per cent. from the Tasmanian Government, and of the £400,000 ordinary shares now offered, on which 6 per cent. is guaranteed by the Contractors until the opening, and for one year thereafter.”

It will puzzle any intelligent reader to see anything in Mr. Chapman's evidence to justify the charge made by him against the Company, and it is abundantly clear that the paragraph quoted from the *Times* neither states nor implies that the £400,000 stock was guaranteed by the Tasmanian Government.

I think, Sir, that it is much to be regretted that such grave and serious charges as “obtaining moneys by false pretences,” and of telling “wilful falsehoods and monstrous lies,” should be made against the Main Line Company and its Manager, when they have no opportunity of replying to their accuser, and when the statements upon which such charges are based are found upon enquiry to be erroneous.

I have, &c.
(Signed) HENRY DOBSON.

The Honorable the Colonial Secretary.

137.

Colonial Secretary's Office, 5th October, 1876.

SIR,

I HAVE the honor to forward for your perusal copy of a letter received by me yesterday from Mr. Henry Dobson, Solicitor to the Main Line Railway Company, dated the 2nd instant.

As this letter must form part of the correspondence laid before Parliament, I deem it my duty to place it in your hands for any observations you may desire to make before forwarding it to the Government Printer.

I have, &c.
(Signed) THOS. REIBEY.

The Hon. T. D. CHAPMAN, M.L.C.

[Similar to the Hon. W. R. Giblin, M.H.A.]

138.

Colonial Secretary's Office, 5th October, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 2nd instant, commenting upon the statements made in Parliament by the Honorable T. D. Chapman.

I have, &c.
(Signed) THOS. REIBEY.

HENRY DOBSON, *Esq.*, No. 69, *Macquarie-street, Hobart Town.*

139.

Stone Buildings, 7th October, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 5th instant, enclosing a copy of a letter from Mr. Henry Dobson dated the 2nd instant.

Mr. Dobson's account of an alleged conversation with me on the 28th May, 1875, is, to the best of my recollection, strangely inaccurate, and, as put forward, entirely misleading. I can only account for this by supposing that he has inadvertently transferred to the interview alluded to figures and information elsewhere, and probably subsequently, obtained.

Without attempting to pledge myself as to the words that passed between Mr. Dobson and myself at any one of the very numerous interviews which took place between us on Railway questions, I most positively assert that I never put forward on the part of the Government any claim or demand for a sum of £10,000 per annum, or any sum approximating thereto, as the amount to be paid by the Company as tolls and compensation for the exercise of running powers over the Launceston and Western Railway. Had I put forward any such claim or demand, it would have been promptly referred to in the correspondence which followed the interview of 28th May; but, on the contrary, such correspondence discloses that Mr. Grant was for some months after that date seeking to ascertain the amount which the Government intended to demand for the service in question.

I have, &c.

(Signed) W. R. GIBLIN.

The Hon. the Colonial Secretary.

140.

Hobart Town, 9th October, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 5th instant, forwarding for my perusal a copy of a letter addressed to you by Mr. Henry Dobson, Solicitor to the Main Line Railway Company, which letter you inform me must form part of the correspondence to be laid before Parliament; you therefore deem it your duty to place the same in my hands for me to make any observations thereon that I may desire to make before forwarding it to the Government Printer.

Permit me in reply to your communication to state that, in my opinion, Mr. Dobson's letter should not form part of any correspondence to be laid before Parliament, inasmuch as that gentleman has addressed you in reference to some observations made by me in my place in Parliament; a piece of impertinence on the part of that gentleman which, in my judgment, should not be countenanced by any Minister of the Crown towards any Member of the Legislature.

Should you, to-morrow, think fit to place Mr. Dobson's letter before Parliament, I shall in my place there be prepared to justify the observations I made respecting the Manager of the Main Line Railway Company in this Colony, and the conduct of the Chairman and Promoters of that Company in England.

I have, &c.

(Signed) THOS. D. CHAPMAN.

The Hon. Colonial Secretary, Hobart Town.

141.

Hobart Town, 13th October, 1876.

SIR,

I HAVE the honor to inform you that I have availed myself of the privilege which you kindly afforded me; and I yesterday perused, in the office of Mr. Solly, two letters addressed to you by the Honorable Mr. Chapman and the Honorable Mr. Giblin, in reply to my letter of the 2nd instant.

The Honorable Mr. Chapman, in his place in Parliament, thought fit to accuse Mr. Grant, on more than one occasion, of "telling wilful falsehoods and monstrous lies;" and having within my own knowledge the evidence necessary to prove such accusation to be entirely without foundation, I accordingly wrote you my letter of the 2nd inst. with the information therein contained—and I have yet to learn that the course which I adopted out of a sense of duty to Mr. Grant will be characterised by any one other than Mr. Chapman as "impertinent." It would appear that the Honorable Mr. Chapman objects to my letter of explanation forming a part of the Railway correspondence; but I would respectfully contend that, as an act of simple justice, the letter should be printed and placed at the disposal of those honorable gentlemen who heard the accusation made, and who may be induced to believe it true unless they are put in the possession of the facts which disprove the accusation which the Honorable Mr. Chapman made.

The Honorable Mr. Giblin states in his letter that my recollection of the interview between us is "strangely inaccurate," and as put, "misleading;" and he then goes on to say (so far as I recollect, for his letter is not now before me,) that he never put forward on behalf of the Government a claim of from £7000 to £10,000 a year, or any claim approximating to such figures. I should feel much obliged if the Honorable Mr. Giblin will point out my inaccuracies and explain in what way my letter is misleading. If, on the other hand, he intended in his letter to deny that the account I have given of my interview with him is substantially correct, I am bound in justice to myself to say that Mr. Giblin's letter is quite inconsistent with his verbal statements to me.

It is only a few days since that the Honorable Mr. Giblin informed me that you had sent him a copy of my letter, and he then explained (unasked by me) what reply he should send if he wrote you at all. He did not when volunteering this information, and when face to face to me, complain that my letter was incorrect or inaccurate in any particular, but he said that in keeping a Day Book (as all Solicitors do), and entering therein conversations and statements immediately after they took place, I had the advantage of him; and I most certainly understood him to say that he had little or no recollection of what took place at the interview referred to in my first letter. With the help of the entry in my Day Book, giving as it does most of the precise figures mentioned by the Honorable Mr. Giblin, I am able to state most positively that my version of our interview on 28 May, 1875, is more than substantially correct; for I have a perfect recollection of the honorable gentleman opening his copy of the Railway Acts and Contract and pointing to the words "Tolls and Compensation," and arguing that the claim of the Government for Tolls was quite separate and distinct from their claim to compensation, and we had a long argument as to what could be claimed as compensation; and he stated the claim of the Government for these two items to be over £7000 a year. The late Attorney-General is perfectly well aware that Mr. Lord had advised the late Government that they should claim £10,000 a year; and I think it would have been more fair to Mr. Grant and myself had the Honorable Mr. Giblin stated this in his letter. I may add, in conclusion, that I have just this minute seen a member of Parliament who authorises me to say that the Honorable Mr. Moore stated in his presence that the claim of the Government against the Main Line Railway Company in respect of their running powers over the Launceston and Western Railway was £10,000 a year; and I believe I can produce other persons to whom Mr. Moore made the same statement.

I have, &c.

(Signed) HENRY DOBSON.

The Hon. the Colonial Secretary.

MAIN LINE RAILWAY.

Additional Correspondence in continuation of Paper No. 32.

142.

Hobart Town, 20th October, 1876.

SIR,

I HAVE only this morning perused the correspondence laid on the table of the House of Assembly on the 18th instant, having reference to the injurious statement that the late Executive had put forward an extortionate demand of £10,000 per annum as compensation for running powers over a portion of the Launceston and Western Railway ; and I deem it my duty to state that in any of the numerous discussions or conversations relative to the Main Line Railway in which Mr. Grant either met my late colleagues or myself, or was not present, I never heard the proposal even mooted of preferring a claim to such a sum. At the utmost, it may have been stated that on certain bases of calculation £10,000 per annum, or even a larger sum, might be claimed ; but the Executive was quite willing to leave to the professional arbiters approved by Mr. Grant the determination of the proper bases of estimate as well as the amount.

In similar disputes I believe it is not unusual for the parties at issue to put their conflicting estimates respectively at a maximum and at a minimum amount. Acting on that view, Mr. Grant would not propound a higher figure than he could plausibly suggest, nor would the Executive name a lower than it might hope approximately to obtain. Applying this principle, it will be seen in the Estimates of Revenue and Expenditure for 1875, as prepared 1st July, 1874, (Parliamentary Paper, No. 35) that £6000 is given as the estimated repayment by the Company for the running powers in question. More conclusive evidence, I submit, could not be adduced in refutation of the charge that the Executive responsible for the framing of these Estimates had sought to extort £10,000 per annum, or countenanced any proposal to that effect.

My object in addressing you is, to add my testimony to that of others in vindication of the credit of the Colony against aspersions which if unanswered must reflect to its disadvantage ; and I have the honor to request that this communication may appear with the letters of Messrs. Dobson, Chapman, and Giblin on the same subject.

I have, &c.,

(Signed) FRED^K. M. INNES.*The Hon. the Colonial Secretary.*

MAIN LINE RAILWAY.

[Laid upon the Table by Mr. Chapman, and ordered by the Council to be printed, October 26, 1876.]

REPORT of Mr. Chapman's Speech to which reference is made in the foregoing Correspondence, and of a further Speech by him on the same subject.

[Extracted from the Hobart Town Mercury newspaper of 28th September, 1876.]

Mr. Gellibrand moved for all correspondence between the Government and the Main Line Railway Company on the question of the running their trains over the Launceston and Western Line between Evandale and Launceston, including all letters and reports thereon by the Manager of the Launceston and Western Railway; and also any reports by the Inspecting Engineer on the same subject. The hon. member explained that his object in tabling this motion was to try and make matters plainer between the hon. gentleman (the member for Buckingham) who, though now occupying a private place in the House, had, in his official capacity as Colonial Secretary, the conducting of the correspondence between the Government and the Main Line Railway and the Manager of that Company. It had been openly stated, and the statement had been repeated, that the hon. member when conducting that correspondence had asked of the Company the sum of £10,000 for running powers over the Launceston and Western Railway. The hon. member had distinctly denied that he ever asked for that sum, and that only £5000 was asked; and as he was informed that some correspondence existed on the subject which had not been printed, as also some reports by the Manager of the Launceston and Western Line, he presumed that there could be no objection to their production, so that the matters in dispute might be reconciled, if possible, between the hon. member for Buckingham and the Manager of the Main Line.

