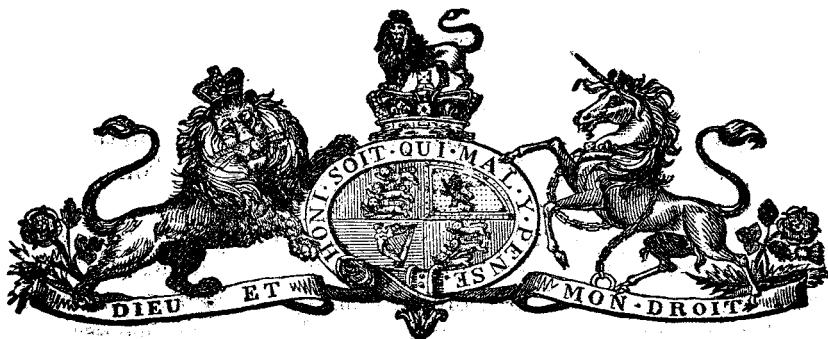


T A S M A N I A.



1878.

ANNO QUADRAGESIMO-SECUNDO

VICTORIÆ REGINÆ,

No. 5.

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AN ACT to appropriate a Sum not exceeding <sup>A.D. 1878.</sup>  
£56,482 5s. 10d. from the Consolidated  
Revenue Fund for the purpose of paying  
Interest to the *Tasmanian Main Line Railway*  
Company, (Limited). [7 October, 1878.]

**W**HEREAS by a certain Contract, executed in *Tasmania* on the <sup>PREAMBLE.</sup>  
Fifteenth day of *August*, 1871, and made in pursuance of and  
subject to the provisions of "The Main Line Railway Act," 33  
*Victoria*, No. 1, and "The Main Line Railway Amendment Act,"  
34 *Victoria*, No. 13, between the Governor of *Tasmania* for and  
on behalf of the Government of *Tasmania* of the one part, and  
the *Tasmanian Main Line Railway Company, Limited*, of the other  
part, it was, amongst other things, agreed that the Company should  
construct, maintain, and work a Main Line of Railway between  
*Hobart Town* and *Launceston*, or between *Hobart Town* and any  
point on the *Launceston and Western Railway*, with running powers  
over that Railway to *Launceston*, subject to and in accordance with the  
conditions set forth in the Schedule at the foot thereof. The Governor  
by such Contract guaranteed to the Company interest at the rate of £5  
per cent. per annum upon the money actually expended in and for  
the purposes of the construction of the said Main Line of Railway up

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*Main Line Railway Interest.*

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**A.D. 1878.**  

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to and not exceeding the sum of £650,000 during four years of the period of construction, commencing from the date of the said Contract, (which for the purpose of the said Contract was to be deemed and taken to be the day on which the counterpart thereof should be executed by the Company in *London*, which execution by the Company took place on the Fifteenth day of *March*, 1872,) and for a period of Thirty years from the opening of the entire Line for traffic, as is therein mentioned. The Schedule to the said Contract provided, amongst other things, that the route of the said Railway should keep as near as might be practicable to existing centres of population, but the Company should have full power to alter or vary the route as their Engineer might advise to be necessary or advantageous, having reference to the exigencies of construction, or difficulties of route, or prospects of traffic. That the whole of the said works should be completed and the said Railway opened for traffic throughout within the period of Four years from the date of the Contract, namely the 15th *March*, 1872. That the said Railway, together with all stations, rolling stock, and all other works connected with such Railway, should be constructed of the best material and in a thoroughly substantial manner. That the minimum average speed at which the trains should travel should be for one daily train, each way, Twenty-three miles an hour, and for the other daily train, each way, Ten miles an hour, including all stoppages and detentions :

And whereas the Government of *Tasmania* paid divers sums of money on account of interest at the rate of Five Pounds per cent. per annum on the alleged outlay of the Company during the period of construction, amounting in the aggregate to the sum of Eighty-seven thousand five hundred and seventy-six Pounds Fifteen Shillings and Fourpence, but such interest was paid without prejudice to the said Government in respect to certain deductions claimed to be thereafter made by the said Government for interest obtained by the said Company from the Bank of *New South Wales* in *London*, and without prejudice to any other unadjusted questions between the Government and the Company :

And whereas the said Company ran trains daily (Sundays excepted) from the Fifteenth of *March*, 1876, to the Thirty-first of *October*, 1876, from *Hobart Town* to *Evandale*, a point on the *Launceston* and *Western* Railway Line, Eleven miles distant from *Launceston*; and on the First of *November*, 1876, the said Company ran their trains daily (Sundays excepted) through from *Hobart Town* to *Launceston*, and have continued so to do up to the present time :

