

(No. 56.)



1881.

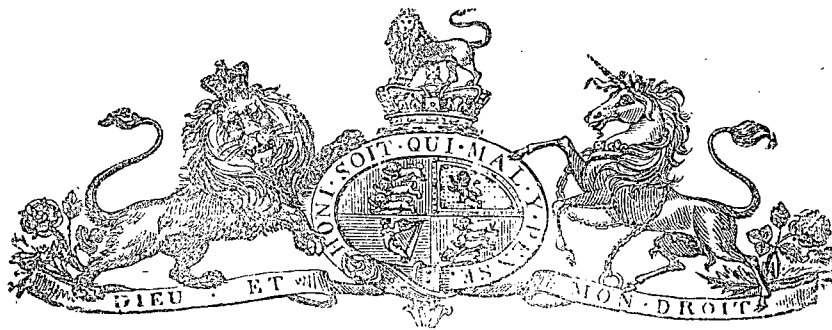
T A S M A N I A

LEGISLATIVE COUNCIL.

TASMANIAN MAIN LINE RAILWAY:

TREASURY CORRESPONDENCE.

Laid upon the Table by Mr. Moore, and ordered by the Council to be printed,
July 19, 1881.



MAIN LINE RAILWAY.

TREASURY CORRESPONDENCE.

GUARANTEED INTEREST.

Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart, 14th January, 1881.

SIR,

I HAVE the honor to forward you herewith an Abstract of the Receipts and Expenditure on Traffic Account of the Tasmanian Main Line Railway Company, Limited, so far as it can be prepared in this Colony, for the quarter ending the 31st December, 1880, which, you will notice, shows a slight loss to the Company.

It is, however, satisfactory to find that the traffic receipts have considerably increased as compared with the corresponding quarter of any previous year, and that the receipts and expenses of such quarter show a more favourable balance than hitherto,—the gross receipts in 1880 amounting to £13,378 7s. 4d.; in 1879 to £12,112 11s. 8d.; and in 1878 to £11,724 1s. 2d.: whereas the expenses were, respectively, £13,381 12s. in 1880; £13,333 9s. 8d. in 1879; and £13,549 10s. 1d. in 1878.

The full interest guaranteed by the Government being therefore payable, I have the honor to enclose an Account for the same, amounting to Eight thousand one hundred and twenty-five Pounds, which is, of course, rendered without prejudice to the existing claims of the Tasmanian Main Line Railway Company, Limited, against the Government.

I have, &c.

The Hon. W. R. GIBLIN, Colonial Treasurer.

C. H. GRANT.

TASMANIAN MAIN LINE RAILWAY COMPANY.

Hobart, 14th January, 1881.

AN Abstract of Receipts and Expenditure on account of Traffic, &c. conveyed over the Tasmanian Main Line Railway for the Three Months ending 31st December, 1880.

Dr.	£	s.	d.	Cr.	£	s.	d.
To Balance from last Quarter	34,947	10	8	By Receipts—			
Expenditure—				Passengers	7867	17	1
Permanent Way	5203	14	3	Parcels	419	0	7
Locomotive Power	3312	19	4	Horses, Carriages, and Dogs.....	158	10	5
Carriages and Wagons.....	326	13	2	Excess Luggage	58	18	6
Traffic Expenses	1766	3	6	Left Luggage	6	10	7
General Charges, London, estimated	800	0	0	Telegrams	37	13	7
Ditto, Tasmania.....	860	3	2	Mails	718	5	0
Miscellaneous Expenses	74	8	7	Goods	3221	7	3
Launceston and Western Railway				Minerals	274	6	4
Toll.....	1037	10	0	Live Stock	513	2	2
				Rent and Sundries	102	15	10
				Balance to next Quarter	34,950	15	4
	£48,329	2	8		£48,329	2	8

TASMANIA.

THE GOVERNMENT OF TASMANIA ~~Dr.~~

To THE TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

1880.	<i>Guaranteed Interest Department.</i>	£ s. d.
1st October to 31st December.	To One full Quarter's Interest due as per Contract between the Government of Tasmania and the Tasmanian Main Line Railway Company, at the rate of 5 per cent. 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. One full Quarter of guarantee of £32,500 per annum.....	£8125 0 0

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

(Signature of Claimant)—*The Tasmanian Main Line Railway Company, Limited,
By their Attorney—*

C. H. GRANT.

MEMO.—This claim has reference to the Quarter mentioned *only*, and is rendered without prejudice in any way to the claims made in previous accounts sent to the Government and which still remain unsettled.R. J. ELLIS, *Accountant.**Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart, 14th April, 1881.*

SIR,

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

You will notice that the Receipts show a satisfactory increase, which is doubtless due to the present activity in mining operations, and to the passenger traffic induced by the Melbourne Exhibition.

Such increase cannot, therefore, be considered permanent.

On the other hand, the expenses have been exceptionally heavy, owing to the necessary maintenance of the Southern end of the Line, which, having sustained a large traffic during the last six years, now requires a considerable outlay thereon to keep it in an efficient state. The renewals being made with steel rails, and much heavier sleepers than the contract required, it follows that this portion of the Line is in better condition than it has previously been.

The accounts now presented show a gross receipt from all sources of £16,843 6s. 9d., and a maintenance expenditure of £16,858 1s. 6d.; making a loss of £14 14s. 9d. on the quarter's working.

The full guaranteed interest is therefore due to the Company, and I enclose an account therefor, amounting to Eight thousand one hundred and twenty-five Pounds, (£8125), which I have to request may be paid to the Company in accordance with the conditions of their Contract.

This claim is presented without prejudice to the questions in dispute between the Government and the Company, which the Company are most anxious to have adjusted by mutual arrangement, or failing this, by a reference to the Supreme Court.

I have, &c.

C. H. GRANT.

The Hon. W. R. GIBLIN, Colonial Treasurer.

TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

Accountant's Office, Hobart, 14th April, 1881.

AN Abstract of Receipts and Expenditure on account of Traffic, &c. conveyed over the Tasmanian Main Line Railway for the Three Months ending 31 March, 1881.

Dr.	£	s.	d.	Cr.	£	s.	d.
To Balance from last Quarter.....	34,950	15	4	By Receipts—			
Expenditure—				Passengers	10,554	2	7
Permanent Way	7905	12	6	Parcels	464	5	5
Locomotive Power	3408	19	0	Horses, Carriages, and Dogs.....	293	16	8
Carriages and Wagons.....	314	15	1	Excess Luggage	92	0	2
Traffic Expenses	2083	0	0	Left Luggage	7	1	4
General Charges, London, estimated	800	0	0	Telegrams	51	14	2
Ditto, Tasmania.....	772	9	5	Mails.....	868	5	0
Miscellaneous Expenses	588	18	0	Goods	3827	15	5
Launceston and Western Railway				Minerals	226	5	5
Toll	984	7	6	Live Stock	323	19	9
				Rent and sundries	134	0	10
				Balance to next Quarter	34,965	10	1
	£51,808	16	10		£51,808	16	10

R. J. ELLIS, Accountant.

C. H. GRANT, General Manager.

TASMANIA.

THE GOVERNMENT OF TASMANIA Dr.

To THE TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

1881.	Guaranteed Interest Department.	£	s.	d.
January 1st to March 31st.	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 5 per cent. 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.			
	One full Quarter of Guarantee of £32,500 per annum.....	£8125	0	0

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

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

C. H. GRANT.

MEMO.—This claim has reference to the Quarter mentioned *only*, and is rendered without prejudice in any way to the claims made in previous accounts sent to the Government and which still remain unsettled.

R. J. ELLIS, Accountant.

RECEIVED from the Honorable the Colonial Treasurer the sum of Eight thousand one hundred and twenty-five Pounds, being the amount of the above account of particulars; but such payment is made and received without prejudice to any further or other claims by or against the Government of Tasmania and the Tasmanian Main Line Railway Company under or arising out of the Contract between the Government and the Company.

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

C. H. GRANT.

Witness to the payment—J. BENNISON.
29. 4. 81.*Tasmanian Main Line Railway Company, Limited,*
General Manager's Office, Hobart, 14th July, 1881.

SIR,

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

I trust that you will be gratified in observing that my promise to endeavour to equalise the Receipts and Expenses, rather than generally show an absolute loss on Working Account, is being gradually fulfilled.

It will also, I hope, be satisfactory to notice that the Traffic Receipts still continue to show an increase; and although the Expenses are somewhat higher, this is solely due to the renewal of the Permanent Way with material of a more costly and durable class than originally contracted for, and also to the provision of additional but necessary accommodation for Passenger and Live Stock Traffic at several of the stations.

Since the result of the quarter's working shows a loss to the Company, the full amount of the guaranteed interest becomes due ; I therefore enclose an account for the same, amounting to Eight thousand one hundred and twenty-five Pounds, which I have to request that you will direct the payment of in due course.

In presenting these accounts it is necessary that I should again refer to their being rendered without prejudice to the existing claims of the Tasmanian Main Line Railway Company, Limited, against the Government, which the Company have long been most anxious to have adjusted.

You are aware that the suits of the Company against the Government were suspended to allow of the opportunity of settling them by mutual arrangement, which proceeding the Company have not ceased to urge upon the Government for many months past. I trust that you will soon be able to give this matter attention, because otherwise the Company, in recommencing the legal proceedings, will have had their interests seriously affected by the delay, although, so far as they are concerned, it has been entirely unavoidable.

I have, &c.

C. H. GRANT, *General Manager.*

*The Hon. W. R. GIBLIN, Premier and
Colonial Treasurer.*

TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

Accountant's Office, Hobart, July 14, 1881.

AN Abstract of Receipts and Expenditure on account of Traffic, &c. conveyed over the Tasmanian Main Line Railway for the Three Months ending June 30, 1881.

