

(No. 78.)



1874.

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T A S M A N I A.

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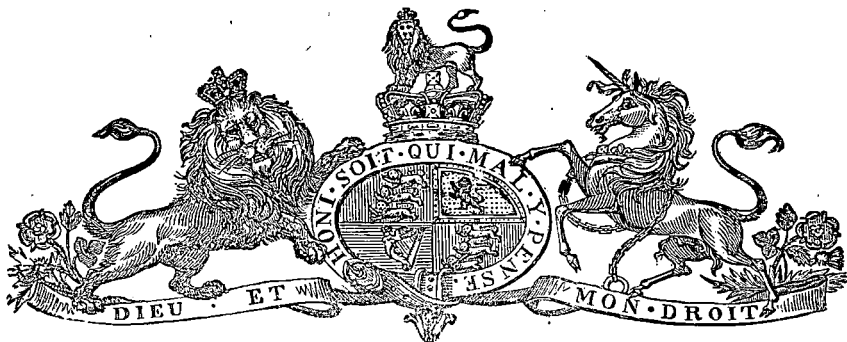
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M A I N L I N E R A I L W A Y.

A D D I T I O N A L C O R R E S P O N D E N C E.

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Laid upon the Table by the Attorney-General, and ordered by the House to be printed, September 2, 1874.



*Tasmania,*  
*Colonial Secretary's Office, 12th August, 1874.*

SIR,

I HAVE the honor to forward printed copies (2) of a correspondence which has taken place with Mr. Charles H. Grant, Engineer-in-Chief of the Main Line Railway, with reference to your Report on the route and works of the Main Line Railway; and I shall esteem it a favour if you will furnish me with any remarks you may feel disposed to make on Mr. Grant's letters, dated respectively the 3rd and 6th instant.

I have, &c.,

(Signed) THOS. D. CHAPMAN.

W. H. GREENE, *Esq.*, *Kyneton, Victoria.*

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,*  
*Hobart Town, Tasmania, 3rd August, 1874.*

SIR,

In perusing Mr. Greene's Report on the route and works of the Main Line Railway, you will probably have noticed a slight ambiguity in his remarks as to the speed to be obtained on the line; and as I am sure that the Government and Railway Company are only desirous that a full knowledge of everything appertaining to this question should be arrived at, I venture most respectfully and deferentially to submit to you the expediency of requesting Mr. Greene to state clearly his views on the matter.

In the epitome of the conclusions at which Mr. Greene had arrived, he states,—

"3rd. That *any line* which would give the results stipulated for in the Contract, and which could be constructed within the capital of the Company (£1,650,000), *must traverse the Coal River valley*, and keep close to the route selected by Messrs. Doyne, Major, and Willett between Bridgewater and Antill Ponds.

"4th. That the Company, while following the general direction of Mr. Doyne's line between Bridgewater and York Plains, have made such deviations, introducing an unnecessary number of sharp curves and steep gradients, as to completely sacrifice speed and efficiency in working to economy in present construction."

The direct implication from the above-quoted remarks (as I think we must admit) is, that, had the Company laid down the narrow gauge on the surveyed route of Messrs. Doyne & Co., the Contract speed could have been readily maintained, but on the Company's line it cannot be.

Now, setting aside the *enormous* cost of the line surveyed by Messrs. Doyne & Co., which was for this reason not accepted by the Government or the Company, I think that both would desire to know whether the public could have travelled quicker between Bridgewater and York Plains on Messrs. Doyne & Co.'s line, with its increased distance on the whole length between Bridgewater and York Plains of two miles, its almost continuous rise with the extreme gradient of 1 in 50 throughout 9 miles 16 chains, its two reversing stations, and curves of 10 chains radius on a gauge of 5½ feet, compared with the Company's line, on which the maximum gradient is 1 in 40 (but with numerous alternations of much easier grades) for exactly 7 miles, and with five chains curves thereon.

I feel certain Mr. Greene will fully admit that the constructed line, with its rolling stock specially constructed for readily traversing even sharper curves, will be more easily and economically worked, and a higher speed obtained thereon than on Messrs. Doyne & Co.'s broad-gauge line, with its zig-zags, and the ordinary rolling stock: but I wish to go further than this, and to challenge the decided opinion of Mr. Greene whether the Company's constructed line will not admit of the distance from Bridgewater to York Plains being traversed in less time, and at less cost, than had the Company adopted Messrs. Doyne & Co.'s *exact surveyed route*, and laid down the *Contract gauge* thereon.

