

(No. 6.)



1877.

SESSION I.

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T A S M A N I A.

LEGISLATIVE COUNCIL.

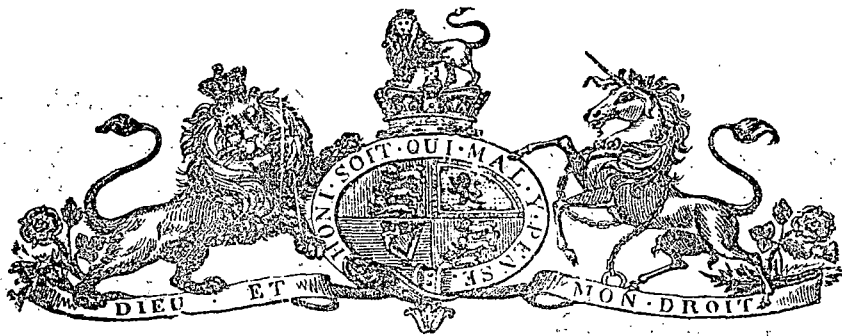
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MAIN LINE RAILWAY.

CORRESPONDENCE WITH THE COLONIAL TREASURER'S  
DEPARTMENT TO JANUARY 22, 1877.

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Laid upon the Table by Mr. Crowther, and ordered by the Council to be printed,  
January 23, 1877.



## MAIN LINE RAILWAY CORRESPONDENCE.

CLAIM FOR INTEREST TO 30 SEPTEMBER, 1876.

*Tasmanian Main Line Railway Company, Limited, General Manager's Office,  
Hobart Town, 21st October, 1876.*

SIR,

I HAVE the honor to forward you herewith an Abstract of the Receipts and Expenditure of the Tasmanian Main Line Railway Company, Limited, for the quarter ending the 30th September last, the details of which are all open for inspection by the Colonial Auditor or any Officer that the Government may appoint.

Since the whole receipts of the quarter amounted to £4970 10s. 3d., and the working expenses to £7395 19s. 1d., irrespective of the losses on previous quarters, the full amount of guaranteed interest becomes due to the Company. I therefore enclose an account for the same, amounting to Eight thousand one hundred and twenty-five pounds (£8125), and have to request that this sum be paid within the period defined in the Contract.

I have, &c.

(Signed) CHARLES H. GRANT.

*The Hon. CHAS. MEREDITH, M.H.A., Colonial Treasurer.*

### TASMANIA.

THE GOVERNMENT OF TASMANIA *Dr.*

To THE TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

1876.	Guaranteed Interest Department.	£	s.	d.
July 1st	To one full Quarter's Interest due, as per Contract between the Government of Tasmania and the Tasmanian Main Line Railway Company, Limited, at the rate of five per cent.			
to	per annum on the full sum of £650,000 expended on the Construction of the Railway,			
Sept. 30th.	as shown by previous accounts and vouchers in the possession of the Government. Say			
	one full quarter of whole guarantee of £32,500 per annum .....	£8125	0	0

Amounting to  
£8125 0 0

(Signature of Claimant)—*The Tasmanian Main Line Railway Company, Limited,  
by their Agent and Attorney—*CHARLES H. GRANT.

### TASMANIAN MAIN LINE RAILWAY.

AN ABSTRACT of Receipts and Expenditure on account of Traffic conveyed over the Main Line Railway for Three Months ending September 30th, 1876.

<i>Dr.</i>	RECEIPTS.	£	s.	d.	£	s.	d.
To Receipts as per Cash Book .....		4970	10	3			
Balance .....		3561	19	4			
	TOTAL .....				£8532	9	7
<i>Ct.</i>	EXPENDITURE.	£	s.	d.	£	s.	d.
By Balance from June 30th, 1876 .....		1133	18	2			
Working Expenses, as per Accounts paid .....		7395	19	1			
Petty cash on hand .....		2	12	4			
	TOTAL .....				£8532	9	7

R. J. ELLIS, Accountant.

CHARLES H. GRANT, General Manager.

*Colonial Treasury, 23rd October, 1876.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 21st instant, enclosing a claim upon the Treasury in respect to interest which you allege is due to the Tasmanian Main Line Railway Company for the quarter ended 30th September last.

I have, &c.

(Signed) CHARLES MEREDITH.

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

# RE PAYMENT OF COSTS.

*Crown Solicitor's Office, 4th December, 1876.*

The QUEEN ats. Tasmanian Main Line Railway Company, (Limited).

SIR,

On the 14th ultimo the Taxing Officer of the Supreme Court taxed the costs payable by the Company to the Crown Solicitor on behalf of the Crown at the sum of £41 13s. 9d., and as those costs have not been paid, although repeatedly applied for, I suggest that Government should decline to make any further advance to the Company until the costs are paid. I have only to add that a portion of those costs were advanced by your predecessor in office, and are repayable to the Treasurer, and that the Government is responsible for the balance to the Counsel retained on behalf of the Crown.

I have, &c.

(Signed) ROBT. P. ADAMS.

*The Hon. the Colonial Treasurer.*

*Colonial Treasury, 5th December, 1876.*

SIR,

I HAVE the honor to forward herewith, for your information, copy of a letter addressed to this Office by the Solicitor-General, with reference to certain costs incurred in connection with the suit "Crown ats. the Tasmanian Main Line Railway Company, (Limited)," to which I beg to draw your attention.

I have, &c.

(Signed) CHARLES MEREDITH.

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

*Colonial Treasury, 13th December, 1876.*

SIR,

I HAVE the honor to draw your attention to a letter from this Department, dated 5th instant, in reference to a communication received from the Solicitor-General; and in doing so I beg the favor of a reply.

I have, &c.

(Signed) CHARLES MEREDITH, *Colonial Treasurer.*

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

*Tasmanian Main Line Railway Company, Limited,*

*Engineer's Office, Hobart Town, 13th December, 1876.*

SIR,

I HAVE the honor to acknowledge the due receipt of your letter of the 5th inst., with which you enclosed copy of a letter from the Solicitor-General as to the payment of his costs in the action recently brought by the Tasmanian Main Line Railway Company, Limited, against the Government, and which was discontinued at the instance of the House of Assembly, in order to allow Parliament the opportunity of settling the questions in dispute between the Government and Company.

On receipt of your communication I immediately referred it to the Company's Solicitors, who advised that, as Parliament had not after all decided upon any course tending to the settlement to

secure which the action was brought, the matter must still be considered as *sub judice*, and that these costs should properly be continued as costs in the cause. It is obvious that the Company on proving their right to the regular payment of the guaranteed interest would be entitled to the refund of all expenses of every kind incurred in obtaining it, and as many items of the costs in question should not in the opinion of the Company's Solicitors be fairly claimed against them under the circumstances, they advised that payment should be withheld until they had seen the Honorable the Attorney-General on the subject, or petitioned the Governor in Council.

