

(No. 46.)



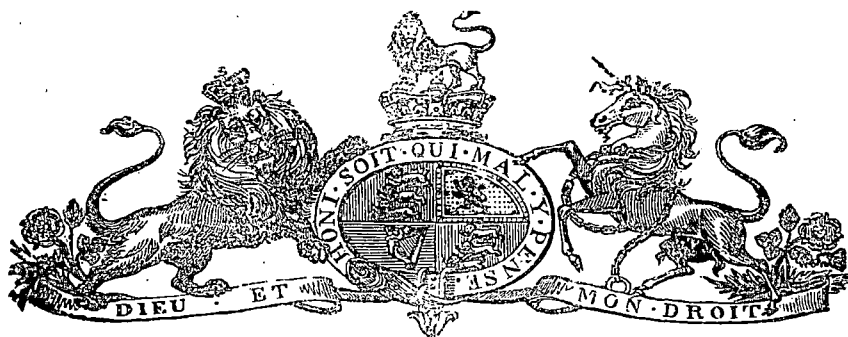
1884.

PARLIAMENT OF TASMANIA.

MAIN LINE RAILWAY:

TREASURY CORRESPONDENCE.

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



TASMANIAN MAIN LINE RAILWAY.

TREASURY CORRESPONDENCE.

GUARANTEED INTEREST.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart, 15th October, 1883.*

SIR,

I HAVE the honor to forward you herewith an Abstract of the Traffic Receipts and Expenditure, so far as it can be made up in this Colony, of the Tasmanian Main Line Railway Company, Limited, for the quarter ending the 30th September last, which is rendered in accordance with the terms of the Contract between the Government and the Company.

At the expiration of the previous quarter the Traffic Receipts of the current year had amounted to £38,078 18s. 2d., the expenses for the same period having been £34,853 3s. 2d., thus leaving a balance on the year's operations of £3225 15s. The result of the last quarter's operations (being the worst period of the year) has been to decrease the balance of profit to £1759 12s. 5d.

The guaranteed interest for the quarter being now due, I have the honor to forward you an account amounting to Eight thousand one hundred and twenty-five Pounds (£8125), the payment of which, in the usual course, will much oblige.

I have the honor to be,
Sir,

Your obedient Servant,

HON. J. S. DODDS, *Treasurer.*

C. H. GRANT, *General Manager.*

TASMANIAN MAIN LINE RAILWAY, COMPANY, LIMITED.

Accountant's Office, Hobart, 15th October, 1883.

*AN ABSTRACT of Receipts and Expenditure on account of Traffic, &c. conveyed over the
Tasmanian Main Line Railway for the Quarter ending 30th September, 1883.*

DR.	£ s. d.	CR.	£ s. d.
To Expenditure—		By Receipts—	
Permanent Way	4130 0 0	Passengers	7607 12 0
Locomotive Power	2672 16 9	Parcels	488 19 9
Carriages and Wagons.....	3388 17 8	Horses, Carriages, and Dogs.....	216 9 10
Traffic Expenses.....	2012 13 8	Excess Luggage.....	102 1 8
General Charges, London.....	1167 14 5	Left Luggage	3 6 4
Ditto, Tasmania	799 14 8	Telegrams	57 1 10
Miscellaneous Expenses	99 9 2	Mails.....	778 5 0
Launceston and Western Railway Toll	1034 7 6	Goods	3383 4 0
	15,305 13 10	Minerals	420 3 0
Balance carried forward to next Quarter...	1759 12 5	Live Stock	655 2 5
		Rents and Sundries.....	127 5 5
			13,839 11 3
		Balance from June Quarter	3225 15 0
	£17,065 6 3		£17,065 6 3

R. J. ELLIS, *Accountant.*

C. H. GRANT, *General Manager.*

T A S M A N I A.

THE GOVERNMENT OF TASMANIA Dr.

To THE TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

1883.	<i>Guaranteed Interest Department.</i>	£ s. d.
July 1 to Sept. 30.	To One-fourth proportion of the yearly Interest guaranteed by the Government of Tasmania to the Tasmanian Main Line Railway Company, Limited, at the rate of 5 per cent. on the sum of £650,000 expended on the Construction of the Railway, and payable according to the terms of the Act of Parliament 46 Victoria, No. 24— One-fourth of £32,500	£8125 0 0

Amounting to Eight thousand one hundred and twenty-five Pounds sterling.

For the Tasmanian Main Line Railway Company, Limited,

C. H. GRANT.

R. J. ELLIS, *Accountant.*
October 15, 1883.

RECEIVED from the Honorable the Treasurer the sum of Eight thousand one hundred and twenty-five Pounds, being the amount of the above Account of Particulars.

*For the Tasmanian Main Line Railway Company, Limited.**Witness to the payment—*W. BENSON.
1. 11. 83.*Treasury, Hobart, 1st November, 1883.*£8100 0 0

RECEIVED from the Treasury the sum of Eight thousand one hundred Pounds on account of the yearly Interest guaranteed by the Government of Tasmania to the Tasmanian Main Line Railway Company, Limited, at the rate of 5 per cent. on the sum of £650,000 expended in the Construction of the Railway, such sum being paid without prejudice to the balance to be struck at the end of the year 1883, according to the terms of the Act of Parliament, 46 Vict. No. 43, Section 5.

For the Tasmanian Main Line Railway Company, Limited,

C. H. GRANT.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart, 14th January, 1884.*

SIR,

I HAVE the honor to forward you herewith an Abstract of the Traffic Receipts and Expenditure, so far as it can be made up in this Colony, of the Tasmanian Main Line Railway Company, Limited, for the quarter ending the 31st December last.

The result of last year's Railway working proves that the gross Revenue Receipts from Traffic and all other sources amount to £69,010 3s. 11d., which is earned by an expenditure of £68,381 9s. 3d., showing a profit on the whole year of £628 14s. 8d., by which therefore the full guaranteed interest, of £32,500 should be reduced; but, since £150 has already been deducted, the balance payable amounts to £7646 5s. 4d., for which an Account is enclosed. This I shall feel obliged by your directing the payment of, according to the conditions of the Contract.

You will doubtless be gratified by the great improvement in the gross receipts, amounting to £8681 15s. 9d. on the year, but will note that this has not been uniform in each quarter,—the excess over the previous year's receipts being £4683 0s. 11d. during the first quarter, £2137 17s. 1d. in that ending the 30th June, £790 3s. on the third quarter, and but £1070 14s. 9d. on the final period.

When writing to you on the 14th April last, I took occasion to explain the reason of the comparatively light expenses, although these had been greatly increased by a rise in the rate of wages, and stated that it would be necessary to make an outlay on both the line and rolling stock, which latter proved entirely insufficient for the present traffic, and had greatly deteriorated in value since the opening of the line. Both these important matters have since received attention, thus accounting for an increased expenditure.

On the 17th July last, in answering your question as to what sum would probably be repaid to Government during the year 1883, I ventured to recommend that you should estimate the revenue receipts of the current year as not being more than sufficient to meet the necessary expenditure,—commenting upon the absolute necessity for a liberal expenditure on rolling stock, &c., but adding: "it is possible there may be a balance on the year, but this entirely depends upon the increased rate of traffic of the first half of the year being maintained." I therefore notice with much satisfaction that, although the increase in the traffic receipts has not been maintained, there is still a balance of profit on the year's operations.

Although every effort has been made to improve the available rolling stock, I regret to state that this is still very much behind the public requirements; and the present condition of both the engines and carriages necessitate a large outlay to restore the value of this branch of the Railway property to what it originally possessed, and at the same time to provide for the largely growing traffic, especially in excursion and short journey traffic, which requires the most rolling stock for its accommodation.

You may rely upon my doing my utmost to maintain and improve the credit of the line in this all-important particular, but the working expenses must necessarily be somewhat affected thereby.

I have, &c.

C. H. GRANT.

Hon. J. S. DODDS, Treasurer.

TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

Accountant's Office, Hobart, 14th January, 1884.

AN ABSTRACT showing the Receipts and Expenditure on account of Traffic, &c. conveyed over the Tasmanian Main Line Railway for the Quarter ending 31st December, 1883.