These questions present themselves on an inspection of a diagram of the grades on each of the proposed routes which I am having prepared for the information of the Government and Legislature, and hope to be able to forward you by the end of the week.

I would remark, that the curves and grades objected to by Mr. Greene were mostly introduced to obviate the objectionable features of Messrs. Doyne & Co.'s survey, as shown by the above-quoted figures; and without taking advantage of the curves and grades having been bargained for in the Contract, I think it would be admitted by any disinterested authority that the line constructed will give much better practical results than that of Messrs. Doyne & Co.

In the earnest hope that, for the complete elucidation of the questions at issue, you will consider it advisable to obtain the opinion I herein most respectfully request,

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

*The Hon. the Colonial Secretary.*

*Colonial Secretary's Office, 6th August, 1874.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 3rd instant, calling my attention to Mr. Greene's remarks in his Report upon the Main Line Railway as to the speed to be obtained on the line, and suggesting that Mr. Greene should be requested to state more clearly his views on the matter.

Before taking any action upon your suggestion, I desire to call your attention to the amount stated by you in brackets on the second page of your letter as the capital of the Company,—namely, £1,650,000.

In the Memorandum of Association, the Capital of the Company is stated at One million Pounds, and the Chairman of the Company, Mr. George Sheward, at the third ordinary general meeting is reported to have said,—“With regard to the Capital, I do not know whether any of you have read the original Prospectus, but there you will find the Capital consists of Four hundred thousand Pounds in Shares, and Six hundred and fifty thousand Pounds in Bonds.”

Mr. Greene, in the paragraph of his Report quoted by you, speaks of the Capital of the Company as One million Pounds, as you will perceive upon referring to the third paragraph of his Report, and not One million six hundred and fifty thousand Pounds as named by you.

Not having learnt up to the present time from any source that the Capital of the Company exceeded that stated by the Chairman as quoted above, I shall feel obliged by your informing me when the Capital was increased from One million and fifty thousand Pounds to One million six hundred and fifty thousand Pounds.

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

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

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,*  
*Hobart Town, Tasmania, 6th August, 1874.*

SIR,

I HAVE the honor to reply to your letter bearing this day's date, in which you remark that, by the Memorandum of Association of the Tasmanian Main Line Railway Company, Limited, the Capital of the Company is stated at One million Pounds; and that the Chairman is reported to have stated, at the third ordinary general meeting, that the Capital consists of Four hundred thousand Pounds in Shares, and Six hundred and fifty thousand Pounds in Bonds.

You then remark that Mr. Greene adopted £1,000,000 as the Capital of the Company, and request to be informed when it was increased to the sum of £1,650,000, as stated in my letter.

As regards Mr. Greene's observations, you will notice that I quoted from his concluding remarks (not having perused the body of the Report); and here he distinctly refers to the whole Capital of the Company, while in the 3rd paragraph he specifically states that the sum mentioned in the Memorandum of Association as the Capital of the Company—viz. One million Pounds sterling—was the amount specially referred to. But the article that he so far quotes runs thus:—“5. The Capital of the Company is One million Pounds, divided into One hundred thousand Shares”

of Ten Pounds each;" and the very paper from which he quoted was a Prospectus for the issue of £650,000 in Bonds, which clearly showed that only 40,000 of these Shares (£400,000) were to be paid to the Contractors,—the remainder being reserved in the hands of the Company, with which to defray the miscellaneous expenses that must fall upon them.

At the time of the issue of the Prospectus the direct disposal of about £400,000 only of the Shares was effected; nor am I aware that any important additional amount has yet been issued or dealt with in any manner: but it is abundantly clear that the Company will require some money with which to fully equip the Line, pay expenses of Staff, and commence working the Traffic; and I cannot understand how any of this can be obtained unless it be from the proceeds of sale of the unissued Shares.

I have no copy of the remarks of the Chairman to the third general meeting, but there seems to be no reason to doubt the general correctness of those you quote; because, until more Shares are allotted than these 40,000 issued to the Contractors, and the few additional shares held by the Directors and their friends (as then stated by the Chairman), the Capital of the Company consists of about £400,000 of Shares, and £650,000 of perpetual Debentures.