Dr.	£	s.	d.	Cr.	£	s.	d.
Balance from last Quarter	34,965	10	1	Receipts—			
Expenditure—				Passengers	6873	11	5
Permanent way	4123	10	1	Parcels	515	12	8
Locomotive power	3454	10	1	Horses, carriages, and dogs.....	173	3	4
Carriages and wagons	696	19	6	Excess luggage	66	13	9
Traffic expenses	1852	1	1	Left ditto.....	7	2	5
General charges, London (estimated) ...	800	0	0	Telegrams	45	18	3
Ditto, Tasmania.....	734	12	2	Mails	748	5	0
Miscellaneous expenses.....	61	1	4	Goods	3236	18	4
Launceston and Western Railway Toll ...	984	7	6	Minerals	359	12	5
				Live stock	562	18	4
				Rents and sundries	116	7	2
				Balance to next Quarter	34,966	8	9
	<u>£47,672</u>	<u>11</u>	<u>10</u>		<u>£47,672</u>	<u>11</u>	<u>10</u>

C. H. GRANT, *General Manager.*

R. J. ELLIS, *Accountant.*

TASMANIA.

THE GOVERNMENT OF TASMANIA Dr.

To THE TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

1881.	Guaranteed Interest Department.	£	s.	d.
April 1st to June 30.	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 5 per cent. 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—			
	One full Quarter of Guarantee of £32,500 per annum	£8125	0	0

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

(Signature of Claimant)—*The Tasmanian Main Line Railway Company, Limited,
By their Attorney—*

C. H. GRANT.

MEMO.—This claim has reference to the Quarter mentioned *only*, and is rendered without prejudice in any way to the claims made in previous accounts sent to the Government and which still remain unsettled.

R. J. ELLIS, *Accountant.*

MAIN LINE RAILWAY RECEIPTS.

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

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

MAIL SERVICE.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 8th December, 1880.*

SIR,

You are aware that the Tasmanian Main Line Railway Company, Limited, have, since the 1st May, 1879, accepted the monthly payments made to them for the carriage of Mails as being on account only, and subject to revision when the amount had been fixed by arbitration, in the manner provided by the Contract.

I have not pressed for an arbitration since the date of the expiration of the last award until this time, because of the great expense that would attend an arbitration conducted simply to ascertain the amount of this payment only; but rather waited until the amount due as Tolls to the Government for the use of a portion of the Launceston and Western Railway should also be arbitrated, in order that both decisions might be obtained at the same time, and at reduced expense.

The Manager of the Launceston and Western Railway and myself having agreed to an immediate arbitration respecting these Tolls, I have to request that you will concur in the remuneration to the Company for the carriage of Mails being fixed at the same time; and would propose that it should be settled for a term of years, say from seven to ten years, in order to avoid the trouble and expense of frequent arbitrations.

It would be easy to insert in the Agreement for the Reference that the Service could be altered from time to time to meet your requirements, and the corresponding remuneration be settled either by mutual agreement or by reference to some one Arbitrator in whom we have confidence.

Will you kindly let me know if you will prepare the Agreement for the Reference, or whether you would wish the Company's Solicitors to do so; and, in that case, whether you would wish any special terms inserted.

I should be glad to hear from you on this matter at your very earliest convenience.

I am, &c.

A. C. DOUGLAS, *Esq.*, Deputy Postmaster-General.

C. H. GRANT.

SUBMITTED to the Honorable the Colonial Treasurer.

General Post Office, 8th December, 1880.

A. C. DOUGLAS, *Secretary*.

10th December, 1880.

SIR,

YOUR letter of the 8th instant, addressed to the Secretary to the Post Office, has been sent on to this office to be dealt with, as you were doubtless aware it would have to be.

On the part of the Company you request that the amount to be paid by the Government for the carriage of the Mails between Hobart and Launceston may be submitted to arbitration, in order to determine what is a fair sum to be charged for the service performed by your Company.

The Government have no objection to the matter being dealt with by the gentlemen appointed to arbitrate on the question of Tolls; and the Solicitor-General will be instructed to that effect, and will provide that the Arbitrators in the case of the Tolls shall have power to dispose of the question of remuneration to be paid by the Treasury for the carriage of the Mails referred to.

The Solicitor-General will be requested to provide for the settlement of the remuneration for a period of five years, in the Agreement to be prepared in his office.

I have, &c.

W. R. GIBLIN, *Colonial Treasurer*.

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

Mr. Grant's letter of the 8th instant, and reply thereto assenting on the part of the Government to the amount to be paid for the carriage of Mails between Hobart and Launceston by the Tasmanian Main Line Railway Company being determined by arbitration, are forwarded herewith to the Secretary to the Post Office, who will be good enough to confer with the Solicitor-General, and arrange with him that in the Agreement as to Tolls to be paid for running over the Launceston and Western Railway power shall be taken to deal with the question of the charge to be made for the Mail Service referred to, for a period not exceeding five years, by the same gentlemen appointed to decide the question of Tolls.

The Secretary General Post Office, Hobart.

W. R. GIBLIN, *Colonial Treasurer.*
11th December, 1880.

FORWARDED to the Solicitor-General.

General Post Office, 13th December, 1880.

A. C. DOUGLAS, *Secretary.*

Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 13th December, 1880.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 10th instant, and beg to express my regret if I have been guilty of a breach of etiquette in addressing the Secretary of the Post Office instead of yourself. The reason for my doing so was that the correspondence respecting the Mail Subsidy has hitherto been carried on direct with him.

I am greatly obliged by your forwarding me the consent of the Government to an arbitration being held to determine what should be a fair sum payable by the Government to the Tasmanian Main Line Railway Company, Limited, for the Mail Service; and am pleased that you consent to its being assessed by the same Arbitrators who will decide the question of Tolls payable for the use of the Launceston and Western Railway.

I note that you will instruct the Solicitor-General in the matter, and have kindly consented to extend the period covered by the award over five years, which I presume will be from the 1st day of January, 1881, with a correction of the accounts up to that date.

The Hon. W. R. GIBLIN,
Colonial Treasurer and Postmaster-General.

I have, &c.

C. H. GRANT.

FORWARDED to the Secretary to the Post Office for his information, and to record with other papers upon this subject.

W. R. GIBLIN, *Colonial Treasurer.*
16. 12. 80.

Dated 26th January, 1881. The Hon. W. R. GIBLIN, Postmaster-General, with C. H. GRANT, Esquire.
Agreement for reference to Arbitration on Mail Service questions.

THIS Agreement made the twenty-sixth day of January one thousand eight hundred and eighty-one BETWEEN the Honorable WILLIAM ROBERT GIBLIN Postmaster-General of Tasmania (hereinafter called the Postmaster-General) for and on behalf of the Government of Tasmania of the one part and CHARLES HENRY GRANT General Manager and Attorney of the Tasmanian Main Line Railway Company Limited for and on behalf of the said Company (hereinafter called the said Company) of the other part WHEREAS it has been agreed between the Postmaster-General (on behalf of the said Government) and the said Company that the said Company shall carry Her Majesty's Mails including all English and Inter-colonial Mails to and from Hobart and Launceston, and between those places and all intermediate Stations on the Main Line Railway for certain remuneration to be paid by or on behalf of the Government of Tasmania for the term of three years from the first day of January one thousand eight hundred and eighty-one NOW THEREFORE it is hereby agreed between the said parties to these presents that the amount of

such remuneration from the first day of January one thousand eight hundred and eighty-one to the thirty-first day of December one thousand eight hundred and eighty-three and all other matters in dispute (including the consideration of the amount of additional remuneration (if any) beyond that paid between the first day of May one thousand eight hundred and seventy-nine and the thirty-first day of December one thousand eight hundred and eighty) between the Government and the said Company touching or in any way relating to the Mail Service of the Government now being conducted by the said Company shall forthwith be and the same are hereby referred to arbitration in the manner provided by the Lands Clauses Act. And it is hereby expressly agreed between the parties hereto that the remuneration for the said term of three years shall be payable by the said Postmaster-General to the Company monthly and the additional remuneration (if any) over the amount paid which may be awarded for the period between the first day of May one thousand eight hundred and seventy-nine and the thirty-first day of December one thousand eight hundred and eighty shall be payable within thirty days after the award or a copy thereof reaches the said Company. And it is hereby expressly agreed between the parties hereto and this Agreement is made upon the express understanding and condition that it shall not operate or be construed to operate as an admission by either party that the conditions of a certain Contract dated the fifteenth day of August one thousand eight hundred and seventy-one made in pursuance of The Main Line of Railway Act (33 Victoria No. 1) and The Main Line of Railway Amendment Act (34 Victoria No. 13) whereby the Company contracted with the Government of Tasmania to construct maintain and work a Main Line of Railway between Hobart and Launceston or between Hobart and any point on the Launceston and Western Railway with running powers over that Railway to Launceston have or have not been fulfilled or as a waiver or abandonment of any right now possessed by either party hereto or to the said Contract against the other of them but all such rights and 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 our hands the day and year firstly hereinbefore written.

W. R. GIBLIN.

Signed by the said William Robert Giblin
in the presence of

JOHN PACKER *Treasury.*

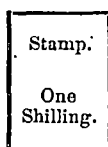
CHAS. H. GRANT *General Manager
and Attorney for the Tasmanian Main
Line Railway Company, Limited.*

Signed by the said Charles Henry Grant
in the presence of

HENRY DOBSON *Sol. Hobart Town.*

Stamped in my presence this Fourth day of February 1881.

A. C. DOUGLAS *A Collector of Stamp Duties.*



SIR,

Hobart, 26th February, 1881.

THE GOVERNMENT OF TASMANIA AND THE TASMANIAN MAIN LINE RAILWAY.

WE have the honor to inform you that the award of Messrs. W. H. Greene and W. M. Fehon in arbitration between the Hon. the Postmaster-General of Tasmania, on behalf of the Government of Tasmania and the Tasmanian Main Line Railway Company, as to the amount to be paid for the Mail Services, is now in our hands and ready for delivery to the promoters of the undertaking, upon payment of the following Fees and Costs:—

	£	s.	d.
Fees of Arbitrators and Umpire	30	0	0
Melbourne Solicitor's Costs for preparing Award	7	7	0
Our Charges	1	11	6
	<hr/>		
	£38	18	6
Amount of Exchange on £37 7s.	0	3	9
	<hr/>		
	£39	2	3
	<hr/>		

We have, &c.

