

1911.

VICTORIA.

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# REPORT

FROM

## THE PARLIAMENTARY STANDING COMMITTEE ON RAILWAYS

ON THE

### TOOLANGI AND KINGLAKE DISTRICT CONNECTING RAILWAY;

TOGETHER WITH

### MINUTES OF EVIDENCE AND PLAN.

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*Ordered by the Legislative Assembly to be printed, 29th August, 1911.*

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RAILWAYS STANDING COMMITTEE REPORT No. 6.—[9d.]—10318.

EXTRACTED FROM THE VOTES AND PROCEEDINGS OF THE  
LEGISLATIVE ASSEMBLY.

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TUESDAY, 30th NOVEMBER, 1909.

6. TOOLANGI AND KINGLAKE DISTRICT CONNECTING RAILWAY.—Mr. A. A. Billson moved, pursuant to notice, That the question of connecting the Toolangi and Kinglake district by means of a railway of 5ft. 3in. gauge, or of 2ft. 6in. gauge, with the existing railway system, and the provision of a deficiency rate, be referred to the Parliamentary Standing Committee on Railways for inquiry and report.

Question—put and resolved in the affirmative.

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MEMBERS OF THE PARLIAMENTARY STANDING COMMITTEE ON RAILWAYS.

(*Ninth Committee.*)

The Hon. E. H. CAMERON, M.L.A., Chairman ;

J. W. Billson, Esq., M.L.A.,  
J. Cullen, Esq., M.L.A.,  
The Hon. Dr. W. H. Embling, M.L.C.,

The Hon. D. Melville, M.L.C.  
(Vice-Chairman),  
E. C. Warde, Esq., M.L.A.

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# REPORT.

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THE PARLIAMENTARY STANDING COMMITTEE ON RAILWAYS, to which the Legislative Assembly referred the question of connecting the Toolangi and Kinglake district by means of a railway of 5ft. 3in. gauge, or of 2ft. 6in. gauge, with the existing railway system, and the provision of a deficiency rate, has the honour to report as follows:—

1. The Toolangi and Kinglake district is about 40 miles from Melbourne in a north-easterly direction. It is situated on the Dividing Range, which separates the valleys of the Upper Yarra and Diamond and Arthur's creeks from the watersheds of the Yea River and King Parrot Creek, which are tributaries of the Goulburn. The district, which is about 2,000 feet above sea level, is mountainous, and for the most part heavily timbered. Along the tableland on the crest of the range from Kinglake West to Kinglake East and on to Toolangi the soil is a red silurian of good quality. Nearly the whole of this land is occupied, the holdings being mostly from 50 to 400 acres. The majority of the occupiers gain a livelihood from fruit-growing, dairying, grazing, and the cultivation of potatoes. In consequence of the clearing of the land around Kinglake being so expensive, costing from £8 to £12 an acre, the area under fruit and crops is not more than about one-twelfth of the total acreage held. It was urged that under existing conditions the settler had no choice but to cut down the timber and burn it off. If, however, railway facilities were provided the trees would be converted into a valuable asset, as they would be sought after by saw-millers, who would pay the land-holders for the right of felling the timber and cutting it up, thus assisting the settlers to clear their land and render it productive. Witnesses stated that if better means of transport were provided by running a railway through the district there would be a rapid increase in the acreage under cultivation, as a good living could be made by a family off 50 or 60 acres by growing small and large fruits, potatoes, pease, beans, and other vegetables. Evidence was given that the total population of the Kinglake district was 470, and that the area held comprised 20,523 acres, of which 942 were planted with fruit trees and 782 were either cultivated, growing root crops, oats, &c., or had been sown down with English grasses. Of the remainder, 5,684 acres had been ring-barked, while 13,115 acres had still the green timber growing thereon. Apart from the land at Kinglake, the area to be served by a railway running into the Toolangi district was stated to be 121,000 acres, including a portion of the Crown lands and State forest and timber reserves. Of this area, 25,600 acres were said to be suitable for growing root crops, being first class land; 44,800 acres were adapted for cereals, being second class land; and 51,000 acres were suitable for grazing, being third class land. Yields of from 6 to 10 tons of potatoes per acre were stated to have been obtained from the good soil around Toolangi. On the southern slopes of the hills leading up to Kinglake and Toolangi are several areas of Crown lands which have either been withheld from selection because they were considered auriferous, or were required by the Forests Department as additional timber reserves, or have not been applied for by the public because of the poorness of the soil or the steepness of the hills preventing the land being cultivated when cleared of the stringybark and peppermint timber. A fair portion of the soil on the foot-hills, however, was described as fit for fruit-growing, being well drained and adapted for the harder varieties of apples, which are now being exported to Europe in increasing quantities each year. To the north of Kinglake, in the direction of Flowerdale and Glenburn, there are several allotments of Crown lands available for selection, some of them being well timbered. These blocks were taken up by selectors some years ago, but were abandoned because of the distance from a railway station.