Should the Government insist on the payment of the Bill of Costs, the Company are prepared to make it immediately, but under protest in every respect.

I have, &c.

(Signed)

C. H. GRANT.

Hon. CHAS. MEREDITH, M.H.A., Colonial Treasurer.

Colonial Treasury, Hobart Town, 14th December, 1876.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 13th instant, in reference to the payment of costs in the action recently brought by the Tasmanian Main Line Railway Company against the Government; and, referring to the last paragraph of your letter, the Government trust that the Bill of Costs in question will be paid immediately.

I have, &c.

(Signed)

CHARLES MEREDITH, Colonial Treasurer.

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

(The costs have since been paid to the Solicitor-General.—C.M. 7. 1. 77.)

## ADVANCES.

### MINUTE PAPER FOR THE EXECUTIVE COUNCIL.

Colonial Treasury, Hobart Town,  
28th November, 1876.

THE Colonial Treasurer submits that he be authorised to advance to the Manager of the Tasmanian Main Line Railway Company, Limited, the sum of Two thousand five hundred Pounds in accordance with conditions set forth in an Agreement made this twenty-eighth day of November instant, between the Colonial Treasurer of Tasmania and the Tasmanian Main Line of Railway Company, Limited.

CHARLES MEREDITH, Colonial Treasurer.

THE Governor in Council approves.

E. C. NOWELL.

28. 11. 76.

The Hon. the Colonial Treasurer.

MEMO. to the Auditor.—29. 11. 76.

Stamp.

One  
Shilling.

An Agreement made the Twenty-eighth day of November in the year of Our Lord One thousand eight hundred and seventy-six BETWEEN the Honorable CHARLES MEREDITH Colonial Treasurer of Tasmania (acting on behalf of the Government of Tasmania) of the one part and the TASMANIAN MAIN LINE RAILWAY COMPANY (LIMITED) of the other part WHEREAS by a certain Contract dated the Fifteenth day of August One thousand eight hundred and seventy-one and made between His Excellency CHARLES DU CANE Esquire the then Governor of Tasmania by and with the advice of his Executive Council for and on behalf of the Government of Tasmania of the one part and the said Railway Company of the other part the said Company agreed to construct maintain and work a Main Line of Railway between Hobart Town and Launceston or between Hobart Town and any point on the Launceston and Western Railway with running powers over that Railway to Launceston subject to and in accordance with the conditions set forth in the Schedule to such Contract AND WHEREAS by the said Contract it was (amongst other things) provided that the Governor should guarantee

to the said Company interest at the rate of Five Pounds per centum per annum upon the money actually expended in and for the purposes of the construction of the said Main Line Railway up to and not exceeding the sum of Six hundred and fifty thousand Pounds during four years of the period of construction (commencing from the Fifteenth day of March One thousand eight hundred and seventy-two) and for a period of thirty years from the opening of the entire line for traffic and that no sum should be payable for guaranteed interest for any period during which the Company did not continue to maintain and work the said line of Railway in an efficient manner so as to afford all sufficient station accommodation and due facilities for the passenger and goods traffic of every portion of the line AND WHEREAS by the Schedule to the said Contract it was (amongst other things) agreed that the said Railway together with all stations rolling-stock and all other works connected with the said Railway should be constructed of the best material and in a thoroughly substantial manner AND WHEREAS the Company have constructed a Railway from Hobart Town to a point on the Launceston and Western Railway near Evandale and have laid down a third rail on the Launceston and Western Railway from Evandale Junction to Launceston And the said Company claims that such Railway fulfils in every respect the conditions of the said Contract and the Schedule thereto AND WHEREAS a Board of Engineers consisting of Messieurs WILLIAM MASON HENRY COATHUP MAIS and HENRY CHARLES STANLEY being respectively deputed by the Governments of New South Wales South Australia and Queensland were on the Twenty-sixth day of May last appointed by His Excellency the Governor of Tasmania to examine and investigate the construction and then state of the said Main Line Railway And the said Board thereupon proceeded to examine into and investigate such construction and state accordingly AND WHEREAS by an agreement made the third day of June last and made between the then Colonial Treasurer of the one part and the said Company of the other part the said then Treasurer advanced to the said Company a loan of Three thousand Pounds to enable the said Company to continue to run trains upon the said Railway but such advance was made without prejudice to the rights or liabilities of either party to the said recited Contract AND WHEREAS the said Board of Engineers on the Fourteenth day of June last reported to the Governor that after a full and careful examination of the subject in all its bearings they were unanimously of opinion that the general conditions of the said Contract so far as the construction and maintenance of the line is concerned had not been complied with by the said Company AND WHEREAS under the circumstances aforesaid the Colonial Treasurer has refused to pay any interest to the said Company since the Fifteenth day of March last under the said Contract and the said Treasurer contends that no sum is now due or payable to the said Company for interest in respect of such Contract AND WHEREAS the said Company have been running trains from Hobart Town to Evandale Junction on the said Main Line Railway from the Fifteenth day of March last to the Thirty-first day of October last and the said Company have from the First day of November instant up to the date of these presents been running trains upon such Railway from Hobart Town to Launceston AND WHEREAS the General Manager of the said Company in Tasmania has applied to the said Treasurer for a further loan of money to be made to the said Company to enable them to continue to run trains from Hobart Town to Launceston on the said Railway without prejudice to all or any questions in dispute between the Governor and the Company under the said recited Contract and alleging that unless financial assistance is rendered to him he will be obliged to close the said Railway and the said Treasurer has consented to make such advance upon the terms hereinafter expressed NOW THESE PRESENTS WITNESS and it is hereby mutually agreed and declared by and between the parties hereto

1. The Colonial Treasurer hereby agrees to lend to the said Company the further sum of Two thousand five hundred Pounds for the period of nine months from the First day of November instant and the Company accepts such loan and agrees to repay the same with interest at the rate of Six Pounds per centum per annum at the expiration of such period or upon such demand as is hereinafter mentioned.

2. If the said Company shall before the expiration of the said period of nine months establish to the satisfaction of the Governor or by legal process their right to receive further interest under the said Contract or if the said Company shall agree to sell the said Railway to the Government of Tasmania then the said sum of Two thousand five hundred Pounds now advanced together with interest at the rate aforesaid shall and may be deducted by the said Treasurer from any moneys admitted or awarded to be due by the Government of Tasmania to the said Company whether for interest or purchase money as aforesaid.

3. In the event of the said Company ceasing to run trains from Hobart Town to Launceston on the said Railway at any time before the expiration of the said period of nine months it shall be lawful for the Treasurer by notice in writing under his hand to demand from the said Company immediate payment of the said sum of Two thousand five hundred Pounds and interest and the Company hereby agree to repay the said sum and interest at the rate aforesaid to the said Treasurer within twenty-four hours after such demand is left for them with their General Manager in Tasmania or at their office in Hobart Town.