BUTLER, MINTYRE, & BUTLER.

The Hon. the Postmaster-General of Tasmania.

SUBMITTED to the Honorable the Colonial Treasurer.
General Post Office, 28th February, 1881.

A. C. DOUGLAS, *Secretary.*

Dated 21st February, 1881. Recd. 8. 3. 81.—R.P.A. Attested Copy. Award of Messrs. W. H. GREENE and W. M. FEHON as to MAIL SERVICE.

TO ALL TO WHOM THESE PRESENTS SHALL COME We WILLIAM HENRY GREENE of Kyneton in the Colony of Victoria Civil Engineer and WILLIAM MEEKE FEHON of Melbourne in the same Colony formerly Traffic Manager of the Victorian Railways but now a Merchant Send Greeting—

WHEREAS by an Agreement dated the Twenty-sixth day of January one thousand eight hundred and eighty-one and made between the Honorable WILLIAM ROBERT GIBLIN Postmaster-General of Tasmania (hereinafter called the Postmaster-General) for and on behalf of the Government of Tasmania of the one part and CHARLES HENRY GRANT General Manager and Attorney of Tasmanian Main Line Railway Company Limited for and on behalf of the said Company (hereinafter called the said Company) of the other part After reciting that it had been agreed between the Postmaster-General (on behalf of the said Government) and the said Company that the said Company should carry Her Majesty's Mails including all English and Intercolonial Mails to and from Hobart and Launceston and between those places and all intermediate stations on the Main Line Railway for certain remuneration to be paid by or on behalf of the Government of Tasmania for the term of Three years from the First day of January one thousand eight hundred and eighty-one It was hereby agreed between the said parties that the amount of such remuneration from the First day of January one thousand eight hundred and eighty-one to the Thirty-first day of December one thousand eight hundred and eighty-three and all other matters in dispute (including the consideration of the amount of additional remuneration (if any) beyond that paid between the First day of May one thousand eight hundred and seventy-nine and the Thirty-first day of December one thousand eight hundred and eighty between the said Government and the said Company touching or in any way relating to the Mail Service of the Government then being conducted by the said Company should forthwith be and the same were thereby referred to arbitration in the manner provided by the Lands Clauses Act And it was thereby expressly agreed between the said parties thereto that the remuneration for the said term of Three years should be payable by the said Postmaster-General to the Company monthly and the additional remuneration (if any) over the amount paid which might be awarded for the period between the First day of May one thousand eight hundred and seventy-nine and the Thirty-first day of December one thousand eight hundred and eighty should be payable within thirty days after the award or a copy thereof reaches the said Company AND WHEREAS the matters to be assessed settled or determined by arbitration pursuant to the said recited Agreement have been duly referred to us the said WILLIAM HENRY GREENE and WILLIAM MEEKE FEHON as arbitrators AND WHEREAS by a memorandum in writing under our hands dated the Eleventh day of February instant we appointed the Twenty-eighth day of February instant as the extended time within which we may make our award under the said Agreement NOW KNOW YE AND THESE PRESENTS WITNESS that we the said WILLIAM HENRY GREENE and WILLIAM MEEKE FEHON having taken upon ourselves the said arbitration and having before entering upon the matters referred to us as aforesaid respectively made and subscribed the declarations hereunto annexed and nominated and appointed by writing under our hands the Honorable JAMES GOODALL FRANCIS of Melbourne aforesaid Member of the Legislative Assembly to be the Umpire to decide on any such matters on which we might differ and having fully and deliberately considered the matters in difference do make this our award in writing in manner following that is to say We award and determine that the amount to be paid by or on behalf of the Government of Tasmania (hereinafter called "the said Government") to the Tasmanian Main Line Railway Company Limited (hereinafter called "the said Company") as remuneration for such Mail Service as aforesaid for the term of Three years from the First day of January one thousand eight hundred and eighty-one to the Thirty-first day of December one thousand eight hundred and eighty-three and for and in respect of all other matters in dispute (except the matter of additional remuneration hereinafter referred to) between the said Government and the said Company touching or in anyway relating to the Mail Service of the Government at the date of the said hereinbefore recited Agreement being conducted by the said Company is the sum of Eight thousand five hundred and fifty Pounds and the further sum of Thirty Pounds for each and every Train carrying a Mail which in compliance with any requisition in that behalf of the said Government may be run by the said Company after the period of four hours during which the Postmaster-General under the Contract between him and the said Company relating to the Mail Service may detain a Train when important Mails are about arriving AND WE FURTHER award and determine that additional remuneration shall be paid by the said Government to the said Company beyond that paid by the said Government to the said Company between the First day of May one thousand eight hundred and seventy-nine and the Thirty-first day of December one thousand eight hundred and eighty and that the amount of such additional remuneration is the sum of Thirty Pounds for each and every Train carrying a Mail which between the two last-mentioned days has in compliance with any requisition in that behalf by the said Government been run by the said Company after the period of four hours during which the Postmaster-General had the power to detain a Train for Mail Service AND WE FURTHER award and determine that the said Government and the said Company respectively shall bear and pay their own costs of and incidental to this arbitration except the costs of this our award and that the costs and expenses of this our award shall be paid by the said Government and the said Company respectively in equal proportions IN WITNESS whereof we have hereunto set our hands this Twenty-first day of February one thousand eight hundred and eighty-one W. H. GREENE W. M. FEHON Signed by the said WILLIAM HENRY GREENE in the presence of W. HOWELL Manager Bank N. S. Wales Kyneton Signed by the said WILLIAM MEEKE FEHON in the presence of JAMES M'CULLOCH 123 Collins-st. West Melbourne.

I WILLIAM HENRY GREENE of Kyneton in the Colony of Victoria Esquire Civil Engineer do solemnly and sincerely declare that I will faithfully and honestly and to the best of my skill and ability hear and determine the matters and things referred to me under and by virtue of an Agreement dated the Twenty-sixth day of January one thousand eight hundred and eighty-one made between the Honorable WILLIAM ROBERT GIBLIN Postmaster-General of Tasmania for and on behalf of the Government of Tasmania of the one part and the Tasmanian Main Line Railway Company (Limited) of the other part and in manner provided by the Lands Clauses Act W. H. GREENE Made and subscribed before me this Second day of February 1881 C. J. BARCLAY J.P.

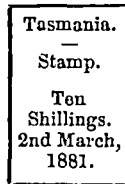
IN THE MATTER of the arbitration between the Honorable WILLIAM ROBERT GIBLIN Postmaster-General for and on behalf of the Government of Tasmania and CHARLES HENRY GRANT General Manager and Attorney of the Tasmanian Main Line Railway Company Limited for and on behalf of the said Company I WILLIAM MEEKE FEHON do solemnly and sincerely declare that I will faithfully and honestly and to the best of my skill and ability hear and determine the matters referred to me under the provisions of a Contract dated the Fifteenth day of August one thousand eight hundred and seventy-one and of a certain Agreement dated the Twenty-sixth day of January last and of the Act 21 Victoria No. 11 W. M. FEHON Made and subscribed this day of February 1881 in the presence of C. J. BARCLAY J.P.

WE hereby certify that the before-written Award is a true copy of the original Award of which the same purports to be a true copy, the same having been examined and compared therewith by us this Fifth day of March, one thousand eight hundred and eighty-one.

FRANK L. DOBSON, } Clerks to Messrs. Dobson & Mitchell.
HERBT. CATO, }

Stamped in my presence this Second day of March,
1881.

G. PATTEN ADAMS,
Collector of Stamp Duties.



Arrived in Tasmania the Twenty-sixth day of February, 1881.

G. PATTEN ADAMS.
2nd March, 1881.

TOLLS.—RUNNING POWERS.

Hobart, 26th February, 1881.

SIR,

TASMANIAN GOVERNMENT AND TASMANIAN MAIN LINE RAILWAY.

WE have the honor to inform you that the Award of Messrs. W. H. Greene and W. M. Fehon in arbitration between the Government of Tasmania and the Tasmanian Main Line Railway Company as to amount to be paid for the exercise of running powers over the Launceston and Western Railway is now in our hands ready for delivery to the promoters of the undertaking, upon payment of the following fees and costs:—

	£	s.	d.
Fees of Arbitrators and Umpire	381	17	6
Melbourne Solicitors, Costs for preparing Awards, &c....	8	8	0
Our charges	1	11	6
Exchange on £390 5s. 6d.....	1	19	0
	£393	16	0

We have, &c.

BUTLER, M'INTYRE, & BUTLER.

The Hon. the Colonial Secretary.

Crown Solicitor's Office, 8th March, 1881.

SIR,

Re TOLLS ARBITRATION.
Re MAILS ARBITRATION.

HEREWITH I send attested copies of the Awards made by Messrs. Greene and Fehon; also Messrs. Dobson and Mitchell's letter of 7th instant, and account of charges therein referred to and payable by the Government, and I have to request that I may be supplied with a cheque for the amounts therein mentioned.

I have, &c.

ROBT. P. ADAMS.

The Hon. the Colonial Treasurer.

Hobart, 7th March, 1881.

DEAR SIR,

*Re TOLLS ARBITRATION.**Re MAILS ARBITRATION.*

WE send you, as requested, attested copies of the Awards in these Arbitrations. Please send us cheque for £216 9s. 2d., being half the fees paid by us on taking up the Awards. Our costs for copies of the Awards are £2 12s. 6d. : please add this sum to the cheque.

Yours faithfully,

DOBSON & MITCHELL.

R. P. ADAMS, *Esq., Solicitor-General.*

THE SOLICITOR-GENERAL,

*To DOBSON & MITCHELL.**Re Tasmanian Government the Tasmanian Main Line Railway Company.—Re Mails.*

1881.		£	s.	d.
Feb. 26.	To paid Butler and Co. <i>re</i> Award, Fees of Arbitrators and Umpire.....	30	0	0
	Melbourne Solicitors, Costs for preparing Award	7	7	0
	Butler and Co's. charges	1	11	6
	Exchange on £37 7s.....	0	3	9
		39	2	3
	<i>Re Running Powers.</i>			
	To paid Butler and Co., Fees of Arbitrators and Umpire	381	17	6
	Melbourne Solicitors, Costs preparing Award	8	8	0
	Butler and Co's. charges	1	11	6
	Exchange on £390 5s. 6d.	1	19	0
		432	18	3
	To your half.....	£216	9	1

Hobart, 8th March, 1881.

