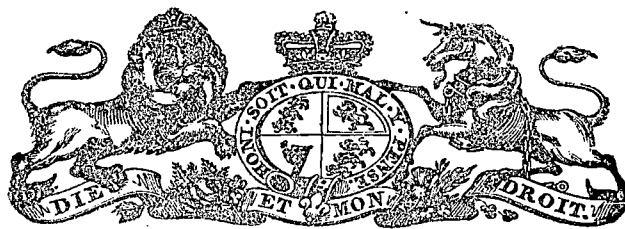


(No. 59.)



1881.

T A S M A N I A.

H O U S E O F A S S E M B L Y.

MAIN LINE RAILWAY.—ARBITRATION.

**CORRESPONDENCE *RE* TOLL AND COMPENSATION FOR RUNNING POWERS
OVER LAUNCESTON AND WESTERN RAILWAY, AND AWARD.**

Laid upon the Table by the Minister of Lands, and ordered by the House to be
printed, July 19, 1881.



*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 26th May, 1880.*

MY DEAR SIR,

You may consider it somewhat premature to at present revive the question of the Toll payable by the Main Line for the use of the Launceston and Western Railway; but I do so because my Directors are very dissatisfied at the amount, which they consider to be far too large.

The Secretary suggests that you would possibly agree to refer the matter to some high English authority; and states that every one at all connected with the Main Line Railway is totally unknown to the Manager of the Great Western Railway of England, on which mixed gauges have been used, and who would, therefore, appear to be a satisfactory referee to both parties.

You will have noticed that our weekly returns fully bear out the opinion of Mr. Johnston and yourself that our traffic would decrease after the third year, and that I was wrong in expecting an increase.

The Toll agreed upon will therefore be much heavier than the proportion awarded by the Arbitrators.

I have, &c.

C. H. GRANT, *Manager.*

R. W. LORD, *Manager L. & W. Railway, Launceston.*

*Launceston and Western Railway,
Manager's Office, Launceston, 27th May, 1880.*

MY DEAR SIR,

I HAVE to acknowledge the receipt of your favour of yesterday respecting the Toll payable by your Company to this Department.

I will immediately address the Hon. the Minister of Lands on the subject.

At the same time I can only repeat what I have previously informed you, that I do not consider the highest English authority would be a satisfactory reference, inasmuch as Colonial railways are constructed upon an entirely different basis to any English railway,—being either constructed by the Government for the development of the country, or under a subsidy.

Altogether outside this, the Launceston and Western and Main Line Acts of Parliament distinctly direct the mode of reference to arbitration in case of difference that shall be adopted, and could not be disregarded.

I infer from your letter that a reference to arbitration will be made, and I will so advise the Government.

I have, &c.

R. W. LORD, *Manager.*

C. H. GRANT, *Esq., Hobart Town.*

*Launceston and Western Railway,
Manager's Office, Launceston, Tasmania, 2nd June, 1880.*

SIR,

I HAVE the honor to forward you copy of a letter from Mr. C. H. Grant, General Manager of the Main Line Railway Company, dated 26th ultimo, upon the subject of the payment now made by his Company to the Launceston and Western Railway Department for the use of the portion of line between Launceston and Evandale Road. In this letter you will perceive that Mr. Grant informs me that his Directors are much dissatisfied with the existing arrangements, thinking the amount paid too large. As you are aware, the agreement was for 12 months, which will terminate on the 31st of October next.

You will also observe from Mr. Grant's letter, that he proposes a joint reference to some high English railway authority.

In acknowledging the receipt of Mr. Grant's letter I ventured to repeat to him my objections to any such reference; and also to remark that inasmuch as the several Acts of Parliament distinctly set forth the mode of arbitration upon this question of the exercise of running powers in case of difference, I did not see how their terms could be disregarded even if deemed advisable.

Mr. Grant's letter would appear to require a further and definite reply after I receive your instructions.

I have, &c.

R. W. LORD, *Manager.*

The Hon. C. O'REILLY, Minister of Lands and Works.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 3rd June, 1880.*

MY DEAR SIR,

HAVING mislaid your letter of the 27th ultimo I had not the opportunity of replying thereto until now, or I would have at once written to state that I have no instructions from my Directors as to whether they desire that the Tolls payable for the use of the Launceston and Western Railway by the Main Line Railway Company should be settled by a fresh arbitration.

It was in reply to my question on the subject that the Secretary proposed the reference to one of the first Railway Authorities in England in place of the arbitration specified in the Contract, but he forbore to state what alternative the Board desired in case of their proposal being refused; and I cannot undertake the responsibility of concurring in the Contract arbitration unless you insist on it, because I know how extremely dissatisfied the Chairman and Directors are with the result of the last.

There would not, I think, be any legal impediment to our *mutually* consenting to refer the question to any Railway Authority in England or elsewhere, and the opinion would necessarily be of greater value as representing the largest possible practical experience; and although I do not suppose that any Arbitrators we should agree upon would be the least affected by local considerations, it would be more certain that an English Referee would be wholly unbiassed, and likely to command the assent of the Company to the award.

The proposal of the Secretary seems to me to be a good one, but unless it has your concurrence cannot be carried into effect.

I have, &c.

C. H. GRANT.

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

*Launceston and Western Railway, Manager's Office,
Launceston, Tasmania, 4th June, 1880.*

MY DEAR SIR,

I AM this morning in receipt of your letter of yesterday commenting upon mine to you of 27th ultimo on the subject of Toll payable by your Company to this Department.

I entirely differ with you in respect to the advantage of a joint reference to any English Authority. The circumstances of Colonial Railways are so diametrically opposite to those of English lines that the greatest expert of the latter would literally have to unlearn all he knew to understand the reverse relations of the former,—viz., Colonial subsidised non-paying lines.

This we find conclusively proved by the fact that in searching for English decisions as a precedent, amongst the hundreds of cases we went through we could only find one in the slightest degree resembling ours, and the decision of the Railway Commissioners in that one was, as we contended, that such a provision was made, in addition to a proportion of receipts, that a fair interest should be paid for the cost of the works used.

I feel satisfied that the Government would not, under all the circumstances, take upon themselves the grave responsibility of such a reference, and thus depart from the instructions of the Acts of Parliament, even if it could be legally so done.

I have addressed the Government enclosing copy of your other letter, thinking that you meant that, failing an agreement to such proposed joint reference, an arbitration in the terms of the Acts would be resorted to.

I have, &c.

R. W. LORD, *Manager.*

C. H. GRANT, *Esquire, Hobart Town.*

*Launceston and Western Railway, Manager's Office,
Launceston, Tasmania, 4th June, 1880.*

SIR,

I HAVE the honor to forward a copy of a further letter from Mr. Grant, the General Manager of the Main Line Railway Company, upon the subject of the Toll payable by his Company for the exercise of running powers over a portion of this Railway, together with my reply thereto. I should be glad to be favoured with your instructions as to the views of the Government upon Mr. Grant's suggestion.

I have, &c.

R. W. LORD.

The Hon. C. O'REILLY, Minister of Lands and Works.

Lands and Works Office, Hobart Town, 30th June, 1880.

SIR,

I HAVE the honor to draw your attention to the fact that an existing Agreement, dated the 27th day of October, 1879, between the Governor and the Tasmanian Main Line Railway Company, Limited, for the exercise of running powers by the Company over the Launceston and Western Railway between Evandale Junction and Launceston, and also for the performance of certain station duties at the Evandale Junction by the Launceston and Western Railway Department for the Main Line Railway Company, terminates on the 31st day of October next; and I have the honor to request you will place yourself in communication with the Manager of the Launceston and Western Railway in order that some definite arrangement may be made with respect to Tolls and Compensation for running powers for a further term, by mutual consent; and, failing that, the question to be referred to arbitration in manner provided by law.

I have, &c.

J. W. AGNEW,
For Minister of Lands and Works, absent.

C. H. GRANT, *Esq., C.E., General Manager
Tasmanian Main Line Railway, Hobart Town.*

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 2nd July, 1880.*

SIR,

I HAVE the honor to acknowledge the receipt of your letter dated 30th ultimo, in which you remind me that the existing Agreement between the Government of Tasmania and the Tasmanian Main Line Railway Company, Limited, for the exercise of running powers by the Company over the Launceston and Western Railway between Evandale Junction and Launceston expires on the 31st day of October next, and request that I will communicate with the Manager of the Launceston and Western Railway in order that an arrangement may be entered into for a further term, either by consent or by the statutory reference to arbitration.

In reply, I beg to state that I have already brought the matter under the notice of the Directors of the Company in London, and hope to be favoured with their instructions by an early mail.

The Secretary of the Company desired me to suggest that this question of Tolls and Compensation should be referred to the Manager of one of the largest English Railways, in order to obtain a decision founded on the most recent experience in these matters. I mentioned this to the Manager of the Launceston and Western Railway, and understood him to state that he would bring it under the notice of the Government.

Such a reference would, I believe, be more satisfactory to the Company than any decision locally obtained, and, in my humble opinion, would be the better mode of arriving at a correct result satisfactory to both parties; but this, of course, could only be done by mutual consent.

I have, &c.

C. H. GRANT.

*The Hon. C. O'REILLY, M.H.A.,
Minister of Lands and Works.*

Lands and Works Office, Hobart Town, 15th July, 1880.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of the 2nd inst. on the subject of a reference with respect to the amount to be paid as tolls and compensation by the Main Line Railway Company, Limited, for running powers over the Launceston and Western Railway, in which you suggest that the matter be referred to the Manager of one of the largest English Railways.

In reply, I beg to inform you that I cannot sanction any departure from the course laid down by law,—viz., the appointment of Arbitrators by either side in the event of a difference.