The House having resumed, Mr. Gellibrand continued his remarks on the above subject, and concluded by moving his resolution, as given above.

Mr. Chapman seconded the motion, and said he was not exactly aware of what was required. He had heard the observations of the hon. member for Derwent. The hon. member had said that he understood a very wide difference of opinion existed between himself and the Manager of the Main Line Railway, and which, he very properly thought, should be rectified. He (Mr. Chapman) had already told the House, on the authority of his knowledge of the circumstances of the case, that that gentleman (the Manager of the Main Line Railway Company) had made a statement which was not founded on fact; and the hon. member (Mr. Gellibrand) now expressed his desire that all papers that might throw light upon the matter should be brought before that House. He (Mr. Chapman) concurred that it was very desirable that every paper and every document which would enable the truth of the statements put forward should be in the hands of hon. members. During the time he was Colonial Secretary he had conducted the whole of the correspondence with the Main Line Railway Company, and his desire had always been, to the best of his ability, to protect the interests of the country. That correspondence between himself and Mr. Grant, and he thought he might say that every letter, with perhaps one or two exceptions, was written by himself, met with the concurrence of his colleague, Mr. Kennerley, who always consulted with him (visited him daily, in fact), and acquiesced in all that he had done in this matter. Indeed, he (Mr. Chapman) knew of no instance when the hon. member did not heartily give his concurrence to the correspondence which he (Mr. Chapman) had conducted. Now, the question of the Main Line Railway running between Hobart Town and Launceston was a question of the utmost importance to this Colony, and in the contract that was entered into between the Government and the Company it was strictly provided that the Main Line Railway should run from Hobart Town, not to Evandale Junction, but to Launceston, as he should proceed to prove. The first clause in the contract was to this effect:—"The Company shall construct, maintain, and work a Main Line of Railway between Hobart Town and Launceston, or between Hobart Town and any point on the Launceston and Western Railway, with running powers over that railway to Launceston, subject to and in accordance with the conditions set forth in the Schedule at the foot hereof." And what said the Schedule? It stated that "the Company shall have the right to run into the Launceston and Western Railway at any point they may consider most advantageous, and to lay down a rail or rails upon that line from the point of junction to the terminal station at Launceston." So that it was based on the authority of Acts of Parliament, and so appeared on all papers in connection with it, that the Company were to construct a railway between Hobart Town and Launceston. Now, it would be remembered that the Launceston and Western Line was constructed by a Company; the original arrangement being that the Government should advance to the Company a loan of £300,000 on condition that the Company paid up a capital sum of £100,000. That was subsequently modified, and a Bill was brought before the Legislature authorising the Government to lend to the Company another £100,000, in addition to the original sum of £300,000. On the same day that that Bill received the Royal Assent another Bill authorising the contract with the Main Line Railway Company was signed; and by the 42nd Section of the Launceston and Western Railway Act, 37 Vict. No. 20, it was provided as follows:—"It shall be lawful for the Governor in Council to authorise the Tasmanian Main Line Railway Company (Limited) to lay down an additional rail or rails upon and along any part or parts of the said railway between the junction of the said railways and Launceston, so that the same shall not unnecessarily prevent the working of the said railway, and to authorise all trains going along the Main Line Railway to pass over and along and to use any part of the said railway, and the works connected therewith, upon payment of reasonable tolls and compensation for so doing; and the amount of such tolls and compensation shall, in case of difference, be decided by arbitration in the manner provided by the Lands Clauses Act for cases of disputed compensation." The meaning of that clause was clear. It was this: That the Launceston and Western Railway, being in the hands of a Company, no Government could authorise any other Company to run their trains over its line except upon certain terms and conditions, and upon payment of reasonable tolls and compensation. The shareholders in the Launceston and Western Railway looked forward to a considerable contribution for the use by the Main Line Railway of their property; and in the face of what he had read he thought no one would say that they were not entitled to do so. However, subsequently the Parliament took over the Launceston and Western Line. The Launceston and Western Railway Company was in difficulties; it was unable to carry on the line, and in 1873 the Parliament passed an Act vesting the line in the Crown, repealing the provisions of the original Act, but re-enacting them in the Act transferring the railway to the Crown. Similar powers were given in that Act to the Railway Company to make use of the Launceston and

Western Line, but not that they should run over the line free of toll; but subject to the payment of reasonable tolls and compensation for so doing. That being so, how was the Government to arrive at the tolls to be charged for the use of that railway? In the Estimates of Ways and Means tabled by the Hon. Mr. Fysh (then Colonial Treasurer) on July 1st, 1874, he estimated that the probable annual contribution from the Main Line Railway would be at the rate of £6000 per annum; and in August, 1875, Mr. Innes also provided for "contingent assets, £6000," for the use of this railway. Correspondence passed between the Colonial Secretary and the Company upon this subject; but the Government were never able to understand what the Main Line Railway Company wanted. He (Mr. Chapman) did himself the honor of addressing a letter to Mr. Grant on the subject on the 5th July, 1875; but before referring to that letter he would ask the House to bear in mind that it was contemplated in July, 1874, and again in August, 1875, getting £6000 from the Main Line Railway Company for the use of the Launceston and Western line. Well, on the 5th July he wrote to Mr. Grant on the subject of the running of the Main Line Railway trains along the Launceston and Western Railway; and on the 6th of July, 1875, he received a reply from Mr. Grant, asking him (the Colonial Secretary) the terms upon which the line could be used. After consultation with the Manager of the Launceston and Western Line, during which that gentleman stated that Mr. Grant wanted a great deal more than had been represented, the Government, not being able to fix the precise sum to demand for the use of the Launceston and Western Line, named the amount at £6000, but leaving it open to arbitrators, in case of dispute, to fix the precise sum. Subsequently, on the 13th October, he met Mr. Grant at Launceston, and inspected the ground upon which it was proposed to build the Terminus, and, after looking over a plan of the place and signing an agreement in connection with it, he desired him (Mr. Chapman) not to take steps in the matter until he had heard again from him. Mr. Grant came to the conclusion that it would be better for him to look for another site, and did so, selecting two acres of land on the left-hand side of the Esk River. Now, what were the facts as far as the Main Line Railway Company were concerned in connection with this matter? On the 23rd February, having in view the near approach of the opening of the Main Line Railway, he (Mr. Chapman) thinking the time had arrived for settling what the toll or compensation to be paid for the use of the Launceston and Western Railway should be fixed at, the Government agreed to propose that the sum should be £5000; the Manager of the Company, if he took exception to those terms, to have the power to call in arbitrators to say what the real amount should be. The agreement was to be for twelve months, to be reviewed at the end of that time, if necessary, but that the engineer of the Company should complete his arrangements as quickly as possible. Yet in the face of all these facts, as hon. members were aware, Mr. Grant never hesitated at painting the members of the late Government in the blackest of colours, and as being desirous of extorting sums of money from his Company which had never been even asked. And not only was that statement (which was false, and which Mr. Grant knew was false) made in the Colony, but it was represented to the shareholders of the Company in London, no doubt with the object of injuring the Colony. Now, on the 31st August, 1875, he received from Mr. Henry Dobson, the solicitor of the Company, a letter, in which Mr. Dobson said:—"In accordance with your request, Mr. Grant wrote you on the 6th July last, with a specification in detail setting forth in the most full and ample manner the particulars you asked him to furnish; but I understand that up to the present time the Government have not stated the terms they require for the various services, &c. as specified." And what more did Mr. Dobson say? He went on:—"It is my duty, as solicitor to the Main Line Railway Company, to see that the arbitration between the Company and the Government as to the exercise of the Company's running powers over the Launceston and Western Line is carried out with as little delay as possible; but I hardly like to give you notice to appoint your arbitrator until my client has had an opportunity of considering whether the terms the Government demand from the Main Line Company are satisfactory or otherwise." In the face of that letter, dated the 31st August, 1875, what did he find? In a paper he held in his hand, the *Railway Times*, published in London on the 16th October, a report of a meeting of shareholders in the Main Line Railway, in which reference was made to the very question which the hon. member for Derwent had referred to as being in dispute between himself (Mr. Chapman) and the Manager of the Company. The House would remember that on the 31st of August, as borne out by Mr. Dobson's letter, the Government had not named their terms—that they were only then asked to do so—for the use of the Launceston Line; and that the next English mail left this Colony on the 5th September, and was not due in London until the 25th October, eight days after the publication of the *Railway Times*; and bearing those facts in mind, he would now ask hon. members to listen to the following extract from a speech made by the chairman of the Company at a meeting held on the Thursday previous to the publication of the paper. The chairman was reported to have said:—"It had been notified to the directors that the Government would exact a rent of £10,000 a year for running over the line between Evandale and Launceston. That was demanded as a positive and absolute payment, independent of any services there might be rendered. This Company had laid one rail to adopt the gauge of the Government, and yet it was said that they must pay £10,000 a year for the use of that of which they had paid half the cost of construction. The questions in dispute between the Government were to be left to arbitration, and with that object in view full powers had been sent out to Mr. Grant. The directors were advised that they were not even bound to go to Launceston, but could stop at Evandale, and there hand the traffic over to the Government, and let them do what they liked with it. He was in hopes that Mr. Grant would be able to show how unreasonable was their proposition, and that matters would be arranged satisfactorily." Could it be believed that such monstrous lying should be going on in the other end of the world to the injury of the Colony, and without the shadow of foundation? There could be no mistake about the contract—there could be no mistake that the Company were to run their line to Launceston; and because the Colony was good enough to allow them the use of the Western Line until they had completed their arrangements it was held up to the world as trying to extort money from the Company. The hon. member here read extracts from the *Railway News* and the *Evening Mail* similar to that from the *Railway Times* given above, and proceeded: In the face of these facts, proving indisputably that on the 31st of August the Government had not come to terms with the Company as to the annual subsidy to be paid by them for the use of the Launceston and Western Line, and that the mail which left the Colony subsequent to that date did not arrive in London until the 25th October, they were told in the three newspapers he had quoted from, that the Colony had demanded a sum of £10,000. It was plain, therefore, that the Manager of the Company had communicated to the Company in London what was not a fact, no terms having been agreed upon, nor any intimation of any kind made in relation to those terms beyond the intimation made to Parliament that the Government expected to get £6000 a year for the use of the line (the Launceston and Western Line). Notwithstanding all this, Mr. Grant came to the front again with the utmost audacity, and repeated his statement with a perversity which made it very unpleasant for any one in the position of a member of the Government to have anything to do with him. In a letter addressed to the editor of the *Cornwall Chronicle* of the 31st of July, Mr. Grant wrote:—"May I request that you will allow me a little space in your newspaper to contradict authoritatively two statements that are frequently made with other persistent and gross misrepresentations in that section of the Press which has a deadly hostility to the Main Line Railway; but as such statements have never been made otherwise than anonymously I have had no proper opportunity to correct them. The first statement objected to is that the late Government never demanded £10,000 per annum of rent for the use of the Launceston and Western Railway, and that I withdrew from the arbitration at the last minute because I was not allowed to play fast and loose with the matter. This is entirely untrue, the Government having first alarmed me by the positive statement that their claim would be from £8000 to £10,000 per annum, which they asserted to be arrived at in many different ways, all of which indicated the larger figures." That statement was not true, and Mr. Grant knew it was not true; and yet, so he had been informed, Mr. Grant had repeated it. There was no authority for it. He (Mr. Chapman) had