I have not seen it stated that the £650,000 obtained on Debentures (which by most financiers is not classed as "ordinary capital," but as "loan capital," *i. e.* a liability on loans) is in substitution of any of the Shares: in fact, the dissimilarity of the gross total forbids this assumption; and I therefore apprehend that the available Capital or "powers to create Capital" are still limited, as at first, and until an alteration is sanctioned by a general meeting of the Shareholders, to £1,000,000 in Shares and £650,000 in perpetual Debentures. I must, however, disclaim any special knowledge of the subject, since the arrangement of such questions belongs solely to the executive authorities of the Company in England; and therefore I can only ask you to receive my remarks herein as the probable explanation of the question you moot.

I have, &c.,

(Signed) CHARLES H. GRANT.

*The Hon. T. D. CHAPMAN, Colonial Secretary.*

*Colonial Secretary's Office, 27th July, 1874.*

SIR,

I HAVE the honour to forward copy of a letter addressed by the Secretary to the Post Office to the Postmaster-General, under date the 25th instant, upon the subject of the state of the Railway crossings on the Main Line of Road, and especially to the crossing at Antill Ponds, where the Mail Coach containing the English Mail was delayed an hour and a quarter through a loaded wagon having stuck in the crossing.

I shall feel obliged by your calling the attention of the contractors to the subject, with the view of having the evil complained of remedied without delay.

I have, &c.,

(Signed) THOS. D. CHAPMAN.

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

*Tasmania,*

*General Post Office, Hobart Town, 25th July, 1874.*

(Copy.)

SIR,

I HAVE the honor to inform you that the coach from Launceston conveying the English Mail per *Pera* was detained last night one hour and a quarter at the Railway crossing at Antill Ponds, through a loaded wagon being stuck in the crossing.

I am informed that the Railway crossings generally are in very bad order for the Mail Coaches, and that on ordinary occasions they have to be dragged through them, as the metal is laid on so thickly that the wheels imbed themselves in it and will not revolve.

I have, &c.,

(Signed) A. C. DOUGLAS, Secretary.

*The Hon. P. O. Fysh, Postmaster-General.*

*Colonial Secretary's Office, 3rd August, 1874.*

SIR,

WITH reference to previous correspondence respecting the state of the Main Line of Railway crossings over the Main Road, I have the honor to forward for your perusal a Report furnished by Mr. Frith on the subject; and to request that you will take steps to have them brought to a state fit to bear the general traffic, by causing the metal to be blinded and rolled, so as to prevent the annoyance to the public, which their present condition involves.

I have, &c.,

(Signed) THOS. D. CHAPMAN.

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

(Copy.)

*Hobart Town, 31st July, 1874.*

CROSSINGS OF MAIN ROAD BY THE MAIN LINE RAILWAY COMPANY.

SIR,

AT present there are only three places where the Railway Company have interfered with Main Road by forming crossings. One near Rosetta Cottage about 6 miles from Hobart Town, one opposite Mr. Bilton's house further on, and one a few chains south of the *Half-way House*.

The first-named crossing has been made about 3 months, by raising the Main Road about 18 inches, with hard material covered with broken metal and permanently fenced in, and gates hung to close across the road when the trains are running, leaving a passage 16 feet wide across the Railway.

The second-named crossing is on the hill rising from the creek south of Mr. Bilton's house. The Railway here running across the road necessitates the breaking the continuous grade of the hill, and causing the lower side of the Railway to be raised about 18 inches above the original surface of the road. This depth has been filled up with materials from the Railway Cuttings, and covered with a heavy coating of road metal for about 3 chains in length: this metal is at present in a loose state, having only been lately put on.

The third-named crossing at the *Half-way House* was, on my passing the place on Saturday last, being raised about 18 inches with clay, the wheels of vehicles crossing going down through it: the day coach, which was passing at the time I saw it, had some difficulty to get through it. I saw Mr. Grant, the Company's Engineer, on my arrival in Hobart Town on Tuesday, and informed him of the case, he immediately went to the Telegraph Office, and forwarded a message to the local Engineer to at once have it put right by having hard material put on to make the crossing good.

On my return I will examine the place, and report what steps, if any, have been taken to remedy the defect.