Will you, therefore, be so good as to place yourself in immediate communication with the Manager of the Launceston and Western Railway as requested in my letter to you of the 30th ultimo?

I have, &c.

C. H. GRANT, *Esq., Hobart Town.*

C. O'REILLY, *Minister of Lands and Works.*

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 16th July, 1880.*

SIR,

I HAVE received a letter dated the 15th inst. from the Hon. the Minister of Lands and Works, in which he desires that I would place myself in immediate communication with you respecting the amount to be paid as tolls and compensation by the Main Line Railway Company for running powers over the Launceston and Western Railway after the 1st of November next.

I have already mentioned to you that I have written to the Secretary of the Company in London requesting the instructions of the Board on this matter, and immediately that I receive the same will further correspond with you.

If you have no objection, will you kindly inform me whether you would be willing to agree to the terms being calculated on the principle fixed by the Arbitrators, but altering the amount to such as we can agree upon as the probable traffic for each ensuing year? For you are aware that the Main Line Railway Company have latterly been paying at a higher rate than awarded by the Arbitrators, through my having over-estimated the traffic. This difference will, I fear, in the present year be seriously against the Company, although I am sure that you did not intend it to be so when arranging with me as to the amount of the tolls that should be paid.

I have, &c.

C. H. GRANT.

R. W. LORD, *Esq., Manager L. & W. Railway.*

*Launceston and Western Railway,
Manager's Office, Launceston, 19th July, 1880.*

MY DEAR SIR,

I HAVE to acknowledge the receipt of your favour of the 16th inst., informing me that you had received a letter from the Hon. the Minister of Lands and Works desiring you to place yourself in communication with me in respect to the amount to be paid as toll and compensation by your Company for exercising running powers over a portion of the Launceston and Western Railway from the 1st of November next.

You also ask me if I see any objection to agree to terms being fixed upon the basis of traffic receipt?

You are aware that my contention always was, that a participation in your receipts would not be a fair equivalent for the use of our very costly piece of railway, with its valuable entrance to Launceston, the capital of the North. I am still more strongly than ever of opinion that the original demand of the Government for annual toll of £5000 was only a reasonable amount if settled without reference to arbitration, &c.

I am now the more confirmed in this by the knowledge of the excessive wear and tear your running shows upon our line, especially in respect to our rail which you use. This is very much in excess of what we originally estimated, and therefore I would not feel justified in recommending the Government to accept any amount less than £5000 per annum.

Possibly a conference between yourself and myself might be advisable before any further step be taken.

I have, &c.

R. W. LORD, *Manager.*

C. H. GRANT, *Esq., Hobart Town.*

*Launceston and Western Railway,
Manager's Office, Launceston, Tasmania, 20th July, 1880.*

SIR,

I HAVE the honor to forward a copy of a letter from Mr. Grant, the General Manager of the Main Line Railway Company, upon the subject of the Toll to be paid by the Main Line Railway Company to the Launceston and Western Railway Department for the use of the portion of the Line between Launceston and Evandale Junction upon the expiration of the present agreement.

In view of the excessive tear and wear which results from the Main Line Railway Company's trains, and the uncertain and varying nature of their traffic receipts, I do not think it would be an equitable basis for settlement of the Toll to take actual receipts from time to time. I enclose your copy of my reply to Mr. Grant.

You are aware that I have always contended that the amount to be paid for Toll and Compensation should be a fair equivalent for the value of the works used, quite irrespective of the traffic, which may prove very fluctuating.

I will report to you if I have a conference with Mr. Grant. I think, however, a reference to arbitration will be necessary.

I have, &c.

R. W. LORD.

The Honorable C. O'REILLY, M.H.A., Minister of Lands and Works.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 24th July, 1880.*

MY DEAR SIR,

I DULY received your letter of the 19th instant on the subject of the Tolls payable by the Main Line Railway Company for their use of a portion of the Launceston and Western Railway.

I am utterly at a loss to understand how the running of the Main Line Railway trains over your heavy rail can cause any important excess of wear and tear, because the load per pair of wheels of our stock is quite insignificant compared with that you run over your line.

I must still contend that the usual principle of appropriating a fixed portion of our traffic to the benefit of the owning Company would be a proper payment to make as Tolls and Compensation.

My question, however, was not intended to open up this matter, but simply to ask whether you felt inclined to agree that the award made by the arbitrators should continue to apply, correcting the amount paid to you to the amount of the traffic: that rendered to them (as you are aware) was erroneously stated in excess. This correction would make but a very inconsiderable difference in the Toll, but would fix at the amount intended by the Arbitrators, from which my over sanguine calculations have made us depart.

I have already informed you that the Board of Directors have been asked to decide whether they would desire a fresh arbitration, or a corrected agreement as before mentioned; and I hope to receive their reply by an early mail.

Having referred the matter to them, I do not feel at liberty to act in it myself; but if you require an arbitration and give us notice to that effect I must of course accept it, and be prepared to proceed therewith.

Directly I hear from our Secretary on this matter I will communicate with you, and make a point of visiting Launceston to confer with you on the matter.

I have, &c.

C. H. GRANT.

R. W. LORD, *Esq., Manager L. & W. Railway, Launceston.*

*Launceston and Western Railway,
Manager's Office, Launceston, Tasmania, 29th July, 1880.*

MY DEAR SIR,

YOUR favour under date 24th inst. reached me upon my return last evening, and I hasten to reply thereto.

There is no doubt that the excessive wear and tear I before referred to does take place; probably it is caused by some peculiarity in the construction or coning of the wheels of your rolling-stock, which causes them to cut or shear the rails upon which they run. Quite irrespective of this, however, I find the general repairs are heavier than we calculated when giving evidence at the time of the arbitration.

I should not now feel justified, therefore, in taking the figures of the Arbitrators as a basis for another arrangement, more especially as you confess your disappointment at the fluctuating nature of your traffic.

I have, &c.

R. W. LORD, *Manager.*

C. H. GRANT, *Esq., Hobart Town.*

*Launceston and Western Railway,
Manager's Office, Launceston, Tasmania, 30th July, 1880.*

SIR,

I HAVE the honor to forward copies of further correspondence with Mr. Grant, the General Manager of the Main Line Railway Company, upon the Toll question, for your information.

I have, &c.

R. W. LORD.

The Hon. C. O'REILLY, M.H.A., Minister of Lands and Works.

Lands and Works Office, Hobart Town, 10th September, 1880.

MEMORANDUM.

WILL the Manager of the Launceston and Western Railway be so good as to advise me as to the result of the action taken with reference to the payment of Toll and Compensation for running powers?

The present or existing agreement terminates on the 30th October next, and a settlement of the question should be arrived at without further delay.

C. O'REILLY.

TELEGRAM.

Launceston and Western Railway Station, 11th September, 1880.

TOLL question is continually before me. Mr. Grant has been expecting definite instructions to guide him each mail. A mail arrives to-day. I urge him again.

R. W. LORD.

HON. C. O'REILLY.

SIR,

*Launceston and Western Railway,
Manager's Office, Launceston, 11th September, 1880.*

I HAVE the honor to acknowledge the receipt of your Memorandum of yesterday's date, requesting me to inform you how the Toll question with the Main Line Railway Company stands. In reply I have to state that I have from time to time addressed Mr. Grant in reference to this matter, and he informs me that he has been expecting definite instructions from his Directors for several mails past. I have this day again addressed Mr. Grant by telegram on the subject, and immediately upon the receipt of his reply I will report its purport to you. Whilst writing I have received the enclosed telegram from Mr. Grant. I presume I may give him until Monday.

I trust I am not out of place in taking the opportunity to assure you that this most important question is receiving my unremitting attention.

I have, &c.

*The Honorable C. O'REILLY, M.H.A.,
Minister of Lands and Works.*

R. W. LORD.

TELEGRAM.

Hobart, 11th September, 1880.

THE last mail brought no instructions from my Directors or I would have informed you. Expect instructions by incoming mail now overdue. Should like to defer reply till Monday; but, as have always stated, if you pressed an arbitration we must in any case concur, and get it settled as soon as possible.

C. H. GRANT.

R. W. LORD, *Esq.*

Lands and Works Office, Hobart Town, 13th September, 1880.

MEMO.

Re ARBITRATION.

I SAW Mr. Grant this morning. He asks for a few days' grace, as he expects to receive instructions from the Directors in London by the incoming mail daily expected.

Had not the Government better be prepared with an Arbitrator, that is if you cannot arrange the matter by mutual consent?

In any case Mr. Grant would like the present or existing agreement to run on to the end of the year—*two months*—and then commence afresh. He should ask this in writing.

R. W. LORD, *Esq.*, *Manager L. & W. Railway,
Launceston.*

G. F. LOVETT.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 15th September, 1880.*

MY DEAR MR. LORD,

MY advices from London by the inwards mail of last evening contained no reference to the question of Tolls payable by the Main Line Railway Company for running over the Launceston and Western Railway; and upon referring to my letter home on the subject I find that *positive* instructions were only *pressed for* on the 23rd June last, whereas my letter under reply bears date the 9th of that month. I am not therefore entitled to complain of any delay in London until the next mail arrives.

As before stated, I am entirely in your hands in the matter. For myself, I should be willing to go on for another year paying the same rate on the actual traffic that was awarded by the Arbitrators. We could doubtless agree, as before, upon an estimate of the traffic; but if not, I should be happy to pay you £1000 per quarter, provided that at the end of the twelve months I was allowed to deduct from the balance any over-payment made in previous quarters; and, on the other hand, should there be an excess over the £1000 due to you I would pay it on the last quarter.

