

(No. 127.)



1878.

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TASMANIA.

HOUSE OF ASSEMBLY.

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**COLONIAL AUDITOR:**

**LETTER FROM ON PAYMENT OF MAIN LINE RAILWAY  
INTEREST, AND SUBSIDY FOR SUB-MARINE TELEGRAPH.**

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Laid upon the Table by the Colonial Treasurer, and ordered by the House to be  
printed, May 1, 1879.



*Audit Office, 1st May, 1879.*

SIR,

IN reading the report of the proceedings of the House of Assembly in this morning's papers, I notice that the items for Guaranteed Interest to the Main Line Railway Company, and the Subsidy to the Eastern Extension Telegraph Company, have been omitted from the Appropriation Bill; and referring to Correspondence and Queries with respect to those items, I have the honor to remind you that it has been pointed out that no appropriation has been authorised by Parliament for such expenditure.

With regard to the Interest guaranteed to the Main Line Railway Company, the Main Line Railway Act, 34 Vict. No. 13, authorises the Governor to guarantee interest at the rate of 5 per cent. under certain conditions, without naming the fund from which such interest is to be paid. It seems to me, therefore, that the amount should be included annually in the Appropriation Act, or that the passing of a special Act appropriating the amount until the termination of the contract is necessary.

The payment of the annual subsidy £4200 for the maintenance of the Submarine Cable between Low Head and Victoria was authorised by resolution of Parliament, on 24th January, 1868, but no special Act appears to have been passed for appropriating the amount out of the Consolidated Revenue.

As the proposal to omit the items referred to from the Appropriation Act seems calculated to establish a dangerous precedent, I hope the matter will be most carefully considered before being carried into effect; and feeling the question to be of great importance, I beg to request that this letter may be referred to Parliament before the Appropriation Bill for 1879, and Supplementary Appropriation Bill for 1878, shall have been passed.

I have the honor to be,

Sir,

Your most obedient Servant,

W. LOVETT, *Colonial Auditor.*

*The Hon. the Colonial Treasurer.*