I have &c.,

(Signed) JOHN R. FRITH, *Inspecting Engineer Main Line Railway.*

*The Director of Public Works.*

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,  
Hobart Town, Tasmania, 7th August, 1874.*

SIR,

I HAVE the honor to acknowledge your letter of the 3rd instant, enclosing copy of report from Mr. J. R. Frith respecting the crossings of the Main Road by the Main Line Railway, which matter had already received my attention.

I note you desire that any new metal laid down at these crossings should be blinded and rolled, and beg to assure you that this suggestion shall receive a careful attention, with a view to the proper maintenance of the road, and to cause the least possible annoyance to the public.

I have, &c.,

(Signed) CHARLES H. GRANT.

*The Hon. the Colonial Secretary.*

*Resident Engineer's Office, Railway Department,  
Kyneton, 20th August, 1874.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 12th instant, with its enclosures, in which you invite any remarks I may have to make with reference to the subject of Mr. Grant's letters of the 3rd and 6th instant, respectively, the latter being in reply to your letter of the same date.

As stated in your letter to Mr. Grant, the amount of the Tasmanian Main Line Company's capital was quoted in my report as one million pounds sterling (£1,000,000), that being the sum mentioned in the 5th clause of the Memorandum of Association of the Company, printed at page 25 of the Parliamentary Paper, No. 112 of 1873, House of Assembly, Tasmania.

I am not clear, from Mr. Grant's explanation in the last paragraph of his letter to you of the 6th instant, whether the sum mentioned in his letter of the 3rd instant, viz., one million six hundred and fifty thousand pounds sterling (£1,650,000), can be regarded as the available means of the Company; but if so, it is all the more obligatory on the Company to carry out their Contract with the Tasmanian Government in a satisfactory manner, both as regards the route and the character of the works. In no other point of view, as far as I can see, does the amount of the nominal or available capital affect the subject of my report.

With regard to Mr. Grant's letter of the 3rd instant, relating to the speed which may be expected upon the adopted line, and that which might be expected upon a line constructed by the route selected in Messrs. Doyne, Major, and Willett's survey, I may remark that a speed of twenty-three miles an hour cannot be expected by either route between Bridgewater and York Plains; but if Messrs. Doyne and Co.'s route had been more closely followed between Hobart Town and York Plains, the very sharp curves on the adopted line would have been avoided, and the gradients very considerably improved; and, notwithstanding the time necessarily lost at the two reversing stations proposed by Messrs. Doyne and Co., a much higher average speed might have been maintained between the terminal stations than can be expected on the adopted line. I assume, as stated in my report, that the contract gauge would have been used on either route.

I had no opportunity when in Tasmania of making a survey or examination of Messrs. Doyne and Co.'s exact route, or of forming an opinion whether it could not be improved by slight deviations; but an examination of the plans and sections of that route, furnished to me by the Government, shows that a narrow gauge line constructed upon it would give much more satisfactory results than may be expected from the Company's route.

I have perused the Main Line Correspondence, of dates subsequent to March last, which is included in the Parliamentary Paper, No. 22, House of Assembly, 1873. I see nothing in this correspondence which would lead me to alter the tenor of my report to you of the 9th April last.

It appears to me that the matter lies in a very small compass. The Contract between the Government and the Company stipulated for results by which both parties to the Contract must abide. If it shall be found that the Contract conditions can be fulfilled, it is all the Government can demand and all the public have a right to expect; but if, and as I believe, the conditions cannot be fulfilled, the Tasmanian Government have within the Contract a remedy, which may be applied should necessity arise, and not till then.

I have, &c.,  
(Signed) W. H. GREENE.

*The Hon. T. D. CHAPMAN, Colonial Secretary, Tasmania.*

*Colonial Secretary's Office, 31st July, 1874.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 28th May last, requesting that the Government would be pleased to introduce and support a Bill in Parliament authorising the Company to use Cattle-guards at all road crossings (other than those of the Main Road), provided that such are made to their approval.

The subject has received that full consideration which its importance demands; and I have now to inform you that the Government are not prepared to introduce such a measure as that indicated by you, and have decided to adhere to the terms of the Act of Parliament under which the contract has been entered into.