It would I think be for the convenience of all parties, that we should allow the present arrangement to run on until the end of the year, so that the fresh agreement may commence from the 1st of January next.

In view of the very unsettled state at the present time of all matters relating to the Main Line Railway, I should repel the expense of an arbitration just now, because it may be money thrown away; but if you insist upon it I must, of course, prepare to meet you at once.

I am, &c.

R. W. LORD, *Esq.*, *Manager L. & W. Railway,
Launceston.*

C. H. GRANT.

TELEGRAM.

Launceston and Western Railway, 16th September, 1880.

Mr. Grant writes that he has not received definite instructions by mail *re* Tolls. He asks that present arrangements be temporarily extended to end of year. This means the months of November and December, and I recommend its acceptance. I suppose if you approve, Crown Solicitor could draw short Agreement. I telegraph, as it had better be settled at once. It seems an arrangement to be desired, as an arbitration now would, I presume, be inconvenient to the Attorney-General.

R. W. LORD.

Hon. C. O'REILLY.

*Launceston and Western Railway,
Manager's Office, Launceston, 16th September, 1880.*

SIR,

I HAVE the honor to enclose copy of a letter received from Mr. Grant, the General Manager of the Main Line Railway Company, this day upon the Toll question.

I have the honor to recommend that the existing Agreement be extended to the end of the current year. This will afford ample time to arrange for an arbitration, if found necessary.

I have, &c.

*The Honorable C. O'REILLY, M.H.A.,
Minister of Lands and Works.*

R. W. LORD.

RECOMMENDATION approved. Necessary steps to be taken in the matter.

C. O'REILLY.
17. 9. 80.

*Launceston and Western Railway,
Manager's Office, 17th September, 1880.*

MY DEAR MR. GRANT,

I HAVE to acknowledge the receipt of your favour of the 15th instant upon the Toll question. I have recommended the Government to extend the existing Agreement to the end of the current year. This will give time for you to hear from your Board, and also for any further communication with a view to settlement.

I have, &c.

C. H. GRANT, Esq.

R. W. LORD.

*Tasmanian Main Line Railway Company, Limited,
Hobart Town, 18th September, 1880.*

MY DEAR MR. LORD,

I WAS absent on the line yesterday when your telegram arrived stating that you had recommended the Government to agree to the extension of our present Agreement until the end of the year, so could not thank you for it, which I now do, as also for your telegram of this date stating that the Government had authorised you to assent to such extension.

I have also to express my obligations for your letter of the 17th instant, in which you kindly state that the extension of time will enable me to hear from my Directors before finally negotiating this matter.

The next mail may bring me definite instructions, because my very pressing letter for them would have been received in time for an immediate reply. If, however, no Board Meeting had been held in the interim I may be disappointed in the expectation of receiving positive orders by next mail.

I have, &c.

R. W. LORD, Esq., Launceston.

C. H. GRANT.

FORWARDED to the Honorable the Attorney-General, with a request that he will be so good as to prepare an extension of the existing Agreement for two months ending 31st December, 1880.

C. O'REILLY.
20. 9. 80.

WILL the Solicitor-General be good enough to prepare the necessary document?

J. S. DODDS.
20 Sept., 1880

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 21st September, 1880.*

MY DEAR MR. LORD,

MANY thanks for your information that the Government have agreed to extend our present arrangement as to Toll until the end of the year, and that the Crown Solicitor is preparing an agreement for extended time.

I heard from the Secretary by the last mail that the Directors left the consideration of arbitrating the Tolls and Compensation entirely to me, notwithstanding that I had so very positively urged for direct instructions.

From what I gather the Board Meetings have been so occupied in the consideration of legal troubles that no time was left for our little matter to have attention.

Under these circumstances, I can only renew the offer made in my letter of the 15th instant as a provisional one and without prejudice, to extend over one year only, by the expiration of which time I trust that our difficulties with the Government will have ended.

It would be more convenient to me if you would consent to accept the proportion of the traffic as it is earned, because we are so very short of money in the dull season of the year. In this case you would receive about £1250 on the 1st of April next, about £1150 on the 1st July, and proportionately less at the expiration of the two following quarters.

If any of these proposals meet your acceptance (personally) I shall be happy to put them into a more formal shape.

I have, &c.

C. H. GRANT.

R. W. LORD, Esq., Manager L. & W. Railway, Launceston.

*Launceston and Western Railway, Launceston,
26th September, 1880.*

MY DEAR MR. GRANT,

YOUR favor under date 21st instant reached my office yesterday when I was absent on the line.

I am not yet in a position to answer you definitely, but do not think I can recommend the Government to accept as the basis for the Toll a proportion of your very variable receipts.

Your receipts, I regret to observe, show a steady downward tendency; the expense of working our costly section of Railway which you use has, on the other hand, an unvarying upward tendency.

I will, however, write you further on the subject, although, unless you can agree to a permanent Toll of £5000, I think an arbitration inevitable.

I have, &c.

C. H. GRANT, Esq., Hobart Town.

R. W. LORD.

*Launceston and Western Railway, Manager's Office,
Launceston, 27th September, 1880.*

SIR,

I HAVE the honor to forward a further letter received from Mr. Grant upon the Toll question, and copy of my reply thereto, for your information.

I have, &c.

*The Hon. C. O'REILLY, M.H.A.,
Minister of Lands and Works.*

R. W. LORD.

*Launceston and Western Railway,
Manager's Office, Launceston, 19th October, 1880.*

MY DEAR MR. O'REILLY,

FROM recent conversation with Mr. Grant I am satisfied that an arbitration will be unavoidable upon the Toll question. I had previously recommended to you that the services of Mr. John Whitton, Engineer-in-Chief of New South Wales, should, if possible, be secured for us. If you approve, I think early negotiations should be entered into, as a gentleman of Mr. Whitton's position would require 6 or 8 weeks' notice very probably. I do not think it would be possible to secure a better man.

Yours very truly,

Hon. C. O'REILLY.

R. W. LORD.

THE Agreement (indorsed on the Agreement of 27th October, 1879) is forwarded herewith to the Minister of Lands and Works for the assent of the Administrator of the Government. All the correspondence is returned.

ROBT. P. ADAMS.
25. 10. 80.

MINUTE PAPER FOR THE EXECUTIVE COUNCIL.

Lands and Works Office, Hobart Town, 25th October, 1880.

AN Agreement for the extension for a period of two months from the 31st October inst. of the time during which running powers may be exercised by the Main Line Railway Company over the Launceston and Western Railway, is herewith submitted for signature.

C. O'REILLY.

THE Administrator in Council approves.

E. C. NOWELL.
25. 10. 80.

Dated 25th October, 1880. His Excellency the Administrator of the Government with the Tasmanian Main Line Railway Company (Limited). Agreement.

THIS Agreement made the twenty-fifth day of October one thousand eight hundred and eighty 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 by and with the advice and consent of His Executive Council for and on behalf of the Government of Tasmania and hereinafter called "the Administrator of the Government" of the one part and THE TASMANIAN MAIN LINE RAILWAY COMPANY (LIMITED) hereinafter called "the Company" of the other part WHEREAS pursuant to the provisions of the within written Agreement the Company have from the First day of November one thousand eight hundred and seventy-nine exercised the running powers over the Launceston and Western Railway therein referred to AND WHEREAS it has been agreed that the Company may continue to exercise such running powers for the further period of Two months from the Thirty-first day of October to the Thirty-first day of December now next ensuing in manner and on the terms and subject to the conditions in the said within written Agreement and hereinafter expressed and contained IT IS THEREFORE HEREBY MUTUALLY AGREED between the Administrator of the Government and the Company in pursuance of the within recited Acts of Parliament and Contract and in pursuance of the lastly hereinbefore recited Agreement as follows:—

1. The Administrator of the Government hereby authorises and empowers the Company to use and exercise such running powers over the Launceston and Western Railway as are mentioned in the within Agreement for the further period of Two months from the Thirty-first day of October one thousand eight hundred and eighty and the Company agree to use and exercise such running powers during the said term as aforesaid in conformity with the within mentioned Acts and Contract and subject to the provisions and stipulations in the within written Agreement contained except so far as the same are altered or affected by this Agreement.

2. The sum to be paid by the Company as tolls and compensation for the exercise of such running powers as aforesaid for the said further period of Two months shall be the sum of Six hundred and ninety-one pounds thirteen shillings and fourpence to be paid to the Administrator of the Government at the Colonial Treasury in Hobart Town on the Thirty-first day of December next Such tolls and compensation shall include the cost of the maintenance of the third rail as provided in the within written Agreement.

3. The sections respectively numbered two, three, four, five, six, eight, nine, and ten in the within written Agreement shall so far as they may continue to be applicable be taken to be incorporated herewith and shall have full force and effect for the further period of Two months from the Thirty-first day of October instant and be binding on all parties hereto as if such sections had been set out and contained in this Agreement. AS WITNESS the hands of the said parties to these presents the day and year firstly hereinbefore written.

Signed by the above-named Sir John Henry Lefroy
Administrator of the Government of Tasmania at a
meeting of the Executive Council held at Hobart
Town on the 25th day of October 1880.

J. H. LEFROY.

E. C. NOWELL,
Clerk of the Executive Council.

THE TASMANIAN MAIN LINE RAILWAY
COMPANY, LIMITED,

Signed by Charles Henry Grant as the Attorney to
the said Company in the presence of

By their Attorney

C. H. GRANT.

A. WINTERSON.

Stamp Duty Tasmania. One Shilling.

FORWARDED to the Manager of the Launceston and Western Railway. The Agreement of the year 1879 has been extended to the end of the year 1880 by indorsation, duly executed by His Excellency the Administrator of the Government, and Mr. C. H. Grant on behalf of the Company.