conducted the whole of the correspondence with Mr. Grant. No other member of the Government had any right to communicate on any matters connected with the line, except on finance matters, when the correspondence passed through the Colonial Treasurer; and it was, he repeated, a monstrous thing to have Mr. Grant misrepresenting the country and himself (Mr. Chapman) as having demanded £10,000 a year when all the facts were the other way. His hon. friend the member for Derwent had moved for additional papers to throw further light upon this matter, and he (Mr. Chapman) said: "By all means let them be placed before the House." There was no correspondence existing between the Government and the Company, or Mr. Grant as their agent, that would justify him in making the statements he had. Before sitting down he desired to refer to a statement again made in a newspaper in reference to the letter he had written to the Crown agents, and in which the charge was repeated that the late Colonial Secretary (meaning himself) had written that letter to prevent the Main Line Railway Company from getting further capital to complete their railway. Now, when he saw in the money article of *The Times* (or, rather, the *Evening Mail*, which was the same thing) of the 9th February the statement—"The National Bank of Australasia and Messrs. R. W. Carden and Co. have invited applications for £400,000 share capital of the Tasmanian Main Line Railway Company (Limited) at the price of £70. The line is 125 miles in length, and is expected to be open in a year. The capital consists of £650,000 in debentures, which bear a guarantee of £5 per cent. from the Tasmanian Government, and of the £400,000 ordinary shares now offered on which 6 per cent. is guaranteed by the contractors until the opening, and for one year thereafter," he felt it to be his duty in the interests of the Colony to write to the Crown Agents calling their attention to it, and requesting the editor of *The Times* to correct it, so as to prevent the money being raised on the representation to the British public that the interest on the Company's Bonds was guaranteed by the Tasmanian Government. Hon. members would understand that the prospectus issued by the Company stated that the Government had entered into a contract with the Main Line Railway Company and that the interest on the debenture bonds for £650,000 was guaranteed by the Colony. That was not a fact, and he desired to set the matter straight. The Government had nothing to do with that £400,000 or the prospectus, and as it was set up, according to the article in *The Times*, that they were attempting to raise this money, as it were, by false pretences, he considered it was the duty of the Government to call attention to it. He therefore, on the 18th April, 1874, wrote to the Crown Agents a letter, in which he said:—"My attention has just been called to the city articles in *The Times* of the 7th and 9th February last, having reference to a prospectus published in the papers of those dates, inviting subscriptions for £400,000 share capital in the Tasmanian Main Line Railway. The city article referred to states that the capital consists of £650,000 in debentures, which bear a guarantee of 5 per cent. interest for 30 years from the Tasmanian Government. Will you be good enough to call the immediate attention of the editor to the erroneous statement put forth in the articles referred to, and request him to inform the public that the bonds for £650,000 issued by the Tasmanian Main Line Railway Company are the bonds of the Tasmanian Main Line Railway Company (Limited), and for the payment of principal and interest on these bonds the Tasmanian Government is in no way responsible." In *The Times* of the 23rd of June, the day after his (Mr. Chapman's) letter was published, there appeared a reply from Mr. Sheward, chairman of the Company, in which he said: "The prospectus alluded to contained no such statement as the one complained of, and there is not the slightest ambiguity as to the position of the bondholders, who, on taking their bonds, thoroughly understood that it was a condition of the guarantee that the line should be properly completed and worked. Had it been otherwise, and the guarantee been absolutely unconditional, the price of issue of the bonds would have been considerably increased; but the line being now nearly finished the risk attending its completion becomes materially reduced, and it is not easy to discover why such a communication should have now been made to you. The fact, however, is that in the Colony itself the question is simply a political one—one party disapproving the contract on the plea that the conditions granted are too favourable, the other party being equally desirous to fulfil honorably the obligations entered into with the Company." Then, on the 24th of June, the Crown Agents wrote in reply:—"The chairman of the Tasmanian Main Line Railway Company (Limited), in a letter which appears in the City Article of *The Times* of to-day, informs you that the 'prospectus alluded to contained no such statement as the one complained of.' The Government of Tasmania, on whose behalf we addressed you on the 19th instant, has found no fault with the prospectus; they distinctly refer to a paragraph which appeared in the City Article of *The Times* of the 7th February last, which states that 'the capital consists of £650,000 in debentures, which bear a guarantee of five per cent. for 30 years from the Tasmanian Government.' The Chairman, in his reply to this, says the 'prospectus' contained no such statement. We have not asserted that it did. The attention of the local government having been directed to a mistake, it considered it necessary to take steps to put the matter right." Such then was the history of the letter which he had written, and which he felt he had full justification for writing under the circumstances. And this Colony had nothing to fear from an honest statement of facts. The Government of which he was a member considered it was but right that the British public should be put straight as to the position in which the Government stood in this matter. It had been said that the Government should have done this before, and he had read that a gentleman occupying a high position in the Government had said that he saw no reason for withdrawing the censure he had previously conveyed on the Colonial Secretary for not having done so. But the late Government did not see the prospectus of the Company when it was issued. As soon as it was sent to him he immediately wrote to the Crown Agents the letter the extracts from which he had just read. But certainly the Company had four months to operate upon the English market before this letter was received, and the little game which the Company was carrying on was prevented; and, if the credit of the company was so very good as it was represented, they ought in that period, having the whole market to themselves, to have done all that they desired. But the Company was in the hand of Mr. Albert Grant, who, in his address before the Court of Exchequer the other day, described the English public as being like fish, and that it was impossible to say what kind of fly they would rise to—(laughter)—and he (Mr. Chapman), notwithstanding that he had been credited with bringing about the financial failure of this Company, should regard it as the proudest step he had ever taken during a long official career, if he had only succeeded in preventing greater plunder being perpetrated than had already been perpetrated on the English public in the name of the Government of Tasmania. (Hear, hear.) The Government believed when they entered into the contract that they were dealing with a substantial Company, who were coming to spend their money in constructing a substantial railway; but when they found that they were dealing with a company which had raised £650,000 by the issue of their Bonds for that amount through the agency of Albert Grant, who it is said has raised out of the pockets of the people of England £41,000,000 of money for other companies and states, and whose stock was now only valued at £4,000,000—the British public having been plundered to the tune of £37,000,000—he thought it was high time to protect this Colony against such plunder, and with that feeling he felt that in writing the letter which had been so much condemned he had taken the best step to protect the Colony's interest. In conclusion, Mr. Chapman thanked the House for having given him so patient a hearing.

Dr. Crowther (who spoke indistinctly) was understood to ask Mr. Chapman if the prospectus of the Company said that the £400,000 bonds were to be guaranteed by the Government of Tasmania.

Mr. Chapman said he had not seen the prospectus. He had only the City Article in *The Times* before him, which set forth that they were. [Mr. Chapman read the extract given above.]

Dr. Crowther said that according to the extract the £400,000 offered at six per cent. was guaranteed "by the

contractors," and therefore that it was not right to charge the Main Line Railway Company to force upon the English market these 400,000 shares on the pretence that they were guaranteed by the Tasmanian Government.

Mr. Chapman said he never asserted that the prospectus said that the interest on these new shares was to be guaranteed by Government, but that the City Article of *The Times* said that the interest on the Debentures for £650,000 was guaranteed by the Government. However, he believed the whole thing had been made known to the bondholders before this, and that now a very pretty row was going on among them.

After a few words from Mr. Gellibrand,

The motion was put and agreed to.

[Extracted from the Hobart Town *Mercury* of 25th October, 1876.]

PAPERS.

Dr. Crowther laid on the table *further correspondence on the Main Line Railway question, which he moved be printed.*

Mr. Chapman, before the motion was put, called the attention of the House to the fact that certain correspondence between Government and the Main Line Railway Company with regard to the running of the trains over the Launceston and Western Railway, moved for by the hon. member for Derwent on the 27th September last, had never been laid on the table. It almost appeared as if that correspondence had been kept back for some purpose.

Dr. Crowther: It is clearly an oversight. I thought it would have been here to-day; but it will be here to-morrow.

Mr. Chapman said it was a most remarkable oversight. It was only another instance of the irregular way in which this question was being dealt with by the Executive Government. The correspondence in question was moved for in order to afford the House an opportunity of judging between certain statements made in that House by himself, and elsewhere by the Manager of the Main Line Railway and the solicitor to the Company. In his judgment the gentlemen who now held the position of responsible advisers to the Governor occupied the office in Murray-street not only in that capacity, but also as agents for the Main Line Railway Company. Instead of bringing up the correspondence that they had been ordered to lay on the table of this House, to see whether certain statements made by a member of this House could be verified by facts, those gentlemen, in their zeal as conductors of the Main Line Railway Company's agency in this colony, had presented this correspondence to the other branch of the Legislature in a printed form without even its being asked for.

Mr. Gellibrand wished to correct the hon. gentleman. He saw a notice on the paper of the other House to table that correspondence on the same day as he brought his motion forward.