MINUTE PAPER FOR EXECUTIVE COUNCIL.

The Treasury, Hobart, 28th March, 1881.

THE Colonial Treasurer submits, as a case of emergency, that a sum not exceeding £251 7s. 7d.* be provided on Supplementary Estimates to meet expenses in connection with the late cases of Arbitration in *re* Tolls and the Conveyance of Mails, Main Line Railway.

W. R. GIBLIN, *Colonial Treasurer.*

THE Administrator in Council approves.

E. C. NOWELL.

28. 3. 81.

FORWARDED to the Auditor.

W. R. GIBLIN, *Treasurer.*

29. 3. 81.

* Dawes, £32 6s.; Dobson & Mitchell, £2 12s. 6d.; Half costs Awards, £216 9s. 1d.—£251 7s. 7d.

Dated 21st February, 1881. Recd. 8. 3. 81. R.P.A. (Attested copy.) Award of Messrs. W. H. GREENE and W. M. FEHON as to Running Powers.

TO ALL TO WHOM THESE PRESENTS SHALL COME We WILLIAM HENRY GREENE of Kyneton in the Colony of Victoria Civil Engineer and WILLIAM MEEKE FEHON of Melbourne in the same Colony formerly Traffic Manager of the Victorian Railways but now a Merchant Send Greeting—

WHEREAS by an Agreement dated the Twenty-fourth day of January one thousand eight hundred and eighty-one and made between His Excellency SIR JOHN HENRY LEFROY Knight Commander of the Most Distinguished Order of St. Michael and St. George Companion of the Most Honorable Order of the Bath Lieutenant-General in Her Majesty's Army Administrator of the Government of Tasmania by and with the advice and consent of his Executive Council for and on behalf of the Government of Tasmania and thereafter called "the Administrator of the Government" of the one part and the Tasmanian Main Line Railway Company Limited thereafter called "the Company" of the other part after reciting that by the Act of the Parliament of Tasmania intituled "The Launceston and Western Railway Act No. 5" (33 Victoria Number 21) it was amongst other things provided that the Governor in Council might confer upon any Company contracting under the Main Line of Railway Act (33 Victoria Number

13) running powers over any part or parts of the Launceston and Western Railway upon payment of reasonable tolls and compensation for so doing and that the amount of such tolls and compensation should in case of difference be decided by arbitration in manner therein mentioned And reciting that by a Contract dated the fifteenth day of August one thousand eight hundred and seventy-one made in pursuance of the Main Line of Railway Act and the Main Line of Railway Amendment Act (34 Victoria Number 13) the Company contracted with the Government of Tasmania 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 and that by the Fourth Section of such Contract the running powers named and referred to in the Main Line of Railway Act over the Launceston and Western Railway were expressly given to and conferred upon the Company And reciting that the Company had connected their Line of Railway with a point on the Launceston and Western Railway known as Evandale Junction and had laid down a third rail upon the Launceston and Western Railway from that point to the Station of the Company at Launceston And reciting that the running powers originally created by the Main Line of Railway Act had been continued and confirmed by the Act of the Parliament of Tasmania 37 Victoria Number 20 And reciting that by certain agreements made between the Government of Tasmania and the Company the Company pursuant to the provisions of the thereinbefore mentioned Acts had exercised the running powers over the Launceston and Western Railway therein referred to from the Thirtieth day of October one thousand eight hundred and seventy-six to the then present time and were authorised to exercise such powers up to the First day of January one thousand eight hundred and eighty-one And reciting that the Company desired to exercise such running powers as aforesaid for a further term of Five years beginning on the First day of January one thousand eight hundred and eighty-one but that they had been unable to agree with the Government of Tasmania as to the amount to be paid by the Company as tolls and compensation for the exercise of such running powers as aforesaid for such further term and that it had been agreed therefore between the Administrator of the Government and the Company that the Company should be permitted to use and exercise the said running powers for the said further term of Five years on the terms and conditions hereinafter expressed It was thereby mutually agreed between the Administrator of the Government and the Company in pursuance of the said recited Acts of Parliament and the said Contract and in pursuance of the lastly thereinbefore recited Agreement (*inter alia*) that the Administrator of the Government thereby authorised and empowered the Company to use and exercise such running powers over the Launceston and Western Railway as in the said Acts and Contract mentioned for the further term of Five years beginning on the First day of January one thousand eight hundred and eighty-one and extending to the Thirty-first day of December one thousand eight hundred and eighty-five (both days inclusive) without first making payment of such tolls and compensation as in the said Acts mentioned And the Company agreed to use and exercise such running powers during the said period in conformity with the said Acts and Contract and subject to the provisions and stipulations hereinafter contained and that the amount of tolls and compensation to be paid by the Company to the Governor or Administrator of the Government for the time being for the exercise of such running powers as aforesaid should be forthwith assessed by arbitration in the manner provided in the Lands Clauses Act for cases of disputed compensation and that the arbitrators or the umpire as the case might be should determine the times when payment of such tolls and compensation should be made and that the Company should punctually pay at the times and in the manner fixed by the award to be made in pursuance of the said arbitration to the Governor or the Administrator of the Government of Tasmania for the time being for the exercise of such running powers as aforesaid for the said further term of Five years such tolls and compensation as should be assessed and determined in manner aforesaid and that such tolls and compensation should include the cost of the third rail in the manner hereinafter mentioned AND WHEREAS the matters to be assessed settled or determined by arbitration pursuant to the said recited Agreement have been duly referred to us the said WILLIAM HENRY GREENE and WILLIAM MEEKE FEHON respectively as arbitrators AND WHEREAS by a Memorandum in writing under our hands dated the Eleventh day of February instant we appointed the Twenty-eighth day of February instant as the extended time within which we can make our award under the said Agreement NOW KNOW YE and these presents witness that we the said WILLIAM HENRY GREENE and WILLIAM MEEKE FEHON having taken upon ourselves the said arbitration and having before entering upon the matters referred to us as aforesaid respectively made and subscribed the declarations hereunto annexed and nominated and appointed by writing under our hands the Honorable JAMES GOODALL FRANCIS of Melbourne aforesaid Member of the Legislative Assembly to be the Umpire to decide on any such matters on which we might differ and having fully and deliberately considered the said matters in difference to make this our award in writing in manner following that is to say we award and determine that the amount of tolls and compensation to be paid by the Tasmanian Main Line Railway Company Limited (hereinafter called "the said Company") to the Governor or Administrator of the Government of Tasmania for the time being (hereinafter called "the said Governor") for the exercise of such running powers as are hereinbefore mentioned or referred to for the said term of Five years beginning on the First day of January one thousand eight hundred and eighty-one and extending to the Thirty-first day of December one thousand eight hundred and eighty-five (both days inclusive) including the cost of the maintenance for the same term of the third rail mentioned or referred to in the said hereinbefore recited Agreement in the manner therein mentioned is the sum of Twenty thousand six hundred and eighty-seven pounds ten shillings AND we further award and determine that the said amount of tolls and compensation shall be paid by the said Company to the said Governor at the times and in the manner following namely—

The sum of Three thousand nine hundred and thirty-seven pounds ten shillings (part thereof) by equal quarterly payments on the Thirty-first day of March the Thirtieth day of June the Thirtieth day of September and the Thirty-first day of December in the year one thousand eight hundred and eighty-one.

The sum of Four thousand and thirty-seven pounds ten shillings (other part thereof) by equal quarterly payments on the Thirty-first day of March the Thirtieth day of June the Thirtieth day of September and the Thirty-first day of December in the year one thousand eight hundred and eighty-two.

The sum of Four thousand one hundred and thirty-seven pounds ten shillings (other part thereof) by equal quarterly payments on the Thirty-first day of March the Thirtieth day of June the Thirtieth day of September and the Thirty-first day of December in the year one thousand eight hundred and eighty-three.

The sum of Four thousand two hundred and thirty-seven pounds ten shillings (other part thereof) by equal quarterly payments on the Thirty-first day of March the Thirtieth day of June the Thirtieth day of September and the Thirty-first day of December in the year one thousand eight hundred and eighty-four.

And the sum of Four thousand three hundred and thirty-seven pounds ten shillings (residue thereof) by equal payments on the Thirty-first day of March the Thirtieth day of June the Thirtieth day of September and the Thirty-first day of December in the year one thousand eight hundred and eighty-five.

And we further award and determine that the said Governor and the said Company respectively shall bear and pay their own costs of and incidental to this arbitration except the costs of this our award and that the costs and expenses of this our award shall be paid by the said Governor and the said Company respectively in equal proportions. IN WITNESS whereof we have hereunto set our hands the Twenty-first day of February one thousand eight hundred and eighty-one W. H. GREENE W. M. FEHON Signed by the said WILLIAM HENRY GREENE in the presence of W. HOWELL Manager Bank N. S. Wales Kyneton Signed by the said WILLIAM MEEKE FEHON in the presence of JAMES M'CULLOCH 123 Collins-street West Melbourne.

I WILLIAM HENRY GREENE of Kyneton in the Colony of Victoria Esquire Civil Engineer do solemnly and sincerely declare that I will faithfully and honestly and to the best of my skill and ability hear and determine the matters and things referred to me under and by virtue of an Agreement dated the Twenty-fourth day of January one thousand eight hundred and eighty-one made between SIR JOHN HENRY LEFROY Commander of the Most Distinguished Order of Saint Michael and Saint George Companion of the Most Honorable Order of the Bath Lieutenant-General in Her Majesty's Army Administrator of the Government of Tasmania by and with the advice of the Executive Council for and on behalf of the Government of Tasmania of the one part and the Tasmanian Main Line Railway Company (Limited) of the other part and also under and by virtue of "The Lands Clauses Act" W. H. GREENE Made and subscribed before me this Twenty-eighth day of January one thousand eight hundred and eighty-one C. M. MAXWELL J.P.