G. F. LOVETT.
25th Oct., 1880.

TELEGRAM.

Station, Hobart Town, 25th October, 1880.

INTIMATE to Mr. Grant without delay decision of Government respecting his offer *re* Toll, to the effect that Government will accept for the year 1881 a similar amount to that now paid; viz.—Four thousand one hundred and fifty, and One hundred and twenty Pounds for Junction services. Failing his acceptance of those terms, will proceed to arbitration.

(Signed) C. O'REILLY, *Minister of Lands and Works.*

R. W. LORD, *Esq., Manager L. & W. Railway, Launceston.*

25th October, 1880.

Re Toll and Compensation for 1881.

MEMORANDUM.

The Manager of the Launceston and Western Railway will be so good as to intimate to the Manager of the Tasmanian Main Line Railway Company the decision of the Government with respect to the offer made by Mr. Grant,—“to pay a sum of £1000 per quarter, provided that at the end of 12 months he was allowed to deduct from the balance any over-payment made in previous quarters, and, on the other hand, should there be any excess over the £1000 due the Government to pay it on the last quarter,”—that such offer be declined.

The Government, however, are prepared to continue the present agreement with respect to amount paid by the Company as Tolls and Compensation for running powers for a further period of 12 months from the 1st of January to the 31st December, 1881, on payment of a sum of £4150, together with a sum of £120 for station services rendered at the Evandale Junction.

Failing the acceptance of the terms now submitted, the question to be referred to arbitration in accordance with the law.

C. O'REILLY, *Minister of Lands and Works.*

*Launceston and Western Railway,
Manager's Office, 26th October, 1880.*

MY DEAR SIR,

I AM instructed by the Government to now definitely reply to your letter of September 15th upon the Toll question, wherein you offer “to pay a sum of £1000 per quarter, provided that at the end of 12 months you are allowed to deduct from the balance due any over-payment made in previous quarters, and, on the other hand, should there be an excess over the £1000 due the Government to pay it on the last quarter,” and to decline your proposition.

I am at the same time to inform you that Government are prepared to continue the present Agreement with respect to the amount paid by the Company,—

Tolls and Compensation for running powers for a further period of 12 months from the 1st of January to the 31st December, 1881, upon the present terms; viz., £4150 in equal quarterly payments, in addition to the sum of £120 paid monthly for Station, &c. services at the Evandale Junction.

I am further instructed to finally intimate that, failing your acceptance of those terms, the question will be referred to arbitration as directed by law.

May I ask the favour of your definite answer at an early date.

I have, &c.

C. H. GRANT, *Esq., Hobart Town.*

R. W. LORD, *Manager.*

TELEGRAM.

Launceston and Western Railway, Launceston, 27th October, 1880.

Mr. Grant writes me unofficially he will arbitrate ; formal letter to be prepared to-day. If you approve my suggestion, Mr. Whitton, Engineer-in-Chief, N.S.W., as our Arbitrator, he should be written to : only two months now.

R. W. LORD.

Hon. C. O'REILLY.

*Tasmanian Main Line Railway Company, Limited,
General Manager's Office, Hobart Town, 27th October, 1880.*

MY DEAR SIR,

I AM duly in receipt of your letter of the 26th instant; and, having fully considered the alternatives you place before me, and bearing in mind the fact that neither party to the last arbitration was satisfied with the terms awarded, or, at any rate, that the Main Line Railway Company were extremely dissatisfied thereat, I think it would be to our mutual advantage that an arbitration should be held to determine the amount of Tolls payable by the Main Line Railway Company for running over the Launceston and Western Railway: the more especially if you are willing to agree that the Tolls for a series of years should be referred at the same time, so that the trouble and expense of frequent arbitrations may be avoided.

Having this view, I beg to propose that the arbitration should be held at any time convenient to the Government and yourself,—the time being perfectly immaterial to me; and that the agreement for the arbitration should require the Arbitrators to decide upon the Tolls payable for at least 5 or 7 years.

I presume it will be better to include in this reference all payments due to you, whether for Station duties at Evandale or otherwise, in order to make the matter complete.

I am taking a short run over to Melbourne this week and shall therefore not be here when your reply arrives; but have to assure you that, whatever be its nature, I have no wish to delay in the smallest degree any proceedings that you may agree upon, as is evinced by my speedy reply to your communication of yesterday, under the embarrassing circumstances of the English Mail and our Agricultural Show.

I have, &c.

C. H. GRANT.

R. W. LORD, Esq., Manager L. and W. Railway, Launceston.

*Launceston and Western Railway,
Manager's Office, Launceston, 28th October, 1880.*

SIR,

I HAVE the honor to forward copy of Mr. Grant's reply to the final offer in re Toll. Arbitration will therefore, I presume, be resorted to.

I have, &c.

The Hon. C. O'REILLY, M.H.A., Minister of Lands and Works.

R. W. LORD.

TELEGRAM.

SHOULD you report Mr. Grant's refusal, Colonial Secretary will write New South Wales re Mr. Whitton.

R. W. LORD, Esq., Launceston.

C. O'REILLY.
28. 10. 80.

TELEGRAM.

Launceston and Western Railway, Launceston, 28th October, 1880.

If you don't approve Mr. Whitton I suggest Mr. Gordon, who sat umpire last arbitration but was not required to act; he sat through hearing, therefore knows case.

R. W. LORD.

Hon. C. O'REILLY.

I HAVE not any objection to Mr. Whitton. Communication requesting his services should proceed from Colonial Secretary's Office when your official report is received.

C. O'REILLY.
28. 10. 80.

TELEGRAM.

Launceston and Western Railway, 28th October, 1880.

Mr. Grant's letter just to hand declining terms and asking arbitration for five or seven years. He intends having Counsel this time. I would like soon to have interview with Attorney-General.

R. W. LORD.

Hon. C. O'REILLY.

Lands and Works Office, Hobart Town, 29th October, 1880.

MEMORANDUM.

WILL the Honorable the Colonial Secretary be so good as to address the Honorable the Secretary for Public Works, New South Wales, as to whether the services of Mr. John Whitton, Engineer-in-Chief, would be placed at the service of the Tasmanian Government to act in the capacity of Arbitrator on the part of the Government to decide an amount to be paid by the Tasmanian Main Line Railway Company, Limited, as Tolls and Compensation for running powers over the Launceston and Western Railway?

C. O'REILLY, *Minister of Lands and Works.**Colonial Secretary's Office, Hobart Town, 30th October, 1880.*

SIR,

THE question having arisen as to the amount of Tolls and Compensation to be paid by the Tasmanian Main Line Railway Company, Limited, for the exercise of running powers by the Company over the Launceston and Western Railway between Evandale Junction and Launceston, and as it is provided by law that the question in dispute shall be settled by arbitration, I have the honor to enquire whether you will be good enough to allow your Engineer-in-Chief, Mr. John Whitton, to act as Arbitrator on behalf of this Government?

Your consent to this request would be highly appreciated should Mr. Whitton be willing to undertake the duty, and I shall much esteem an early reply to this communication, as the Government are anxious not to delay the settlement of the question.

I have, &c.

The Hon. the Colonial Secretary, New South Wales.

WM. MOORE.

Lands and Works Office, Hobart Town, 29th October, 1880.

MEMORANDUM.

WILL the Honorable the Attorney-General be so good as to cause the Manager of the Main Line Railway Company, Limited, to be served with a formal notice that the Government intend to refer the question of the amount to be paid by the Company as Tolls and Compensation for running powers over the Launceston and Western Railway to arbitration, and request him to name an Arbitrator?

The Honorable the Colonial Secretary is in communication with the Secretary for Public Works, New South Wales, endeavouring to obtain the services of Mr. John Whitton, Engineer-in-Chief, to act as Arbitrator on the part of the Tasmanian Government.

C. O'REILLY, *Minister of Lands and Works.*

WILL the Solicitor-General be good enough to attend to this matter at once?

J. S. DODDS.
19 Nov., 1880.*Solicitor-General's Office, 23rd November, 1880.*

DEAR SIRS,

Re Tasmanian Main Line Railway, I have instructions to inform you, as Solicitors for the Tasmanian Main Line Railway Company, Limited, that the Government intend to refer the question of the amount to be paid by the Company as Tolls and Compensation for running powers over the Launceston and Western Railway from the end of this year to arbitration, as provided by "The Launceston and Western Railway Act, 1873," (37 Vict. No. 20, s. 42).

I understand that Mr. Grant proposes that the amounts shall be so fixed for 5 or 7 years.

Messrs. DOBSON & MITCHELL.

Faithfully yours,

ROBT. P. ADAMS.

Hobart Town, 23rd November, 1880.

DEAR SIR,

Tasmanian Main Line Railway Company and Government.

YOURS of to-day's date *re* Tolls for running powers has just been delivered. Mr. Grant is still in Melbourne, where our Mr. Dobson lately saw him, and Mr. Grant then made some of the arrangements for the proposed arbitration, so that the matter can be proceeded with on his return to the Colony.

Yours faithfully,

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

DOBSON & MITCHELL.

TELEGRAM.

Hobart Town, 27th November, 1880.

SHALL feel obliged by reply to letter of 30th ultimo *re* Mr. Whitton as Arbitrator.

Colonial Secretary, Sydney.

WM. MOORE.

Crown Solicitor's Office, 30th November, 1880.

DEAR SIRS,

Tasmanian Main Line Railway Company, Limited.

Are you prepared to name an Arbitrator on behalf of the Company for the purpose of settling amount of Tolls and Compensation in respect of running powers?

Yours, &c.

Messrs. DOBSON & MITCHELL.

ROBT. P. ADAMS.