Mr. Chapman said he admitted that a notice of motion had been given to that effect in the other House; but on looking over the Votes and Proceedings of that House, and from other information, which any hon. member could be acquainted with, he found that that motion was never made. He merely pointed this out to show the irregularity with which the public business of the colony was now being conducted. This correspondence had been made public, and commented upon by the press. He had said before that he should be prepared to justify every word in the statement he had made as to the question at issue, and he was now here to do so; he took the earliest opportunity of calling attention to the correspondence in question. That correspondence opened with a letter written under date the 2nd October, by Mr. Henry Dobson, the solicitor for the Main Line Railway Company in this town, whose zeal in the cause of his clients outran his discretion to a very extraordinary extent. He (Mr. Chapman) had stated here that the manager of that company had advised his directors in England that the Government of this colony had demanded from the company the sum of £10,000 a year for the use of the Launceston and Western Railway. The letter addressed by Mr. Dobson to the Colonial Secretary went, in his opinion, beyond all bounds. That gentleman stated therein that he was primarily responsible for the statement communicated by Mr. Grant to the directors in London, and proceeded to point out that he had obtained that information from a Minister of the Crown in an interview he had with him. But the fact was that no member of the late Government ever made such a communication to Mr. Dobson; all the evidence was against it. Mr. Dobson said he obtained the information from Mr. Giblin, the then Attorney-General of the colony. But what did Mr. Giblin say with reference to that? This correspondence had been referred to himself and Mr. Giblin; and Mr. Giblin, in a letter dated the 7th October, said,—“Mr. Dobson's account of an alleged conversation with me on the 28th May, 1875, is, to the best of my recollection, strangely inaccurate, and, as put forward, entirely misleading. I can only account for this by supposing that he has inadvertently transferred to the interview alluded to figures and information elsewhere, and probably subsequently, obtained.” The writer then, without pledging himself as to the words that passed between Mr. Dobson and himself at any of their frequent interviews, went on to say,—“I most positively assert that I never put forward on the part of the Government any claim or demand for a sum of £10,000 per annum, or any sum approximating thereto, as the amount to be paid by the company as tolls and compensation for the exercise of running powers over the Launceston and Western Railway; had I put forward any such claim or demand, it would have been promptly referred to in the correspondence which followed the interview of 28th May,—but, on the contrary, such correspondence discloses that Mr. Grant was for some months after that date seeking to ascertain the amount which the Government intended to demand for the service in question.” To say that Mr. Dobson informed Mr. Grant that such a demand was going to be made, was begging the whole question. The chairman of the company did not look at it in that light; he (the chairman) did not say that they had got behind the scenes and ascertained from the Attorney-General what was going to be done, but he deliberately stated that “it had been notified to the directors that the Government would exact a sum of £10,000 per annum for running over the line between Evandale and Launceston,” and that that demand was made as a positive and absolute payment independent of any services they might render, and the company having themselves laid down a third rail on the line. As a matter of fact nothing of the kind was ever done, and Mr. Grant had sent home a wilful mis-statement; nay, he did not hesitate to call it a wilful lie. It was monstrous that such lying should be going on at the other end of the world to damage the credit of this colony. That railway between Evandale and Launceston had cost the country the sum of £120,000, and the colony was paying interest on that amount at 6 per cent., which amounted to £7200 per annum. The Main Line Railway Company had applied for permission to lay down a third rail on that line, which permission was granted; but the rail was laid down by the Launceston and Western Company at the cost of the Main Line Railway Company.

That was all that the company had done. The meeting at which the chairman of the company stated that the demand for £10,000 had been made, was reported in the *Times*, the *Railway News*, and the *Railway Times* of the 16th October, 1875. [The hon. member read the report in question, which has already appeared in the *Mercury*.] He, as a member of this House, seeing what was going on at the other end of the world on the misrepresentations of the manager of the company, who had persistently endeavoured to damage the character of the late Administration in their conduct of the business of the Main Line Railway Company, would be wanting in his duty to that Administration, and to the country he lived in, if he shrank from speaking of the conduct of that gentleman as it deserved. Mr. Grant had vilified this colony in a way which no other man would dare to do; and during three days of last week he had, by his advertisement in the papers, circulated through the country that the engagement entered into with the company by the Government of this colony on behalf of the people of this colony, and under the authority of an Act of Parliament, had been repudiated. That man had, at the same time, the temerity to come before Parliament and the Government and ask for assistance to carry on that railway. It was intolerable to think that a man of that character should be tolerated in dealing with the Government of the country; he wished that at the present moment they had men with more public spirit in charge of the public business of the country,—they would have brought that gentleman to his bearings, and taught him that he should not calumniate the good name of this colony. But he found that that gentleman was encouraged by the present Administration—

Dr. Crowther rose to a point of order. The hon. gentleman was imputing motives to individuals.

Mr. Chapman said he would prove them, too. The hon. member who represented the Government seemed to be exceedingly thinskin. He was speaking of the conduct of an Administration, not of the conduct of the particular gentleman who represented that Administration in this House. He did not think it expedient that this sort of thing should be encouraged—that a solicitor should be permitted to write to the Colonial Secretary, and have his letter brought before the House. On two or three occasions this session he had risen in his place in this House to justify the course the late Administration took in dealing with this question, and he had abundant evidence in his possession to show that no sum more than £5000 a year was ever demanded by the Government from the company “for running powers” over the Launceston and Western Railway. Where was the evidence on this subject moved for on the 27th September by the hon. member for Derwent? There was no such evidence in existence; it had been asked for again and again, and could not be found. But there was this evidence in existence—there were living men in existence who could, if necessary, appear at the bar of this House, or before a select committee, and verify every word he had said on the subject, that no such demand was ever made on the Main Line Railway Company. It was contemptible to think that the only evidence the other side could put forward was what had been obtained, if obtained at all, he would say surreptitiously, from the late Attorney-General, and made the basis of a communication from Mr. Grant to the company in London. And because he (Mr. Chapman) had thought fit to brand that action with its proper name, he was to be called to account for it. He could have wished that the press of this colony had been unanimous on this question; that they would have weighed the whole of the facts before giving judgment. He was told that one section of the press had passed judgment without all the evidence before it. He had not seen that expression of opinion, and did not care to see it, but he had been told that they had passed judgment on the question in a way to damage his reputation. He had now held the position of a representative of the people for nearly 25 years, and had never yet shrunk from his duty, and should not do so now, for any threats employed either inside or outside of this House. He was here to do his duty to the Colony, and do it he would, whether he did or did not receive that courtesy which one gentleman was entitled to expect from another. As to the question at issue, all that was ever done outside the Cabinet was that the officers of the Launceston and Western Railway were instructed to prepare all the information in their power to go before the arbitrators and prove their case. It never went beyond that, and he had the authority of the manager of the Launceston and Western Railway and of the accountant, Mr. Johnston—two officers of whom the colony might well be proud, and who had always done their duty honestly, faithfully, and zealously—to say that no such recommendation was ever offered to the Government to make such a demand as that mentioned by Mr. Dobson or Mr. Grant. The idea of those gentlemen was that before the arbitrators they would be able to make out a case for £7000 a year; they agreeing for that sum also to do all the clerical work for the company, and to take delivery of the company's passengers and goods in their own station at Launceston. But even that demand never was made. Mr. Grant was always desirous that Ministers should show their hands, and he and his colleagues, thinking that they knew their own business best, determined not to make any communication on the subject to Mr. Grant until the proper time; and it was not until the site of the station in Cimitiere-street, Launceston, had been decided upon that the Ministry concluded to demand from the company the sum of £5000 a year as toll and compensation for running over the Launceston and Western Railway,—with an understanding that, if that sum was considered excessive, they might submit the case to arbitrators, who would decide whether the amount should be fixed at £5000, £4000, £3000, £2000, or £1000; and that the engagement was to subsist for a year. That was all the evidence on this question, and yet the statement of the manager of the company and his man Friday was to be received as against the statement of a late Minister of the Crown. The late Ministers were in their places to protect the interests of the colony; the manager and his solicitor were there to protect the interests of their employers at home. All he desired was that they should state the truth, the whole truth, and nothing but the truth. All the way through the company had endeavoured to grasp more than they were entitled to, and the late Government had made it its duty to see that they had simple, but full, justice done to them. There was another point in Mr. Dobson's letter on which, with the permission of the House, he would say a few words. Mr. Dobson, at about the end of his letter, says:—“Mr. Chapman is also reported to have charged the company with endeavouring to raise money upon £400,000 of their share capital by false pretences, in asserting that this stock was guaranteed by the Government, when in fact there was no such guarantee; and in support of this charge he appears to have read a paragraph from *The Times*, the latter part of which concludes as follows:—“The capital consists of £650,000 in debentures, which bear a guarantee of £5 per cent. from the Tasmanian Government, and of the £400,000 ordinary shares now offered, on which 6 per cent. is guaranteed by the contractors until the opening, and for one year thereafter.” It will puzzle any intelligent reader to see anything in Mr. Chapman's evidence to justify the charge made by him against the company, and it is abundantly clear that the paragraph quoted from *The Times* neither states nor implies that the £400,000 stock was guaranteed by the Tasmanian Government.” He would again, if the House would listen to him, briefly state the circumstances under which his letter to *The Times* was written. Seeing in the *Mail* (which, as they all knew, was a republication of the substance of *The Times*) a paragraph in the City article containing the sentence he had just read from Mr. Dobson's letter, he deemed it necessary to point out to the English public that the debentures in question were the bonds of the company, for which this Government was in no way responsible. If that had been so, the £400,000 shares would not have been a bad speculation to go into. But it was absolutely necessary to warn the company, because otherwise it would have been letting the company raise their money under false pretences. His business was not with regard to the shares, but to protect the honor and credit of the colony from being damaged by the assertion in *The Times*. After his letter and that of the chairman of the company had appeared in *The Times*, the Crown Agents wrote to the same journal, in reply to a letter of the latter gentleman, in which they stated that the credit of the colony would not be injured by an honest statement of facts. The hon. member concluded by denouncing the conduct of the Government in submitting these papers unasked to the other branch of the Legislature, without placing them, after having been asked for, on the table of the House where the issue was originally raised.

MAIN LINE RAILWAY.

Additional Correspondence in continuation of Paper No. 32.

143.

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,
Hobart Town, Tasmania, 23rd October, 1876.*

SIR,

I AM informed by Mr. Lord, the Manager of the Launceston and Western Railway, that previous to the exercise by the Main Line Railway Company of their running powers over the Western Line, it will be necessary to execute an agreement defining those powers, which document is now being prepared by the Hon. the Attorney-General, and I shall be happy to sign it immediately it is completed.

