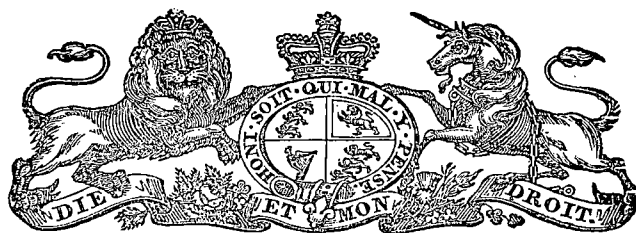


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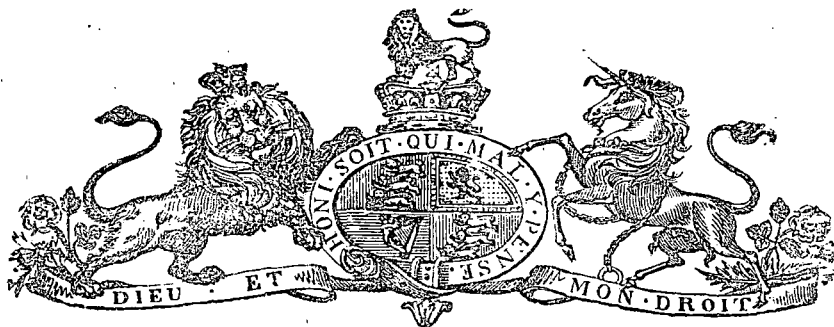
TASMANIA.

LEGISLATIVE COUNCIL.

TASMANIAN MAIN LINE RAILWAY:

PROPOSAL FOR SETTLEMENT OF ALL CLAIMS.

Laid upon the Table by Mr. Moore, and ordered by the Council to be printed,
October 19, 1882.



*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart, 10th October, 1882.*

SIR,

HAVING observed that the agreement made between your Government and the Tasmanian Main Line Railway Company, Limited, to submit to arbitration all claims and counter-claims in dispute between the parties (an equitable settlement of which the Company have been pressing for the past four years with ever increasing urgency), has evoked much hostile criticism in Parliament and by a portion of the public press, I have the honor to address you on the subject, with the view of removing, if possible, any difficulties that tend to impede an amicable settlement between those whose true interests are so indissolubly bound in mutual conciliation.

As regards the settlement by arbitration, I may remark that the Company have never made this their ultimatum, and remind you that the Chairman, in his letter of the 11th March last, uses this expression:—

“I would suggest a general arbitration, or what perhaps would be better, as conducing to a more speedy settlement, an all-round compromise.”

Colonel Grey also,—when representing the Company in this Colony,—preferred, I believe, an all-round compromise, which I think was the view of the Government of that day, to an amount not exceeding £16,000; but the parties were unable to agree upon terms.

Personally I have always considered that the strictly honorable and satisfactory termination of disputes that have engendered such strong feelings and expressions on each side would be a general arbitration, in which it should be open to both sides to enquire into every transaction affecting the equities of the claims and counter-claims; when the unerring logic of facts could be urged in support of the bona fides of the Company throughout the present duration of the contract. But, begging pardon for this personal digression, I have to repeat that a compromise is still feasible, on terms which I now finally submit, after much discussion.

These are—

	£	s.	d.
That the Company accept the half of £20,382 19s. 10d., being their claim for the working of the line to Evandale Junction between the 1st March and 1st November, 1876, or say	10,191	10	0
With six years' interest thereon, calculated at 5 per cent. per annum	3057	6	0
Also the balances of interest due the Company during the period the line was in course of construction, £1003 12s. 10d., and interest thereon at 5 per cent., £401 12s.	1405	4	10
TOTAL.....	£14,654	0	10

That the Government and Company mutually surrender each claim or counter-claim either may have against the other, except as above provided.

That the revenue and expenditure of the Company be adjusted on the principle of yearly balances, the quarterly statements being rendered, and audited, for information only; and the true balance of profit and loss struck yearly, after a proper allowance has been made towards a renewal fund both for the line and rolling-stock. Should such balance be a debit the loss to fall on the Company, and if a credit to be deducted from the payment of the guaranteed interest. Consequent on such mutual arrange-

ment, the amounts formerly retained from the guaranteed interest as a profit on particular quarters—although a loss arose on the year—to be allowed the Company in the first quarterly settlements in which the accounts show that a balance, otherwise obtainable by the Government, can be retained by the Company.

This sum of £14,654 0s. 10d. is the very minimum amount that would be accepted by the Company, in full of all demands, on the conditions above stated; but this offer is made without prejudice to the Company's right to proceed to arbitration, or as affecting any of their existing claims, amounting to more than four times the above sum, and which the Company have the highest legal advice they would be able to recover by an action at law, with all costs, which alone already amount to a very large sum.

I have the honor to be,
Sir,

Your most obedient Servant,

C. H. GRANT, *Agent and Attorney for*
the Tasmanian Main Line Railway Company, Limited.

The Hon. W. R. GIBLIN,
Premier and Attorney-General.

Attorney-General's Office, 11th October, 1882.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 10th instant, with reference to the amicable settlement of all disputes between the Colony and the Tasmanian Main Line Railway Company.

I recognise the desire which your offer evinces to make an immediate, final, and friendly settlement of all matters in difference; and having regard to the objections which have been raised in Parliament to the mode of settling such differences by arbitration, I have now the honor to inform you that Ministers are prepared to recommend to Parliament to authorise them to compromise all disputes upon the terms stated in your letter. They will at once take the necessary steps to obtain the sanction of the Legislature to their acceptance of these terms, and to pay over £14,654 0s. 10d. now offered to be accepted upon mutual releases being exchanged embodying the terms specified,—thus, I trust, finally terminating the differences which have so long existed between the Colony and the Company.

I have, &c.

W. R. GIBLIN.

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