Dr.				Cr.			
	£	s.	d.		£	s.	d.
To Expenditure—				By Receipts—			
Permanent Way	5416	11	7	Passengers	10,300	13	10
Locomotive Power	4287	0	3	Parcels	550	16	3
Carriages and Wagons.....	3062	2	2	Horses, Carriages, and Dogs	269	10	1
Traffic Expenses	2624	4	2	Excess Luggage	127	15	6
General Charges, London	800	0	0	Left Luggage	8	4	9
Ditto, Tasmania.....	972	14	10	Telegrams	69	5	1
Miscellaneous Expenses	25	11	9	Mails	748	5	0
Launceston and Western Railway Toll	1034	7	6	Goods	4093	14	0
	18,222	12	3	Minerals.....	289	19	11
Balance	628	14	8	Live Stock.....	516	4	2
				Rents and Sundries	117	5	11
					17,091	14	6
				Balance from September Quarter.....	1759	12	5
	£13,851	6	11		£18,851	6	11

C. H. GRANT, *General Manager.*

R. J. ELLIS, *Accountant.*

TASMANIA.

THE GOVERNMENT OF TASMANIA Dr.

To THE TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

1883.	Guaranteed Interest Department.	£	s.	d.
Oct. 1 to	To One-fourth proportion of the Yearly Interest guaranteed by the Government of Tasmania to the Tasmanian Main Line Railway Company, Limited, at the rate of 5 per cent. on the sum of £650,000 expended on the construction of the Railway, and payable according to the terms of the Act of Parliament 46 Victoria, No. 43, Section 5—			
Dec. 31.	One-fourth of £32,500.....	8125	0	0
	Less—Balance of Revenue Account as per Abstract herewith.....	628	14	8
		<hr/>		
		£7496	5	4

Amounting to Seven thousand four hundred and ninety-six pounds five shillings and four pence.

R. J. ELLIS, *Accountant.*
Jan. 14, 1884.

Treasury, Hobart, 28th January, 1884.

£7371 0 0

RECEIVED from the Treasury the sum of Seven thousand three hundred and seventy-one Pounds on account of the yearly Interest guaranteed by the Government of Tasmania to the Tasmanian Main Line Railway Company, Limited, at the rate of 5 per cent. on the sum of £650,000 expended on the construction of the Railway, such sum being paid without prejudice to the balance struck at the end of the year 1883, according to the terms of the Act of Parliament, 46 Vict. No. 43, Section 5.

For the Tasmanian Main Line Railway Company, Limited,

C. H. GRANT.

TASMANIA.

THE GOVERNMENT OF TASMANIA *Dr.**To* THE TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

1883.	<i>Guaranteed Interest Department.</i>	£	s.	d.
Jan. 1 to	To amount of accounts rendered for the year 1883, being for the Interest guaranteed			
Dec. 31.	by the Government of Tasmania, viz., 5 per cent. on £650,000	32,500	0	0
	Less—Balance of Revenue Account for the year 1883	628	14	8
		31,871	5	4
	Amounts received :—			
	May 2nd, 1883	£8000		
	July 28th, 1883	8125		
	Nov. 2nd, 1883	8100		
		24,225	0	0
	Balance due.....	£7646	5	4

Amounting to Seven thousand six hundred and forty-six Pounds five shillings and fourpence.

R. J. ELLIS, *Accountant*,
Jan. 14, 1884.

C. H. GRANT.

Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart, 14th April, 1884.

SIR,

I HAVE the honor to forward you herewith an Abstract of the Traffic Receipts and Expenditure, so far as it can be made up in this Colony, of the Tasmanian Main Line Railway Company, Limited, for the quarter ending the 31st March last, which shows a balance in favour of receipts amounting to Four hundred and thirty-five pounds four shillings and sixpence (£435 4s. 6d.)

In accordance with the practice hitherto followed, I enclose an account for the full guaranteed interest, being for Eight thousand one hundred and twenty-five pounds (£8125), to which has been added the sum of Two hundred and seventy-five pounds five shillings and fourpence (£275 5s. 4d.) due from last year, making the total amount payable, according to the conditions of the contract, Eight thousand four hundred pounds five shillings and fourpence (£8400 5s. 4d.).

It is with much regret that I have to mention a decrease in the receipts as compared with the corresponding period of last year, but an examination of the accounts proves the falling off to be entirely with the through passenger traffic from the neighbouring colonies, and only confirms what has already been obvious to residents of Hobart, that the number of visitors has been much less in this than in previous seasons; while the cause thereof is ascertained to arise from the recent unfavourable climatic conditions throughout the Australias. The total number of passengers has decreased from 86,560 to 84,694.

It is satisfactory therefore to find that the decline in the railway receipts in this instance does not represent a generally unfavourable state of the commercial interests of this Colony; and this is the more apparent since the quantity of goods carried, and the freight derived therefrom, was as 9983 tons, yielding £4961 3s. 8d. in the present, as compared with 8974 tons, producing £4555 1s. 6d., in the past year.

The receipts from passenger traffic in the past quarter have been prejudicially affected by the occurrence of the Easter Holidays in April this year, and in the previous quarter in 1883; this represents a difference of fully £500.

As regards the traffic expenses, the increase has arisen from the greater outlay in renewal of locomotives, new and more powerful engines replacing one that had been sold. Good progress is being made with the renewal of the carriage and wagon stock, but such is still very far indeed below our requirements. On this day, the great deficiency of carriages to meet the increasing traffic has necessitated great delays and disappointment in the running of the trains, and the really dangerous overcrowding of the carriages. It is absolutely indispensable for the public safety that the railway accommodation should be extended to (in some measure) meet the growing demands thereon, and I beg to assure you that the Company's great responsibility in this respect always receives my careful consideration.

I have, &c.

C. H. GRANT.

Hon. J. S. DODDS, Treasurer.

TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

Accountant's Office, Hobart, 14th April, 1884.

AN ABSTRACT showing the Receipts and Expenditure on account of Traffic, &c. conveyed over the Tasmanian Main Line Railway for the Quarter ending 31st March, 1884.

Dr.	£	s.	d.	Cr.	£	s.	d.
To Expenditure—				By Receipts—			
Permanent Way.....	4115	3	5	Passengers	12,280	5	5
Locomotive Power	8864	10	9	Parcels.....	537	17	1
Carriages and Wagons	1923	17	8	Horses, Carriages, and Dogs	314	12	5
Traffic Expenses.....	2298	1	4	Excess Luggage.....	115	16	2
General charges, London	800	0	0	Left Luggage	8	2	6
Ditto, Tasmania	786	18	9	Telegrams	77	11	2
Miscellaneous Expenses.....	118	14	0	Mails	745	15	0
Launceston and Western Railway Toll ..	1059	7	6	Goods	4637	1	7
	19,366	13	5	Minerals	324	2	1
Balance carried forward to next quarter	435	4	6	Live Stock	577	17	5
	£19,801	17	11	Rents and Sundries	182	17	1
					£19,801	17	11

C. H. GRANT, *General Manager.*

R. J. ELLIS, *Accountant.*

TASMANIA.

THE GOVERNMENT OF TASMANIA Dr.

To THE TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

1884.	Guaranteed Interest Department.	£	s.	d.
Jan. 1.	Balance due upon accounts rendered to December 31, 1883	275	5	4
Jan. 1 to March 31.	To One-fourth proportion of the yearly Interest guaranteed by the Government of Tasmania to the Tasmanian Main Line Railway Company, Limited, at the rate of 5 per cent. on the sum of £650,000 expended on the construction of the Railway, and payable according to the terms of the Act of Parliament, 46 Vict. No. 43, Section 5— One-fourth of £32,500	8125	0	0
		<hr/>		
		£8400	5	4

Amounting to Eight thousand four hundred pounds five shillings and fourpence.

*The Tasmanian Main Line Railway Company, Limited,
By their Attorney—*

R. J. ELLIS, *Accountant.*
April 14, 1884.

C. H. GRANT.

Treasury, Hobart, 28th April, 1884.

£8125 0 0

RECEIVED from the Treasury the sum of Eight thousand one hundred and twenty-five pounds on account of the yearly Interest guaranteed by the Government of Tasmania to the Tasmanian Main Line Railway Company, Limited, at the rate of 5 per cent. on the sum of £650,000 expended on the construction of the Railway, such sum being paid without prejudice to the balance to be struck at the end of the year 1884, according to the terms of the Act of Parliament, 46 Vict. No. 43, Section 5.