As, however, the works are now quite ready for the Main Line trains to run into Launceston, and, to ensure safety, it will be necessary to run many times over the new works at Launceston, which consist of new banks tipped on very soft ground, involving therefore a considerable settlement on the passage of each train, I have the honor to request that permission may be granted for running an experimental train or trains into Launceston, at such times and under such conditions as the Manager of the Launceston and Western Railway may dictate.

As such trains will carry neither passengers nor freight, being only for experimental purposes, and to make the line safe for public traffic, I trust that you will not think it necessary to await the preparation of the formal agreement before permitting the use of such trains.

I have, &c.

(Signed) C. H. GRANT.

The Hon. the Colonial Secretary.

THE Honorable the Minister of Lands and Works will be good enough to issue the necessary instructions to Mr. Lord, Manager of the Launceston and Western Railway, to make such arrangements as will admit of Mr. Grant running experimental trains into Launceston, in order to test the safety of the Main Line Railway from the Evandale junction.

*The Hon. the Minister of Lands and Works.*THOS. REIBEY.
25th October, 1876.

144.

BY ELECTRIC TELEGRAPH.

You will permit Mr. Grant to run experimental trains only over the Launceston and Western Railway, on the terms you may impose and at times convenient to your traffic.

C. O'REILLY, *Minister of Lands and Works.*
26. 10. 76.R. W. LORD, *Esq., Manager of Launceston and Western Railway.*

145.

BY ELECTRIC TELEGRAPH.

Launceston and Western Railway. 26. 10. 76.

INSTRUCTION experimental trains noted; will take charge of them as if our own. Can you honor by coming up to-morrow?

R. W. LORD.

The Hon. C. O'REILLY.

112

146.

Lands and Works Office, 26th October, 1876.

SIR,

YOUR letter of the 26th instant having been transmitted to me by the Hon. the Colonial Secretary, I have to intimate that I have instructed the Manager of the Launceston and Western Railway to permit you to run experimental trains only over the Launceston and Western Railway, on such terms as he may impose, and at such times as the traffic of that Railway will not be inconvenienced thereby.

I have, &c.

(Signed) C. O'REILLY, *Minister of Lands and Works.*

C. H. GRANT, *Esq., Secretary and General Manager Main Line Railway.*

147.

*Tasmanian Main Line Railway Company, Limited, General Manager's Office,
Hobart Town, 26th October, 1876.*

SIR,

I HAVE the honor to acknowledge and thank you for your letter of this date, in which you inform me that you have instructed the Manager of the Launceston and Western Railway to permit me to run experimental trains only over the Launceston and Western Railway, on such terms as he may impose, and at such times that the traffic of his Railway will not be inconvenienced.

I have, &c.

(Signed) C. H. GRANT.

The Hon. the Minister of Lands and Works.

MAIN LINE RAILWAY.

(Continuation of Parliamentary Paper No. 32.)

148.

MEMORANDUM.

Will the Law Officers of the Crown favour me with an opinion as to whether the assurance given by Mr. C. H. Grant, on behalf of the Tasmanian Main Line Railway Company, in his letters to the Honorable the Colonial Secretary, dated respectively the 20th May, 1876, and 22nd August, 1876, with respect to arbitrating the question of tolls and compensation for running powers, is a sufficient legal undertaking on his part in compliance with the offer contained in the Colonial Secretary's letter to Mr. Grant, under date the 5th May last?

C. O'REILLY, *Minister of Lands and Works.*
1st September, 1876.

We are of opinion that, before any undertaking to be binding on the Company is entered into with the Government, Mr. Grant should be requested to refer the Minister of Lands and Works to the document, and the precise words contained therein, on which he relies as investing him with authority to bind the Company to refer the question of tolls and compensation for running powers over the Launceston and Western Railway to arbitration, and to abide by the terms imposed by the arbitrators.

C. HAMILTON BROMBY.
ROB. P. ADAMS.

16 Sept. 1876.

FORWARDED to the Honorable the Colonial Secretary, that he may communicate with the Tasmanian Main Line Railway Company's representative, in the terms of the opinion as expressed hereon by the Law Officers of the Crown.

C. O'REILLY, *Minister of Lands and Works.*
16th September, 1876.

149.

Colonial Secretary's Office, 23rd September, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 20th instant, transmitting a copy of a Power of Attorney, dated 9th July, 1875, from the Main Line Railway Company to you.

As the original of this document has not been filed or registered in the office of the Registrar of Deeds, it, of course, is without force at present as regards your power and authority for finally adjusting any matter with the Government.

I have, &c.

(Signed) THOS. REIBEY.

C. H. GRANT, *Esq., Manager Main Line Railway Company.*

150.

Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 25th September, 1876.

SIR,

I HAVE the honor to inform you that the Power of Attorney, referred to in yours of the 23rd instant, has this day been filed with the Registrar of Deeds, since I presume that you have some proposal to make for the execution of which on my part the registration would be necessary.

The only reason for not before registering the document was, that the Company's Solicitors considered it useless to incur expenses on a power which, from many causes, might never be required or acted upon, and respecting which the mere act of filing would give all its provisions a legal retrospective effect.

The Company's Solicitors also inform me that the action brought in the Supreme Court has been formally discontinued, and that the Crown Solicitors had notice from them some days ago that it would not be proceeded with.

You may remember that, on the 6th instant, I positively informed you that the action would be discontinued, and that you acknowledged such assurance on the 8th instant.

The Hon. the Colonial Secretary.

I have, &c.

(Signed) C. H. GRANT.

151.

Colonial Secretary's Office, Hobart Town, 27th September, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 25th instant, informing me that the Power of Attorney referred to in my letter of the 23rd instant has been filed with the Registrar of Deeds,—a step which, it would appear from your letter, was taken by you on the presumption that I had some proposal to make, for the execution of which on your part the registration would be necessary.

I am at a loss to discover the grounds of your inference: inasmuch as, in my letter of the 23rd instant, I merely pointed out that a document transmitted by you with yours of the 20th, purporting to endue you with certain powers to act on behalf of the Tasmanian Main Line Railway Company was without force,—not having been registered.

This Power of Attorney, having now been made valid by registration, will be forwarded to the Law Officers of the Crown with reference to the desire expressed in your letter of the 22nd August, to exercise the running powers of the Company over the Launceston and Western Railway from Eyandale Junction to Launceston, on conditions specified by you,—involving the ultimate settlement, by mutual consent or arbitration, of the amount to be paid by the Company as tolls and compensation.

I have, &c.

(Signed) THOS. REIBEY.

C. H. GRANT, *Esquire,*
General Manager, Tasmanian Main Line Railway.

152.

MEMO.

Colonial Secretary's Office, Hobart Town, 6th October, 1876.

THE enclosed Power of Attorney, having been made valid by registration, is forwarded to the Honorable the Attorney-General with reference to the Memorandum of the Honorable the Minister of Lands and Works of the 1st ultimo, herewith enclosed, and papers annexed thereto.

B. TRAVERS SOLLY.

The Hon. the Attorney-General.

I AM of opinion that the enclosed Power of Attorney gives Mr. Grant sufficient power to enter into an agreement to refer the question of tolls for running over the Launceston and Western Railway to arbitration.

C. HAMILTON BROMBY.
Oct. 10, 1876.

FORWARDED for the information of the Hon. the Minister of Lands and Works.

THOS. REIBEY.
11 Oct. 1876.

FORWARDED to the Manager of the Launceston and Western Railway, in order that the Hon. the Colonial Secretary's request, dated 25th August last, with respect to the times at which the Main Line Railway trains may run over the Launceston and Western Railway may be complied with; and further, to make such regulations for the proper working of separate train services as is usually the custom when the traffic of one line of Railway comes upon another, which I consider necessary in the interest of the Launceston and Western Railway and the public.

C. O'REILLY,
Minister of Lands and Works,
12th October, 1876.

TASMANIA.

9 September, 1875.

5s.

RECEIVED in Tasmania, 25th August, 1875, and stamped in my presence this ninth day of September, 1875.

GEO. PATTEN ADAMS,
Collector of Stamp Duties.

A.

TO ALL WHOM THESE PRESENTS SHALL COME UNTO OR CONCERN

THE TASMANIAN MAIN LINE RAILWAY COMPANY LIMITED Send Greeting.

WHEREAS by a Letter or Power of Attorney under the Seal of the said Company bearing date the Twelfth day of November One thousand eight hundred and seventy-four the Company constituted CHARLES HENRY GRANT of Hobart Town Tasmania their Attorney for the purposes and with the powers in such instrument expressed AND WHEREAS differences have arisen between the Company and the Governor of Tasmania and the Launceston and Western Railway Company Limited touching the exercise by the TASMANIAN MAIN LINE COMPANY LIMITED of the running powers over the Launceston and Western Railway in virtue of a Contract made between the Governor of Tasmania and the TASMANIAN MAIN LINE RAILWAY COMPANY LIMITED dated the fifteenth day of August One thousand eight hundred and seventy-one and the last-mentioned Company have been requested and are willing to submit for settlement by arbitration to be conducted in Tasmania AND WHEREAS doubts have been suggested whether the powers already given to the said CHARLES HENRY GRANT by the TASMANIAN MAIN LINE RAILWAY COMPANY LIMITED in and by the said instrument of the said Twelfth day of November One thousand eight hundred and seventy-four sufficiently authorise him to refer such differences to such arbitration NOW THEREFORE these Presents Witness that in order to render such doubts and by way of confirmation and extension of the powers already given to and exerciseable by the said CHARLES HENRY GRANT under and in virtue of the said Instrument of the twelfth day of November one thousand eight hundred and seventy-four and fully recognizing the same as being and continuing in full force and effect the TASMANIAN MAIN LINE RAILWAY COMPANY LIMITED do hereby nominate and appoint the said CHARLES HENRY GRANT to be the Attorney of the said Company for all or any of the purposes following that is to say—To refer to the arbitration either of a single arbitrator or of two arbitrators and their umpire within the Colony of Tasmania all the differences which now exist or which shall hereafter arise between the said Company and the Governor of Tasmania and the Launceston and Western Railway Company Limited or any or either of them touching the exercise by the TASMANIAN MAIN LINE RAILWAY COMPANY LIMITED of the running powers over the Launceston and Western Railway under and in pursuance of the said Contract of the fifteenth day of August one thousand eight hundred and seventy-one and touching the terms and conditions upon which such running powers are exerciseable and shall continue to be exercised and particularly respecting the payment and compensation to be made to the Launceston and Western Railway Company for or by reason of the exercise by the TASMANIAN MAIN LINE RAILWAY COMPANY LIMITED of such running powers To define and settle the exact terms on which the reference shall be made and to enter into a proper agreement or proper agreements for reference embodying such terms To superintend and direct the conduct of all proceedings on behalf of the Company under any such reference with the aid of attorney or attorneys and counsel in the law or otherwise and to employ and instruct such Attorneys and Counsel accordingly To exercise in reference to the questions to be referred all powers of reference to arbitration which the Directors of the Company or the Company are or is or shall be entitled to exercise whether in virtue of the regulations of the Contract of the fifteenth day of August one thousand eight hundred and seventy-one or of any Act or Acts of the Tasmanian Legislature or any Act or Acts of the Imperial Legislature of Great Britain To cause any such reference to be made a Rule or Rules of the Court in Tasmania AND GENERALLY to do and concur in all things which in the opinion of the said Attorney may be necessary or proper to make such reference and proceedings thereunder effective and for obtaining a full final and complete award or awards on all the subjects of reference AND the Company hereby agree and covenant on behalf of the Company and its successors to ratify allow and confirm whatsoever the said CHARLES HENRY GRANT shall do or cause to be done in and about the premises by virtue of these premises IN WITNESS whereof the said Company have hereunto affixed their Common Seal the Ninth day of July One thousand eight hundred and seventy-five.