4. Should no money or no sufficient money become due and payable by the Governor to the said Company under the said Contract before the expiration of the said period of nine months or should the said Company fail to repay the moneys now advanced and interest within twenty-four hours after such demand as is mentioned in the preceding paragraph it shall be lawful for the Colonial Treasurer to enforce payment of such monies and interest as a creditor of the said Company for the amount now advanced with interest at the rate aforesaid or for so much thereof as may then remain unpaid or unretained as aforesaid and the Colonial Treasurer may take such proceedings to compel payment of the same as he may think fit.

5. All powers which are herein given or reserved to the Colonial Treasurer are so given or reserved to him on the part of the Government of Tasmania and may be exercised by the Colonial Treasurer of Tasmania for the time being.

6. It is hereby specially agreed between the parties hereto and this agreement is made upon the express understanding and condition that the said sum of Two thousand five hundred Pounds now to be advanced and paid by the said Treasurer to the said Company is to be advanced as a loan only and without prejudice to all or any questions in dispute between the Governor and the Company under the said recited Contract as to any matter whatsoever connected with or relating to the said Railway and the said Contract or the Acts of Parliament relating thereto. And the said loan shall not nor shall any clause matter or thing herein contained operate or be construed to operate as an admission by either party to the said Contract that the conditions of such Contract have or have not been fulfilled or as a waiver of any right now possessed by either party to the said Contract against the other of them but all such rights and all liabilities shall be and remain as if these presents had not been made or executed save in so far as is herein expressly provided or declared to the contrary. As WITNESS the hands of the said parties hereto the day and year first herein written.

The Tasmanian Main Line Railway Company Limited by their Agent and Attorney  
C. H. GRANT.

Signed by CHARLES HENRY GRANT in the  
presence of

HENRY DOBSON, *Sol., Hobart Town.*

RECEIVED on the day and year first herein written from the Honorable Charles Meredith Colonial Treasurer of Tasmania the sum of Two thousand five hundred Pounds as a loan to the Tasmanian Main Line Railway Company Limited as hereinbefore mentioned.—£2500.

The Tasmanian Main Line Railway Company Limited by their Agent and Attorney  
C. H. GRANT.

Witness—HENRY DOBSON.

#### EXECUTIVE MINUTE.

*Colonial Treasury, 8th December, 1876.*

THE Colonial Treasurer submits that the sum of Two thousand five hundred Pounds (£2500) be advanced to the Manager of the Tasmanian Main Line Railway Company, Limited, in accordance with the conditions set forth in an agreement made the 5th day of December instant between the Colonial Treasurer of Tasmania and the Tasmanian Main Line Railway Company, Limited.

CHARLES MEREDITH, *Colonial Treasurer.*

THE Governor in Council approves.

E. C. NOWELL.  
11. 12. 76.

*The Hon. the Colonial Treasurer.*

MINUTE to Auditor.—13. 12. 76.

Stamp.

One  
Shilling.

An Agreement made the Fifth day of December in the year of Our Lord One thousand eight hundred and seventy-six between the Honorable CHARLES MEREDITH Colonial Treasurer of Tasmania (acting on behalf of the Government of Tasmania) of the one part and the TASMANIAN MAIN LINE RAILWAY COMPANY LIMITED of the other part WHEREAS by a certain Contract dated the Fifteenth day of August One thousand eight hundred and seventy-one and made between His Excellency CHARLES DUCANE Esquire the then Governor of Tasmania by and with the advice of his Executive Council for and on behalf of the Government of Tasmania of the one part and the said Railway Company of the other part the said Company agreed to construct maintain and work a Main Line of Railway between Hobart Town and Launceston or between Hobart Town and any point on the Launceston and Western Railway with running powers over that Railway to Launceston subject to and in accordance with the conditions set forth in the Schedule to such Contract AND WHEREAS by the said Contract it was (amongst other things) provided that the Governor should guarantee to the said Company interest at the rate of Five Pounds per centum per annum upon the money actually expended in and for the purposes of the construction of the said Main Line Railway up to and not exceeding the sum of Six hundred and fifty thousand Pounds during four years of the period of construction (commencing from the Fifteenth day of March One thousand eight hundred and seventy-two) and for a period of Thirty years from the opening of the entire line for traffic and that no sum should be payable for guaranteed interest for any period during which the Company did not continue to maintain and work the said line of Railway in an efficient manner so as to afford all sufficient station accommodation and due facilities for the passenger and goods traffic of every portion of the Line AND WHEREAS by

the Schedule to the said Contract it was (amongst other things) agreed that the said Railway together with all stations rolling stock and all other works connected with the said Railway should be constructed of the best material and in a thoroughly substantial manner AND WHEREAS the Company have constructed a Railway from Hobart Town to a point on the Launceston and Western Railway near Evandale and have laid down a third rail on the Launceston and Western Railway from Evandale Junction to Launceston and the said Company claims that such Railway fulfils in every respect the conditions of the said Contract and the Schedule thereto AND WHEREAS a Board of Engineers consisting of Messieurs William Mason Henry Coathup Mais and Henry Charles Stanley being respectively deputed by the Governments of New South Wales South Australia and Queensland were on the twenty-sixth day of May last appointed by His Excellency the Governor of Tasmania to examine and investigate the construction and then state of the said Main Line Railway and the said Board thereupon proceeded to examine into and investigate such construction and state accordingly AND WHEREAS by an Agreement made the Third day of June last and made between the then Colonial Treasurer of the one part and the said Company of the other part the said then Treasurer advanced to the said Company a loan of Three thousand Pounds to enable the said Company to continue to run trains upon the said Railway but such advance was made without prejudice to the rights or liabilities of either party to the said recited Contract AND WHEREAS the said Board of Engineers on the Fourteenth day of June last reported to the Governor that after a full and careful examination of the subject in all its bearings they were unanimously of opinion that the general conditions of the said Contract so far as the construction and maintenance of the Line is concerned had not been complied with by the said Company AND WHEREAS under the circumstances aforesaid the Colonial Treasurer has refused to pay any interest to the said Company since the Fifteenth day of March last under the said Contract and the said Treasurer contends that no sum is now due or payable to the said Company for interest in respect of such Contract AND WHEREAS the said Company have been running trains from Hobart Town to Evandale Junction on the said Main Line Railway from the Fifteenth day of March last to the Thirty-first day of October last and the said Company have from the First day of November last up to the date of these presents been running trains upon such Railway from Hobart Town to Launceston AND WHEREAS the General Manager of the said Company in Tasmania has applied to the said Treasurer for a further loan of money to be made to the said Company to enable them to continue to run trains from Hobart Town to Launceston on the said Railway without prejudice to all or any questions in dispute between the Governor and the Company under the said recited Contract and alleges that unless financial assistance is rendered to him he will be obliged to close the said Railway and the said Treasurer has consented to make such advance upon the terms hereinafter expressed NOW THESE PRESENTS WITNESS and it is hereby mutually agreed and declared by and between the parties hereto :—

1. The Colonial Treasurer hereby agrees to lend to the said Company the further sum of Two thousand five hundred Pounds for the period of Eight months from the First day of November last and the Company accepts such loan and agrees to repay the same with interest at the rate of Six Pounds per centum per annum at the expiration of such period or upon such demand as is hereinafter mentioned.