For the Tasmanian Main Line Railway Company, Limited,

C. H. GRANT.

Tasmanian Main Line Railway Company, Limited,

General Manager's Office, Hobart, 14th July, 1884.

SIR,

I HAVE the honor to forward you herewith an Abstract of the Traffic Receipts and Expenditure of the Tasmanian Main Line Railway Company, Limited, so far as they can be ascertained in this Colony, for the quarter ending the 30th June last, which, I regret, does not exhibit such a satisfactory progression upwards of the revenue as I have usually had occasion to refer to.

The total receipts for the quarter amount to the sum of £16,421 15s. 9d., and the working expenses to £17,488 19s. 9d.,—thus leaving a deficiency on the quarter of £1067 4s.; but, as there was a credit on the previous quarter of £435 4s. 6d., the deficiency on the year up to the present time amounts to £631 19s. 6d.

Notwithstanding the unfavourable accounts now presented, I anticipate that the revenue of the whole year will be more than sufficient to pay the working expenses, and that some reduction of the total guaranteed interest can be made at the close of the present year.

I have already indicated the reason why my estimate of profit for the current year cannot now be realised, the chief of which is that the new Railways, which I anticipated would be in full course of construction, have not yet been commenced.

The Tasmanian Main Line Railway Company, Limited,
Per their Attorney— C. H. GRANT.

MAIN LINE RAILWAY RECEIPTS.

(Compiled at the Treasury from Manager's certified Accounts.)

HEAD.	Quarter ending 31 March.	Quarter ending 30 June.	Quarter ending 30 September.	Quarter ending 31 December.	Total for the Year.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1876. Traffic Receipts .....	...	7020 5 11	4637 2 11	6878 13 4	£18,536 2 2
1877. Passengers, No. 69,621 ...	8081 6 10	5069 13 9	4460 0 8	6164 7 2	
Parcels, &c.	402 6 2	512 7 10	541 19 3	542 9 1	
Telegraphs	21 17 5	24 1 11	23 15 4	25 16 3	
Goods } 15,154 tons {	2649 16 7	2230 9 10	2100 0 2	2268 12 10	
Minerals } .....	...	...	61 9 11	113 7 4	
Live Stock	241 16 1	632 17 9	709 17 2	308 6 4	
Rents.....	56 10 0	33 8 4	58 12 0	64 15 0	
Mails .....	...	335 16 8	503 15 0	503 15 0	
	11,453 13 1	8838 16 1	8459 9 6	9991 9 0	£38,743 7 8
1878. Passengers, No. 89,102 ...	8847 9 8	5943 0 8	4833 13 6	6572 7 0	
Parcels, &c.	721 9 0	633 13 10	518 12 9	579 4 10	
Telegraphs	54 7 10	35 11 11	29 18 7	31 18 10	
Goods } 20,577 tons {	3371 15 10	2574 7 5	1784 0 0	2984 15 9	
Minerals }	165 4 3	314 17 2	420 9 3	290 2 10	
Live Stock	576 7 8	747 14 4	731 2 4	481 10 11	
Rents.....	79 11 0	68 16 0	49 0 0	65 16 0	
Mails	503 15 0	505 1 8	{ 718 5 0 } { 141 13 4 }	718 5 0	
	14,320 0 3	10,823 3 0	9226 14 9	11,724 1 2	£46,093 19 2
1879. Passengers, No. 157,470 ..	9780 3 10	6590 10 5	4988 4 8	7070 10 9	
Parcels, &c.	722 12 4	602 16 5	521 18 10	621 13 11	
Telegraphs	42 12 9	28 1 7	24 12 11	31 2 1	
Mails	718 5 0	718 5 0	718 5 0	718 5 0	
Goods } 22,426 tons {	3391 11 1	3152 10 9	2337 10 0	2745 17 1	
Minerals }	273 11 4	347 5 2	480 18 0	380 1 7	
Live Stock	557 7 8	769 0 6	728 2 3	406 14 9	
Rents.....	25 0 0	50 10 0	45 2 0	138 6 6	
	15,511 4 0	12,258 19 10	9844 13 8	12,112 11 8	£49,727 9 2
1880. Passengers, No. 163,454 ..	9427 18 6	5952 4 0	4944 15 10	7867 17 1	
Parcels	430 3 7	425 16 4	410 17 11	419 0 7	
Horses, Carriages, & Dogs	247 1 6	135 18 3	114 19 0	158 10 5	
Excess of Luggage	76 4 4	59 10 9	67 18 11	58 18 6	
Left Luggage	11 14 6	6 13 8	5 7 6	6 10 7	
Telegrams.....	46 10 6	35 1 6	29 16 4	37 13 7	
Mails	718 5 0	718 5 0	718 5 0	718 5 0	
Goods } 25,350 tons {	3598 11 8	3311 15 8	2402 0 0	3221 7 3	
Minerals }	276 0 0	339 19 6	427 1 6	274 6 4	
Live Stock	558 5 8	525 4 6	522 14 4	513 2 2	
Rents and Sundries.....	125 13 0	71 14 7	59 2 6	102 15 10	
	15,516 8 3	11,582 3 9	9702 18 10	13,378 7 4	£50,179 18 2
1881. Passengers, No. 179,106 ..	10,554 2 7	6873 11 5	6047 3 9	9027 19 3	
Parcels	464 5 5	515 12 8	447 3 8	433 0 7	
Horses, Carriages, & Dogs	293 16 8	173 3 4	108 15 10	235 17 10	
Excess of Luggage	92 0 2	66 13 9	47 5 1	82 19 6	
Left Luggage	7 1 4	7 2 5	4 14 11	7 14 9	
Telegrams.....	51 14 2	45 18 3	42 3 10	56 17 10	
Mails	868 5 0	748 5 0	718 5 0	748 5 0	
Goods } 23,558 tons {	3827 15 5	3236 18 4	2200 13 8	3269 4 2	
Minerals }	226 5 5	359 12 5	282 16 6	287 1 6	
Live Stock	323 19 9	562 18 4	531 17 10	420 11 4	
Rents and Sundries.....	134 0 10	116 7 2	103 11 11	89 12 10	
	16,843 6 9	12,706 3 1	10,534 12 0	14,709 4 7	£54,793 6 5

HEAD.	Quarter ending 31 March.	Quarter ending 30 June.	Quarter ending 30 September.	Quarter ending 31 December.	Total for the Year.
	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.
1882.					
Passengers, No. 218,130...	10,636 5 1	8039 9 1	7362 15 1	9828 3 2	
Parcels	499 8 6	516 17 3	500 18 1	534 11 6	
Horses, Carriages, & Dogs	312 16 6	182 18 11	199 3 2	210 18 10	
Excess Luggage	97 18 1	78 5 10	83 10 6	81 14 8	
Left Luggage	10 3 6	6 0 3	4 16 1	6 17 4	
Telegrams.....	69 11 0	53 13 3	61 3 1	62 19 7	
Mails	718 5 0	718 5 0	718 5 0	718 5 0	
Goods { 29,256 tons }	3661 11 3	3553 6 4	2740 0 10	3605 10 1	
Minerals { 29,256 tons }	178 4 3	277 6 0	422 3 8	370 9 1	
Live Stock	564 8 10	761 15 8	857 12 5	474 7 10	
Rents and Sundries.....	192 8 10	129 1 9	99 0 4	127 2 8	
	16,941 0 10	14,316 19 4	13,049 16 4	16,020 19 9	60,328 8 2
1883.					
Passengers, No. 261,974...	14,557 6 6	8609 4 0	7607 12 0	10,300 13 10	
Parcels	587 19 11	561 8 4	488 19 9	550 16 3	
Horses, Carriages, & Dogs	321 8 0	219 11 9	216 9 10	269 10 1	
Excess Luggage	116 9 8	86 6 6	102 1 8	127 15 6	
Left Luggage	9 9 10	3 14 2	3 6 4	8 4 9	
Telegrams.....	91 14 6	69 16 7	57 1 10	69 5 1	
Mails	718 5 0	718 5 0	778 5 0	748 5 0	
Goods { 35,889 tons }	4270 10 8	4993 6 4	3383 4 0	4093 14 0	
Minerals { 35,889 tons }	284 10 10	398 13 6	420 3 0	289 19 11	
Live Stock	453 11 4	659 6 6	655 2 5	516 4 2	
Rents and Sundries.....	212 15 6	135 3 9	127 5 5	117 5 11	
	21,624 1 9	16,454 16 5	13,839 11 3	17,091 14 6	69,010 3 11
1884.					
Passengers	12,280 5 5	8349 1 3			
Parcels	537 17 1	523 6 6			
Horses, Carriages, & Dogs	314 12 5	242 3 7			
Excess Luggage	115 16 2	114 13 5			
Left Luggage	8 2 6	5 1 2			
Telegrams.....	77 11 2	60 7 0			
Mails	745 15 0	565 15 0			
Goods	4637 1 7	4775 0 9			
Mineral.....	324 2 1	432 9 2			
Live Stock	577 17 5	884 12 0			
Rents and Sundries.....	182 17 1	169 5 11			
	19,801 17 11	16,421 15 9			

ESTIMATED REPAYMENTS TO CONSOLIDATED REVENUE FUND.