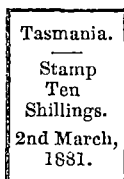
In the matter of the Arbitration between His Excellency SIR JOHN HENRY LEFROY Knight Commander of the Most Distinguished Order of Saint Michael and Saint George Companion of the Most Honorable Order of the Bath Lieutenant-General in Her Majesty's Army Administrator of the Government of Tasmania and the Tasmanian Main Line Railway Company (Limited) I WILLIAM MEEKE FEHON do solemnly and sincerely declare that I will faithfully and honestly and to the best of my skill and ability hear and determine the matters referred to me in this matter under the provisions of the Act 33 Victoria No. 21 and all other Acts relating thereto or any of them W. M. FEHON Made and subscribed this 28th day of January 1881 in the presence of C. M. MAXWELL J.P.

We hereby certify that the before written is a true copy of the original Award of which the same purports to be a true copy the same having been examined and compared therewith by us this Seventh day of March, one thousand eight hundred and eighty-one.

HERBT. CATO, }
FRANK L. DOBSON, } Clerks to Messrs. Dobson & Mitchell.

Stamped in my presence this Second day
of March, 1881.

G. PATTEN ADAMS, *Collector of Stamp Duties.*



Arrived in Tasmania the Twenty-sixth day
of February, 1881.

G. PATTEN ADAMS.
2nd March, 1881.

AUDITOR'S REPORT.

COLONIAL Auditor's Report on the Accounts of the Tasmanian Main Line Railway for the Quarterly periods ending respectively 30th September and 31st December, 1880.

Audit Office, Hobart, 11th March, 1881.

SIR,

In accordance with the provisions of the Tasmanian Main Line Contract, the books and accounts of the Company for the quarters ending respectively 30th September, 1880, and 31st December, 1880, have been duly examined by this Department; and, with respect to the same, I have now the honor to submit the following report:—

Accounts for Quarterly periods ending 30th September to 31st December, 1880. (Table A.)

The accounts for the periods mentioned above, as usual, are correctly stated, and are fairly apportioned under the various heads of revenue and expenditure; and, with the exception of the estimated "London Office Expenses," and certain adjustment items hereafter fully referred to, are supported by properly accredited vouchers.

The estimated London Office Expenses still remaining to be adjusted are as follows:—

	£
Four Quarters ending 31st December, 1878	2000
Ditto 31st December, 1879	3200
Ditto 31st December, 1880	3200
TOTAL	£8400

For the estimated sums £2000 (1878), and £3200 (1879), the London office of the Company has submitted accounts purporting to be the actual expenditure for the respective periods, viz. £3457 10s. 3d. (1878), and £3116 5s. 0d. (1879).

The difference, £1457 10s. 3d., was taken to account by the Company in the Quarter ending 31st December, 1879, but was not included in the abstract prepared by Mr. Johnston, because, at the time, the item was unsupported by the necessary vouchers. Upon the application of Mr. C. H. Grant, the Manager of the Railway, the London office has now submitted certain statements and vouchers for the years 1878 and 1879, as follows; viz.—

	1878.			1879.		
	£	s.	d.	£	s.	d.
1. Estimated "London Office Expenses" already taken to account.....	2000	0	0	3200	0	0
2. Statement purporting to be the actual Expenditure..	3457	10	3	3116	5	0
3. Vouchers supporting Item 2	3604	3	3	3223	8	9
4. Summary accompanying the same	3616	13	3	3223	8	9

It will be observed that there are certain disagreements between items 2, 3, and 4, which, probably owing to hasty preparation, had not been discovered and corrected prior to despatch from London. A reconciliation is necessary before the proposed adjustments can be acknowledged by this office.

There are also three items for Petty Expenses included in these accounts, amounting in all to £292 13s. 6d., vouched for by the Secretary merely as "Petty Expenses" "as shown by the books of the Company." Further particulars or sub-vouchers are required. Until these matters are satisfactorily disposed of the items for adjustment had better rest in suspense.

It will be noticed by a reference to Tables A. & B. that all the heads of Expenditure, excepting Maintenance of Permanent Way, maintain a remarkably steady average for the various quarterly periods. In each case where the Permanent Way Department shows a striking contrast with a similar period, the extreme difference is principally due to an unequal distribution of the charges made in respect of the immediate purchase of the costly or long-life materials. This has been pointed out in a former report, and perhaps cannot altogether be obviated. Of course its chief objection is that it renders it difficult to arrive at an approximate of the actual cost of maintaining the Railway within any one period.

The quarterly periods ending respectively 30th September and 31st December, 1880, in each case show a loss: that for the former being £2282 12s. 6d., and for the latter £3 4s. 8d. The full amount of guarantee for each quarter may therefore be claimed by the Company.

Unadjusted Guarantee Items.—Table B.

Table B. has been prepared to show in a connected and convenient order the following particulars in detail for the several quarterly periods from 1st November, 1876, to 31st December, 1880, inclusive; viz.—

1. Mileage.
2. Traffic Receipts.
3. Working Expenses.
4. Balance Profit or Loss
5. Guarantee due, according to the opinion of the Law Officers of the Crown.
6. Guarantee advanced in respect of the same.

During the period stated it appears that the Government has advanced to the Company the following; viz.—

	£	s.	d.
On account of Guarantee proper	133,291	13	4
Interest on certain deferred payments	3128	2	6
TOTAL.....	£136,419	15	10

Leaving out of the question the adjustment of London Office expenses held in suspense, there remains the differences between the Government and the Tasmanian Main Line Railway Company in respect of profits connected with the following quarterly periods, to which special attention has been directed in former Reports ; viz.—

	£	s.	d.
Balance profit, quarter ending 31st March, 1878	2165	8	8
Ditto, 30th June, 1879	126	1	7
Ditto, 31st March, 1880	1844	4	5
Excess of Interest on deferred payments in respect of Guarantee for quarter ending 31st March, 1878 ; viz., 6 months at 6 per cent. on £2165 8s. 8d.	64	19	2
TOTAL.....	£4200	13	10

The total amount of Guarantee, and Interest on deferred payments, claimed by the Company for the particular period referred to amounts to £138,419 15s. 10d. The Government, however, claim the balance profit of particular quarterly periods as abatements of liability, and reduce the amount accordingly to £134,219 2s. The amount already advanced by the Government in respect of Guarantee, without prejudice to existing differences of opinion, exceeds the latter sum by £2200 13s. 10d.

The total Traffic Receipts to 31st December, 1880, amount to £189,920 4s. 3d. Total Working Expenses, including suspense items, £215,589 5s. 9d. Total loss on working, £25,669 1s. 6d.

I have to state, in conclusion, that every facility was given by the Manager and the Accountant of the Company to this Department while engaged in the examination of the Accounts.

I have, &c.

W. LOVETT, *Colonial Auditor.*

The Hon. the Colonial Secretary.

TABLE A.

ABSTRACT of Traffic Receipts and Expenditure for Quarterly periods ending respectively 30th September and 31st December, 1880.

Receipts.				Expenditure.			
	Quarter ending 30 Sept. 1880.		Quarter ending 31 Dec. 1880.		Quarter ending 30 Sept. 1880.		Quarter ending 31 Dec. 1880.
	£	s. d.	£ s. d.		£	s. d.	£ s. d.
Coaching traffic.....	6292	0 6	9266 15 9	Maintenance of permanent way	3435	19 9	5203 14 3
Goods, live stock, &c.	3351	15 10	4008 15 9	Locomotive power	3618	13 3	3312 19 4
Miscellaneous.....	59	2 6	102 15 10	Carriage wagon repairs	356	19 11	326 13 2
	9702	18 10	13,378 7 4	Traffic expenses	1926	17 4	1766 3 6
				General charges	721	14 10	860 3 2
				Miscellaneous	87	16 3	74 8 7
				Tolls and compensation, Laun- ceston & Western Railway.	1037	10 0	1037 10 0
Balance, loss	2282	12 6	3 4 8	*London office expenses	*800	0 0	*800 0 0
	11,985	11 4	13,381 12 0		11,985	11 4	13,381 12 0

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

W. LOVETT, *Colonial Auditor.*
10 March, 1881.

TABLE B.
TASMANIAN MAIN LINE RAILWAY.

ABSTRACT of Receipts and Expenditure for the various Quarterly Periods since the opening of the Line according to Contract.