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

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

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,*  
*Hobart Town, Tasmania, 2nd June, 1874.*

SIR,

IN confirmation of my letters of the 4th November and 13th and 17th December, 1872, I have the honor to forward you herewith a letter from the contractors of the Main Line Railway Company referring to the amount they are required to pay for wharfage, and protesting against any such charge

on the ground that the arrangement made between the Government and Mr. Coote should be honorably accepted by Parliament, such being one of the conditions on which the Main Line Railway was contracted for.

On the part of the Company I have most earnestly to request the favorable consideration of the Government to the matter, because the Company have determined to import the whole of their rolling stock from England, and the cost of wharfage on such bulky articles would be enormous; and, as this is an element of its cost, might lead to a great diminution of the rolling stock with which the line is provided, and therefore may be productive of public inconvenience, besides being an injustice to the Main Line Railway Company and contractors.

I trust, therefore, that the Government will give their early attention to the remission of this charge, and the return of any sums already paid on this account; and that if necessary they would seek the concurrence of Parliament in the equitable fulfilment of this condition of the contract.

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

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

(Copy.)

*Tasmanian Main Line Railway, Contractors' Office,  
Hobart Town, 29th May, 1874.*

*Wharfage.*

DEAR SIR,

REFERRING to our letters No. 276 of 8th November, 1872, and No. 1754 of 9th October, 1873, relative to the wharfage question, we must again beg of you to bring the matter under the notice of the Government, and have some arrangement made, as the sums we are now compelled to pay form a very serious item in our expenditure.

We are, &c.,  
(Signed) CLARK, PUNCHARD, & REEVE.

C. H. GRANT, *Esq.*

*Colonial Secretary's Office, 14th August, 1874.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 2nd June, referring to your previous letters of the 4th November, the 13th and 17th December, 1872, and forwarding a letter from the Contractors of the Main Line Railway Company respecting the amount they are required to pay for wharfage.

You request that the Government will remit this charge, and cause any sums already paid to be returned; and further, that if necessary, the Government will seek the concurrence of Parliament in the equitable fulfilment of this condition of the contract.

In reply I desire to remark that the remission of wharfage rates upon the articles imported by the Company or Contractors for the construction of the Railway formed no condition, either legal or equitable, of the contract between the Government and the Main Line Railway Company.

At a conference between the Members of the Ministry and Mr. Audley Coote, when negotiating the terms of the contract, that gentleman urged the remission of wharfage rates in the Company's favour; and it was pointed out to him that such a remission was not within the power of the Executive Government, the collection of wharfage rates being fixed by Statute.

At the pressing instance, however, of Mr. Coote, the Government consented to insert a clause in a Bill about to be introduced into the Legislature in the Session of 1871, authorising the remission of wharfage rates in favour of the Company, and which was worded as follows:—"Notwithstanding anything to the contrary contained in any Act, no wharfage rates shall be payable or paid to the Collector of Customs at the Ports of Hobart Town or Launceston on any railway plant, rolling-stock, or materials entered to be landed at such ports by the said Company."

The second reading of this Bill was moved on the 8th December, 1871, when the motion was lost by sixteen votes to nine.

There is nothing to lead the Government to anticipate a different result at the present time, and they are therefore not prepared to seek the concurrence of Parliament in a remission of wharfage dues payable upon the imports of the Company.

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

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

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,  
Hobart Town, Tasmania, August 22nd, 1874.*

SIR,

I HAVE the honor to acknowledge the due receipt of your letter of the 14th instant respecting the payment of wharfage on goods imported for the construction of the Main Line Railway, in which you state that the Government are not prepared to seek the concurrence of Parliament in the remission of wharfage dues; and further remark that such remission formed no condition, either legal or equitable, of the contract between the Government and the Main Line Railway Company.

Since the Company strongly entertain a directly contrary opinion, I have the honor to most respectfully submit their view of the case in detail, as founded on official and public documents, with which alone they are acquainted.

On the 28th August, 1871, the Honorable the Colonial Secretary replied to Mr. Henry Dobson's letter of the 11th August preceding in the following terms :—

*Colonial Secretary's Office, 26th August, 1871.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter under date 11th instant, requesting that the Government will "remit the wharfage which the Main Line Railway Company will otherwise have to pay on landing their plant in the Ports of Hobart Town and Launceston."

In reply, I beg to inform you that the Act of Parliament, 21 Victoria, No. 16, authorises the Marine Board to fix and collect wharfage rates, and it would require a Statutory enactment to enable the Government to comply with your request.