Treasury, 25th June, 1884.

SIR,

ADVERTING to correspondence with this Department on the subject of the probable amount to be received by the Treasury as excess of receipts over expenditure in connection with the working of the Main Line Railway for the year ending 31st December, 1884, estimated to be about Ten thousand Pounds, I have now the honor to request that you will do me the favour to state whether you think this estimate will be realised for the current year, and what sum you anticipate will be available to the Treasury under this head for the year 1885.

I shall be glad to have this information as soon as convenient, so that I may refer to the matter when making my Financial Statement during the coming Session of Parliament.

I have, &c.

J. S. DODDS, *Treasurer.**The Manager Main Line Railway.*

Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart, 1st July, 1884.

SIR,

I HAVE the honor to acknowledge the receipt of your letter dated the 25th ultimo, in which you desire to be informed whether it is my present opinion that the excess of receipts over expenses of the Tasmanian Main Line Railway during the current year, which I had estimated as £10,000,

will be realised, and therefore available in reduction of the guaranteed interest payable by Government; and also the sum I anticipate will be a credit in account to the Treasury from the same source for the year 1885.

It is with much regret I have to acknowledge that my estimate of last year was too sanguine in every respect—first as regards the receipts during the second half of the past year, which did not come up to my anticipations; while in respect to the present year, so far from the normal rate of increase being continued, there is, unfortunately, a very material diminution therein.

In writing you on the 17th July last, after mentioning the difficulty there is in predicting the revenue receipts of a railway, I stated that if the construction of branch lines were in full operation throughout next year, and assuming that the normal rate of increase of the year 1883 over that of 1882 be maintained, while no circumstances gave occasion for increased expenses, that a profit of about £10,000 might be assumed. A comparison of the gross receipts of the year 1883 (£69,010) with those of 1882 (£60,328), shows a progression amounting to £8682; and the falling off in the traffic of 1884 up to the present date amounts to £1709. These two items alone, therefore, represent a sum of £10,391 as being lost to the Railway on the year, and form a larger sum than that I expected it would be benefited by.

It is my opinion that if the construction of the new lines be promptly commenced and actively prosecuted, the traffic receipts would soon show an important increase, even over those of last year; but in the absence of all information on this point it would not be prudent for me to estimate any advance in the receipts for the second half of the current year over those obtained in 1883. I fear, therefore, we cannot look for any reduction in the full amount of the guaranteed interest payable by the Government, although it will be my very best endeavour to conserve all the available revenue towards that end. I may add that the positive instructions of my Directors are that every effort should be made to ensure the largest possible reduction in the guaranteed interest payable by the Government.

As regards the year 1885, having so signally failed in my previous prediction, I cannot well make another with any authority, and would, therefore, rather simply state that I shall be grievously disappointed if the profit on the traffic of the year 1885 does not exceed the sum of £5000, which will be available to Government in reduction of the full guaranteed interest for that year.

A portion of the expenses of the Railway are incurred in providing increased accommodation at various places on the line, such being imperatively required to maintain the credit of the Railway, and enable it to obtain the greatest amount of traffic that can be brought thereon.

I take this opportunity to comment upon the difficult circumstances under which this Railway is worked. By far the larger proportion of our merchandise traffic between any stations is "through goods" between Hobart and Launceston, which it is necessary to carry at excessively low rates in order to effectively compete with the facilities offered by coasting vessels and steamers. I need scarcely observe that the character of the line, due to the physical features of the country traversed, renders it peculiarly and excessively costly to work as compared with railways in the neighbouring Colonies, while its situation, as connecting the two principal ports of the Island, exposes it to great disadvantage in obtaining remunerative freight. The Government of New Zealand have lately increased their rates for the carriage of grain, which are now (as before the advance) much higher than the Main Line can uniformly secure. The Railway Department of Victoria also complain of the carriage of grain as not remunerating them, although they charge no less than 50 per cent. more than the Main Line Railway Company receive on the bulk of their "through" traffic, which is chiefly grain and flour.

I have, &c.

Hon. J. S. DODDS, *Colonial Treasurer.*

C. H. GRANT.

CONVEYANCE OF MAILS PER TRAIN.

Tasmania.

General Post Office, Hobart, 11th July, 1884.

SIR,

I AM directed by the Honorable the Treasurer to bring under your notice that the arrangement under which payment has been made to you for the conveyance of the Mails between Hobart and Launceston at the rate of of Two thousand eight hundred and fifty pounds (£2850) per annum, and Thirty pounds (£30) for each special train, expired on the 31st December last, and to request the favour of your informing him whether any reduction can be made in this payment, to take effect on and from the 1st January last.

I have, &c.

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

A. C. DOUGLAS, *Secretary.*

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart, 15th July, 1884.*

SIR,

I HAVE the honor to acknowledge the due receipt of your letter dated the 11th instant, in which, on behalf of the Honorable the Treasurer, you refer to the lapse by effluxion of time of the Contract between the Government of Tasmania and the Tasmanian Main Line Railway Company, Limited, for the carriage of the Mails, and jocosely ask whether any reduction can be effected in the terms.

It was with surprise I heard from you of the cessation of the Contract, having erroneously thought that it ran concurrently with that for the exercise of running powers over the Launceston and Western Railway, otherwise I should certainly have earlier requested an increase in the sum paid. It would also have been my duty to comment upon the very greatly increased use that is now made of the railway by your Department, and to have suggested that for extra remuneration I would have provided larger and more convenient vans for the night mails, which, I am aware, are now carried under circumstances of great difficulty to the guards.

You will remember that when the last arbitration was engaged in I valued the performance of the Mail Service at three times the sum that was awarded by the unanimous judgment of the referees; from which, I presume, that my estimate was higher than I am now likely to obtain. Taking the basis of the last award, and allowing for the increased benefits your Department derive from the more numerous trains, and also interest and depreciation on the cost of new vans for night use, including also the amounts now paid the Main Line Company for the delivery of the Mails, I hope that the sum of Four thousand pounds (£4000) annually will be such a reasonable recompense as to commend itself to your approval, without a fresh arbitration; and such terms would be accepted by the Main Line Railway Company for the next five years' service, the increase to take effect from the 1st January last.

I have, &c.

A. C. DOUGLAS, *Esq., Secretary General Post Office.*

C. H. GRANT.

SUBMITTED to the Honorable the Treasurer.

The Secretary would recommend that Mr. Grant be offered £3000 per annum for the conveyance of Mails; at present the sum of £2863 per annum.

A. C. DOUGLAS, *Secretary General Post Office,
15th July, 1884.*

I APPROVE of the Secretary's recommendation, and will be glad if he will make arrangements accordingly.

J. S. DODDS.
22nd July, 1884.

*Tasmania.
General Post Office, Hobart, 23rd July, 1884.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter dated the 15th instant, which has been brought under the notice of the Hon. the Treasurer, by whom I am directed to inform you that he is not prepared to accede to your views by increasing the amount now paid for Conveyance of Mails, viz., £2863 per annum to £4000 per annum; but, in view of the increase in mail matter carried by the Tasmanian Main Line Railway trains involving greater responsibility upon your department, the Hon. the Treasurer will agree to pay you at the rate of £3000 per annum for the conveyance and delivery of all Mails as at present; to take effect on and from the 1st January last, and to remain in force to the 31st December, 1886.