QUARTER ENDING—	MILES.			TRAFFIC RECEIPTS.					WORKING EXPENSES.											BALANCE.		GOVERNMENT GUARANTEE.	
	Open.	Worked	Train.	Coaching Traffic.	Goods, Live Stock, &c.	Miscellaneous.	TOTAL.	AGGREGATE TO DATE.	Maintenance of Permanent Way.	Extr. Maintenance.	Locomotive Power.	Carriage and Wagon Repairs.	Traffic Expenses.	General Charges.	Miscellaneous	Tolls and Compensation, L. & W. Rail- way.	London Office Expenses.	TOTAL WORKING EXPENSES.	AGGREGATE TO DATE.	Profit.	Loss.	Due.	Advanced.
31 Dec. 1876 ....	..	..	..	£ s. d. 3458 2 6	£ s. d. 1715 5 7	£ s. d. 2 2 0	£ s. d. 5175 10 1	£ s. d. 5175 10 1	£ s. d. 1835 11 7	£ s. d. 171 6 7	£ s. d. 980 11 1	£ s. d. 131 12 4	£ s. d. 640 9 6	£ s. d. 771 7 1	£ s. d. 616 6 0	£ s. d. 498 0 0	£ s. d. 333 6 8	£ s. d. 5978 10 10	£ s. d. 5978 7 10	£ s. d. —	£ s. d. 803 0 9	£ s. d. 5416 13 4	£ s. d. —
1877.																							
31 March	120	133	240,183	8505 10 5	2891 12 8	56 10 0	11,453 13 1	16,629 3 2	3352 15 2	1723 10 10	2914 14 9	233 17 10	1550 5 5	703 8 7	256 16 7	747 0 0	500 0 0	11,951 19 2	17,960 10 0	—	528 6 1	8125 0 0	—
30 June				5606 3 6	2863 7 7	369 5 0	8838 16 1	25,467 19 3	3413 0 6	552 13 4	3444 11 0	266 11 9	1527 6 5	860 10 10	285 14 8	747 0 0	500 0 0	11,697 8 6	29,657 18 6	—	2858 12 5	8125 0 0	—
30 September...				5025 15 3	2871 7 3	562 7 0	8459 9 6	33,927 8 9	3665 17 0	873 16 8	3802 3 10	307 10 8	1659 12 10	816 6 3	61 10 1	747 0 0	500 0 0	12,433 17 4	42,091 15 10	—	3974 7 10	8125 0 0	—
31 December ...				6732 12 6	2690 6 6	568 10 0	9991 9 0	43,918 17 9	3983 4 1	512 16 8	3859 9 8	310 1 8	1500 14 2	858 14 11	241 6 5	852 6 8	500 0 0	12,618 14 3	54,710 10 1	—	2627 5 3	8125 0 0	—
1878.																							
31 March	120	133	265,757	9623 6 6	4113 7 9	583 6 0	14,320 0 3	58,238 18 0	3457 16 4	601 1 0	3814 7 4	321 14 0	1737 6 1	810 3 7	7 3 3	905 0 0	500 0 0	12,154 11 7	66,865 1 8	2165 8 8	—	5959 11 4	—
30 June				6612 6 5	3636 18 11	715 11 0	10,964 16 4	69,203 14 4	4970 18 8	566 2 4	3524 2 4	422 19 10	1560 11 11	1125 11 7	231 19 8	905 0 0	500 0 0	13,807 6 4	80,672 8 0	—	2842 10 0	8125 0 0	54,166 13 4
30 September...				5382 4 10	2935 11 7	767 5 0	9085 1 5	78,288 15 0	4548 3 3	1086 2 7	3388 5 3	593 12 5	1717 7 10	940 16 1	480 4 11	905 0 0	500 0 0	14,159 12 4	94,832 0 4	—	5074 10 11	8125 0 0	8125 0 0
31 December ...				7183 10 8	3756 8 6	784 1 0	11,724 1 2	90,012 16 11	5099 17 6	788 8 1	5453 6 1	529 11 0	1806 18 3	911 7 11	348 10 8	966 13 4	500 0 0	14,404 12 10	109,236 13 2	—	2680 11 8	8125 0 0	8125 0 0
1879.																							
31 March	120	133	292,284	10,545 8 11	4222 10 1	743 5 0	15,511 4 0	105,524 0 11	6055 5 9	533 5 6	4633 2 7	417 2 0	2041 16 8	1234 8 8	30 3 1	997 10 0	2086 15 11*	18,029 10 2	127,266 3 4	—	2518 6 2	8125 0 0	8125 0 0
30 June				7221 8 5	4268 16 5	768 15 0	12,258 19 10	117,783 0 9	3179 7 8	112 9 11	3529 15 1	240 19 0	1911 6 2	907 8 2	404 2 3	997 10 0	850 0 0	12,132 18 3	139,399 1 7	126 1 7	—	7998 18 5	8125 0 0
30 September...				5534 16 5	3546 10 3	763 7 0	9844 13 8	127,627 14 5	3311 12 1	160 1 2	3876 14 3	244 18 9	1922 12 0	766 0 0	50 13 9	997 10 0	800 0 0	12,130 2 0	151,529 3 7	—	2285 8 4	8125 0 0	8125 0 0
31 December ...				8441 11 9	3532 13 5	138 6 6	12,112 11 8	139,740 6 1	3771 19 5	—	3545 2 7	181 11 0	1695 19 5	853 12 8	3 11 0	1024 3 4	800 0 0†	11,875 19 5	163,405 3 0	236 12 3‡	—	8125 0 0	8125 0 0
1880.																							
31 March	120	133	296,472	10,957 17 11	4432 17 4	125 13 0	15,516 8 3	155,256 14 4	4787 2 0	—	3630 8 8	474 4 9	2020 13 5	774 14 6	147 10 6	1037 10 0	800 0 0	13,672 3 10	177,077 6 10	1844 4 5	—	6280 15 7	6000 0 0
30 June				7333 9 6	4176 19 8	71 14 7	11,582 3 9	166,838 18 1	3581 4 7	—	3291 3 10	261 19 10	1895 13 5	774 11 3	128 17 5	1037 10 0	800 0 0	11,771 0 4	188,848 7 2	—	188 16 7	8125 0 0	8125 0 0
30 September...				6292 0 6	3351 15 10	59 2 6	9702 18 10	176,541 16 11	3435 19 9	—	3618 13 3	356 19 11	1926 17 4	721 14 10	87 16 3	1037 10 0	800 0 0§	11,985 11 4	200,833 18 6	—	2282 12 6||	8125 0 0	8125 0 0
31 December ...				9266 15 9	4008 15 9	102 15 10	13,378 7 4	189,920 4 3	5203 14 3	—	3312 19 4	326 13 2	1766 3 6	860 3 2	74 8 7	1037 10 0	800 0 0	13,381 12 0	214,215 10 6	—	3 4 8	8125 0 0	8125 0 0

	£	s.	d.
* Adjustment item included for 1876, viz.	1336	15	11
† Adjustment item in suspense to be added.....	1457	10	3
‡ " " " deducted.....	1457	10	3
§ " " " deducted.....	83	15	0
|| " " " added.....	83	15	0

W. LOVETT, Colonial Auditor.
10th March, 1881.

Audit Office, 1st April, 1881.

SIR,

I HAVE now the honor to report that I have received the accompanying letter from Mr. Grant with respect to the suspense adjustment items,—£3457 10s. 3d. for 1878, and £3116 5s. for 1879,—referred to in my last Report upon the Tasmanian Main Line Railway Company's accounts.

The reconciliation statement enclosed, as attested by Mr. Ellis, Accountant, has been examined by this office, and is now certified to be satisfactory.

The included items will have the effect of modifying the figures of former abstracts as follows :—

	<i>Unadjusted items as published.</i>			<i>Amended items in accordance with authorised adjustments.</i>		
	£	s.	d.	£	s.	d.
<i>Quarter ending 31st December, 1879—</i>						
Total working expenses.....	11,875	19	5	13,333	9	8
Balance, profit.....	236	12	3			
Ditto, loss.....			...	1220	18	0
<i>Quarter ending 30th September, 1880—</i>						
Total working expenses.....	11,985	11	4	11,901	16	4
Balance, loss	2282	12	6	2198	17	6

These amended adjustment items are already included in the closing paragraphs of last report, although they have not been formally included in the accompanying tables.

I have, &c.

W. LOVETT, *Colonial Auditor.*

The Hon. the Colonial Secretary.

FORWARDED to the Honorable the Colonial Treasurer.

WM. MOORE.

2nd April, 1881.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart, 18th March, 1881.*

SIR,

I DULY received your letter of the 14th instant, in which you desire an explanation in regard to the adjustment items for London Office Expenses for the years 1878 and 1879 in the Company's accounts as placed before you.

By the last mail I have received from the Secretary (in reply to a request previously sent) a statement which reconciles the discrepancies you allude to; and you will find in the enclosed paper—prepared by the Accountant—a copy of the particulars you desire. The originals are at this office, and at your disposal.

I agree with you in considering that it is desirable to specify in greater detail the items for petty expenses, which together amount to £294 13s. 6d. in the years 1878 and 1879; and have represented this to the Secretary, who I have no doubt will furnish all particulars.

The Chairman has several times written to me requesting that I will procure from the London Office every particular you require, since there is not the slightest desire to hide one single item of the Company's expenses from your criticism, and I shall always be happy to obtain any supplementary information you wish supplied.

I have, &c.

C. H. GRANT.

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

TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

Accountant's Office, Hobart, March 18, 1881.

MEMO. on Mr. LOVETT's (Colonial Auditor) Letter, March 14, 1881, respecting London Office Expenses, Years 1878 and 1879.

I AM enabled by an Explanatory Statement from the Secretary, received since last visit, to submit the following reconciliation of the supporting Vouchers (your set of figures No. 3) with the statement of actual Expenditure (your set of figures No. 2), and which will, I trust, be satisfactory :—

Year 1878—		£	s.	d.
Vouchers		3604	3	3
Add—Income Tax.....		12	10	0
The period of 1 year of voucher for £25 is not the same period for amount entered, £37 10s., and as the amount has to be estimated when there is any alteration in this Tax, a difference will ensue, but be corrected year by year.				
J. J. Bodmer, Rail Inspector		2	14	0
		3619	7	3
Deduct—December Quarter's rent, not paid till January, 1879	50	0	0	
Amount received for rent of offices, half-year	90	0	0	
Amount for printing, &c. placed to Capital account	18	19	6	
Amount received for transfer fees	2	17	6	
		161	17	0
As per Statement .....	...	£3457	10	3
Year 1879—		£	s.	d.
Vouchers		3223	8	9
Add—Rent for December Quarter, 1878		50	0	0
Law charges		127	4	6
One case, and charges, from Tasmania.....		19	9	11
		3420	3	2
Deduct—Postages, &c. refunded	12	10	8	
Rent for temporary use of offices (amount received for)	20	0	0	
Amount received for rent of offices, 1½ years to December, 1879	270	0	0	
Amount received for transfer fees	1	7	6	
		303	18	0
As per Statement .....	...	£3116	5	0

We will also write the Secretary for the sub-vouchers you require for £292 13s. 6d., petty expenses, as shown by the books of the Company; but would remind you that this entry and amount is principally for postages, stamps on bills, cheque books, and such like items, for which receipts or vouchers are not given, and for which the Secretary will have to give his own voucher as expending the amounts.

R. J. ELLIS.

TELEPHONES.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart, 30th June, 1881.*

SIR,

I HAVE the honor to address you, at the instance of the Collector of Customs, respecting a claim made by him for duty on Telephonic Apparatus imported from Melbourne per the last trip of the *Te Anau*, and which was exclusively intended to be used as a part of the telegraph system of this railway, and is therefore a necessity to its equipment and maintenance.