With this object in view, the Government will be prepared to submit to Parliament a Bill to enable the Governor in Council to exempt from wharfage rates the railway plant in question.

I have, &c.

(Signed) JAMES MILNE WILSON.

HENRY DOBSON, Esq., Solicitor Main Line Railway Company.

The arrangement as to the remission of wharfage was therefore made in accordance with Mr. Henry Dobson's condition as expressed in his letter of the 11th August, and the Contract was signed by the Governor in Council on the 15th of that month, and then forwarded to England; while Mr. Coote, in following it there, took with him the letter above quoted, and had forwarded to him the draft Bill to be submitted to Parliament, intituled "A Bill to further amend 'The Main Line of Railway Act,' No. 8, 1871," in which was the following condition, quoted by you :—

8. Notwithstanding anything to the contrary contained in any Act, no wharfage rates shall be payable or paid to the Collector of Customs at the Ports of Hobart Town or Launceston on any railway plant, rolling stock, or materials entered to be landed at such ports by the said Company.

9. It shall not be lawful for the Governor in Council or for the Municipal Council of any Municipality, or the Trustees of any Road District, to make, levy, or raise any rate upon any property used or taken by the said Company for the purposes of the said railway and works, or upon the said railway and works, except for a supply of water where the same is used.

In placing this document in the hands of the Railway Company and their Contractors, Mr. Coote (a *quasi* agent of the Government under previous authority, and particularly the letters from the Hon. the Colonial Secretary of the 19th November, 1869, to the Crown Agents, and of the 21st April, 1870, to Mr. Coote) had no hesitation in stating that the Government of the day were powerful and reliable to carry out their engagements; and that in this, as in all constitutional governments, any contract made or condition agreed to by the Executive would be ratified by Parliament; and that therefore the remission of the wharfage and rating (which in the personal negotiations for the arrangement of the Contract had always been provided for, but were accidentally omitted in the draft) might be considered as the absolute conditions of the Contract.

Upon this information, and on these conditions, the Contract was signed by the Company on the 15th March, 1872. And although the Bill had been rejected on the 8th December, 1871, the Government did not in any way inform Mr. Coote or the Company to this effect; and the first intimation thereof occurred in a letter from Mr. Dobson to Mr. Coote, which the latter received at Brindisi on April, 1872, while on his way out to the Colony with the Contractors and their Staff.

It would appear, therefore, that the Company have both reason and the equity of custom in such cases for considering that the remission of the wharfage and rating were primary conditions of their Contract with this Colony; and their view of the matter is confirmed by the remarks made on the second reading of the Bill on the 8th December, 1871, which I quote from the *Mercury* of the following day's date. The Honorable the Attorney-General stated, in the course of the debate,—

Honorable Members could scarcely have paid sufficient attention to the provisions of the Bill, or they would see that there was not a single clause in it that was not foreshadowed in the correspondence between the Government and the Company. It was distinctly understood that such a bill would be submitted to Parliament, and not to have done so would have been a breach of faith. One Hon. Member had said, and he regretted exceedingly that he should have done so, that he felt himself at liberty to repudiate any contract of which he disapproved. If this doctrine were to be tolerated, the most shameless repudiation might be carried out from Parliament to Parliament. Did that Hon. Member hold that he might come down and repudiate a contract simply because in his then wisdom



he did not think the work would be reproductive?..... It would be a matter of deep regret to the people of Tasmania that Hon. Members should on any account repudiate the action of the Government. The Government had a right, after the previous action of Parliament, to see that the terms of the contract were fair and equitable, and they had made no terms or arrangements which they had not been justified in making; and that being the case, it was not well that Hon. Members, although they had not been Members of the House when the contract was authorised by Parliament, should take advantage of their individual immunity not to hold themselves bound by the action of the former Parliament. He thought the Company should mete a more fair and generous support on the present occasion, and that no advantage should be attempted to be taken of the present occasion, when the measure proposed simply sought to supply certain omissions, and thus enable the Government to carry out the other Bill; and he considered that whatever the feelings of Hon. Members might be in reference to the Main Line Railway, they had no right, under the circumstances he had pointed out, to attempt to defeat this Bill.