I am to point out that it is to be hoped the extra accommodation in the mail vans to which you have referred will be provided by you under the proposed new arrangement, as the Guards complain of the very cramped room at their disposal, and the time is not very distant when in all probability letters will be sorted in the train,—a feat that would be quite impossible under existing circumstances.

I have, &c.

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

A. C. DOUGLAS, *Secretary.*

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart, 25th July, 1884.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter dated the 23rd instant, in which you inform me that the Hon. the Treasurer is unwilling to pay my demand of £4000 per annum for the carriage of Mails by the Tasmanian Main Line Railway Company, Limited, but will agree

to pay at the rate of £3000 per annum for the whole service as now performed, such remuneration to take effect as from the 1st January last and to remain in force until the 31st December, 1886.

In reply I have to state that, in full consideration of the Contract between the Government and the Company, I feel it would not become me to question the deliberate judgment of the Hon. the Treasurer as to what sum should be apportioned to the Company for the duty performed, since were the Company underpaid the loss would fall rather on the Colony than on them; and therefore, on behalf of the Tasmanian Main Line Railway Company, Limited, I agree to continue the mail service on the terms you prescribe.

With regard to the extra accommodation in mail vans that you desire, I cannot but acknowledge such to be needful; but to give all the conveniences that the mail guards might reasonably require would be attended with great extra cost to the Company, the first of which must necessarily be the building of three special vans for their use. This again would entail the cost of the haulage of such vans, the weight of which could not be estimated at less than seven tons each. As the mail matter is now placed in the vans of the guard of the train no extra cost is necessitated, either in the traction or maintenance of the vehicles or in the wear and tear of the road; whereas under an amended system these items would have to apply to a weight of 7 tons, drawn for 266 miles on at least 313 nights in the year, which, if valued at but only 1d. per ton per mile, would amount to £2428 annually. I cannot therefore consider that the Company should incur the expense of constructing these vans to obtain the result above stated, but would be willing to construct them on behalf of the Government, and retain them for Post Office use, if the Government would defray the cost thereof, which would probably amount to about £1500.

I may mention that these vans would be the property of the Government, and being made for the same gauge as the Government Railways could be utilised elsewhere than on the Main Line Railway were other arrangements ultimately adopted for the conveyance of the mails.

Should this proposal be entertained, I should be obliged if you would inform me of the exact size you desire these vans should be, and the manner in which you wish the internal fittings completed, when your instructions should be exactly fulfilled in a very short period of time.

I have, &c.

A. C. DOUGLAS, *Esq.*, *Secretary General Post Office.*

C. H. GRANT.

SUBMITTED to the Hon. the Treasurer.

It is quite time that something were done to give further accommodation to the Post Office, whether in the manner pointed out by Mr. Grant or by an increased subsidy.

As the interest on £1500 at 4 per cent. would only amount to £60 per annum, the Secretary considers that amount very small for the very great advantages that would accrue from this Department having a van for its sole and separate use. At the present time the carriage is shared with the train guard, but of course partitioned off, and is very objectionable on that account alone; besides, too, it is very rough, and one unaccustomed to it could hardly keep his legs, and the question of sorting letters under such an arrangement is one that could not be entertained.

General Post Office, 28th July, 1884.

A. C. DOUGLAS, *Secretary.*

MINUTE PAPER FOR THE EXECUTIVE COUNCIL.

Treasury, Hobart, 4th August, 1884.

POST OFFICE, 1884.—CONVEYANCE OF INLAND MAILS.

THE Treasurer submits Correspondence in reference to the Conveyance of Mails by the Tasmanian Main Line Railway Company, and recommends that he be authorised to arrange with the Manager of the Company for the Carriage of Mails from the first day of January, 1884, to the thirty-first day of December, 1886, at the rate of Three thousand Pounds per annum.

J. S. DODDS, *Treasurer.*

THE Governor-in-Council approves.—G.C.S.

E. C. NOWELL.

REPORT OF COLONIAL AUDITOR.

Audit Office, Hobart, 20th February, 1884.

MEMO. for the Honorable the Treasurer.

COPY of correspondence respecting the audit of the Tasmanian Main Line Railway Accounts for the half-year ending 30th June, 1883, herewith forwarded for the information of the Honorable the Treasurer.

W. LOVETT.

Audit Office, 29th August, 1883.

DEAR SIR,

THE Chief Clerk of this Department having completed the examination of the Main Line Railway Accounts for the period ending 30th June last, reports to me :—

That consequent upon observing the exceedingly high ratio of expenditure on account of wages, stores, and upon the expenditure generally, close enquiries were made to ascertain the causes of such high ratio, and a review of former years' accounts was made, not necessarily with the view of objecting to former expenditure, but to enable a comparison to be made.

It was found that all the rolling stock placed upon the line prior to the year 1881 was paid for out of the Company's Capital Account, but that all the rolling stock purchased and made during the years 1881 and 1882 was charged to revenue, under the head of "renewals." These remarks apply also to buildings or other erections.

Although such new stock was not procured to replace any that had actually run into disuse, you contended that a certain percentage, say 15 per cent., of depreciation on the original stock should be written off yearly, and an amount equivalent to such depreciation allowed to be paid out of revenue for new stock, buildings, &c., to be charged as renewals, and that allowance should now be made for the prior period in which such percentage has not been equalled by expenditure on "renewals."

You further contended that as the Company have virtually no Capital Account now (as you allege), there are no available funds out of which to pay for new works of construction other than the profits caused by traffic receipts exceeding the working expenses of the railway,—that therefore the Colony must pay for construction items; that it is to meet the public requirements such works must be undertaken; that the Government may avail themselves of the power of inspection as to the necessity of the construction work under Section 5 of "The Main Line of Railway Amendment Act," 34 Vict. No. 13,—and therefore there have been included in the charges against revenue for the first half of the present year labour employed on the construction of carriages and wagons and stores and materials supplied therefor, the charges being continued in the latter half of the year.

You also remarked that two (2) second-class carriages had been purchased in Sydney at a prime cost of Five hundred pounds (£500) each, which would be made a charge against revenue during the present quarter, and that two (2) locomotives were expected before the end of the year, which also would be charged to revenue.

As the foregoing refers to matters of considerable importance, I shall be glad to have your confirmation of the same before I prepare my report on the accounts for the last two quarters.

I have, &c.

W. LOVETT, *Colonial Auditor.*

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

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart, 30th August, 1883.*

SIR,

I AM in receipt of your letter dated the 29th instant, in which you state that after the recent audit of the Tasmanian Main Line Railway Company's Accounts you observe a considerable increase in the expenditure generally during the first six months of the current year as compared with previous years, and that during the years 1881 and 1882 certain rolling stock has been constructed with the revenue receipts, although not procured simply to replace any that had run into disuse. Also that a similar practice had been pursued in regard to buildings and other erections.

You correctly state the facts of the case, and my contention that in theory a certain percentage (which I assume not to exceed 15 per cent.) should be annually allowed as the depreciation of the original stock placed upon the Line; and that as the value of the Company's rolling stock must have (and indeed has) enormously deteriorated during the eight years and upwards it has been in use, they are at the present time equitably entitled to expend a very considerable sum in renewals, or purchase of new stock, &c. I do not, however, desire that any fixed sum should be allotted to the Company for such renewals, but that the more comprehensive view that they must provide what rolling stock, stations, and other works are necessary to meet the urgent requirements of the traffic. That to allow the condition of the Line or rolling stock to retrograde, or not to advance in some proportion to the increased traffic, would be to make the Railway a curse instead of a blessing to the country. That the history of every railway in the world necessarily shows a continually increasing improvement, and consequently expenditure; new sources of traffic are opening out which require to be met with special conveniences; fresh districts present themselves as increasing customers of the Railway, and require the stimulus of new sidings, goods sheds, cattle-yards, or station buildings to

allow them to develop a traffic which is as advantageous to the Railway as to the districts. The increasing use of the Line on occasions of public holidays, by the large towns, requires special arrangements and augmentation of rolling stock suitable thereto; which I may exemplify by the occasion of the last Odd Fellows' Demonstration at Elwick, when, notwithstanding the greatest possible care in the arrangements, we had about 2000 passengers at one time on the Hobart platform without having a single carriage of any kind in the yard to convey them with. It is true that they were in time duly carried to their destination, but, had the least hitch occurred, the great deficiency of stock we now suffer from must have disappointed a very large number of passengers.