By Order of the Board

(L.S.)

In the presence of

J. B. DAVISON, *Secretary.*

WM. J. PARRY *Clerk to Messrs WILSON BRISTOWS & CARPMAEL*
1 Copthall Buildings London Solrs.

This is the Power of Attorney marked with the letter "A" referred to in the Declaration of William Jesse Parry made before me this 9th day of July, 1875.

D. H. STONE, *Lord Mayor, London.*

Justice Room.

Stamp.

1s.

I WILLIAM JESSE PARRY of 1 Copthall Buildings in the City of London Clerk to Messieurs Wilson Bristows and Carpmael of the same place do solemnly and sincerely declare that on Friday the ninth day of July one thousand eight hundred and seventy-five I was present together with JAMES BORWICK DAVISON of No. 113 Cannon-street in the City of London Secretary to the Tasmanian Main Line Railway Company Limited and did then see the Common Seal of the said Tasmanian Main Line Railway Company Limited the constituents named in the Power of Attorney hereunto annexed and marked with the letter A duly affixed to the said Power of Attorney in the presence of the said James Borwick Davison and myself and that the seal affixed to the said Power of Attorney as the Seal of the Company executing the same is the Common Seal of the said Tasmanian Main Line Railway Company Limited and the names "J. B. Davison" and "Wm. J. Parry" subscribed thereto as the names of the witnesses attesting the execution thereof are of the respective hand-writings of the said James Borwick Davison and of me the Declarant AND I MAKE this solemn Declaration conscientiously believing the same to be true and by virtue of the provisions of an Act made and passed in the sixth year of the reign of His late Majesty King William the Fourth intituled an Act to repeal an Act of the present Session of Parliament intituled "An Act for the more effectual abolition of Oaths and Affirmations taken and made in various Departments of the State and to substitute Declarations in lieu thereof and for the more entire suppression of voluntary and extra-judicial Oaths and Affidavits and to make other provisions for the abolition of unnecessary Oaths."

Justice Room.

Stamp.

1s. 6d.

Declared at the Mansion House in the City of London }
this ninth day of July 1875 Before me

WM. J. PARRY.

D. H. STONE, *Lord Mayor, London.*

TO ALL TO WHOM these presents shall come I DAVID HENRY STONE Lord Mayor of the City of London DO HEREBY CERTIFY that on the day of the date thereof personally came and appeared before me William Jesse Parry the Declarant named in the Declaration hereunto annexed and by Solemn Declaration which the said Declarant then made before me in the form of Law did solemnly and sincerely declare to be true the several matters and things mentioned and contained in the said annexed Declaration.

IN FAITH AND TESTIMONY whereof I the said Lord Mayor have hereunto signed my name and caused the Seal of the Office of Mayoralty of the said City of London to be hereunto put and affixed and the Power of Attorney marked A mentioned and referred to in and by the said Declaration to be hereunto also annexed. Dated in London the ninth day of July in the year of our Lord One thousand eight hundred and seventy-five.

(Corporation Seal.)

D. H. STONE, *Mayor.*FRED. C. SYDNEY, *Deputy Registrar.*

[Endorse.]

Dated 9th July 1875.

THE TASMANIAN MAIN LINE RAILWAY
COMPANY
(LIMITED)

TO

CHAS. HY. GRANT, ESQRE.

(Copy)

POWER OF ATTORNEY.

Original filed and registered this twenty-fifth day of
September one thousand eight hundred and seventy-
six at eleven A.M.

GEO. PATTEN ADAMS
Regr of Deeds
No. 1536.

Wilson Bristows & Carpmael 1 Copthall Bldgs.

Lands and Works Office, 12th October, 1876.

SIR,

HAVING been referred to the document, a Power of Attorney, now duly registered, upon which you rely as investing you with authority to bind "The Main Line Railway Company" to refer the question of Tolls and Compensation for running powers over the Launceston and Western Railway to arbitration, and to abide by the terms imposed by the Arbitrators, I have the honor to acquaint you that I have this day instructed the Manager of the Launceston and Western Railway to arrange the times at which the Main Line Railway trains may run over the Launceston and Western Railway from Launceston to Evandale Junction, and *vice versa*, and to make such regulations for the proper working of separate train services as is usually the custom when the traffic of one line of Railway comes upon another, in the interest of the Launceston and Western Railway and the Public.

I have, &c.

(Signed) C. O'REILLY, *Minister of Lands and Works.*

C. H. GRANT, *Esq., Secretary and General Manager*
Main Line Railway Company, Hobart Town.

*Tasmanian Main Line Railway Company (Limited), General Manager's Office,
Hobart Town, 18th October, 1876.*

SIR,

I HAVE the honor to acknowledge the due receipt of your letter of the 12th instant, in which you state that, having examined my Power of Attorney to act on behalf of the Main Line Railway Company in any arbitration respecting Tolls and Compensation for running their trains over the Launceston and Western Railway, you have instructed the Manager of that line to arrange the times at which such trains may run, and to make such regulations for the proper working of separate train services as is usually the custom when the traffic of one line of Railway comes upon another, in the interest of the Launceston and Western Railway and the Public.

On behalf of the Main Line Railway Company, I have to express their thanks for such instructions as given.

I have, &c.

(Signed) CHARLES H. GRANT.

Hon. C. O'REILLY, M.H.A., Minister of Lands and Works.

*Launceston and Western Railway, Manager's Office,
Launceston, Tasmania, 17th October, 1876.*

SIR,

IN accordance with instructions contained in your Memo. of Oct. 12th, I have the honor to submit for your approval the following necessary provisions in the Deed of Agreement between the Government and the Tasmanian Main Line Railway Company, with respect to the exercise of the right of running powers over the Launceston and Western Railway. In order that the points to be embodied in this Agreement may be clearly understood, I have arranged them in separate statements as follows:—

I. That running powers be exercised by the Tasmanian Main Line Railway Company over the Launceston and Western Railway between Evandale and Launceston Junctions for one year, subject to the following conditions; viz.—

- 1st. At the expiration of the yearly term the amount due for toll and compensation to be determined by arbitration as set forth in the Launceston and Western Railway Act, 33 Vict. No. 21, Clause 12.
- 2nd. The Tasmanian Main Line Railway Company to give guarantee, to be mutually agreed upon, to abide by said decision and to make immediate payment of amount so determined by arbitrators.
- 3rd. To ensure safety in working the traffic of the Tasmanian Main Line Railway Company, the said Company to agree that, so far as the portion of the Launceston and Western Railway thus used is concerned, the times of trains be mutually agreed upon, and the regulations for working traffic and the maintenance of the narrow gauge be under the immediate control of the Manager for the time being of the Launceston and Western

Railway; that the servants of the Tasmanian Main Line Railway Company shall be deemed the servants of the Launceston and Western Railway Department; that the rule books and instructions issued by the Manager of the Launceston and Western Railway from time to time be supplied to such servants for their guidance.

II. 1st. That in the event of accident happening in connection with the Tasmanian Main Line Railway Company's trains causing damage to life or property arising through the negligence of a servant or servants of the Tasmanian Main Line Railway Company, or through faulty design of their gauge, or defect in their rolling stock used, or through some other cause, the Tasmanian Main Line Railway Company will be deemed directly responsible. The term property shall also apply to the property of the Launceston and Western Railway; viz. its line of railway and equipment.

2nd. Should any dispute arise as to the cause of any accident, should such unfortunately happen, the matter in dispute to be submitted to the decision of three independent Railway Engineers, whose decision will be final.

III. That all rails, fastenings, sleepers necessary for the renewal or maintenance of the Tasmanian Main Line Railway Company's third rail be supplied free of cost to the Manager of the Launceston and Western Railway, the material so supplied to be subject to the approval of the Manager of the Launceston and Western Railway.

IV. That in order to protect the true vested interests and rights of the Launceston and Western Railway, the Tasmanian Main Line Railway Company will not, within the present limits of the Launceston and Western Railway system, compete with the Launceston and Western Railway for local traffic. Local traffic to mean, that traffic which is not carried beyond the limits of the Launceston and Western Railway system by the Tasmanian Main Line Railway Company; all traffic arising within the points Evandale Junction and Launceston including these stations shall be deemed Launceston and Western Railway local traffic.

V. That, in order to provide extra convenience to *through* passengers to and from the intermediate stations between Evandale Junction and Launceston, the Tasmanian Main Line Railway Company be permitted to stop their trains at Breadalbane and St. Leonards, and retain the full through fare, on condition that they carry Launceston and Western Railway local passenger traffic to and from the same stations upon similar terms.

The foregoing points are (each of them) most essential. In addition there is a provision necessary to be made through Treasury for the extra outlay entailed in maintaining the additional service upon the Launceston and Western Railway. I estimate this extra expense to amount to £100 per month; and it lies with the Government whether they will advance this sum until the end of the yearly term, or whether they shall exact a partial payment from the Tasmanian Main Line Railway Company monthly, to be finally adjusted in the sum awarded by arbitration. Should they fix upon the latter mode, an additional clause to that effect had better be inserted in the Agreement.