I am at a loss to understand the claim of the Collector, since he bases it on the words "Stationery or similar articles" not being included in the exemption from duty granted to materials imported for railways and tramways.

A greater dissimilarity than exists between Stationery and Telephonic Apparatus could scarcely be imagined, since the latter does not include one article in which paper or a similar manufacture is used, but consists wholly of wood and metals.

I shall therefore feel obliged if you will, after consideration of the matter, instruct Mr. Watt that the apparatus in question should be exempt from duty.

I have, &c.

C. H. GRANT.

The Hon. W. R. GIBLIN, Premier and Colonial Treasurer.

REFERRED to the Collector of Customs for his observations. How are Telegraphic Instruments imported for the railway treated?

W. R. GIBLIN.
1. 7. 81.

I CERTAINLY have some doubt whether the Telephonic Apparatus can come as exempt from duty under the wording of the Table of Exemptions, more particularly as the line has been worked for some years with a perfect system of Telegraph still in operation, and was passed free of duty.

T. T. WATT, *Collector.*
1. 7. 81.

THE Telephone is a new invention, but cannot be distinguished on principle from Telegraphic Apparatus, and should be passed in the same way free of duty. The doubt can be cleared up in any future legislation.

W. R. GIBLIN.
2. 7. 81.

MANAGER informed in accordance with this Minute.—2. 7. 81.

Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart, 4th July, 1881.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 2nd instant, and to thank you for the kind consideration you have given to my representation as to the nature of Telephonic Instruments, which should preclude their being considered as "Stationery or similar articles" in the exception of the exemption of Railway Plant from Customs Duty, and for your information that you have instructed the Collector of Customs that they may be passed free of duty.

I have, &c.

C. H. GRANT.

The Hon. W. R. GIBLIN, Premier and Colonial Treasurer.

(In continuation of L. C. Paper No. 56 of the present Session.)

MAIN LINE RAILWAY.

TREASURY CORRESPONDENCE.

FREE PASSES TO MEMBERS OF PARLIAMENT AND VISITORS.

Treasury, 31st August, 1881.

SIR,

As the question of Passes to Members of Parliament and distinguished Visitors has been again brought under the notice of the Legislature, and the Government are desirous of dealing with the matter, I have the honor to request that you will be good enough to inform me at what sum for each Ticket the Tasmanian Main Line Railway Company, Limited, will be willing to issue Free Passes,—

1st. To Members of Parliament, available only during Session, for three days before and after.

2nd. To Members of Parliament, available during the whole year.

3rd. To distinguished Visitors from Europe or the Australian Colonies, when the Government may desire to pay the compliment of a Free Pass, available during their visit.

As you are now in a better position than heretofore to estimate with an approximate correctness what is the fair money equivalent for a Member's Pass, I should hope that a sum may be now named that may enable me to submit proposals to Parliament for a fair settlement of this matter. The Government are fully sensible of the very liberal way in which your Company have treated distinguished Visitors and others; but they are strongly of opinion that they should be in a position, on the part of the Colony, to reciprocate the courtesies shown in other Colonies to gentlemen holding public positions in Tasmania, when visiting there.

I have, &c.

W. R. GIBLIN.

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

Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart, 1st September, 1881.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 31st ultimo, in which you express the desire of the Government to consider the question of their issue of Passes to the Members of the Legislature, and to distinguished Visitors from Europe and the neighbouring Colonies; and require me to state the terms on which the Tasmanian Main Line Company would issue such Passes,—

1st. To Members of Parliament, such Passes to be available only during the Session, and for three days before and after.

2nd. To Members of Parliament, available during the whole of the year.

On this question I would remark that the exact *data* obtained since I was last called upon for an estimate proves that the Members do not make so much use of the line as I anticipated; and although in some cases the fares of Members travelling to and from the North (strictly on Parliamentary business) amounted to as much as Twenty-eight Pounds ten shillings each per annum, the average use of such Passes is very much less.

On the assumption that each of the Members of the Legislature were furnished with Free Passes, I consider that the rate of Six Pounds five shillings each, or Three hundred Pounds per

Session, would be a fair amount; but this rate would not apply, except to the whole of the Members; and were it optional to pay for a reduced number, I do not think that less than double the above amount, or Twelve Pounds ten shillings each, should be charged.

The amount of travelling out of Session is so exceedingly small that the sum of Seven Pounds each, or Three hundred and thirty-six Pounds per annum, would apply to the whole of the Parliament; but if to a portion only, Fourteen Pounds each per annum should be charged.

3rd. It is difficult to estimate the value of Passes for distinguished Visitors, for many of whom special preparations entailing expense upon the Company have to be made; but as an experiment, for the first year the Company would be willing to issue such tickets at the price of a single journey only, being Three Guineas, which is the lowest minimum sum that would be payable under any circumstances. As, however, such tickets can never be issued at a less rate, I would ask that this minimum sum may be subject to revision at the end of the first 12 months should I be able to show that the Railway Company were unfairly prejudiced by the lowness of the rate.

In conclusion, I have to express my thanks for the courteous manner in which you allude to the conduct of the Company hitherto in respect to the travelling of Members of Parliament and distinguished Visitors; and beg to assure you that the resources of the Line are at all times freely at the disposal of the Government and of the Parliament, whether or not it should be considered advisable to offer any remuneration for such use.

I have, &c.

C. H. GRANT, *General Manager.*

*The Hon. W. R. GIBLIN,
Premier and Colonial Treasurer.*

Treasury, Hobart, 8th September, 1881.

SIR,

I HAVE the honor to acknowledge receipt of your letter of the 1st instant, in reply to enquiries made by me as to the terms upon which the Main Line Railway Company would undertake to supply Free Passes to Members of the Legislature and such Visitors from other parts as the Government might desire to pay the compliment of issuing a Free Pass to.

I propose to lay the papers before the House at an early date and take the opinion of Members upon the question; in the meantime I have to thank you for the liberal spirit in which the terms named by you have been put forward.

I have, &c.

W. R. GIBLIN.

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

(In continuation of L. C. Paper No. 56 Session 1881.)

MAIN LINE RAILWAY.

COLONIAL AUDITOR'S Report upon the Accounts of the Tasmanian Main Line Railway for Quarters ending 31st March and 30th June, 1881.

Audit Office, Hobart, 6th September, 1881.

SIR,

IN accordance with the provisions of the Tasmanian Main Line Railway Contract, the books and accounts of the Company have been duly examined by this Department; and with respect to the quarterly periods ending respectively 31st March, 1881, and 30th June, 1881, I have now the honor to submit the following Report:—

Accounts for Quarterly Periods ending 31st March and 30th June, 1881. [Table A.]

The accounts for the above periods, as shown by accompanying Table A., are correctly stated and fairly apportioned under the several heads of receipts and expenditure. With the usual exception of the sum estimated for the current London office expenses (£800), the various items are supported by properly accredited vouchers.

The estimated sums which still remain to be adjusted are as follows:—

	£
London Office Expenses, 1880	3200
Ditto, quarter ending 31st March, 1881	800
Ditto, quarter ending 30th June, 1881	800
	<hr/>
	£4800
	<hr/>

Satisfactory particulars have now been submitted for the sum of £292 13s. 6d., "petty expenses," referred to in a former Report.

Independently of the fluctuations of seasons and the growth of traffic, it will be seen, from the accompanying Table B., that the traffic receipts of each quarterly period respectively have a remarkably steady relative value within each particular year. The relative value of each quarter varies upon different railways according to the nature of the prevailing traffic.

Upon the Tasmanian Main Line Railway the relative average value of each respective quarterly period's traffic receipts, based upon the receipts of the four years ending 31st December, 1880, is as follows:—

1st quarter	30·7 per cent. of the yearly total.
2nd ditto	23·6 ditto ditto.
3rd ditto	20·1 ditto ditto.
4th ditto	25·6 ditto ditto.

100·0

This shows that the 1st and 4th quarters, taken together, exceed the average of the yearly period by 6·3 per cent. As the profit or loss of each quarter is reckoned by itself without reference to a yearly period, it follows, if working expenses did not closely coincide with the fluctuations of the quarterly receipts, that one or more quarters within a yearly period might show a profit even though the aggregate of the yearly period might show a loss. Notwithstanding the aggregate loss over the yearly period, the Government, as legally advised, could claim the profit of a particular quarter as an abatement of the guarantee. It would appear from these considerations that, so long as the yearly working expenses do not exceed the total traffic receipts by a sum equal to about 6·3 per cent. of the latter, the 1st, and probably the 4th, quarter of the year would show a profit if costly stores were charged according to actual consumption, and not, as at present, according to the date when stock stores are purchased. The expenses for stores upon railways generally averages from 21 to about 25 per cent. of the total working expenses; and it is therefore a simple matter to cause the costly stores to be charged out against sub-departments quarterly in such a way as to correspond closely with the natural fluctuations of the quarterly receipts as already shown. The Company have evidently availed themselves latterly of this privilege, as the receipts and working expenses for the last two quarters nearly correspond; the working expenses following as if guided by the natural fluctuation of the receipts: *e.g.*, the working expenses for quarter ending 31st March, 1881, were £16,858 1s. 6d., or equal to 4s. 5·63d. per train mile; while the working expenses for quarter ending 30th June, 1881, only amounted to £12,707 1s. 9d., or equal to 3s. 5·73d. per train mile. It is but right to state,

however, that the working expenses upon Tasmanian Main Line Railway for the yearly period is very reasonable, and the cost per train mile is being gradually reduced as the train service or mileage increases.

Although during the first two years the working expenses per train mile were rather above the average of Australian lines, yet during the year 1880 they fell to 3s. 4.6d. per train mile; that is, with the solitary exception of the Launceston and Western Railway, lower than the cost of any other Australian line of any gauge.

Government Guarantee.