2. If the said Company shall before the expiration of the said period of Eight months establish to the satisfaction of the Governor or by legal process their right to receive further interest under the said Contract or if the said Company shall agree to sell the said Railway to the Government of Tasmania then the said sum of Two thousand five hundred Pounds now advanced together with interest at the rate aforesaid shall and may be deducted by the said Treasurer from any moneys admitted or awarded to be due by the Government of Tasmania to the said Company whether for interest or purchase money as aforesaid.

3. In the event of the said Company ceasing to run Trains from Hobart Town to Launceston on the said Railway at any time before the expiration of the said period of Eight months it shall be lawful for the Treasurer by notice in writing under his hand to demand from the said Company immediate payment of the said sum of Two thousand five hundred Pounds and interest and the Company hereby agree to repay the said sum and interest at the rate aforesaid to the said Treasurer within Twenty-four hours after such demand is left for them with their General Manager in Tasmania or at their Office in Hobart Town.

4. Should no money or no sufficient money become due and payable by the Governor to the said Company under the said Contract before the expiration of the said period of Eight months or should the said Company fail to repay the moneys now advanced and interest within Twenty-four hours after such demand as is mentioned in the preceding paragraph it shall be lawful for the Colonial Treasurer to enforce payment of such moneys and interest as a creditor of the said Company for the amount now advanced with interest at the rate aforesaid or for so much thereof as may then remain unpaid or unretained as aforesaid and the Colonial Treasurer may take such proceedings to compel payment of the same as he may think fit.

5. All powers which are herein given or reserved to the Colonial Treasurer are so given or reserved to him on the part of the Government of Tasmania and may be exercised by the Colonial Treasurer of Tasmania for the time being.

6. It is hereby specially agreed between the parties hereto and this agreement is made upon the express understanding and condition that the said sum of Two thousand five hundred Pounds now to be advanced and paid by the said Treasurer to the said Company is to be advanced as a loan only and without prejudice to all or any questions in dispute between the Governor and the Company under the said recited Contract as to any matter whatsoever connected with or relating to the said Railway and the said Contract or the Acts of Parliament relating thereto And the said loan shall not nor shall any clause matter or thing

herein contained operate or be construed to operate as an admission by either party to the said Contract that the conditions of such Contract have or have not been fulfilled or as a waiver of any right now possessed by either party to the said Contract against the other of them but all such rights and all liabilities shall be and remain as if these presents had not been made or executed save in so far as is herein expressly provided or declared to the contrary IN WITNESS whereof the said parties to these presents have hereunto set their hands the day and year first before written.

The Tasmanian Main Line Railway Company Limited by their Agent and Attorney  
C. H. GRANT.

Signed by the said Company by its Attorney  
CHARLES HENRY GRANT in the presence of  
HENRY DOBSON, Sol. Hobart Town.

RECEIVED from the said Colonial Treasurer of Tasmania the sum of Two thousand five hundred Pounds being the consideration money to be paid by him to me as before mentioned.

The Tasmanian Main Line Railway Company Limited by their Agent and Attorney  
C. H. GRANT.

Witness—HENRY DOBSON.

#### MEMORANDUM.

WILL the Crown Solicitor be good enough to instruct Mr. Giblin to prepare an Agreement between the Colonial Treasurer and the Main Line Railway Company, Limited, under which the Government may advance the sum of Two thousand five hundred Pounds (£2500) to the Company for eight months, at Six per cent. per annum?

The Agreement should recite the fact of the former advance of Three thousand Pounds (£3000) on June 3rd in this year, and should include all the recitals and provisions contained in the preamble and clauses of the Bill to appropriate Fourteen thousand nine hundred Pounds (£14,900) for the purpose of making advances to the Company as it was amended in the House of Assembly as far as they are applicable to the proposed advance.

C. HAMILTON BROMBY.

*The Solicitor-General.*

*Attorney-General's Office, 22nd November, 1876.*

PURSUANT to the Attorney-General's instructions I have to request Mr. Giblin to prepare an Agreement to carry out the desired object. Copies of "A Bill to appropriate a sum of £14,900 for the purpose of making advances to the Tasmanian Main Line Railway Company, Limited," and of the Main Line Railway Correspondence (No. 32), are sent herewith as guides to enable Mr. Giblin to prepare the Contract.

ROBT. P. ADAMS.  
23rd November, 1876.

*The Hon. W. R. GIBLIN, Stone Buildings.*

I UNDERSTAND that the Agreement drawn by Mr. Giblin in accordance with the foregoing instructions, but with certain additions inserted by the Company's Solicitor, has been executed on behalf of the Company, and that it is now in the Colonial Treasurer's Office. Another Agreement, dated 5th December, 1876, has been handed to me by the Company's Solicitor, who requested me to forward it to the Colonial Treasurer, but before doing so I have to request the Attorney-General to peruse it on behalf of the Government, as I have no instructions hereon. I beg to suggest that the Company be called on to pay the sum of £3 5s. 6d., the amount of Mr. Giblin's fee for drawing the former agreement, or that that amount be deducted from any money to be paid to the Company.

ROBT. P. ADAMS.  
5 December, 1876.

*The Hon. the Attorney-General.*

I APPROVE of the Agreement dated December 5. The Company's Solicitor has undertaken to send you a cheque for £3 5s. 6d.

C. HAMILTON BROMBY.

FORWARDED to the Colonial Treasurer.

ROBT. P. ADAMS.  
6. 12. 76.



## MINUTE PAPER FOR THE EXECUTIVE COUNCIL.

*Colonial Treasury, Hobart Town, 17th January, 1877.*

THE Colonial Treasurer submits that he be authorised to advance to the Agent of the Tasmanian Main Line Railway Company the sum of One thousand five hundred Pounds on the terms and conditions set forth in an agreement made between the Colonial Treasurer and the Agent of the said Company, dated the Twelfth day of January instant.

CHARLES MEREDITH, *Colonial Treasurer.*

THE Governor in Council approves.

*The Hon. the Colonial Treasurer.*

E. C. NOWELL,  
18. 1. 77.

(Agreement.)