Tasmanian Main Line Railway Company, Limited.
Hobart Town, 3rd December, 1880.

DEAR SIR,

I WRITE to officially inform you, what some days since I communicated verbally, that the Tasmanian Main Line Railway Company, Limited, had appointed Mr. W. M. Fehon, of Melbourne, as their Arbitrator in the arbitration that they wish to be held to decide the amount of Tolls and Compensation to be paid you for their exercise of running powers over the Launceston and Western Railway.

I have not been favoured with a reply whether you will agree that the decision of the Arbitrators should on this occasion apply to a longer term than previously, viz, to five or seven years, as I proposed in my letter of the 27th October. To my mind a more lasting decision on this subject would be of great advantage to both parties, and also save us both a considerable amount of trouble and expense.

I am, &c.,

R. W. LORD, *Esq.*, *Manager L. & W. Railway*.

C. H. GRANT.

Launceston and Western Railway,
Manager's Office, 8th December, 1880.

MY DEAR SIR,

IN reply to your favor of the 3rd instant, I have recommended the Government to agree with you that the award of Arbitrators in the matter of the Toll shall be for five years.

I am, &c.

C. H. GRANT, *Esq.*

R. W. LORD.

Launceston and Western Railway,
Manager's Office, 8th December, 1880.

SIR,

I HAVE the honor to forward copy of a letter from Mr. Grant, dated the 3rd instant, on the subject of the Toll arbitration.

I beg to recommend that the decision of the Arbitrators shall be for a period of five years.

I have, &c.

The Hon. C. O'REILLY, *M.H.A.*, *Minister of Lands and Works*.

R. W. LORD, *Manager*.

TELEGRAM.

HAVE received no reply to my letter of 30th October and my telegrams of 27th November and 6th December applying for services of Mr. Whitton. Manager of Main Line Railway is daily pressing for immediate action. If no reply received from you by noon to-morrow must assume that request cannot be granted, and make other arrangements.

To Colonial Secretary, Sydney.

COLONIAL SECRETARY, TASMANIA.
9th December, 1880.

TELEGRAM.

Hobart Town, 9th December, 1880.

HAVE done all in my power re Arbitration. Again telegraphed the New South Wales Government, without reply. I think we had better fall back upon Mr. Greene. Do you recommend?

WM. MOORE.

R. W. LORD, Esq., L. and W. Railway, Launceston.

Sydney, 9th December, 1880.

DELAY in replying to your telegram caused through reference to the Engineer-in-Chief, who, from press of business is, I regret to say, unable to leave the Colony. Mr. Whitton will, however, be glad to render any assistance he can without visiting Tasmania.

HY. PARKES.

The Hon. Colonial Secretary, Tasmania.

Lands and Works Office, Hobart Town, 9th December, 1880.

SIR,

I HAVE to acknowledge the receipt of your letter of the 8th instant, covering a letter you received from C. H. Grant, Esq., asking that the decision of the Arbitrators as to the amount of Tolls and Compensation to be paid by the Main Line Railway Company for the exercise of running powers should be fixed for a term of five or seven years.

In reply, I have to advise you that the decision of the Arbitrators is to be fixed for a term of five years as recommended by you.

A mail from Sydney, received at Hobart Town yesterday, brought no reply from the Sydney Government as to whether the services of Mr. Whitton will be available as Arbitrator in the matter of Tolls and Compensation about to be referred to arbitration.

Should no reply be received to a second telegram sent to-day to Sydney, other arrangements must be made.

I have, &c.

C. O'REILLY.

R. W. LORD, Esq., Manager L. and W. Railway, Launceston.

TELEGRAM.

Launceston and Western Railway, Launceston, 9th December, 1880.

MR. Grant wires—on hearing from Government will at once telegraph Mr. Fehon. Next week will suit him well.

R. W. LORD.

Hon. W. MOORE.

TELEGRAM.

10th December, 1880.

GOVERNMENT seek services of Arbitrator on question of Tolls and Compensation from Main Line Railway Company for exercise of running powers over Western Railway. Can you act, and come over by steamer on Tuesday to meet Company's Arbitrator, Mr. Fehon? I would suggest Mr. Gordon as Umpire if Fehon agrees; and Gordon might accompany you. Reply promptly.

COLONIAL SECRETARY.

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

TELEGRAM.

Kyneton, 10th December, 1880.

YES; many thanks. Will communicate with Fehon and Gordon, and advise you result.

W. H. GREENE.

The Hon. Colonial Secretary.

TELEGRAM.

Launceston and Western Railway, Launceston, 10th December, 1880.

PLEASE advise Grant to wire Fehon to-day that he may arrange with Greene. Grant writes he is waiting your appointment to do so. I am pleased at selection. When can I see Attorney-General?

R. W. LORD.

The Hon. W. MOORE.

Colonial Secretary's Office, Hobart Town, 10th December, 1880.

SIR,

I HAVE the honor to inform you that the Government have appointed Mr. W. H. Greene as their Arbitrator upon the question of the Toll and Compensation to be paid by the Tasmanian Main Line Railway Company for the exercise of running powers over the Launceston and Western Railway.

Mr. Greene has agreed to come over to Tasmania by the steamer on Tuesday next.

I have, &c.

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

WM. MOORE.

TELEGRAM.

Hobart Town, 11th December, 1880.

ATTORNEY-GENERAL engaged in Criminal Sessions. Please postpone visit so as to leave Melbourne by steamer on Saturday, the 18th instant.

COLONIAL SECRETARY.

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

LET this message be communicated to Mr. R. W. Lord.

WM. MOORE.
11th Dec. '80.

Colonial Secretary's Office, Hobart Town, 11th December, 1880.

MY DEAR SIR,

I REGRET to inform you that the Government find it necessary to postpone the arbitration from Tuesday to Saturday, the 18th instant.

I have, &c.

WM. MOORE.

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

Colonial Secretary's Office, Hobart Town, 11th December, 1880.

MY DEAR SIR,

REFERRING to my note sent to you this morning, instead of saying that it was necessary to postpone the arbitration to Saturday the 18th instant, I should have said that Mr. Greene has been requested, by telegram, to leave Melbourne by steamer on that day.

I have, &c.

WM. MOORE.

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

TELEGRAM.

Hobart Town, 11th December, 1880.

DIFFICULTIES have arisen. Arbitration postponed. Letter by Monday's post.

COLONIAL SECRETARY.

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

Lands and Works Office, Hobart Town, 13th December, 1880.

MEMORANDUM.

WILL the Honorable the Colonial Secretary have the goodness to state if any reply has been received from New South Wales as to whether the services of Mr. Whitton will be available to act as Arbitrator for the Government in the matter of Toll and Compensation to be decided for running powers by the Main Line Railway Company, which he was requested to ascertain in my Memorandum of the 29th October last?

C. O'REILLY, *Minister of Lands and Works.*

TELEGRAM.

Launceston and Western Railway, Launceston, 13th December, 1880.

LET me know how the proposed arbitration meeting stands.

R. W. LORD.

G. F. LOVETT, *Esq.*

*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 December, in which you inform me that the Government have appointed Mr. W. H. Greene, C.E., as their Arbitrator in determining the amount of Toll and Compensation that should be paid by the Tasmanian Main Line Railway Company, Limited, for their use of a portion of the Launceston and Western Railway.

I am also in receipt of two letters dated the 11th instant, in the last of which you inform me that the Government find it necessary to postpone the arbitration, which you had previously considered could be held early this week.

On consulting the Company's Solicitors, and on their waiting upon the Solicitor-General to make arrangements for the reference, they, I believe, found that it could not be held so soon as you contemplated, and that they would fix a date and let us know when they would be ready.

I presume this course meets with your acquiescence; and feel that I have no other alternative than to concur in any appointment which the solicitors may make.

I have, &c.

C. H. GRANT.

The Hon. W. MOORE, Colonial Secretary.

FORWARDED to the Law Officers of the Crown, with the request that arrangements may be made as early as convenient for the consideration by the Arbitrators of the questions to be submitted.

J. W. AGNEW.
14th Dec., 1880.

Colonial Secretary's Office, Hobart Town, 14th December, 1880:

SIR,

WITH reference to previous telegrams respecting the arbitration between this Government and the Tasmanian Main Line Railway, I have the honor to inform you that the Solicitor-General and the Solicitors to the Company have pointed out the necessity for the observance of certain legal preliminary steps, and I wait an intimation from these gentlemen as to when the arbitration can take place.

As soon as the time has been fixed I will again communicate with you; but I anticipate that nothing can be done till after the close of the present year: in the meantime kindly hold yourself in readiness to proceed to Tasmania should you be advised by telegram that arrangements are completed.

I have, &c.

J. W. AGNEW,
For Colonial Secretary, absent.

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

Colonial Secretary's Office, Hobart Town, 14th December, 1880.

SIR,

I HAVE the honor to acknowledge the receipt of your letter of yesterday's date with reference to the arbitration upon the question of Toll and Compensation for the exercise by the Tasmanian Main Line Railway Company of their running powers over the Launceston and Western Railway; and, in reply, to inform you that I have forwarded your letter to the Law Officers of the Crown, with the request that they will make arrangements, as early as practicable, for the meeting of the Arbitrators.

I have, &c.

J. W. AGNEW,
For Colonial Secretary, absent.

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

Lands and Works Office, Hobart Town, 16th December, 1880.

MEMORANDUM.

REFERRING to a Memorandum of the 29th October last, will the Honorable the Attorney-General be so good as to advise me as to the action he considers it desirable to take respecting the service of a formal notice to the Manager of the Main Line Railway Company that it was the intention of the Government to refer the question of Toll for running powers for a further period to arbitration?