On several occasions in addressing the various Ministers of the Government, I have pointed out that the Railway Company must advance its expenditure with increasing traffic, even to the extent of expending large sums in the entire remodelling of station-yards, in the erection of new stations, improvements in construction—including therein the replacement of wooden bridges and culverts with permanent structures of masonry or of iron; also the provision of improved rolling stock, such as post office vans, sleeping carriages, and various special contrivances for facilitating the handling of merchandise.

I also informed you, as a fact, that the Railway Company have at the present time virtually no Capital Account, nor any means whatever by which they can raise money for the purpose of expending it on the Line. Their borrowing powers are fully exhausted, and although they have nominally some non-issued Share Capital, I need hardly remark that no money could be raised upon the very deferred interest it represents. Their only available sources, therefore, are the surplus revenue receipts, supplemented by the guaranteed interest paid to the Company.

Since the Line has now arrived at the position that the guaranteed interest of £32,500 per annum is practically assured to the mortgagees, who, by special Act of the Imperial Parliament, virtually control the management, it is not reasonable to suppose that they would allow their officers to expend any part of such interest in improving the Line when the whole benefit thereof would necessarily appertain to the Colony alone,—the more especially as the Government have frequently intimated their desire to purchase the Railway, in which case its valuation would not probably (at the present time) be dependent upon what had been expended thereon, but be treated upon the principle of the value of an annuity of £32,500 per annum extending over the remaining period of the Contract, or, say, for 23 years.

On these grounds I contend that there are no available funds out of which to pay for new works or new rolling stock other than the profits of the undertaking.

As to the power of the Government to control such expenditure, I entertain no doubt that the 5th Clause of the Act of Parliament 34 Victoria, No. 13, places them in a position to officially ascertain everything that has been done, or is proposed to be done, on the Line, while the 10th Clause of the Contract enables you to determine the exact cost of such works, and that, therefore, the Government are in a position to fully acquaint themselves as to the particulars of any improper expenditure of the revenue, contemplated or performed, and consequently to take action to remedy the evil.

I have only to add that you correctly state as being included in the charges against revenue in 1881 and 1882 the cost of labour and materials used for the construction of carriages and wagons, and that two second-class carriages have been purchased in Sydney, and two locomotives are shortly expected from England, the cost of which will be charged against the current expenditure of the year.

I would finally remark that the cost of the new rolling stock and station improvements paid for with the revenue receipts up to the present time form a wholly inconsiderable part of the sum that any well-established Railway Company would appropriate for depreciation and renewals during the length of time that this Railway has been open for traffic, the simple reason for such very small expenditure being the want of available funds, which difficulty I trust will never arise in the future.

I have, &c.

C. H. GRANT.

W. LOVETT, *Esq.*, Colonial Auditor.

Audit Office, 6th September, 1883.

SIR,

I HAVE the honor to inform you that the Books and Accounts of the Tasmanian Main Line Railway Company have been audited for the quarterly periods ended respectively 31st March and 30th June, 1883, and to submit the following observations thereon.

On examining these Accounts it was noticed that the rate of expenditure was very largely in excess of that of the corresponding period of last year, and that it also exceeded that of any previous half year. An investigation into the cause of this increase disclosed the fact that the Revenue

Account had been charged with large amounts for the construction of rolling stock, erection of buildings, &c., under the head of "renewals and repairs."

A reference to Table A., appended, shows that the average cost per train mile for the maintenance of this Railway has increased from 3s. 10 $\frac{1}{4}$ d. for the year 1882 to 4s. 6 $\frac{3}{8}$ d. for the last half year, being considerably in excess of the average cost of maintaining all other Railways in the Australian Colonies, and representing a total annual increase of about £10,500.

The experience of previous examinations shows that, under ordinary circumstances, this average cost for the first half of this year would be reduced on the whole year's operations,—the largest expenditure occurring, as a rule, during the first two quarters of the year; but, as it is the expressed intention of the Company's Manager to make large charges for rolling stock, &c. during the latter half of this year, it cannot be expected that this unusually high average will be materially, if at all, reduced.

I append, as usual, an Abstract of Traffic Receipts and Expenditure (B.), by which it will be seen that the much larger expenditure in the second quarter of the year, as compared with the first, had the effect of reducing the profit of £5607 18s. 9d. on 31st March to £3225 15s. on the 30th June.

The Manager's attention having been drawn to the excessively large expenditure, Mr. Grant admits that a large amount has been charged as maintenance for rolling stock, new buildings, &c.; but that, as a very considerable deterioration has taken place in the value of the rolling stock during the 6 years and upwards the Railway has been in use, contends that the Company are equitably entitled to spend a very considerable sum out of revenue for renewals or the purchase of new stock, &c.

Mr. Grant also contends that as the Company have no available funds out of which they can pay for new works or new rolling stock other than from the profits of the undertaking, that it is not reasonable to suppose that the shareholders would allow their officers to expend any part of the interest (£32,500 per annum) in improving the line, when the whole benefit thereof would necessarily appertain to the Colony alone, and therefore the revenue must be used for the purpose of providing for increasing traffic, for expending large sums (if required) in re-modelling station yards, in the erection of new stations, in improvements in construction, including therein the replacement of wooden bridges and culverts with permanent structures of masonry or of iron, also for the provision of improved rolling stock, &c., and that he had on several occasions pointed this out to the various Ministers of the Government.

The fact of the capital account of the Railway Company, published in the Annual Report to the Shareholders, showing a credit balance of £45,157 4s. 4d. having been brought under notice, Mr. Grant states that this is not represented by actual cash, that the non-issued shares, amounting to £551,060, are unsaleable, and that the Company at the present time has virtually no capital account.

The sudden marked increase in the expenditure for rolling stock, &c., taken in connection with the stated deterioration of that in use, seems to infer that sufficient money had not been expended in previous years to keep the Railway in thorough working order, and that the want of sufficient expenditure for this purpose renders it necessary now to make good the deficiency in material consequent thereon by using the surplus revenue for that purpose; indeed, Mr. Grant states that the simple reason for the previous small expenditure on renewals was the want of available funds.

Under Act 46 Vict. No. 43, all disputes between the Government and the Railway Company were finally settled to 30th September, 1882, therefore no further reference need be made with regard to the accounts prior to that date; but it appears to be questionable whether the Company can now claim the right to use surplus revenue for all the purposes contended for by their Manager; it is therefore necessary that the exact position should be ascertained without delay, and that the Government should have a distinct understanding with Mr. Grant on the matter.

Under Act 34 Vict. No. 13, the Government have the power to guard against unnecessary expenditure, and the necessity for providing proper inspection of the Railway is evident from what has been elicited. A more correct audit would also be ensured if the assistance of a Railway Expert were available in matters on which an Auditor could not be expected to have any knowledge.

As it will be impossible to complete the audit of the Railway accounts to the end of the present year until the matters brought under notice are settled and instructions issued accordingly, I trust the Government will give the matters brought under notice that attention which their importance demands.

I have to acknowledge the usual courtesy and facilities from the officers of the Company in the examination of the accounts.

I have, &c.

The Honorable the Chief Secretary.

W. LOVETT.

TABLE A.

Period.	Gross Ex- penses per Train mile.	Stores issued or distributed.		Average Total Amount of Fortnightly Pay Sheets.
		Per train mile.	Per cent. to Gross Ex- penses.	
	s. d.	s. d.		£
Year 1880	3 6·4	0 9·8	24	1024
Year 1881	3 7·9	1 2·9	34	962
Year 1882	3 10·2	1 4·7	36	1011
First half year 1883.....	4 6·3	1 11·1	43	1129

TABLE B.

RECEIPTS.			EXPENDITURE.				
	Quarter ending 31st March.				Quarter ending 31st March.		
	£	s.	d.		£	s.	d.
Coaching Traffic	16,402	13	5	Maintenance of Per-	5238	1	8
Goods, Live Stock, &c...	5008	12	10	manent Way.....	3758	6	1
Miscellaneous	212	15	6	Locomotive power			
				Carriage and Wagon			
				repairs	1929	11	9
				Traffic expenses	2267	10	9
				General charges	777	17	5
				Miscellaneous	210	7	10
				Tolls and Compensation,			
				L. & W. Railway.....	1034	7	6
				* London Office Ex-	800	0	0
				penses.....			
	21,624	1	9		16,016	3	0
					18,837	0	2

Net profit on 30th June, 1883..... £3225 15s.