*Crown Solicitor's Office, 8th January, 1877.*

THE COLONIAL TREASURER WITH THE MAIN LINE RAILWAY COMPANY.

SIR,

At the request of the Company's Solicitors I forward an Agreement, which they desire shall be laid before the Governor in Council.

I have not received any instructions in the matter on behalf of the Government.

I have, &c.

(Signed) ROB. P. ADAMS.

*The Hon. the Attorney-General.*

WILL the Solicitor-General be so good as to inform me whether the enclosed Agreement is in accordance with the two previous Agreements entered into by the Colonial Treasurer and the Main Line Railway Company, with the alterations in amount, viz. £1500 instead of £2500, and with the alterations of the dates, making the amount to be advanced payable at the same date as the former loans.

C. HAMILTON BROMBY.

*January 8, 1877.*

THIS Agreement has been copied from the draft of the former Agreements; but it has been pointed out to the Company's Solicitor (Mr. H. Dobson) that the loan appears, erroneously, to have been made for 7 months from 1st November last, and he has altered the date of payment to 9 months from 1st November. Is the Attorney-General satisfied with this arrangement?

ROB. P. ADAMS.

8. 1. 77.

*The Hon. the Attorney-General.*

THE alteration is correct, but Mr. Grant should initial it.

C. HAMILTON BROMBY.

*Jan. 11, 1877.*

Mr. Grant has put his initials as suggested.

ROB. P. ADAMS.

12. 1. 77.

THERE is no objection to the within Agreement.

C. HAMILTON BROMBY.

*January 16, 1877.*

RE LOAN OF £3000.

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,  
Hobart Town, 30th December, 1876.*

SIR,

ON the 3rd of June last I received from the Hon. the late Colonial Treasurer the sum of Three thousand Pounds as a provisional loan, with which to keep the line open for traffic, without prejudice as to this amount being due to the Company; and in the agreement on the matter it was stipulated that this sum, with 5 per cent. interest, should be repaid by the 1st day of January next,—

unless in the meantime the Company established to the satisfaction of the Government or by legal process their right to receive interest as guaranteed.

You are aware that the Company instituted a suit against the Government for the amount they considered to be due, and only withdrew it in deference to the desire of Parliament to deal with the matter.

Circumstances prevented any final arrangement being made with Parliament, who, however, agreed to lend £14,900 in addition, for the same purpose of keeping open the line.

The Company being totally unable to repay any portion of the £3000 borrowed, whether due or not due, I have the honor to request that the loan may be continued until a final settlement is arrived at of all matters in dispute; or, at least, until such time as the extended loan becomes payable, viz. the 1st day of August, 1877.

Although the Company's traffic has lately shown a satisfactory increase, this has not given them any financial relief; because the temporary arrangements made for keeping the line open, while the Main Line question was under the consideration of Parliament, now urgently require to be discharged.

I have therefore to ask that the loan hitherto granted may be continued on the same terms as previously.

I have, &c.

(Signed) CHARLES H. GRANT.

Hon. C. MEREDITH, M.H.A., Colonial Treasurer.

Colonial Treasury, 8th January, 1877.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 30th ultimo, in reference to the sum of £3000 advanced to your Company by my predecessor on the 3rd June last, which will receive the consideration of the Government at an early date.

In the meantime I take this opportunity to remind you that the sum of £87 2s. 5d. is due to the Treasury on account of interest at £5 per cent. upon the sum advanced to assist the Company, which amount I shall be glad to receive a cheque for.

I have, &c.

(Signed) CHARLES MEREDITH, Colonial Treasurer.

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

Tasmanian Main Line Railway Company, Limited, General Manager's Office,  
Hobart Town, 9th January, 1877.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 8th instant, wherein you promise that my application for an extension of the time named for the payment of the loan for Three thousand pounds (£3000), made to the Tasmanian Main Line Railway Company, Limited, should receive the early consideration of the Government, but ask that the interest thereon, amounting to the sum of Eighty-seven pounds two shillings and five pence (£87 2s. 5d.), should be paid.

In reply I have to request that, inasmuch as the liability to this interest necessarily follows that for the principal—which, however, is contingent upon the Company eventually proving to be at fault in their execution of the Contract—it would be more convenient to postpone any payment until the question of liability therefore is decided, but meanwhile the Railway Company fully acknowledge their obligation for the interest now claimed if they prove to be liable for the principal.

As another reason for postponing this payment, I may mention that the financial condition of the Company is very embarrassing, and it would be most inconvenient to them at the present time to make this disbursement.

In the hope that you will be able to accede to the request herein made,

I have, &c.

(Signed) CHARLES GRANT.

The Hon. CHARLES MEREDITH, M.H.A., Colonial Treasurer.

*Colonial Treasury, 11th January, 1877.*

SIR,

I AM in receipt of your letter of the 9th instant, which reached me yesterday, having particular reference to the payment of the amount of interest (£87 2s. 5d.) due to the Government under an agreement entered into with the Main Line Railway Company on the third of June last.

I am glad to learn from your letter that the Railway Company fully acknowledge their obligation for the interest now claimed, but regret to find that you desire that the payment of the same shall be postponed for the present, as the Government cannot accede to such a request. The loan was granted, as you are aware, for a period which has expired without any settlement of the disputes between the Government and the Main Line Railway Company; therefore the Executive do not feel justified in ignoring the terms of the agreement referred to, which was made with a view to assist the Railway Company at a time when its finances were hardly in so flourishing a condition as at present.

I trust that you will do me the favour to forward a cheque for the interest due at your early convenience.

I have, &c.

(Signed) CHARLES MEREDITH, *Colonial Treasurer.*

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

*Tasmanian Main Line Railway Company, Limited, General Manager's Office,  
Hobart Town, 13th January, 1877.*

SIR,

I HAVE the honor to acknowledge the due receipt of your letter dated the 11th instant, in which it is stated that you are glad to learn that the Railway Company fully acknowledge their obligation for the interest claimed, but omit to quote the qualifying addition, "if they prove to be liable for the principal."

You inform me that, inasmuch as no settlement of the disputes between the Government and Company has been arrived at, the Government cannot accede to my request that the claim for interest should stand over, and be added to the principal, and require a prompt remittance thereof.

¶ This I should gladly make (although the circumstances of the Company remain as embarrassed as ever, and do not properly permit of such a payment) to avoid again troubling you on such a trivial question, did I not feel it my duty to point out the complication that would arise therefrom.

In the first place, no liability of the Company can fairly be assumed under the Bond, because it was wholly the action of the Parliament and the Government that obliged the withdrawal of the suit instituted by the Company in the Law Courts; for had the Government pleaded, as is usual between suitors, and not arbitrarily entrenched themselves behind the extremely inequitable prerogative of the Crown in the pleas, and had not the House of Assembly refused to consider the matter when recommended to do so by Government until the suit had been legally withdrawn, the action would long ere this have been tried.