Will he also be good enough to state whether Mr. Grant, the Manager of the Company, has named an Arbitrator, and if so, whether the reference is likely to be proceeded with at an early date?

The present arrangement extending the existing agreement relating to the payment of Toll for running powers expires on the 31st of this month, and therefore the arbitration should be proceeded with as early as possible.

C. O'REILLY, *Minister of Lands and Works.*

The Hon. the Attorney-General.

WILL the Solicitor-General be good enough to give the required information?

J. S. DODDS.
21 Dec. '80.

Lands and Works Office, Hobart Town, 17th December, 1880.

MEMO.

THE Hon. the Minister of Lands has just informed me that there is to be an Executive Meeting to-morrow at 11 o'clock.

If you consider it of sufficient urgency Mr. W. H. Greene should be appointed Arbitrator at to-morrow's Executive Council, the necessary document may as well be drawn up for His Excellency's signature.

Yours obediently,

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

G. F. LOVETT.

It is not so absolutely urgent. Mr. Greene's appointment may be approved by the Governor to-morrow and the appointment drawn up and signed after.

G. F. LOVETT, *Esq., L. & W. Office.*

ROBT. P. ADAMS.
17. 12. 80.

Crown Solicitor's Office, 17th December, 1880.

SIR,

Re Tasmanian Main Line Railway Company, Limited.

HEREWITH I have the honor to forward draft of an Agreement proposed to be entered into by His Excellency the Administrator of the Government and the Railway Company for securing an extension of running powers over the Launceston and Western Railway for a term of five years from 1st January next, and for referring to arbitration the amount to be paid by the Company for Tolls and Compensation.

Will you have the goodness to peruse the draft, and mark it approved if the terms are such as meet your views. Afterwards the draft will be submitted for the approval of the Company's Solicitors.

I have, &c.

The Hon. the Minister of Lands and Works.

ROBT. P. ADAMS.

PERUSED and approved.

C. O'REILLY.
18. 12. 80.

Lands and Works Office, Hobart Town, 17th December, 1880.

MEMORANDUM.

FURTHER correspondence with reference to Tolls and Compensation for running powers by the Main Line Railway Company over the Launceston and Western Railway is herewith forwarded to the Law Officers of the Crown, by which it will be seen that the decision of the Arbitrators is to be fixed for a period of five years from 1st January, 1881.

C. O'REILLY.

Colonial Secretary's Office, Hobart Town, 18th December, 1880.

MEMORANDUM.

THE services of Mr. Whitton not being available as Arbitrator on the question of Toll and Compensation payable by the Tasmanian Main Line Railway Company for the exercise of running powers over the Launceston and Western Railway, Mr. W. H. Greene, Engineer, of Kyneton, Victoria, has been written to, and he has signified his willingness to act on behalf of the Government.

WM. MOORE.

The Hon. the Minister of Lands and Works, &c.

MEMORANDUM.

As the present extended Agreement for the exercise of running powers by the Tasmanian Main Line Railway Company, Limited, expires on the 31st instant, and as I am given to understand that there is no probability of an award being made by arbitration during the present month, it will be necessary that the power to run over the line should be further extended to the Company for a short period.

C. O'REILLY, *Minister of Lands and Works.*
18th December, 1880.

The Hon. the Attorney-General.

WILL the Solicitor-General take the necessary steps for extending the period during which running powers may be exercised?

J. S. DODDS.
18 Dec., '80.

Crown Solicitor's Office, 18th December, 1880.

DEAR SIRS,

HEREWITH I send draft Agreement with respect to payment by the Tasmanian Main Line Railway Company of Tolls and Compensation for the exercise of running powers over the Launceston and Western Railway. Please peruse and return draft at your earliest convenience in order to expedite the proposed arbitration.

Faithfully yours,

Messrs. DOBSON & MITCHELL.

ROBT. P. ADAMS.

Colonial Secretary's Office, Hobart Town, 18th December, 1880.

MEMO.

THE services of Mr. Whitton not being available as Arbitrator on the question of Tolls and Compensation payable by the Tasmanian Main Line Railway Company for the exercise of running powers over the Launceston and Western Railway, Mr. W. H. Greene, Engineer, of Kyneton, Victoria, has been written to, and he has signified his willingness to act on behalf of the Government.

The Hon. the Minister of Lands and Works.

WM. MOORE.

FORWARDED to the Crown Solicitor, who is drawing up an Agreement to arbitrate.

GEO. F. LOVETT.
20. 12. 80.

MINUTE PAPER FOR THE EXECUTIVE COUNCIL.

Lands and Works Office, Hobart Town, 24th December, 1880.

SUBMITTED,

THAT Mr. W. H. Greene, Civil Engineer, of Kyneton, Victoria, be appointed Arbitrator on the part of the Government for the purpose of assessing the amount of Tolls and Compensation to be paid by the Tasmanian Main Line Railway Company, Limited, for the exercise of running powers over the Launceston and Western Railway from Evandale Junction to Launceston for a term of five years from the 1st of January, 1881.

C. O'REILLY, *Minister of Lands and Works.*

THE Administrator in Council approves.

E. C. NOWELL.

24. 12. 80.

Lands and Works Office, Hobart Town, 28th December, 1880.

MEMORANDUM.

HIS Excellency the Administrator of the Government in Council has been pleased to appoint Mr. W. H. Greene, Civil Engineer, of Kyneton, Victoria, Arbitrator on the part of the Government for the purpose of assessing the amount of Tolls and Compensation to be paid by the Tasmanian Main Line Railway Company, Limited, for the exercise of running powers over the Launceston and Western Railway from Evandale Junction to Launceston for a term of five years from the 1st of January, 1881.

J. W. AGNEW,

*For Minister of Lands and Works, absent.**The Hon. the Attorney-General.**Lands and Works Office, Hobart Town, 28th December, 1880.*

SIR,

I HAVE the honor to inform you that the Administrator of the Government in Council has been pleased to appoint you Arbitrator on the part of the Government for the purpose of assessing the amount of Tolls and Compensation to be paid by the Tasmanian Main Line Railway, Limited, for the exercise of running powers over the Launceston and Western Railway from Evandale Junction to Launceston for a term of five years from the 1st January, 1881.

It is proposed that the arbitration take place at Hobart Town, but inasmuch as the agreement of reference has not been signed the exact date cannot be fixed.

I have, &c.

C. O'REILLY, *Minister of Lands and Works.*W. H. GREENE, *Esq., C.E., Kyneton, Victoria.**Hobart Town, 31st December, 1880.*

Tolls Arbitration.—Mails Arbitration.

DEAR SIR,

WE return you these draft Agreements approved as altered, on behalf of the Main Line Railway Company.

Yours faithfully,

DOBSON & MITCHELL.

R. P. ADAMS, *Esq., Solicitor-General.**Crown Solicitor's Office, 4th January, 1881.*

The Government and Tasmanian M. L. R. Co., Limited.

DEAR SIRS,

I RETURN draft Agreement as to Tolls and Compensation for your reconsideration, as I am not instructed to approve of your proposed alterations in clauses 2, 3, 5, and 6.

Faithfully yours,

ROBT. P. ADAMS.

Messrs. DOBSON & MITCHELL.

Perth, 4th January, 1881.

LET me know as soon as you conveniently can when arbitration is to be.

R. P. ADAMS, *Esq.*

R. W. LORD.

Hobart, 4th January, 1881.

Main Line Railway Arbitration.

MY DEAR SIR,

It is impossible to fix a time for proceeding with the arbitration, as the Agreement has been altered by both parties and the final terms are not settled yet. It appears to me the Arbitrators and Umpire should have at least a fortnight's notice, and that neither side can be damnified by delay. As soon as preliminaries are settled I will communicate with you again.

Faithfully yours,

ROBT. P. ADAMS.

R. W. LORD, *Esq., L. and W. Railway, Launceston.*

TELEGRAM.

Launceston and Western Railway, 5th January, 1881.

PLEASE do not think I would for a moment interfere. Will you answer Mr. Greene when you can? You are aware that we have to be cautious, or any possible advantage would be taken.

R. W. LORD.

R. P. ADAMS, *Esq.*

TELEGRAM.

Perth, 4th January, 1881.

MR. Greene telegraphed that he and Main Line Arbitrator cannot agree upon Umpire,—in which case he wants to know whether Supreme Court cannot step in? I have asked Solicitor-General. Will you see him?

R. W. LORD.

G. F. LOVETT, *Esq.*

TELEGRAM.

Perth, 4th January, 1881.

MR. Greene wires,—Does Supreme Court nominate Umpire failing agreement? I do not think there is any chance of Greene and Grant's Arbitrator, Fehon, agreeing to Umpire. Reply.

R. W. LORD.

R. P. ADAMS, *Esq.*

TELEGRAM.

Hobart, 5th January, 1881.

SUPREME Court cannot appoint Umpire. Perhaps Justices might do so, under 21 Vict. No. 11, Sects. 16 and 17.

ROBT. P. ADAMS.

R. W. LORD, *Launceston.*

TELEGRAM.

Launceston and Western Railway, 5th January, 1881.

WILL you arrange instructions for Mr. Greene? He wired to me yesterday,—Does Supreme Court nominate Umpire failing agreement? I replied,—Will consult Solicitor-General. I do not think Messrs. Fehon and Greene are likely to agree in selection of Umpire.

R. W. LORD.

R. P. ADAMS, *Esq.*

TELEGRAM.

Hobart, 5th January, 1881.

ARBITRATORS are not yet legally appointed, although they have been nominated; and until they are appointed I do not see how I can comply with your request to arrange instructions for Mr. Greene.

ROBT. P. ADAMS.

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

TELEGRAM.