I have, &c.

(Signed) R. W. LORD.

The Hon. C. O'REILLY, M.H.A., Minister of Lands and Works.

FORWARDED to the Honorable the Colonial Secretary that the several provisions herein referred to by the Manager of the L. & W. Railway may, if approved, be embodied in any agreement drawn up with respect to the right of running powers over the L. & W. Railway for a period of twelve months, binding the Tasmanian Main Line Railway Company at the expiration of that term to refer the question of Toll and Compensation to arbitration.

C. O'REILLY, *Minister of Lands and Works,*
23rd October, 1876.

FORWARDED to the Honorable the Attorney-General.

B. TRAVERS SOLLY.
24th October, 1876.

Attorney-General's Office, Hobart Town, 27th October, 1876.

DEAR SIR,

THE Attorney-General has desired me to forward the enclosed draft Agreement to you, with the request that you will go through the same with Mr. Grant, and then return it to this office with any remarks you may see fit to make upon it at your earliest convenience.

Yours very truly,

F. STOPS.

R. W. LORD, *Esq.*

*Launceston and Western Railway, Manager's Office,
Launceston, Tasmania, 30th October, 1876.*

DEAR SIR,

I RETURN the draft Agreement, having gone through the same with Mr. Grant, who has signed it as a proof that he approves. I think it is all that is required, and shall be glad to be advised so soon as it is finally executed.

Yours very truly,

F. STOPS, *Esquire.*

R. W. LORD.

MR. Grant having signed the draft agreement, there is no objection to his running the Main Line Trains from Evandale to Launceston.

The Hon. the Colonial Secretary.

C. HAMILTON BROMBY,
Oct. 31, 1876.

RETURNED to the Honorable the Minister of Lands and Works with the request that he will issue the necessary instructions to permit the running of the Main Line Railway Trains over the Launceston and Western Line.

THOS. REIBEY.
31 Oct., 1876.

ACTED upon. *Vide telegram.*

The Hon. the Colonial Secretary.

G. F. LOVETT.
31. 10. 76.

BY ELECTRIC TELEGRAPH.

You may permit the Main Line Railway Trains to run over the Launceston and Western Railway on and after to-morrow, the 1st November, in accordance with the desire of the Honorable the Colonial Secretary.

(Signed) C. O'REILLY, *Minister of Lands and Works.*

R. W. LORD, *Esq., Manager
L. & W. Railway, Launceston.*

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*Tasmanian Main Line Railway Company, Limited,
Engineer's Office, Hobart Town, 3rd October, 1876.*

SIR,

I HAVE the honor to inform you that the Main Line Railway Company purpose to complete their arrangements for running their trains into the new Station at Launceston on Wednesday next, the 11th instant, being the day of the Campbell Town Agricultural Show, and have advertised Excursion Trains to run on that day at very low fares.

The Company also hope to be ready to commence the regular service of trains on that day.

I have given notice to the Manager of the Launceston and Western Railway of the desire of the Company, and he is kindly pushing forward the work of repairing the third rail on his line, in order to be ready for the Main Line traffic.

You will greatly oblige by arranging with the Hon. the Minister of Lands and Works that the necessary authority be given to Mr. Lord for allowing the running of the Main Line trains over the Launceston and Western Railway, in accordance with the terms previously arranged.

I have, &c.

(Signed) CHARLES H. GRANT.

To the Hon. THOS. REIBEY, M.H.A., Premier and Colonial Secretary.

FORWARDED to the Honorable the Minister of Lands and Works, with a request that he will make the necessary arrangements with the Manager of the Launceston and Western Railway for carrying out the wishes of Mr. Grant upon the basis of the late Colonial Secretary's letter of the 5th May last.—*Main Line Railway Correspondence, page 30.*

THOS. REIBEY.
6th October, 1876.

REQUEST complied with.

C. O'REILLY.
9 Oct. 1876.

Lands and Works Office, Hobart Town, 30th Oct., 1876.

FORWARDED to the Hon. the Premier and Colonial Secretary, with a desire to draw his special attention to Mr. Dowling's report of the 27th instant, in which he points out the unsatisfactory condition of the third rail on the Launceston and Western Railway, over which the Main Line Railway Company have been allowed to exercise running powers, and consequently Mr. Dowling's as well as Mr. Lord's desire to be relieved from all responsibility that may hereafter arise from accident through the imperfect design and present condition of third rail.

If, under such circumstances, Mr. Grant be permitted to exercise "running powers," who is to be responsible to this Department in the event of any serious accident?

C. O'REILLY.
30 Oct., 1876.

By the terms of the Agreement all responsibility rests with the Main Line Railway Company for any loss, damage, or injury accruing from the trains of the Company while upon the Launceston and Western Railway unless the same is proved to have been caused by the default or negligence of some person actually employed and paid by the Launceston and Western Railway Department, or for some default for which the Launceston and Western Railway is solely responsible.

It is requested that the enclosed papers may be again forwarded to this office, as they will require to be printed for Parliament.

THOS. REIBEY.
4 Nov. 1876.

The Hon. the Minister of Lands and Works.

(Copy.)

*Launceston and Western Railway, Manager's Office,
Launceston, Tasmania, 28th October, 1876.*

SIR,

I HAVE the honor to report that I met Mr. Grant, the Manager of the Tasmanian Main Line Railway Company, yesterday at the Evandale Junction, for the purpose of taking charge of a narrow gauge experimental train between Evandale and Launceston, as instructed by you. I placed one of our Engine Drivers on the engine, and myself directed the speed of the train. Two trips between the Junctions were made, and the running proved, so far, satisfactory.

I enclose a copy of a report from Mr. Dowling, the Inspecting Surveyor, upon the present condition of the third rail, and have instructed that officer to have the greatest care taken to maintain the narrow gauge; but I am of the same opinion as Mr. Dowling, that the design is a very imperfect one, and that the maintenance will be costly and cause considerable anxiety. The question of responsibility, through any failure resulting from the imperfect design, of course will not in any way attach to this Department.

I have, &c.

(Signed) R. W. LORD, Manager.

The Hon. the Minister of Lands and Works, Hobart Town.

(Copy.)

*Launceston and Western Railway, Permanent Way Department,
27th October, 1876.*

DEAR SIR,

I BEG to report that the repairs to the third rail, as requested and specified by Mr. Grant, and the laying in of the Launceston Junction, have been carefully carried out, at a further cost of £191 12s. 5d. for labour only. The condition of the rail is thereby much improved and strengthened, and is as "safe and efficient as the plan adopted permits of." With regard to its perfect safety and efficiency, my opinion, as embodied in my report of the 11th ultimo, is unaltered; and I am convinced, to maintain even its present degree of safety with a fair running condition, will necessitate the exercise of the most careful supervision and be attended with difficulty and dissatisfaction. I need not say that if entrusted with the supervision my earnest endeavour will be exercised to secure the safe passage of the trains; but I wish it to be understood that I am relieved from all responsibility. I have endeavoured, and I hope successfully, to render the Junctions as perfect as the material supplied would possibly admit of, but must certainly be only considered as temporary arrangements, or as a matter of expediency to permit the immediate passage of the trains.

Steel crossings of the proper lead should be at once provided, as the life of those put in (already shortened by over two years' wear) cannot be expected to be of any duration.

Yours obediently,

(Signed) LEONARD DOWLING.

R. W. LORD, Esq., Manager.

(Copy.)

*Launceston and Western Railway, Inspecting Surveyor's Office,
11th September, 1876.*

DEAR SIR,

I BEG to acknowledge the receipt of a letter addressed to you by Mr. Grant, Chief Engineer of the Tasmanian Main Line Railway, commenting upon the present condition of the third rail, as laid down for the Main Line Railway Company, over the Launceston and Western Line between the Launceston and Evandale Junctions, and suggesting certain additions and alterations to be made so as "to put it into first class condition."

I observe that my previous reports as to the condition of the third rail are fully corroborated by Mr. Grant's letter to you; but I beg to report that to repair, as Mr. Grant proposes, the damages done by the running of the Main Line *experimental* engines some two years since, the first six (6) miles from Launceston must be taken up and re-laid, the rails straightened or, as Mr. Grant suggests, new ones used, and all damaged timbers replaced. The rail beyond that point will require a careful examination, extra fastenings round the curves, and corrected for the necessary super-elevations, in many places at present dangerously in fault, and in no instance correct. This will necessitate the re-seating of the longitudinal timber upon the transverse sleepers, in some cases requiring to be cut down, in others to be packed. A supply of new timbers will be required, six (6) inch and four (4) inch fastenings, and a limited number of bridge sleepers, to carry out Mr. Grant's suggestions, also a sufficient quantity of all fastenings used, for maintenance purposes. All this should be thoroughly carried out before the running of any train is attempted. On receiving your instructions, with definite specifications, I need scarcely say I shall use my best efforts to carry out the repairs indicated by Mr. Grant. I must further, however, report that, in the terms of Mr. Grant's letter, I see reasons for apprehension that my professional reputation may be greatly jeopardised if I do not call the attention of the Government to my previous reports on the question of the third rail.

With me it is *not* a question of mere repairs. I deem the original design to be altogether at fault, and *not* to be remedied by any of the alterations indicated in Mr. Grant's letter, and on which basis he asks you to instruct me "to have everything that is necessary done to make it *safe* and *efficient*."

The rail when considerably strengthened may perhaps be passed over in safety for some time; but I am positive on one point—*i.e.*, that the cost of maintenance, which depends in a great measure on the character of the way and quality of the materials, will be excessive, whilst a certain amount of risk will attend the passage of any train, especially when freighted and running to a Time Table. I repeat here what I have frequently expressed, that the *only safe and efficient* way, and by far the most economical to maintain, would be to lay down upon the transverse sleeper of the Launceston and Western Line a rail of the same section as that used for the 5 ft. 3 in. gauge, and sufficiently heavy to carry the weight of Main Line Company's stock over the same sleeper space—*i.e.*, 3 ft.

I have, &c.

(Signed)

LEONARD DOWLING.

R. W. LORD, *Esq.*, *Manager*.

RETURNED as requested.

C. O'REILLY.
10 Nov. 1876.

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Colonial Secretary's Office, 3rd November, 1876.

