

Secretary's Notes for Information of Board's Solicitor.

VALUATIONS OF ROLLING STOCK.

Company's Claim, as per attached Sheet...	£ 171,813
Add - 4 Horse Cars at £120.....	480
2 Open Cars at £182.15/-.....	<u>365</u>
	172,658
Less - Estimated Repairs to bring to first class efficiency .....	<u>11,355</u>
	<u>£ 161,303</u>

The only valuation so far placed by the Board before the Court is that voiced by Mr. Pringle in his examination; (Straight line depreciation, with a life terminated by obsolescence in 1926) which would work out as follows:-

As per attached sheet....	£ 70,164
Add 4 Horse Cars (1885) Cost new.. £200	
Less depreciation 30/40 of £180.. <u>135</u>	
	<del>£ 65 x 4 = 260</del>
Add <sup>4</sup> 2 Open Cars (1888) Cost new.. £215	
Less depreciation 28/38 of £195... <u>143.7</u>	
	<del>£ 71.3 x 2 = 142.6</del>
	28.5
	<u>142</u>
	70,566
Less Estimated Repairs to bring to first class efficiency....	<u>11,355</u>
	<u>£ 59,211</u>

NOTE.- Mr. Pringle estimated an all-round Scrap value of about £6 per car as against higher scrap values allowed for in the attached sheet. This would further reduce the valuation by:-

462 Standard Cars at £14...	£ 6468
480 Dummies at 24..	1920
56 Bogies at £19..	1064
4 Horse Cars at £14..	56
2 Open Cars at £14..	<u>28</u>
	<u>£ 9536</u>

The Board's total valuation would then be - £ 49,675 as against the Company's Claim of £161,303.

NOTES UPON COMPANY'S CLAIM.-

*4. Inconsistency about how amount not made for any*

Inconsistency of charging the Horse Cars at only 60% of Cost New - This appears to be concession for obsolescence and should be pressed strongly.

The fact that 12 Bogie Cars made in 1901 from small cars built in 1885 and 1887 are charged at 90% of cost new, and that 6 Bogie Cars made in 1915 from small cars built in 1885 and 1887 are charged at 95% of Cost New - although the material has been subjected to the wear and tear of traffic for over 30 years. This was partially brought out in Secretary's evidence.

The extremely low rate of depreciation allowed, which is practically based upon efficiency only and ignores the physical depreciation of the vehicles.

NOTES UPON BOARD'S VALUATION.-

Excluding accrued repairs, the respective average valuations work out as follows:-

		<u>Board.</u>	<u>Company.</u>
Standard Cars... Cost New.	£210		
Less Depreciation 25/35 of £204	<u>146</u>	£ 64	£ 181
Dummies... Cost New..	£ 167.5		
Less Depreciation 26/36 of £161	<u>116.</u>	£ 51	£ 143
Bogies.... Cost New..	£380		
Less Depreciation 13/23 of £374	<u>211</u>	£169	£344
Horse Cars.... Cost New..	£200		
Less Depreciation 30/40 of £194	<u>145</u>	£ 55	£120
Open Cars... Cost New..	£215		
Less Depreciation 28/38 of £209	<u>154</u>	£ 61	£182

The apparent weakness of our method of valuation is that the valuations result in such wide discrepancies between the oldest and youngest vehicles as follows:-

	<u>Oldest.</u>	<u>Youngest.</u>
Standard Box Car...	£ 57	£ 157
Dummies...	£ 46	£ 115
Bogies....	£ 156	£ 346

Melbourne, 24th November, 1916.

LIST GIVING DISTANCE OF CENTRE-WAY BETWEEN DOUBLE TRACKS  
ON VARIOUS TRAMWAY UNDERTAKINGS

UNDERTAKING	CABLE OR ELECTRIC	OVERALL WIDTH OF CARS	DISTANCE BETWEEN GAUGE LINES OF INNER RAILS
Manchester	Electric		3 ft. 5 inches.
London County Council	"		4' 3½"
Edinburgh	Cable		4' 3½"
Glasgow	Electric		4' 4"
Standard for many English main thor- oughfares & City Roads. (Dawson).	"		3' 3½"
Hawthorn & Burwood	"	5' 7½"	5' 3½"
Prahran & Malvern	"	8' 3"	5' 3½"
Nth. Melbourne	"	8' 2"	5' 3½" 5' 9½" (Centre Poles)
Brunswick & Coburg	"	8'	5' 3½"
Melbourne	Cable		4' 3½"

Melbourne, 24th November, 1916.

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ON VARIOUS TRAMWAY UNDERTAKINGS

UNDERTAKING	CABLE OR ELECTRIC	OVERALL WIDTH OF CARS	DISTANCE BETWEEN GAUGE LINES OF INNER RAILS
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Manchester	Electric		3 ft. 5 inches.
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London County Council	"		4' 3 1/2"
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Edinburgh	Cable		4' 3 1/2"
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Glasgow	Electric		4' 4"
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Standard for many English main thoroughfares & City Roads. (Dewson).	"		3' 3 1/2"
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Hawthorn & Burwood	"	8' 9"	5' 3 1/2"
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"	"	8' 7 1/2"	
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Prater & Malvern	"	8' 3"	5' 3 1/2"
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Nth. Melbourne	"	8' 2"	5' 3 1/2"
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"	"	5' 9 1/2"	5' 9 1/2" (Cable Cars)
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Brunswick & Coburg	"	8'	5' 3 1/2"
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Melbourne Cable	"	7' 2" (Bunny)	4' 3 1/2"
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