As the working expenses exceeded traffic receipts for the quarters ending 31st March and 30th June of the current year, by the sums £14 14s. 9d. and 18s. 8d. respectively, the Company are entitled in each case to the maximum quarterly guarantee, viz., £8125.

The following is a summary of the amounts due and advanced in respect of guarantee up to the present time :—

	Dr.	£	s.	d.	£	s.	d.
To Government guarantee due prior to 1st January, 1881		131,280	18	8			
Ditto since ditto		16,250	0	0			
Interest on deferred payments		3063	3	4			
Balance over advanced to date		2075	13	10			
					152,669	15	10
	Cr.	£	s.	d.	£	s.	d.
By Cash advanced to Company on account of guarantee prior to							
1st January, 1881		133,291	13	4			
Ditto since ditto		16,250	0	0			
Ditto on account of interest on deferred payments		3128	2	6			
					152,669	15	10

General.

The following is a statement of the aggregates of train mileage, receipts, working expenses, &c. for the period commencing from the opening of the line according to contract, and ending 30th June, 1881; viz.—

a Total train mileage	No. 1,243,079.
Ditto traffic receipts	£219,469 14s. 1d.
Ditto working expenses	£245,154 9s.
Ditto loss in working	£25,684 14s. 11d.

In conclusion, I have to state that the usual facilities for a thorough examination of all matters relating to the audit of the accounts were courteously afforded by the Officers of the Company.

I have, &c.

The Hon. the Colonial Secretary.

W. LOVETT, Colonial Auditor.

a NOTE.—Does not include the train mileage prior to 1st January, 1877.

TABLE A.

ABSTRACT of Traffic Receipts and Expenditure for Quarterly periods ending respectively 31 March and 30 June, 1881.

RECEIPTS.					EXPENDITURE.								
	Quarter ending 31 March, 1881.			Quarter ending 30 June, 1881.			Quarter ending 31 March, 1881.			Quarter ending 30 June, 1881.			
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	
Coaching traffic	12,331	5	4	8430	6	10	Maintenance of permanent way	7905	12	6	4123	10	1
Goods, live stock, &c.	4378	0	7	4159	9	1	Locomotive power	3408	19	0	3454	10	1
Miscellaneous	134	0	10	116	7	2	Carriage and wagon re- pairs	314	15	1	696	19	6
							Traffic expenses	2083	0	0	1852	1	1
							General charges	772	9	5	734	12	2
							Miscellaneous	588	18	0	61	1	4
							Tolls and compensation						
							L. & W. Railway	984	7	6	984	7	6
Balance, loss	16,843	6	9	12,706	3	1	*London office expenses ...	*800	0	0	*800	0	0
	14	14	9	0	18	8							
	16,858	1	6	12,707	1	9		16,858	1	6	12,707	1	9

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

6 September, 1881.

W. LOVETT, Colonial Auditor.

TABLE B.

ABSTRACT of Receipts and Expenditure for the various Quarterly Periods since the opening of the Line according to Contract.

QUARTER ENDING	MILES.			TRAFFIC RECEIPTS.	RECEIPTS.		WORKING EXPENSES.	COST.		BALANCE.		GOVERNMENT GUARANTEE.	
	Open.	Worked.	Train.		Per Mile.	Per Train Mile.		Per Open Mile.	Per Train Mile.	Profit.	Loss.	Due.	Advanced.
31 December, 1876 ....	...	...	...	£ s. d. 5175 10 1	£ ...	s. d. ...	£ s. d. 5978 10 10	£ ...	s. d. ...	£ s. d. ...	£ s. d. 803 0 9	£ s. d. 5416 13 4	£ s. d.
1877.													
31 March	122	133	240,183	11,453 13 1	291·3	3 2·71	11,981 19 2	367·1	4 0·6	...	528 6 1	8125 0 0	
30 June				8838 16 1			11,697 8 6				2858 12 5	8125 0 0	
30 September				8459 9 6			12,433 17 4				3974 7 10	8125 0 0	
31 December				9991 9 0			12,618 14 3				2627 5 3	8125 0 0	
1878.													
31 March	122	133	265,757	14,320 0 3	346·6	3 5·62	12,154 11 7	409·9	4 1·1	2165 8 8	...	5959 11 4	
30 June				10,964 16 4			13,807 6 4				2842 10 0	8125 0 0	54,166 13 4
30 September				9085 1 5			14,159 12 4				5074 10 11	8125 0 0	8125 0 0
31 December				11,724 1 2			14,404 12 10				2680 11 8	8125 0 0	8125 0 0
1879.													
31 March	122	133	292,284	15,511 4 0	373·8	3 4·83	18,029 10 2	418·2	3 9·6	126 1 7	2518 6 2	8125 0 0	8125 0 0
30 June				12,258 19 10			12,132 18 3				...	7998 18 5	8125 0 0
30 September				9844 13 8			12,130 2 0				2285 8 4	8125 0 0	8125 0 0
31 December				12,112 11 8			13,333 9 8				1220 18 0	8125 0 0	8125 0 0
1880.													
31 March	122	133	296,472	15,516 8 3	377·2	3 4·62	13,672 3 10	381·4	3 6·4	1844 4·5	...	6280 15 7	6000 0 0
30 June				11,582 3 9			11,771 0 4				188 16 7	8125 0 0	8125 0 0
30 September				9702 18 10			11,901 16 4				2198 17 6	8125 0 0	8125 0 0
31 December				13,378 7 4			13,381 12 0				3 4 8	8125 0 0	8125 0 0
1881.													
31 March	122	133	75,304	16,843 6 9	126·64	4 5·68	16,858 1 6	126·75	4 5·72	...	14 14 9	8125 0 0	8125 0 0
30 June	122	133	73,079	12,706 3 1	95·53	3 5·12	12,707 1 9	95·54	3 5·73	...	0 18 8	8125 0 0	8125 0 0
TOTALS.....	...	...	...	219,469 14 1	...	...	245,154 9 0	...	...	4135 14 8	29,820 9 7 25,684 14 11	147,530 18 8	149,541 13 4

DEBIT.

To Government Guarantee due	£ s. d. 147,530 18 8
Interest on deferred payments due	3063 3 4
Balance overpaid to date.....	2075 13 10
	<u>152,669 15 10</u>

CREDIT.

By Government Guarantee paid to date	£ s. d. 149,541 13 4
Advanced for Interest on deferred payment.....	3128 2 6
	<u>152,669 15 10</u>

Hobart, 6th September, 1881.

W. LOVETT, Colonial Auditor.

GUARANTEED INTEREST.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart, 14th October, 1881.*

SIR,

I HAVE the honor to forward you herewith a Statement of Traffic Receipts and Expenditure, so far as it can be made up in this Colony, of the Tasmanian Main Line Railway Company, Limited, for the quarter ending the 30th September last, which, I trust, you will consider satisfactory.

The gross traffic receipts for the quarter amount to £10,534 12s., as compared with £9702 18s. 10d. last year; while the expenses are but £10,537 7s. 4d., as contrasted with £11,901 16s. 4d.; but the cost of the permanent way maintenance is this year reduced by an exceptionally large credit from the sale of old material.

Since the whole amount of the guaranteed interest is payable, I enclose an account for the same, amounting to Eight thousand one hundred and twenty-five Pounds (£8125), which is rendered without prejudice to the questions at issue between the Government and the Company; in regard to which I can only reiterate the statement made in several quarterly letters,—that the Company are most anxious to obtain a settlement at the earliest possible moment, and only delay pressing it waiting the convenience of the Government.

I have, &c.

C. H. GRANT, *General Manager.*

The Hon. W. R. GIBLIN, Premier and Colonial Treasurer.

TASMANIAN MAIN LINE RAILWAY COMPANY (LIMITED.)

Accountant's Office, Hobart, 14th October, 1881.

AN Abstract of Receipts and Expenditure on account of Traffic, &c. conveyed over the Tasmanian Main Line Railway for the Three Months ending 30th September, 1881.

Dr.	£	s.	d.	Cr.	£	s.	d.
To Balance from last Quarter.....	34,966	8	9	By Receipts—			
Expenditure—				Passengers	6047	3	9
Permanent Way.....	2518	4	5	Parcels	447	3	8
Locomotive Power.....	3194	7	2	Horses, Carriages, and Dogs	108	15	10
Carriages and Wagons	406	7	0	Excess Luggage	47	5	1
Traffic Expenses.....	1869	16	10	Left Luggage.....	4	14	11
General Charges, London, estimated	800	0	0	Telegrams	42	3	10
Ditto, Tasmania	756	18	5	Mails	718	5	0
Miscellaneous Expenses.....	7	16	0	Goods	2200	13	8
Launceston and Western Railway Toll	984	7	6	Minerals	282	16	6
				Live Stock	531	17	10
				Rents and Sundries.....	103	11	11
				Balance to next Quarter	34,969	14	1
	£45,504	6	1		£45,504	6	1

C. H. GRANT, *General Manager.*

R. J. ELLIS, *Accountant.*

T A S M A N I A.

THE GOVERNMENT OF TASMANIA Dr.

To THE TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED.

1881.

Guaranteed Interest Department.

£ s. d.

July 1st to	To One full Quarter's Interest due as per Contract between the Government	
September 30th.	of Tasmania and the Tasmanian Main Line Railway Company, Limited,	
	at the rate of 5 per cent. 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.—One full Quarter of	
	Guarantee of £32,500 per annum.	8125 0 0

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

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

C. H. GRANT.

R. J. ELLIS, Accountant.

MEMO.—This claim has reference to the Quarter mentioned *only*, and is rendered without prejudice in any way to the claims made in previous Accounts sent to the Government, and which still remain unsettled.

RECEIVED from the Honorable the Colonial Treasurer the sum of Eight thousand one hundred and twenty-five Pounds, being the amount of the above Account of Particulars; but such payment is made and received without prejudice to any further or other claim by or against the Government of Tasmania and the Tasmanian Main Line Railway Company, under or arising out of the Contract between the Government and the Company.

The Tasmanian Main Line Railway Company, Limited,
per their Attorney—

C. H. GRANT.

Witness to the payment—

J. BENNISON.
1. 11. 81.