Launceston and Western Railway, 5th January, 1881.

UNDER Launceston and Deloraine Railway Act, 29 Vict. No. 24, Section 93, Governor in Council appoints Umpire failing agreement. Is this the Act under which we arbitrate? It is evident Greene and Fehon cannot agree.

R. W. LORD.

R. P. ADAMS, *Esq.*

TELEGRAM.

Hobart, 5th January, 1881.

29 VICT. No. 24. totally repealed by 37 Vict. No. 20. Section 42 of latter Act incorporates provisions of 21 Vict. No. 11 as to compensation.

ROBT. P. ADAMS.

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

TELEGRAM.

Kyneton, 6th January, 1881.

DEFINITELY agreed. Umpire, Mr. Francis, formerly Chief Secretary. Anxious to return 5th proximo. Please reply.

W. H. GREENE.

Colonial Secretary, Hobart.

FORWARDED to the Hon. the Minister of Lands and Works.

B. TRAVERS SOLLY,
For the Colonial Secretary, absent.
11th Jan., 1881.

Kyneton, Victoria, 10th January, 1881.

SIR,

I HAVE the honor to acknowledge your letter of the 28th ultimo, in which you are good enough to inform me that I have been appointed Arbitrator on the part of the Tasmanian Government for the purpose of assessing the amount of Tolls and Compensation to be paid by the Tasmanian Main Line Railway Company, Limited, for the exercise of running powers over the Launceston and Western Railway from Evandale Junction to Launceston for a term of five years from the 1st January, 1881.

In reply, I beg to say that I am ready to go to Launceston as soon as the date of the arbitration is fixed, and will arrange to arrive there and meet Mr. Lord some few days before it will be necessary to go on to Hobart.

I have had some difficulty in arranging with Mr. Fehon, who is to act as Arbitrator for the Main Line Company, as to the choice of an Umpire. Mr. Fehon would not have any engineer. I suggested the Honorable J. G. Francis, of Melbourne, who has held, amongst other ministerial offices, that of Minister of Railways for a considerable time, and whose suitability would, I felt sure, be at once recognised. Mr. Fehon agreed to the suggestion, and upon our application to Mr. Francis he consented to act, provided he had not to leave Melbourne before the 21st instant, and could return to Victoria some days before Parliament meets here, say the 5th of February.

I have, &c.

W. H. GREENE.

*The Hon. C. O'REILLY, M.H.A., Minister of Lands
and Works, Hobart, Tasmania.*

FORWARDED to the Honorable the Attorney-General for his perusal. Is there any possibility of meeting the convenience of Mr. Francis, who has consented to act as Umpire?

C. O'REILLY, *Minister of Lands and Works.*
13. 1. 81.

ARRANGEMENTS have been made as to the date for holding the arbitration, at a personal interview with the Hon. the Minister of Lands. Delay has occurred in consequence of the inability of the parties to agree as to the terms of the agreement for reference to arbitration.

19th January, 1881.

J. S. DODDS.

Crown Solicitor's Office, 10th January, 1881.

DEAR SIR,

Main Line Railway, *re* Tolls and Compensation.

I RETURN draft Agreement. You will see by my marginal notes that the Colonial Treasurer does not agree to some of your client's proposed alterations.

Yours, &c.

ROBT. P. ADAMS.

Messrs. DOBSON & MITCHELL.

TELEGRAM.

Lands and Works Office, Hobart, 12th January, 1881.

AGREEMENT to arbitrate not signed. Government and Company at issue. Do not leave until advised.

C. O'REILLY.

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

TELEGRAM.

*Launceston and Western Railway,
Launceston, 13th January, 1881.*

GRANT telegraphs that it appears probable the Premier's absence will delay arbitration. This would be a great pity, as the Umpire, Hon. J. G. Francis, must be back in Victoria by 5th February, and we should lose him.

R. W. LORD.

Hon. J. S. DODDS.

Crown Solicitor's Office, 13th January, 1881.

MY DEAR SIR,

Tolls and Compensation.

THE Attorney-General has handed me your telegram of this day with reference to the appointment of Mr. Francis as Umpire; and I can only tell you, as I have told the Attorney-General and Minister of Lands and Works, and Mr. G. Lovett, that the terms of agreement to arbitrate are not yet settled between the Government and Mr. Grant, and probably will not be settled till the Premier's return from Sydney.

Faithfully yours,

R. W. LORD, *Esq.*

ROBT. P. ADAMS.

Hobart, 13th January, 1881.

DEAR SIR,

Re Tolls Arbitration.

WE are sorry that Mr. Giblin insists upon retaining your alterations of our alterations, for in each instance the terms you ask us to agree to are outside the contract, and can by no possibility be said to be any part of the statutory arbitration we are now trying to arrange. For this reason Mr. Grant cannot give way to the wishes of the Premier. If you are content with an Agreement of Reference based upon the contract the draft can be settled in five minutes.

Yours faithfully,

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

DOBSON & MITCHELL.

TELEGRAM.

Lands and Works Office, 19th January, 1881.

ARBITRATION fixed for 28th and 29th inst., at Hobart. Can you arrange with Francis and Fehon to leave by *Flinders* on 25th, and come over yourself earlier if possible.

C. O'REILLY.

W. H. GREENE, *Esq.*, *Kyneton, Victoria.**Hobart, 20th January, 1881.*

DEAR SIR,

Re Tolls Arbitration, and Mails Arbitration.

WE are surprised that you or the Attorney-General should have authorised the Minister of Lands to telegraph for the Arbitrators to be here on the 27th or 28th; and Mr. Grant is not prepared to say at this minute whether the Company will be ready by that day. It seems to us most unwise and unbusinesslike to ask the Arbitrators to come before the Agreements of Reference are signed, and before they are even appointed. We return the draft of the Tolls arbitration agreement, and shall be glad if you will alter your alterations of our alterations to the terms agreed to by the Attorney-General. As to the agreement about the Mails, we will settle and approve that directly you furnish us with a specification or particulars of the Mail Service required by the Postmaster. We asked Mr. Douglas for this yesterday, but he appeared unwilling to do anything in the absence of Mr. Giblin; and although he has been lately asking for several alterations on the existing service, he now thinks the existing service is what the Government require. Whether it is the existing service or an altered one which is now required please furnish particulars at once, and when everything is definitely arranged Mr. Grant will telegraph Mr. Fehon to come. Please let Mr. Greene know that under no circumstances can we have the arbitration between the 2nd and 4th February.

Yours faithfully,

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

DOBSON & MITCHELL.

Crown Solicitor's Office, 20th January, 1881.

DEAR SIR,

Re Tolls Arbitration.

YOURS of this day is just received. The Minister of Lands and Works has this day received a telegram from Mr. Greene in the following words:—"Leave Saturday. Messrs. Francis and Fehon follow by Tuesday's steamer."

Mr. Greene's formal appointment will be prepared immediately, and it is expected that you will also prepare Mr. Fehon's appointment without delay.

Re Mails Arbitration.

I will communicate the contents of your letter just received to the Secretary of the Post Office.

Faithfully yours,

Messrs. DOBSON & MITCHELL.

ROBT. P. ADAMS.

Hobart, 20th January, 1881.

DEAR SIR,

Re Tolls Arbitration.

IN reply to your letter, received shortly before four o'clock, we have to inform you that Mr Fehon will be instructed not to leave for Tasmania till the agreements and appointments are completed and signed.

Yours faithfully,

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

DOBSON & MITCHELL.

*20th January, 1881.**Government and Main Line Railway.*

MR. Henry Dobson says if arbitration does not take place on 28th and 29th Arbitrators will have to wait some days, as he looks after the business, and must be in Campbell Town on 2nd February. He wishes telegram to that effect to Arbitrators.

R. P. A.

Attorney-General.

TELEGRAM.

Kyneton, 20th January, 1881.

LEAVE Saturday. Messrs. Francis and Fehon follow by Tuesday's steamer.

W. H. GREENE.

Hon. C. O'REILLY.

Crown Solicitor's Office, 24th January, 1881.

SIR,

Tolls and Compensation (Main Line Railway Company, Limited.)

HEREWITH I have the honor to send the under-mentioned documents for signature by His Excellency the Administrator of the Government in Executive Council :—

- (1.) Agreement between His Excellency and the Company.
- (2.) Appointment of Mr. Greene as Arbitrator for the Government.
- (3.) Notice of such appointment.

Obediently yours,

The Hon. the Minister of Lands and Works.

ROBT. P. ADAMS.

THIS Agreement is made the twenty-fourth day of January one thousand eight hundred and eighty-one 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 by and with the advice and consent of his Executive Council for and on behalf of the Government of Tasmania and hereinafter called "the Administrator of the Government" of the one part and the Tasmanian Main Line Railway Company (Limited) hereinafter called "the Company" of the other part WHEREAS by the Act of the Parliament of Tasmania intituled "The Launceston and Western Railway Act Number 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 Railway Act (33 Victoria Number 1) 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 WHEREAS 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 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 WHEREAS the Company have connected their line of Railway with a point on the Launceston and Western Railway known as Evandale Junction and have laid down a third rail upon the Launceston and Western Railway from that point to the station of the Company at Launceston AND WHEREAS the running powers originally created by the Main Line of Railway Act have been continued and confirmed by the Act of the Parliament of Tasmania 37 Victoria Number 20 AND WHEREAS by certain agreements made between the Governor of Tasmania and the Company the Company pursuant to the provisions of the hereinbefore mentioned Acts have 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 present time and are authorised to exercise such powers up to the First day of January one thousand eight hundred and eighty-one AND WHEREAS the Company desire 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 they have 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 it has been agreed therefore between the Administrator of the Government and the Company that the Company shall 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 IS THEREFORE HEREBY 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 hereinbefore recited Agreement as follows :—

1. The Administrator of the Government hereby authorises and empowers 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 agree 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.