The Hon. the Colonial Treasurer also stated, referring to the Company :—

He considered that they were bound by their agents. They consented to accept a 5 per cent. interest on £650,000 on certain conditions, saying they would make the line on certain conditions. Government now came to the House to ask their concurrence in the desired concessions..... If they refused their sanction the contract might be interrupted, and the Parliament might be called upon to provide for any liabilities incurred through the breach of contract.

These views were also concurred in by other Members of the House, and in the editorial of the *Mercury* of the same date it is stated :—

The result of last night's debate on the Bill to further amend the Main Line Railway Amendment Act was an event in our Parliamentary history much to be regretted. Not, we should hope, that the railway is thereby endangered, but because one of the branches of the Parliament of Tasmania, and that which is considered to best represent public opinion, has, by a solemn vote, and after due deliberation, almost every Member having expressed his opinion, introduced as a justifiable principle in our legislation the right of Parliament to repudiate the engagements of the Government, entered into with its sanction and acting under its authority. Hon. Members may seek to disguise to themselves the ugly fact, but no mystification or sophistry can get over the true signification of last night's vote ..... which was tantamount to saying : "Ministers may have committed themselves; but the very fact of their having to apply to Parliament for further powers shows they have not legally committed the Colony; and whatever may be the effect as to Ministers, our antipathy to the Main Line Railway is such that we will avail ourselves of any quibble or loophole to shake the Colony quit of the responsibilities of Government." ..... What shall we say of the inconsistency of those who, having entrusted to Government the task of making the best bargain they could for the construction of the railway, now refuse their assent to the action of Government, done in compliance with their own instructions? They pledged themselves, Parliament and the Colony, to Government; and asked Government to pledge itself to the Main Line Railway Company; and in exposing themselves to a charge of bad faith they ask the Government to be *participes criminis* with them. In fact, they place Government in the unenviable position of not only repudiating their engagements, but of bringing into disrepute the credit of the Colony.

They have done what in them lies to ruin the good faith of the Colony, and bring Tasmania into contempt. .... Apart from the petty jealousies and considerations which actuated the majority, the result of last night's division is likely to cast a stain on the Colony. It may be, as was argued, that the Company have too good a bargain to lightly throw it away, and that they will accept the contract divested of the stipulations which the Attorney-General said the Government were bound in honor to submit to Parliament, and which Parliament was equally bound to sanction. If the Company so act, we need not wonder if they consider themselves defrauded, and absolved from all regard to honorable dealings in their after treatment of the Colony,—a nice position to occupy with a Company, on a proper understanding with which so much depends. And it will be a lesson not lost on others, effectually damning our good faith and our character as an obligation-fulfilling Colony.

"And," in the language of the Attorney-General, "an act of shameless repudiation, damaging to our credit as a community, and our reputation as honest men."

If the views above expressed are held by wholly disinterested persons resident in this Colony, it cannot be surprising to find that those who are personally and pecuniarily interested in the Main Line Railway have the same ideas, and feel that they have not received from the Legislature of Tasmania that reciprocity and consideration to which their immediate and liberal contribution of the required funds, and their vigorous prosecution of the construction of the Railway, should in their opinion fairly entitle them.

Without, therefore, adding any further remark, I think it has been shown that the honor and good faith of the Colony are in a great measure involved in the questions above mooted, irrespective of the consideration as to whether these may or may not be strict legal or equitable conditions of the Contract.

I have, &c.

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

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

Colonial Secretary's Office, 31st August, 1874.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 22nd instant, in which you inform me that the Company strongly entertain an opinion directly contrary to the tenor of my letter to you of the 14th instant, upon the question of the payment of wharfage upon goods imported for the construction of the Main Line of Railway.

The Government are compelled to differ from the conclusions drawn by you from the various quotations contained in your communication, as expressed in the last paragraph.

You must be fully aware that the action of any Responsible Government, under Free Institutions, is controlled by the decisions of the Parliament; and the letter of the Colonial Secretary to Mr Henry Dobson, of the 22nd August, 1871, contains no pledge beyond that of submitting "to Parliament a Bill to enable the Governor in Council to exempt from wharfage rates the Railway plant in question."

The Contract contained no provision for the remission of wharfage rates,—such remission depending entirely (as the letter above quoted, and which Mr. Coote took with him to England, clearly shows) upon the concurrence of Parliament in the measure which all the Members of the Ministry, in redemption of their pledge, submitted to, and supported in, the Legislature.