I need not remind you of the peculiar circumstances which led to no scheme for a settlement having obtained the approval of Parliament, although such was recommended to it by the Government on the basis of my offer of the 6th September last.

The Company, having repeatedly done everything that lay in their power towards effecting such a settlement, consider that they cannot fairly be held responsible for its not being made; and were they to pay the interest must do so under protest against its being due; and that this amount would be claimed from the Government, with its cost to the Company of ten per cent. interest thereon, from the date of payment until all matters in dispute are finally adjusted, and the large amount of guaranteed interest now due to them has been paid.

Since, therefore, the amount now claimed could, if paid, only form portion of the suspense account between the Government and the Company, I hope you will allow it to stand over and be added to the principal.

I have, &c.

(Signed) CHARLES H. GRANT.

*Hon. CHAS. MEREDITH, M.H.A., Colonial Treasurer.*

*Colonial Treasury, 17th January, 1877.*

SIR,

I do myself the honor to acknowledge receipt of your letter of the 9th instant; and as the amount of interest, £87 2s. 5d., due under the agreement executed on the 3rd of June last has been paid into the Treasury, I need not trouble you further than to state that as soon as the Solicitor-General advises me that the necessary endorsement has been made on the original agreement to extend the loan of the sum therein named at the rate of six per cent. per annum to the first day of August next, I shall be prepared to recommend the same to the favourable consideration of my colleagues.

I have, &c.

(Signed)

CHARLES MEREDITH.

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

# MAIN LINE RAILWAY CORRESPONDENCE.

(In continuation.)

## CLAIM FOR INTEREST TO 31 DECEMBER, 1876.

*Tasmanian Main Line Railway Company, Limited, General Manager's Office,  
Hobart Town, 18th January, 1877.*

SIR,

I HAVE the honor to forward you herewith an Abstract of the Traffic Receipts and Working Expenditure on the Main Line Railway for the quarter ending 31st December, 1876, so far as the same can be made up in this Colony.

On examining the account you will notice that the expenses have, as usual, largely exceeded the receipts, the direct loss thereon amounting to the sum of £3306 6s. 7d. on the Quarter; and therefore the Company are entitled to the full amount of the guaranteed interest on an expenditure of upwards of Six hundred and fifty thousand Pounds (£650,000), as already vouched for to you; or to a payment of Eight thousand one hundred and twenty-five Pounds (£8125).

I also enclose a statement showing the amount due by the Government to the Main Line Company, at the end of 1876, as Twenty-six thousand eight hundred and three pounds six shillings (£26,803 6s.), irrespective of the interest payable on the overdue amounts, a portion of which must be taken at ten per cent., such being the rate necessarily paid for the money required to keep open the Line. Against this might be set the loan of Three thousand Pounds (£3000) from the Government of last June, (on which however the interest has been paid to the 31st ultimo), and also the two loans of Two thousand five hundred Pounds (£2500) each of November and December last, leaving the balance of Eighteen thousand eight hundred and three pounds six shillings (£18,803 6s.), and a large balance of interest, due to the Company.

I venture to express the hope that, whatever questions may have arisen on former accounts, you will recognise the absolute liability, both legal and moral, for the payment of the last quarter's interest; and will accordingly remit me the same within the fourteen days prescribed by the Contract for its payment.

I have, &c.

(Signed) CHARLES H. GRANT.

*The Hon. CHAS. MEREDITH, M.H.A., Colonial Treasurer.*

## TASMANIAN MAIN LINE RAILWAY.

*AN ABSTRACT of Receipts and Expenditure on account of Traffic conveyed over the Tasmanian Main Line Railway for the Three Months ending 31st December, 1876.*

Dr.		RECEIPTS.		£	s.	d.	£	s.	d.
To Petty Cash from last Quarter*	.....			5	12	4			
Receipts, as per Cash Book	.....			6552	10	7			
Loan from Government	.....			5000	0	0			
Balance	.....			1862	13	7			
TOTAL							£13,420	16	6
Cr.		EXPENDITURE.		£	s.	d.	£	s.	d.
By Balance from last Quarter	.....			3561	19	4			
Working Expenses, as per Accounts paid	.....			9858	17	2			
TOTAL							£13,420	16	6

R. J. ELLIS, Accountant.

\* The Petty Cash on hand for last Quarter should be increased £3, from £2 12s. 4d. to £5 12s. 4d.; and the Working Expenses decreased £3, from £7395 19s. 1d. to £7392 19s. 1d.

TASMANIA.

THE GOVERNMENT OF TASMANIA Dr.

To THE TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

1876.	Guaranteed Interest Department.	£	s.	d.
October 1st To	one full Quarter's Interest due, as per Contract between the Government of Tasmania			
to	and the Tasmanian Main Line Railway Company, Limited, at the rate of five per cent.			
Dec. 31st.	per annum on the full sum of £650,000 expended on the Construction of the Railway,			
	as shown by previous accounts and vouchers in the possession of the Government. Say			
	one full quarter of whole guarantee of £32,500 per annum .....	£8125	0	0

Amounting to  
£8125 0 0

Correct—R. J. ELLIS, Accountant.

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

C. H. GRANT.

SCHEDULE.

TASMANIA.

THE GOVERNMENT OF TASMANIA Dr.

To TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

1876.	Guaranteed Interest Department.	£	s.	d.
March 15th.	Balance due, as per account rendered .....	1003	12	10
March 15th } to 31st.	Interest due, ditto .....	1424	13	2
April 1st to } June 30th. }	Ditto .....	8125	0	0
July 1st to } Sept. 30th. }	Ditto .....	8125	0	0
Oct. 1st to } Dec. 31st. }	Ditto .....	8125	0	0
		£26,803	6	0

Amounting to  
£26,803 6 0

R. J. ELLIS, Accountant.

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

C. H. GRANT.

NOTE.—This account does not include the amount due for interest on over due accounts, after fourteen days from time of rendering the same according to Contract, on a portion of which interest at the rate of ten per centum per annum has necessarily been paid to the Commercial Bank.

Colonial Treasury, 20th January, 1877.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 18th instant, which reached the Treasury this morning, enclosing a claim upon the Government with respect to interest which you allege is due to the Tasmanian Main Line Railway Company for the quarter ending the 31st December last.

I note that you also furnish a schedule of amounts claimed by the Company since the quarter ended 31st March, 1876.

I have, &c.

(Signed) CHARLES MEREDITH, Colonial Treasurer.

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

## MAIN LINE RAILWAY.

*(In continuation of Paper No. 6.)*

[Laid on the Table by Mr. Crowther, and ordered by the Council to be printed, January 24, 1877.]