* Estimated items subject to adjustment in subsequent quarters in accordance with Clause 9 of Contract.

Audit Office, 14th January, 1884.

MEMORANDUM.

WILL the Honorable the Chief Secretary kindly instruct the Colonial Auditor as to the matters brought under notice in connection with the audit inspection of the Main Line Accounts at the last half-yearly period, and which matters were reported in the Auditor's letter of 6th September last? The audit of the Railway Accounts to complete the year 1883 will shortly be proceeded with, and it was pointed out that "it will be impossible to complete the Audit of the Railway Accounts to the end of the present year (1883) until the matters brought under notice are settled, and instructions issued accordingly."

W. LOVETT, Colonial Auditor.

FORWARDED to the Honorable the Minister of Lands and Works for his perusal, and with the request that he will allow the Engineer-in-Chief to aid the Colonial Auditor in the examination of the Main Line Railway Accounts as regards the classification of the items which are legitimately chargeable to "Maintenance and Construction" respectively.

WM. MOORE.
23rd January, 1884.

ATTENDED to this day.

J. FINCHAM, Engineer-in-Chief.
28. 1. 84.

RETURNED to the Honorable the Chief Secretary.

J. FINCHAM,
For Minister of Lands and Works, absent.
30. 1. 84.

RETURNED to the Colonial Auditor.

B. TRAVERS SOLLY.
31st January, 1884.

Audit Office, Hobart, 16th July, 1884.

MEMO. for the Honorable the Treasurer.

COPY of my Report on the Audit of the Accounts of the Tasmanian Main Line Railway Company, Limited, for the year 1883, is herewith forwarded for the information of the Honorable the Treasurer.

W. LOVETT, Colonial Auditor.

Tasmania.

Audit Office, Hobart, 14th July, 1884.

SIR,

THE examination of the Accounts of the Tasmanian Main Line Railway Company, Limited, for the year 1883 having now been completed, I have the honor to submit my report thereon for the information of the Government.

The receipts, as credited in the Company's books, amount to £69,010 3s. 11d., to which must be added £40 19s. received from the Government for tickets for distinguished visitors for the last quarter of the year, for, although the amount was not paid till 1884, it clearly belongs to revenue of 1883; the total receipts being therefore £69,051 2s. 11d. The expenditure is stated to be £68,381 9s. 3d., but included in this amount is an item £15 for purchase of land at Symmons' Plains. This cannot evidently be considered a proper charge against revenue, and reduces the expenditure to £68,366 9s. 3d., leaving a balance on the above figures of £684 13s. 8d.—(See Appendix A.) The latter amount can without doubt be taken for reduction of the guaranteed interest in the terms of the Contract and the Fifth Section of Act 46 Vict. No. 43, but it is necessary to remind you that in addressing you on the 6th September last upon the examination of the Company's accounts for the first two quarters of the year, I had the honor to point out that very large sums had been included in the accounts for new rolling-stock, new buildings, &c., and to explain the reasons given by the General Manager of the Company why such expenditure must now be made a charge upon the revenue. I also suggested that it was necessary that the Government should come to some distinct understanding with Mr. Grant on the subject, and instruct me accordingly, before the examination of the accounts of the Company for the year 1883 should be completed, as it appeared questionable whether the whole of Mr. Grant's contentions were admissible. I have not been informed whether an arrangement as suggested has been arrived at, but have thought it desirable to save delay to place the Government in possession of information obtained with respect to the expenditure for new works during the year 1883, leaving the question referred to still open. I therefore give a return of cost of new works constructed in 1883 that did not exist in 1882, also the cost of additional carriages and wagons, amounting together to £5989 17s. 11d.—(Appendix B.) In furnishing this information Mr. Grant writes: "The expenditure on carriages and wagons may seem considerable, but it should be remembered that none of the rolling stock had been renewed since it was put on the Line, and therefore we have a deterioration of nearly nine years to make up for in order to restore it into the position it should occupy as an asset of the Company. I might also state that the provision of such new stock was absolutely necessary for conducting the present traffic, but it is still greatly below what the necessity of the service demands. It may be of some value to state that the rolling-stock supplied by the Company, and paid for entirely by their Capital Account, amount to £80,000, calculated on the present price of such articles, but I am aware that the Company paid very far more than this price when purchasing it through Contractors. The necessity for undertaking the other works will be so apparent that I am sure it is needless for me to remark thereon."

Referring to Appendix A., it will be seen that the receipts for the year show an increase upon those of 1882 of nearly £9000, and that the expenditure has increased by about £10,000. The latter would have been considerably larger had it not received the advantage of sums realised upon sale of old stock, the following amounts so received having been credited thereto:—

	£	s.	d.
Sale of Engine No. 12	1500	0	0
„ 10 Wagons.....	207	10	0
„ old Rails	1808	0	0
	<u>£3515</u>	<u>10</u>	<u>0</u>

The increase of expenditure has occurred principally under the head of carriage and wagon charges,—the amounts for 1882 and 1883 being £3341 and £10,874 respectively.

The expenditure shows the high average of 4s. 5·2d. per train mile,—that for 1882 being 3s. 10·2d. The receipts per train mile average 4s. 5·7d. for 1883, and 3s. 11·9d. for 1882; the train mileage for the year being 308,326, against 302,281 for 1882.

An Abstract of Receipts and Expenditure, &c. (Appendix C.) from the opening of the line to the end of 1883, in which these figures with others are given, is added.

My thanks are due to Mr. Grant for supplying information which must have been unusually troublesome, as well as for the courteous manner in which he has facilitated the examination of the Accounts.

I have, &c.

W. LOVETT, Colonial Auditor.

The Hon. the Chief Secretary.

APPENDIX A.

RECEIPTS and Expenditure for Year 1883.

<i>Period.</i>	<i>Receipts.</i>			<i>Expenditure.</i>			<i>Profit.</i>		
	£	s.	d.	£	s.	d.	£	s.	d.
Quarter ending March 31st	21,624	1	9	16,016	3	0	...		
Ditto June 30th	16,454	16	5	18,837	0	2	...		
Ditto September 30th	13,839	11	3	15,305	13	10	...		
Ditto December 31st	17,132	13	6	18,207	12	3	...		
Totals.....	£69,051	2	11	£68,366	9	3	£684	13	8

APPENDIX B.

EXPENDITURE during the Year 1883 on Works (not being renewals) that did not exist in 1882.

<i>Particulars.</i>	<i>Amount.</i>		
	£	s.	d.
Hobart—Erection and fitting up internally of store in Hobart yard, and alteration of original store to form continuation of carpenter's shop.....	346	8	2
Hobart—Building the covering and chimney stack for exchange locomotive shop engine and Cornish boiler, and preparing site for removal of brass furnace, &c.....	721	13	5
Hobart—Putting up porch in front of station to keep vehicles from front door	91	13	11
O'Brien's Bridge—Addition to station master's quarters, and repairing and re-painting whole of Station, &c.....	139	9	8
Bridgewater—Erection of booking office and waiting-room on platform in place of that consumed by fire	125	19	2
Gatekeeper's lodges—Erection of 15 lodges, for which a rental of 3s. and 4s. per week each, according to size, is charged.....	736	14	11
Carriages and Wagons—5 second-class carriages, 2 second-class excursion carriages (double bogie), 4 horse boxes, 12 low-sided trucks, 1 travelling crane.....	3827	18	8
Total.....	£5989	17	11

APPENDIX C.

ABSTRACT of Receipts and Expenditure, &c. since the opening of the Line according to Contract.