And whereas by the Report of Three Engineers nominated respectively by the Governments of *New South Wales*, *South Australia*, and *Queensland*, made to the Government of *Tasmania* on the Fourteenth of *June*, 1876, it appeared that such Engineers were unanimously of opinion that the general conditions of the Contract, as far as the construction and maintenance of the Line were concerned, had not been complied with :

And whereas the Government of *Tasmania*, upon the receipt of such Report, refused to pay any further interest until the conditions of the said Contract as to construction and maintenance had been complied with by the said Company ; but the said Government did, from time to time, upon the urgent request of the Manager of the said Company in *Tasmania*, consent to make advances by way of loan at interest, and made such advances to the amount of £23,900 to enable the said Manager to continue to work the said Railway, on the express under-

*Main Line Railway Interest.*

standing set forth in the Agreements for such advances that the same should be made and received without prejudice to all or any questions in dispute between the Government and the Company, whether relating to sufficiency of construction, the Northern Terminus, the opening of the Line for traffic, the efficiency of maintenance, or any other matter whatsoever connected with or relating to the said Railway and the Contract therefor or the Acts of Parliament relating thereto :

A.D. 1878.

And whereas the Government of *Tasmania* did on the 16th day of *April*, 1877, enter into an agreement with the said Company by which the said Company were to convey certain Mails by their said trains for the Government for Twelve months from the First day of *May*, 1877, for a subsidy of £2000, and the said Company did carry such Mails for the Government during that period and received such subsidy :

And whereas the Government of *Tasmania* submitted a Case for the opinion of Counsel in *England* as to the above Contract and the liability of the Government for payment of the guaranteed interest, and obtained the joint opinion of Sir *John Holker*, Her Majesty's Attorney-General; *Judah Philip Benjamin*, Esquire, Queen's Counsel; and *Cyril Dodd*, Esquire, Barrister-at-Law, who were of opinion that the Company were bound to run the Trains through to *Launceston*; that the Government was bound to pay the guaranteed interest from the date at which the Line was opened for traffic from *Hobart Town* through to *Launceston*, which appeared to them to be the First of *November*, 1876. The said Counsel further advised that the facts as stated to them showed that the reception of traffic upon the Line was assented to by the Government and the Colony, and that the Railway Company were permitted and encouraged to work and continue working the Line for the benefit of the Colony, and assisted by loans of money and by the subsidy afforded them for carrying the Mails, so that, in their judgment, the Line was recognised as the Line bargained for, though all rights to complain of its defects were reserved by the said Government:

And whereas it has been considered expedient to defer to this opinion and pay the said interest from the First day of *November*, 1876, the said Government reserving to itself the rights and remedies which it possesses either under the said Contract or at Common Law to compel the said Company to fulfil its said Contract :

Be it therefore enacted by His Excellency the Governor of *Tasmania*, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows:—

1 Out of the Consolidated Revenue Fund of the Colony of *Tasmania* there shall and may be appropriated, issued, and applied, in the manner hereinafter provided, a sum not exceeding Fifty-six thousand four hundred and eighty-two Pounds Five Shillings and Tenpence for the purpose of paying to the *Tasmanian Main Line Railway Company*, Limited, the sums following; that is to say,

	£	s.	d.
Guaranteed interest from 1st <i>November</i> , 1876, to 30th <i>June</i> , 1878, at the rate of £32,500 per annum .....	54,166	13	4
Interest thereon at 6 per cent. from each due date.	2315	12	6
	£56,482	5	10

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*Main Line Railway Interest.*

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**A.D. 1878.****Moneys payable  
by Warrant of  
the Governor.**

**2** The Colonial Treasurer shall issue and pay the said several sums to such persons for the purposes hereinbefore mentioned, upon such days and in such proportions as the Governor, by any Warrant under his hand, from time to time, orders and directs; and the payments so to be made shall be charged upon and payable out of the Consolidated Revenue Fund.

**Credit to be given  
to the Treasurer  
in account.**

**3** The said Treasurer shall be allowed credit in his Accounts for any sums of money paid by him in pursuance of any such Warrant as aforesaid; and the receipts of the respective persons to whom the same are so paid shall be a full and valid discharge to the said Treasurer in passing his said Accounts for any such sums as are therein mentioned, and he shall receive credit for the same accordingly.