The Company, when signing the Contract, could not be ignorant of the contingency that might, and as it proved did, arise of the refusal by the Parliament to pass the Bill containing the clauses remitting the wharfage rates; and though Mr. Coote at a former period was authorised to negotiate for the construction of a Main Line of Railway upon terms and conditions specially set forth, his mission failed. Mr. Coote subsequently returned to the Colonies, bringing with him an offer from, and acting as the Agent of, the Tasmanian Main Line Railway Company.

From this time Mr. Coote could not in any way consider himself, or be considered by others, as an Agent of this Government, or as speaking with authority under a commission which had absolutely terminated.

His statements therefore to the Company, which without question were made in good faith, as to the ability of the Executive Government to pass such a measure, could only be accepted by the Company as the expression of the opinion entertained by their Agent, but which could not, even by implication, involve the Executive Government in the remotest degree.

The Government cannot recognise that the Colony has been guilty of the slightest approach to a breach of faith, as you infer in your letter, in consequence of the Parliament declining to legalise the remission of the wharfage rates referred to; and the Company must have been fully aware of the fact, that such a contingency might arise, when the Contract was entered into.

I have, &c.,

(Signed) THOS. D. CHAPMAN.

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

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,  
Hobart Town, Tasmania, 25th July, 1874.*

SIR,

I HAVE the pleasure to return herewith the diagram of alternative routes of the Main Line Railway, which you kindly lent me.

You will notice that I have added thereto the last section of Mr. D. Climie's line, which I also return herewith.

I have, &c.,

(Signed) CHARLES H. GRANT.

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

*Colonial Secretary's Office, 4th August, 1874.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 25th ultimo, returning the diagram of alternative routes of the Main Line Railway; and I desire to thank you for having added the last section of Mr. D. Climie's line, which I also received.

I have, &c.,

(Signed) THOS. D. CHAPMAN.

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

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,  
Hobart Town, Tasmania, 3rd September, 1874.*

SIR,

I HAVE the honor to forward you herewith, for the information of the Government and the Members of the Legislature, a diagram of the gradients on the various routes proposed for the Main Line Railway by Messrs. Doyne, Major, & Willett, Mr. Daniel Climie, the late Mr. Wylie and on the line constructed by the Main Line Railway Company. I would also have added Mr. Sprent's line, which very nearly corresponds with that of Messrs. Doyne & Co. and with the existing Railway, had the distance mentioned in his Report of the 18th February, 1856, been sufficiently exact to allow of a section being accurately drawn.

The gradients are plotted from the original documents, and I believe are correctly shown. The same base line and the same scales, both horizontal and vertical, are used for each section; and, therefore, the relative character of the inclines are seen by a simple inspection of the diagram.

I scarcely need mention that it would be practically impossible in any country to make a long length of line entirely level, or but just sufficiently inclined to facilitate drainage; but, were such a line obtainable, it would doubtless be operated to the best advantage. Failing this, the very best line, both for speed and economy in working, is obviously that which has the shortest lengths of severe gradients and the least heights to rise and fall; or, in other words, the most alternating character without any great and sudden ascents and descents being necessary.

On applying this elementary principle to the examination of the gradients indicated in the diagram, I venture to submit that the route adopted for the Main Line Railway fulfils the conditions in the most striking manner, and is much better than the line proposed by Messrs. Doyne & Co., on account of the greater severity of his rise at the Flat-top Hill and his two reversing stations, while that proposed by Mr. Daniel Climie is very extreme in its departure therefrom; and, moreover, his line is, on his own last statement, four miles longer than necessary; but, shortly before this, he calculated the excess distance at nearly eleven miles against his line.

In the diagram I have, for the sake of clearness, given the grade levels only, omitting the line of the natural surface of the ground, because on this occasion I simply desire to show the relation of the working capabilities of each line, irrespective of the difficulties of construction.

I have, &c.,

(Signed) C. H. GRANT.

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

*Colonial Secretary's Office, 3rd September, 1874.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of this day's date, forwarding a diagram of the gradients on the various routes proposed for the Main Line Railway, and to thank you for the same.

I have caused the diagram to be exhibited in a room in the Parliamentary Buildings, where the information it contains will be available for the Members of the Legislature.

I have, &c.,

(Signed) THOS. D. CHAPMAN.

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