*Tasmanian Main Line Railway Company, Limited, Engineer's Office,  
Hobart Town, 20th December, 1876.*

SIR,

NOT having received any decisive reply to my letters to you of the 6th September, 5th October, and 13th November last, I have the honor to again address you on the subject of the relations at present existing between the Government of Tasmania and the Main Line Railway Company, Limited, in the hope that some approach to a final settlement of all questions in dispute may now be made.

I need scarcely refer to the great hardship and injury that have been inflicted upon the Proprietary of the Company by the non-payment of the guaranteed interest; and this is, of course, greatly aggravated by the continued delay, and uncertainty as to when they shall receive any return on the capital invested. Meanwhile they notice that a far better and more liberal train service than the Company contracted to furnish is provided, and performed in a most satisfactory manner; and, therefore, that this cardinal condition of the Contract is very fully and loyally performed by the Company, to the great benefit and advantage of the whole Colony.

The Company are entirely at a loss to know the precise nature of the objection of the Government to the Railway. It has been stated that the Company have not fulfilled the Contract; but, although the grounds for this statement have been frequently demanded, no specific complaints have been made up to the present time. The Directors are obliged to explain to the Proprietary of the Company that the Government of Tasmania will not pay them their interest, although the full consideration therefor has been rendered,—but they are not able to allege a sufficient reason for such a course; and the credit and reputation both of the Colony and Company must be injuriously affected by such default.

According to the last advices from England, the Company appear to have been entirely paralysed by the action of the Government, and it seems now to be a question with the Proprietors whether the security of the guaranteed interest has any value whatever, since they quite naturally assert, that if the Government now arbitrarily refuse to pay the interest, or to assign any good reason for withholding it at the present time, what assurance have they that it will ever be paid; or, if paid for any quarter during which it was impossible to find fault with the Company, may not the most trivial pretext be used for default whenever interest becomes due, and it may not be politically or financially convenient to discharge the liability.

This desponding view of the matter, which the circumstances appear to justify, has disheartened the property holders in the Company, and they appear to have abandoned the intention of sending out a representative until better assured of the intention or desire of the Government to effect a final settlement.

I am informed by the Secretary that the Directors have obtained the opinion of several leading Railway Barristers in regard to the position of the Company in their contract with the Government; and are advised that the Government are acting illegally in altogether refusing any payment to the Company: these advisers affirm that it is only a question of degree as to the extent to which the Contract has been fulfilled in the expenditure of £650,000, and that the interest should have been paid, even if done under protest.

The impending ruin of the Company is laid wholly to the charge of the Government, who, it is stated, must be held responsible for every consequence, either direct or indirect, arising out of the very extreme course that was resorted to of withholding the payments due under the Contract.

In a few days I shall again have the honor to send the Colonial Treasurer an account for the £8125 due after the 31st inst., and trust that he will be prepared to meet the payment, which can be done without prejudice to the Contract.

Should this course be adopted it is impossible for the Colony to be in any way compromised, but it would be protected from all consequences of default; while the Company would be saved from utter ruin, and its credit, as well as that of the Colony, would be sustained in the English financial circles.

I am again assured by the Chairman and Secretary that, on the disputes with the Government being satisfactorily adjusted, there can be no difficulty in providing all the necessary means for improving the line to any extent that is shown desirable, and for maintaining it in the highest state of efficiency.

Trusting that the extensive urgency of the matters above alluded to will secure the immediate and earnest attention of the Government thereto, and that I may be favoured with a prompt reply,

I have, &c.

(Signed) CHARLES H. GRANT.

*Hon. THOS. REIBEX, M.H.A., Premier and Colonial Secretary.*

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*Tasmanian Main Line Railway Company, Limited, General Manager's Office,  
Hobart Town, 15th January, 1877.*

SIR,

THE position of the Main Line Railway Company is so extremely critical at the present time, owing to the guaranteed interest being withheld, and no financial arrangements agreed to or even initiated for a settlement of the matters in dispute, that I am constrained to again address you with a most urgent appeal that, on all the principles of right and justice, something should be done towards ending the unhappy and wholly unnecessary differences which have arisen, and thus preventing the threatened immediate total collapse of the Company.

It would probably suffice to meet the exigencies of the moment that the amount due for interest on the current month should be paid under protest, a course which could in no degree whatever either prejudice or compromise the Colony; and considering the very regular and satisfactory manner in which the Company continue to perform a train service of far greater value than stipulated for in the Contract, this appears to be no greater concession than is strictly due to the Company.

If this be refused, I have to request that the Government would support a petition to both Houses of Parliament, to be presented at the sitting on the 16th instant, wherein the Company would pray that they might on that day, or as soon afterwards as possible in such sitting, be heard by Counsel at the Bars of both Houses regarding the present Contract relations between the Government and Company, with a proposed scheme for finally arranging all disputes, and placing the Contract on a more satisfactory basis.

I have, &c.

(Signed) CHARLES H. GRANT, *Chief Engineer  
and General Manager.*

*The Hon. the Colonial Secretary.*

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*Colonial Secretary's Office, Hobart Town, 19th January, 1877.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 20th December ultimo.

You express the hope that some approach to a final settlement of all questions in dispute may now be made. You inform me that the Directors are obliged to explain to the Proprietary of the Company that the Government of Tasmania will not pay them their interest, although the full consideration therefor has been rendered, but they are not able to allege a sufficient reason for such a course.

It appears to me unnecessary to recapitulate the grounds upon which the Government have felt compelled to withhold the payment of the interest upon the cost of the construction of the line to the extent of Six hundred and fifty thousand pounds, as named in the Contract.

Having before them the joint report of three competent engineers pointing out in detail the defects in construction and the unsatisfactory condition of the line, and stating as their unanimous opinion "that the general conditions of the Contract, as far as the construction and maintenance of the line is concerned, have not been complied with," the Government are debarred, by the failure of the Company to carry out the conditions of the Contract, from meeting your periodical demands for the payment of the interest.

The Government have no desire to throw any impediment in the way of a final adjudication of all disputes between the Main Line Railway Company and the Government of Tasmania; and if you can state that you have since the report of Messieurs Mason, Mais, and Stanley effected such alterations and improvements in the line as justify you in maintaining that the Main Line Railway



is completed in full accordance with the terms and conditions of the Contract, the Government will be prepared to instruct a competent engineer to inspect the line, and report as to whether the railway works and rolling stock are executed and maintained as provided for in the Agreement between the Government and the Company, a course rendered absolutely necessary for the protection of the interests of the Colony.

I have, &c.

(Signed)

THOS. REIBEY.

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

*Colonial Secretary's Office, 19th January, 1877.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 15th instant, urgently appealing that something should be done towards ending the differences which have arisen between the Government and the Main Line Railway Company, and suggesting "that the amount due for interest on the current month should be paid under protest" to meet the exigencies of the moment.