2. 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 shall be forthwith assessed by arbitration in the manner provided in the Lands Clauses Act for cases of disputed compensation and the Arbitrators or the Umpire as the case may be shall determine the times when payment of such tolls and compensation shall be made.

3. The Company shall 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 shall be assessed and determined in manner aforesaid. Such tolls and compensation shall include the cost and maintenance of the third rail in the manner hereinafter mentioned.

4. The times at which the trains of the Company shall run over the Launceston and Western Railway during the said term of Five years shall be from time to time submitted to and approved by the Governor or the Administrator of the Government and the Company shall not run any train over such Railway except at the times approved by the Governor or the Administrator of the Government or authorised by some person delegated by him.

5. The Governor or the Administrator of the Government may from time to time during the said term of Five years make alter and rescind regulations for working the traffic of the Company over the Launceston and Western Railway and may direct that the Manager of the Launceston and Western Railway shall exercise immediate control over all trains of the Company upon the said Launceston and Western Railway and all servants of the Company while upon any part of the Launceston and Western Railway shall obey the orders of the said Manager of the Launceston and Western Railway and all persons duly authorised by him and such servants of the Company shall for the purpose of giving effect to this provision but not further or otherwise while upon the said Launceston and Western Railway or any part thereof be deemed servants of the Manager of the Launceston and Western Railway and be subject and liable accordingly.

6. The Company shall supply to the Manager of the Launceston and Western Railway free of cost all rails fastenings sleepers or other material which he may require or deem necessary for the maintenance or renewal of the said third rail and the same shall be subject to the approval of the said Manager.

7. In order to provide public convenience it shall be lawful for the Company to convey passengers from any station south of Evandale Junction to either Breadalbane or St. Leonards on the Launceston and Western Railway and to deposit such passengers at any of such stations retaining the full fare for such journey and also to convey passengers from St. Leonards or Breadalbane to any station south of Evandale Junction upon the like terms provided that the Company carry Launceston and Western local passenger traffic between the aforesaid stations and account to the Manager of the Launceston and Western Railway for all passenger receipts of the Company in respect of the said local traffic and all traffic between Launceston and Deloraine (including all intermediate stations) shall for the purposes of this Agreement be deemed "local traffic" and the Company shall not except as hereinafter provided compete with the Launceston and Western Railway for such local traffic.

8. 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 the hereinbefore recited contract 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 the hands of the several parties to these presents the day and year firstly hereinbefore written.

Signed by the within-named Sir John Henry Lefroy
Administrator of the Government of Tasmania at a
meeting of the Executive Council held at Hobart
on January 24 1881.

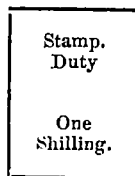
J. H. LEFROY.

E. C. NOWELL,
Clerk of the Executive Council.

THE TASMANIAN MAIN LINE RAILWAY
COMPANY, LIMITED,

By their Attorney

C. H. GRANT.



IN pursuance of an Agreement dated the twenty-fourth day of January one thousand eight hundred and eighty-one made and entered into between myself 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 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) hereafter called "The Company" of the other part and also in pursuance of "The Lands Clauses Act" and of all other powers

enabling me in that behalf I the said 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 do by this writing under my hand appoint WILLIAM HENRY GREENE of Kyneton Victoria Esquire Civil Engineer to be the Arbitrator to act for me and on my behalf to settle and determine the amount to be paid by the Company pursuant to the hereinbefore mentioned Agreement as Tolls and Compensation for the exercise of such Running Powers over the Launceston and Western Railway as are expressed or referred to in the said Agreement And also as such Arbitrator on my part and behalf to do all such other acts as are required by the said Agreement.

Dated this twenty-fourth day of January one thousand eight hundred and eighty-one.

J. H. LEFROY.

TO THE TASMANIAN MAIN LINE RAILWAY COMPANY
(LIMITED)

and

To CHARLES HENRY GRANT of Hobart in Tasmania Esquire Agent
and Attorney of the said Company

TAKE NOTICE that I 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 did on the twenty fourth day of January instant appoint WILLIAM HENRY GREENE of Kyneton in the Colony of Victoria Esquire Civil Engineer to be the Arbitrator to act for me and on my behalf to settle and determine the amount to be paid by the said Company pursuant to the provisions of an Agreement dated the twenty-fourth day of January instant made and entered into between myself the said SIR JOHN HENRY LEFROY 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 I do hereby require the said Company or you the above named Charles Henry Grant as Agent and Attorney for the said Company as aforesaid to appoint an Arbitrator to act on behalf of the said Company pursuant to the said Agreement and to the provisions of "The Lands Clauses Act."

Dated this twenty fourth day of January 1881.

J. H. LEFROY.

Witness—E. C. NOWELL.

Served a duplicate of the within Notice on Mr. John Mitchell (Dobson & Mitchell), this 24th day of January, 1881, at 4:30 P.M.

L. E. CHAMBERS.

Crown Solicitor's Office, 24th January, 1881.

DEAR SIRS,

Re Tolls and Compensation.

HEREWITH I send Agreement for reference (already signed by the Administrator of the Government) for signature by the Company's representative in Tasmania.

Yours, &c.

Messrs. DOBSON & MITCHELL.

ROBT. P. ADAMS.

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.

TAKE NOTICE that the said Company have this day appointed WILLIAM MEEKE FEHON of Melbourne in the Colony of Victoria Merchant but formerly Traffic Manager of the Victorian Railways to act on their behalf as their Arbitrator to settle and determine the amount of Tolls and Compensation to be paid by the said Company to the said JOHN HENRY LEFROY as such Administrator of the Government as aforesaid for the exercise by the said Company of their running powers over the Launceston and Western Railway pursuant to the provisions of an Agreement dated the Twenty-fourth day of January one thousand eight hundred and eighty-one and made between the said JOHN HENRY LEFROY of the one part and the said Company of the other part.

Dated this twenty-sixth day of January one thousand eight hundred and eighty-one.

THE TASMANIAN MAIN LINE RAILWAY COMPANY, LIMITED,

By their Attorney,

To Sir JOHN HENRY LEFROY, Administrator of
the Government of Tasmania.

C. H. GRANT.

Hobart, 27th January, 1881.

DEAR SIR,

Re Tolls Arbitration.

Will you kindly furnish us at once (as you did in the former arbitration) with full particulars of the claim for Tolls and Compensation which you intend to place before the Arbitrators.

Yours faithfully,

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

DOBSON & MITCHELL.

Crown Solicitor's Office, 27th January, 1881.

DEAR SIRS,

Tolls Arbitration.

I HAVE shown Mr. Lord your letter of this day, and he says the claim formerly supplied, and to which you refer, will give the basis of the present demand of the Government.

Faithfully yours,

ROBT. P. ADAMS.

Messrs. DOBSON & MITCHELL.

Hobart, 27th January, 1881.

DEAR SIR,

Tolls Arbitration.

Yours just delivered is no reply to our request, and we regret that you should allow Mr. Lord to adopt the very unbusiness-like proceeding of referring us to a document delivered in a former arbitration as supplying the basis of the claim to be now arbitrated. We want the claim itself, and we are entitled to have it. We know that Mr. Lord has all his figures and accounts ready; and after the Government have hurried on the arbitration in a most unprofessional manner, to suit their convenience and to our prejudice, it is rather unfair to keep us in the dark as to what Tolls and Compensation you demand. We presume you do not want the arbitration adjourned, and the gentlemen from the other Colonies kept waiting, while we see you can accept Mr. Lord's figures and examine them. When we receive your particulars of demand we shall proceed to complete the Agreement of Reference and the appointment of our Arbitrator.

Yours faithfully,

DOBSON & MITCHELL.

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

Macquarie street, 27th January, 1881.

DEAR SIRS,

Tolls Arbitration.

If you had applied earlier for particulars, instead of making your application at the last moment, no doubt Mr. Lord could have supplied the Attorney-General or me with the figures which you and Mr. Lord refer to. At present I have not those figures. Mr. Lord has telegraphed for them, but I have not been able to interview him since the receipt of your last letter.

Mails Arbitration.

I cannot understand your action in withholding this Agreement, which has been signed (so you say) by Mr. Grant, and is required for His Excellency's signature. If you want this arbitration to fall through, had you not better write to that effect at once and save trouble?

Yours faithfully,

R. P. ADAMS.

Messrs. DOBSON & MITCHELL.

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 the 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.

AWARD OF MESSRS. W. H. GREENE AND W. M. FEHON AS TO RUNNING POWERS.

Dated 21st February, 1881. Recd. 8. 3. 81. R.P.A. (Attested copy.)

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 1) 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 thereafter 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 thereafter 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 thereafter 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 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-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.

FORWARDED to Hon. the Minister of Lands and Works.

W. R. GIBLIN, *Colonial Treasurer.*
11 May, 1881.

Lands and Works Office, Hobart, 1st June, 1881.

MEMORANDUM.

AN Award having been given by the Arbitrators appointed in the matter of arbitration as to the amount of Toll and Compensation to be paid by the Tasmanian Main Line Railway for running powers over part of the Launceston and Western Railway for a term of Five years, the amounts per annum have been assessed as follows, payable quarterly :—

	£	s.	d.
Award for year 1881	3937	10	0
Ditto 1882	4037	10	0
Ditto 1883	4137	10	0
Ditto 1884	4237	10	0
Ditto 1885	4337	10	0

C. O'REILLY, *Minister of Lands and Works.*

The Hon. the Colonial Treasurer.