SIR,

WITH reference to the sanction of the Government under the Agreement with you as Manager for the Main Line Railway Company for running Trains over the Launceston and Western Railway, I have the honor to forward for your perusal copy of a letter addressed by Mr. Dowling, Inspecting Surveyor, to Mr. R. W. Lord, under date the 27th ultimo, bearing upon the condition, &c. of the third rail.

I am aware that by the terms of the Agreement all responsibility rests entirely with the Company, but I deem it my duty to place you in possession of the opinion of the Officer who has been engaged in supervising the late repairs as to the difficulties which he considers exist in connection with the endeavour to secure the safe passage of the Main Line Railway Trains over the line.

I have, &c.

(Signed)

THOS. REIBEY.

C. H. GRANT, *Esq.*, *Manager Tasmanian
Main Line Railway*.

MEMORANDUM.

The Governor with the Tasmanian Main Line Railway Company, Limited.

THE accompanying draft of, and engrossed, Agreement having been prepared during my absence from the Colony, and it appearing that there are no written instructions containing the terms of the Agreement, I shall be glad if, before I send the Agreement for signature by Mr. Grant on behalf of the Company, the Attorney-General will signify his approval of the terms thereof. The Agreement corresponds with the draft as altered in pencil by Mr. R. W. Lord, Manager of the Launceston and Western Railway.

ROB. P. ADAMS.

Crown Solicitor's Office, 2 November, 1876.

The Hon. the Attorney-General.

I APPROVED of the terms of this Agreement before it was engrossed.

C. HAMILTON BROMBY.

Nov. 2, 1876.

MR. LOVETT having informed me that the Minister of Lands and Works is not acquainted with the terms of the Agreement between the Governor and the Tasmanian Main Line Railway Company, Limited, with respect to the running powers over the Launceston and Western Railway, I forward the document (which has not yet been executed) for the Minister's inspection, and request its speedy return.

ROB. P. ADAMS.

10. 11. 76.

The Minister of Lands and Works.

PERUSED and returned.

C. O'REILLY, *Minister of Lands and Works.*
13 Nov., 1876.

MEMO.

The Governor with the Tasmanian Main Line Railway Company, Limited.

THE Agreement giving the Company running powers over the Launceston and Western Railway has been prepared in duplicate; and the Minister of Lands and Works is requested to get the Governor's signature thereto.

Mr. Grant, on behalf of the Company, has signed one copy of the Agreement.

ROB. P. ADAMS.

13 Nov., 1876.

The Hon. the Minister of Lands and Works.

HIS Excellency the Governor having executed the Agreement herein referred to, in duplicate, copies may now be exchanged.

C. O'REILLY, *Minister of Lands and Works.*
13th Nov. 1876.

The Solicitor-General.

THE Agreement having been forwarded to the Colonial Secretary, the correspondence is also sent to him.

ROB. P. ADAMS.

14. 11. 76.

MINUTE PAPER FOR THE EXECUTIVE COUNCIL.

Lands and Works Office, Hobart Town, 13th November, 1876.

SUBMITTED,

THAT His Excellency the Governor be requested to execute the accompanying Agreement with the Tasmanian Main Line Railway Company for running trains over the Launceston and Western Railway.

C. O'REILLY, *Minister of Lands of Works.*

THE Governor in Council approves.

E. C. NOWELL.

13. 11. 76.

The Hon the Minister of Lands and Works.

TASMANIA.

14 November, 1876.

1s.

Stamped in my presence this fourteenth day of November, 1876.

GEO. PATTEN ADAMS,

Collector of Stamp Duties.

This Agreement is made the First day of November in the year of Our Lord One thousand eight hundred and seventy-six BETWEEN His Excellency FREDERICK ALOYSIUS WELD Esquire C.M.G. Governor of Tasmania by and with the advice and consent of His Executive Council for and on behalf of the Government of Tasmania and hereinafter called the Governor of the one part and the TASMANIAN MAIN LINE RAILWAY COMPANY (LIMITED) hereinafter called the Company of the other part WHEREAS by the Act of the Parliament of Tasmania 33 Victoria Number 21 it was amongst other things provided that the Governor in Council might confer upon any Company contracting under the Main Line of Railway Act (33 Victoria Number 1) running powers over any part or parts of the Launceston and Western Railway upon payment of reasonable tolls and compensation for so doing and that the amount of such tolls and compensation should in case of difference be decided by arbitration in manner therein mentioned AND WHEREAS by a Contract made the Fifteenth day of August One thousand eight hundred and seventy-one made in pursuance of the said Main Line of Railway Act 33 Victoria Number 1 and the Main Line of Railway Amendment Act 34 Victoria Number 13 the Company contracted with the Government of Tasmania to construct maintain and work a Main Line of Railway between Hobart Town and Launceston or between Hobart Town and any point on the Launceston and Western Railway with running powers over that Railway to Launceston and by the Fourth Section of such Contract the running powers named and referred to in the said Act 33 Victoria Number 21 over the Launceston and Western Railway were expressly given to and conferred upon the Company AND WHEREAS the Company have connected their Line of Railway with a point on the Launceston and Western Railway known as Evandale Junction and have laid down a third rail upon the Launceston and Western Railway from that point to the Station of the Company at Launceston AND WHEREAS the running powers originally created by the Act 33 Victoria Number 21 have been continued and confirmed by the Act of the Parliament of Tasmania 37 Victoria Number 20 AND WHEREAS the Company have been unable to agree with the Government of Tasmania as to the amount to be paid by the Company as tolls and compensation for the exercise of such running powers as aforesaid and it has been agreed between the Governor and the Company that the Company shall be permitted to use and exercise the said running powers for Twelve months from the Thirtieth day of October One thousand eight hundred and seventy-six and that the Company shall at the expiration of the said period pay to the Governor the amount that may be then mutually agreed upon for tolls and compensation and in case of difference that the amount shall be assessed by arbitration in the manner provided by the Lands Clauses Act for cases of disputed compensation and that the Company shall immediately upon the amount being so assessed pay the same to the Governor IT IS THEREFORE HEREBY MUTUALLY AGREED between the Governor and the Company in pursuance of the said recited Acts of Parliament and the said Contract and in pursuance of the lastly hereinbefore recited Agreement

1. The Governor hereby authorises and empowers the Company to use and exercise such running powers over the Launceston and Western Railway as in the said Acts and Contract mentioned for the term of Twelve months from the Thirtieth day of October One thousand eight hundred and seventy-six without first making payment of such tolls and compensation as the same are in the said Acts mentioned And the said Company agree to use and exercise such running powers during the said term in conformity with the said Acts and Contract and subject to the provisions and stipulations hereinafter contained.

2. The Company shall within One month after the expiration of the said term of Twelve months pay to the Governor the amount which may be fixed by mutual agreement as the sum due by the Company as tolls and compensation for the exercise of such running powers during the said term and in case such amount shall not be fixed by mutual agreement within the said month the amount to be paid by the Company to the Governor shall be forthwith assessed by arbitration in the manner provided in the Lands Clauses Act for cases of disputed compensation Such tolls and compensation shall include the cost of the maintenance of the said third rail in the manner hereinafter mentioned.

3. The Company shall within Fourteen days after notice to their Manager Agent or Chief Engineer in Hobart Town of the amount payable under any award made in accordance with the provisions of the preceding Sections pay to the Governor the amount so awarded together with such costs if any as the said Arbitrators may award.

4. The times at which the Trains of the Company shall run over the Launceston and Western Railway during the said term of Twelve months shall be from time to time submitted to and approved by the Governor and the Company shall not run any Train over such Railway except at the times approved by the Governor or authorised by some person delegated by him.

5. The Governor may from time to time during the said term make alter and rescind Regulations for working the traffic of the Company over the Launceston and Western Railway and for the maintenance of such third rail as aforesaid and may direct that the Manager of the Launceston and Western Railway shall exercise immediate control over all Trains of the Company upon the said Launceston and Western Railway and all servants of the Company while upon any part of the Launceston and Western Railway shall obey the orders of the said Manager of the Launceston and Western Railway and of all persons duly authorised by him and such servants of the Company shall for the purpose of giving effect to this provision but not further or otherwise while upon the said Launceston and Western Railway or any part thereof be deemed servants of the Manager of the Launceston and Western Railway and be subject and liable accordingly.

6. The Company shall be solely responsible for any loss damage or injury accruing from the Trains of the Company while upon the said Launceston and Western Railway unless the same is proved to have been caused by the default or negligence of some person actually

employed and paid by the Launceston and Western Railway Department or for some default for which the Launceston and Western Railway is solely responsible.

7. The Company shall supply to the Manager of the Launceston and Western Railway free of cost all rails fastenings sleepers or other material which he may require or deem necessary for the maintenance or renewal of the said third rail and the same shall be subject to the approval of the said Manager.

8. In order to provide public convenience it shall be lawful for the Company to convey passengers from any Station south of Evandale Junction to either Breadalbane St. Leonards or Launceston and to deposit such passengers at any of such Stations retaining the full fare for such journey and also to convey passengers from Launceston St. Leonards or Breadalbane to any Station south of Evandale Junction upon the like terms provided that the Company carry Launceston and Western local passenger traffic between the aforesaid Stations and account to the Manager of the Launceston and Western Railway for all passenger receipts of the Company in respect of said local traffic and all traffic between Launceston and Deloraine (including all intermediate Stations) shall for the purposes of this Agreement be deemed local traffic and the Company shall not except as hereinafter provided compete with the Launceston and Western Railway for such local traffic.

9. It is hereby expressly agreed between the parties hereto and this Agreement is made upon the express understanding and condition that it shall not operate or be construed to operate as an admission by either party that the conditions of the hereinbefore recited Contract have or have not been fulfilled or as a waiver or abandonment of any right now possessed by either party hereto or to the said Contract against the other of them but all such rights and liabilities shall be and remain as if these presents had not been made or executed save in so far as is herein expressly provided or declared to the contrary As witness the hands of the said parties to these presents the day and year firstly before written.

The Tasmanian Main Line of Railway Company Limited by their Agent and Attorney
C. H. GRANT.

FRED. A. WELD, *Governor.*

Signed by the above-named Company by its Attorney

CHARLES HENRY GRANT in the presence of

HENRY DOBSON *Sol. Hobart Town.*

Signed by the above-named FREDERICK ALOYSIUS

WELD Esquire Governor of Tasmania at a meeting of the Executive Council held at Hobart Town.

E. C. NOWELL

Clerk of the Executive Council.