Failing a compliance with this suggestion, you request that "the Government would support a Petition to both Houses of Parliament, to be presented at the Sitting on the 16th instant, wherein the Company would pray that they might on that day, or as soon afterwards as possible in such Sitting, be heard by Counsel at the Bar of both Houses regarding the present Contract relations between the Government and Company, with a proposed scheme for finally arranging all disputes, and placing the Contract on a more satisfactory basis."

In reply, I have to inform you that the Government do not propose to deal with any subject during the present Session beyond that for which Parliament was specially called together.

In my reply to your letter of the 20th December I have given expression to the views of the Government as to the course which can alone tend to ensure a satisfactory settlement of the grave differences between the Government and the Company; and I beg to assure you that you cannot desire to arrive at an equitable adjustment of the several points in dispute more earnestly than His Excellency's present Advisers.

I have, &c.

(Signed)

THOS. REIBEY.

C. H. GRANT, *Esq.*, *Manager T. M. L. Railway.*

*Tasmanian Main Line Railway Company, Limited, General Manager's Office,  
Hobart Town, 17th January, 1877.*

SIR,

THE public convenience at this present time requiring a night passenger train over the whole length of the line in addition to the two passenger trains now running, I have the honor to inform you that the Main Line Railway Company propose to run a night train, so long as public use demands it, commencing on Monday next, the 22nd instant.

I have ascertained that the greatest amount of general accommodation would be given by starting the trains, both from Hobart Town and Launceston, at 7.30 P.M., and arranging them to arrive at each terminus at 7.30 A.M., which are times that would best suit the present Launceston and Western Railway arrangements, and would, I am informed, be thoroughly approved by the Post Office Authorities.

This time-table would allow passengers a three hours' rest at a station on the journey, for which I hope to be able to furnish the necessary facilities.

Since the Contract prescribes that any alteration of the train service should have the approval of the Government, I have the honor to ask your immediate sanction to this arrangement, which is simply an additional temporary public accommodation to that now provided.

I have, &c.

(Signed)

C. H. GRANT.

*Hon. THOS. REIBEY, M.H.A., Premier and Colonial Secretary.*

THE Manager of the Launceston and Western Railway is requested to state if the times of arrival and departure of the proposed night trains on the Main Line Railway will in any way interfere with the running of trains on his line. Reply by Telegram.

THOS. REIBEY.  
17th Jan. 1877.

R. W. LORD, *Esq.*, *Launceston.*

MR. GRANT'S times will suit this Department.

R. W. LORD.  
19.1.77.

*The Hon. T. REIBEY.*

By ELECTRIC TELEGRAPH.

*Launceston and Western Railway, 18th January, 1877.*

TIMES for night trains proposed by Grant will not interfere with our traffic.

(Signed) R. W. LORD.

*The Hon. THOS. REIBEY.*

*Colonial Secretary's Office, Hobart Town, 18th January, 1877.*

SIR,

WITH reference to your letter of yesterday, informing me that you purpose running a night train through between Hobart Town and Launceston, I have the honor to inform you that having referred to the Manager of the Launceston and Western Railway, he informs me that the hour named by you for the departure and arrival of the train at the Launceston Terminus will not interfere with the working of that line.

I have, &c.

(Signed) THOS. REIBEY.

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

By ELECTRIC TELEGRAPH.

*Launceston and Western Railway, 19th January, 1877.*

GRANT now writes he will not run night and morning trains. Has he advised you? I return letter by post.

(Signed) R. W. LORD.

B. T. SOLLY, *Esq.*

By ELECTRIC TELEGRAPH.

*Launceston and Western Railway, 23rd January, 1877.*

GRANT is not running the night trains.

(Signed) R. W. LORD.

B. TRAVERS SOLLY, *Esq.*

*Colonial Secretary's Office, 23rd November, 1876.*

SIR,

I HAVE the honor to forward for your perusal copy of a letter addressed by the Manager of the Launceston and Western Railway to the Minister of Lands and Works, enclosing an extract from a Report by Mr. L. Dowling upon the condition of the third rail, between the Evandale Junction and Launceston, used by the Main Line Railway Company's Trains.

I have, &c.

(Signed) THOS. REIBEY.

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

#### FURTHER REPORT AS TO CONDITION OF THE THIRD RAIL.

*Launceston and Western Railway, Manager's Office,  
Launceston, Tasmania, 14th November, 1876.*

SIR,

I HAVE the honor to forward an extract from a Report of the Inspecting Surveyor, Mr. Dowling, upon the condition of the third rail between Evandale and Launceston. The Report is written after a careful personal examination made by Mr. Dowling yesterday. It is, as you will perceive, very unsatisfactory indeed, and confirms what Mr. Dowling always predicted, that the design is not a suitable one. I have given full instructions to Mr. Dowling to employ what additional labour he may find necessary to keep the narrow gauge in good and safe running order as far as possible, and to report any alteration at once that no unnecessary risk may be run.

I feel compelled to inform you that in my opinion the speed at which Mr. Grant's trains are run over this very indifferent rail is excessive, and positively unsafe. I had yesterday to address a complaint to Mr. Grant of one of his drivers actually running faster than the already great speed allowed in the time table.

I have, &c.

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

*The Hon. the Minister of Lands and Works,  
Hobart Town.*

*EXTRACT from a Report addressed to the Manager of the Launceston and Western Railway, from the Inspecting Surveyor, dated 14th November, 1876.*

I HAVE this day made a personal and careful examination of the third rail between Launceston Junction and Evandale. The condition of it is far from satisfactory, and my opinion of the faulty design recorded in my Report of the 11th September, and prior to that, is further confirmed. The maintenance, as I then observed, will be very excessive, and with the utmost care an amount of risk cannot be avoided.

The extra drags put on by Mr. Grant's request are only tearing the longitudinal timber to pieces. In many places I find the timber so gone from decay, forced out and split from the action of the passing trains, as to leave the rail actually dependent upon our sleepers for support. Thirteen (13) I.S.R. rails are so seriously split and damaged as to require immediate removal, together with a large amount of the packing timber.

If the past fortnight's wear is a criterion of what may be expected, the extra men now appointed will not be sufficient to meet the maintenance. The three gangs between Launceston and Evandale have been fully occupied for the last three days upon the third rail to the neglect of their other duties.

The timber having been down now upwards of two and a half years, when renewed may not give so much trouble, and some little security may be obtained.

(Signed) LEONARD DOWLING, *Inspecting Surveyor.*

FORWARDED to the Hon. the Premier and Colonial Secretary, with a desire to draw his attention to extract of Mr. Dowling's report of the 14th instant; and also to Mr. Lord's opinion that the speed at which the Main Line Railway Company's trains are run over the Launceston and Western Line "*is excessive and positively unsafe.*"

C. O'REILLY.

18th November, 1876.