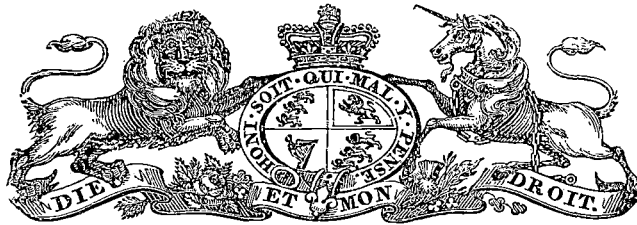


(No. 57.)



1899.

PARLIAMENT OF TASMANIA.

MOUNT DUNDAS AND ZEEHAN RAILWAY:

Report of the General Manager of the Tasmanian Government Railways
as to advisableness of purchase by the Government.

Presented to both Houses of Parliament by His Excellency's Command.

Cost of printing—15s.



TASMANIAN GOVERNMENT RAILWAYS.

MOUNT DUNDAS AND ZEEHAN RAILWAY.

General Manager's Office, Hobart, 16th August, 1899.

THIS line consists of the line from Zeehan to Maestries, $7\frac{1}{2}$ miles, and a short branch from Brewery Junction to a point on the mineral section known as Anderson's—in length $1\frac{1}{4}$ miles.

The line from Zeehan to Maestries, $7\frac{1}{2}$ miles, has been fairly well constructed, and is in very good order. The short branch from Brewery Junction has not been maintained, but it can be put in order for a small sum, say £250.

The Solicitor-General advises that the Mount Dundas and Zeehan Railway Company have power to sell or assign their rights under the lease. The Act and the lease provide that, after a period of seven years from the date of the lease (3rd February, 1891), the lessors (the Government) have power, upon giving six months' notice, to make a compulsory purchase. The purchase money is to be mutually agreed upon, failing which, the amount to be paid for purchase is to be fixed by two arbitrators and an umpire—one arbitrator to be appointed by the Government and one by the lessees.

It is also provided that the purchase money is not to exceed the actual cost of the line, less flotation expenses, with 20 per cent. added. The cost as accepted by the Auditor-General is £56,581 10s. 11d.

I am of opinion that it would be a decided advantage to the Government to acquire this line, if it could be purchased at a reasonable price.

FREDK. BACK, *General Manager.*

To the Hon. Minister for Railways.