<i>Particulars.</i>	1876. (2 months.)	1877.	1878.	1879.	1880.	1881.	1882.	1883.
Miles open .....No.	...	122	122	122	122	122	122	122
Miles worked.....No.	...	133	133	133	133	133	133	133
Train Miles.....No.	...	240,183	265,757	292,284	296,472	299,839	302,281	308,326
Aggregate train miles from January 1st, 1877 .....No.	...	240,183	505,940	798,224	1,094,696	1,394,535	1,696,816	2,005,142
Traffic Receipts.....£	5176	38,743	46,094	49,727	50,180	54,793	60,328	69,010
Working expenses.....£	5978	48,732	54,526	55,626	50,727	54,816	58,172	68,381
Profit on working.....£	...	...	...	...	...	...	2156	629
Loss on working.....£	802	9939	8432	5899	547	23	...	...
Aggregate traffic receipts£	5176	43,919	90,013	139,740	189,920	244,713	305,041	374,051
Aggregate working expenses...£	5978	54,710	109,236	164,862	215,589	270,405	328,577	396,958
Traffic receipts per train mile..... s. d.	...	3 2·7	3 5·6	3 4·8	3 4·6	3 7·9	3 11·9	4 5·7
Working expenses per train mile..... s. d.	...	4 0·6	4 1·1	3 9·6	3 6·4	3 7·9	3 10·2	4 5·2
Traffic receipts per mile worked£	...	291·3	346·6	373·8	377·2	412·0	453·6	518·9
Working expenses per mile worked£	...	367·1	409·9	418·2	381·4	412·1	437·4	514·1
Guaranteed interest received...£	...	...	70,417	32,500	30,375	32,500	49,248*	31,596
Aggregate interest received ...£	...	...	70,417	102,917	133,292	165,792	215,040*	246,636*

* Including amounts paid and deducted under 46 Vict. No. 43.

W. LOVETT, Colonial Auditor.

Audit Office, Hobart, 21st July, 1884.

SIR,

WITH reference to my Report on the Tasmanian Main Line Railway Accounts for the year 1883, I have the honor to inform you that Mr. Grant has subsequently explained that an amount, £15, for purchase of land at Symmons Plains, which had been disallowed, was not in reality for the purpose for which it was stated in the voucher, but merely for the purchase of a right to remove gravel for ballast.

Under these circumstances the item can be allowed.

I have, &c.

W. LOVETT, *Colonial Auditor.*

The Hon the Chief Secretary.

(In continuation of Paper No. 46).

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart, 14th October, 1884.*

SIR,

I HAVE the honor to forward you herewith an Abstract of the Traffic Receipts and Expenditure of the Tasmanian Main Line Railway Company, Limited, so far as they can be made up in this Colony, for the quarter ending the 30th September last.

It is with regret I have to observe that, although the Revenue Receipts of the quarter amount to £14,946 0s. 8d., the expenses have increased to £19,134 8s. 2d., leaving therefore a debit balance against the Working Account of the year of £4820 7s.

The principal items of increased expenditure are, however, of an exceptional character, and such as I trust will not again occur to the same extent.

Although the operations of the current year have failed to fulfil my predictions, from causes which have been already fully explained, I see no reason to doubt that the year 1885 will be the first of a series that will show an ever increasing balance to the credit of revenue, and a corresponding reduction of the liability of the Colony.

The full amount of the guaranteed interest for the past quarter being due to this Company, I enclose an Account for Eight thousand one hundred and twenty-five Pounds, to which I have added the balance of previous accounts now owing to the Company. I shall feel obliged by your directing the payment of these amounts in accordance with the conditions of the contract.

I have, &c.

C. H. GRANT.

Hon. W. H. BURGESS, M.H.A., Treasurer.

TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

Accountant's Office, Hobart, 14th October, 1884.

AN ABSTRACT showing the Receipts and Expenditure on account of Traffic, &c. conveyed over the Tasmanian Main Line Railway for the Three Months ending 30th September, 1884.

Dr.	£	s.	d.	Cr.	£	s.	d.
To Expenditure—				By Receipts—			
Permanent Way.....	4833	13	11	Passengers	7213	17	1
Locomotive Power	6067	1	8	Parcels	520	1	7
Carriages and Wagons	1190	3	3	Horses, Carriages, and Dogs	212	5	6
Traffic Expenses.....	2322	8	4	Excess Luggage.....	122	13	7
General Charges, London.....	1956	4	1	Left Luggage.....	16	2	9
Ditto, Tasmania.....	914	3	9	Telegrams.....	54	11	5
Miscellaneous Expenses.....	791	5	8	Mails	1028	10	0
Launceston and Western Railway Toll	1059	7	6	Goods	4270	14	7
	19,134	8	2	Minerals.....	468	11	8
Balance from last qua ter.....	631	19	6	Live Stock	879	16	4
				Rents and Sundries.....	158	16	2
					14,946	0	8
				Balance to next Quarter	4820	7	0
	£19,766	7	8		£19,766	7	8

R. J. ELLIS, Accountant.

C. H. GRANT, General Manager.

TASMANIA.

THE GOVERNMENT OF TASMANIA Dr.

To THE TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

1884.	Guaranteed Interest Department.	£	s.	d.
July 1.	Balance due upon Accounts rendered to June 30, 1884.....	300	5	4
July 1 to Sept. 30.	To One-fourth proportion of the Yearly Interest guaranteed by the Government of Tasmania to the Tasmanian Main Line Railway Company, Limited, at the rate of 5 per cent. on the sum of £650,000 expended on the construction of the Railway, and payable according to the terms of the Act of Parliament 46 Victoria, No. 43, Section 5—			
	One-fourth of £32,500	8125	0	0
		<u>£8425</u>	<u>5</u>	<u>4</u>

Amounting to Eight thousand four hundred and twenty-five Pounds five shillings and four pence.

For the Tasmanian Main Line Railway Company, Limited,

C. H. GRANT.

R. J. ELLIS, Accountant.

Treasury, Hobart, 29th October, 1884.

SIR,

IN paying you the sum of £8100 on account of guaranteed interest due to the Main Line Railway Company for the quarter ended 30th September last, as Treasurer of Tasmania I enter my protest against such payment, on the ground that the sum of £5989 17s. 11d. is claimed by the Government as an expenditure improperly made by the Main Line Company, as already intimated in letters from the Chief Secretary. This latter amount should have been charged to Capital Account instead of Maintenance.

The £8100 is now paid solely because the Government is desirous of avoiding any financial embarrassment to the Main Line Company; but if no satisfactory arrangement is made between the Government and the Main Line Company before the current quarter's guaranteed interest becomes due, as to the working of the line and proper expenditure of money for maintenance, this sum of £5989 17s. 11d., as well as any other amount to which similar objection may be taken, will be deducted from the next or succeeding payments under the head of guaranteed interest account.

I have, &c.

W. H. BURGESS, Treasurer.

C. H. GRANT, Esq., Manager T. M. L. R. Co., Hobart.

Treasury, Hobart, 29th October, 1884.

£8100 0 0

RECEIVED from the Treasury the sum of Eight thousand one hundred Pounds on account of the yearly interest guaranteed by the Government of Tasmania to the Tasmanian Main Line Railway Company, Limited, at the rate of five per cent. annum on the sum of £650,000 expended on the construction of the Railway, such sum being paid under protest, and without prejudice to any sum in dispute between the Government and the Company, or to the balance to be struck at the end of the year 1884 according to the terms of the Act of Parliament 46 Vict. No. 43, Section 5.

C. H. GRANT,

Attorney for the Tasmanian Main Line Railway Company, Limited.

Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart, 29th October, 1884.

SIR,

I HAVE the honor to acknowledge the receipt of your letter bearing this day's date, in which, while paying me the sum of £8100 on account of the voucher for £8125 presented to you as the claim of the Main Line Railway Company for the proportion of guaranteed interest for the quarter ending the 30th ultimo, you protest against such a payment in respect to the sum of £5989 17s. 11d.: this, you state, to be claimed by the Government as an expenditure improperly made by the Main Line Railway Company, who should rather have charged the amount to Capital.

In thanking you for meeting the wishes of the Company so far as to pay the amount claimed, although under protest, I must assure you, as I have had the honor to inform the Hon. the Chief Secretary, that a sum at least equal to the above amount will be found to be properly chargeable in the accounts of the Company under any light in which they can reasonably be viewed.

It was with much satisfaction I this day received from the Hon. the Premier a proposal to refer the dispute to arbitration, to which, so far as empowered, I gave my immediate assent. I trust that before the current quarter's guaranteed interest becomes due, a perfectly satisfactory arrangement will have been arrived at as to the working of the line and the proper expenditure of money for maintenance. This will, therefore, obviate any consideration as to the stoppage of guaranteed interest due to the Company.

I have, &c.

C. H. GRANT.

Hon. W. H. BURGESS, M.H.A., Treasurer.