Witnesses stated that if a railway were constructed to Kinglake the blocks would be readily applied for. Most of the residents of Flowerdale and Glenburn, who are from 12 to 16 miles north of Kinglake, are engaged in dairying and grazing. It was stated that good crops of potatoes and maize could be grown in the valleys bordering on King Parrot and Spring creeks and also on the Yea River, while the hill slopes would give fair yields of oats and wheat if assisted with artificial manures. The production of the district was, however, limited to the requirements of the residents and their dairy herds, as the distance from an existing railway station made the charge for cartage too costly, and rendered cultivation for the Melbourne market unprofitable. Any produce now grown and marketed would have to be carted about 15 miles to Kerrisdale station, which is 68 miles from Melbourne, or about a similar distance to Yea, which is 80 miles from the metropolis by rail. But if a railway were constructed to Kinglake West or to Kinglake East the distance from these stations to Melbourne would be but a little more than half that from Kerrisdale and Yea, *viâ* Tallarook. The annual average rainfall of the district was from 30 to 40 inches.

Bad roads.

2. The principal feature of the Kinglake and Toolangi district is the difficulty of ingress and egress. A road runs from Whittlesea eastward to Kinglake West, which is about 11 miles from that station. A bush track has been cut along the crest of the Dividing Range from Kinglake West to Kinglake East, a distance of nearly 8 miles. There is also a road from Hurst's-bridge up the valley of Diamond Creek, through Queenstown, and around Cookson's Hill to Kinglake East. This road is about 15 miles in length. It is expected that the railway from Eltham to Hurst's-bridge, which is now under construction, will be completed within the next few months. There are roads from Yarra Glen to Kinglake East and Toolangi, both these localities being about 12 miles from that railway station. The roads from Whittlesea to Kinglake West, and also from Yarra Glen to Kinglake East and Toolangi, are unformed and unmetalled in places, and some of the grades are very steep, being 1 in 9 and 1 in 12 for several chains, and this limits the loads of groceries, artificial manures, &c., that can be carted up the hills from Whittlesea and Yarra Glen to Kinglake and Toolangi. Fruit is usually carted in summer and early autumn. This cartage is down hill; but the fruit is frequently bruised by the jolting of the waggons over the unmade portions of the roads, and its keeping quality deteriorated—lessening the selling price of the apples, peaches, pears, &c., when they reach the market. The potato crop is dug in the early winter, and has to be carted out of the district when the roads are at their worst. Consequently, the loads have to be restricted to a few hundredweight, and that makes cartage expensive. Witnesses stated that the cartage rates from Kinglake West to Whittlesea were from 15s. to 20s. per ton in summer, and from 20s. to 40s. per ton during winter, according to the condition of the road. The cartage charge from Toolangi to Yarra Glen was 12s. per ton, and from Yarra Glen to Toolangi 20s. in the summer months, and from 30s. to 50s. during winter. From Kinglake East to Yarra Glen cartage costs from 12s. to 15s. per ton in summer, and up to 40s. in winter. It was said that owing to the state of the roads and the distance from railway facilities settlement and production in the district had been retarded.

Supplies of  
timber available.

3. Any railway constructed to Kinglake and Toolangi would for several years have to rely largely on the timber traffic for its revenue, because the production of the district is, at present, comparatively small, and any increase in the areas cultivated must be gradual, owing to the cost of clearing the land. Evidence was given that 5,684 acres in Kinglake had been ringbarked, leaving 13,115 acres on which the green timber is growing. The Committee was assured that most of the dead timber would be cut up and sent to Melbourne for firewood if railway facilities were provided, or it would be used for making charcoal, for which there is a good demand in Melbourne, owing to the increasing use of suction gas plants. The green timber, which extends from the central part of Kinglake eastwards to Toolangi, consists of mountain ash, bluegum, and messmate, and would, because of its good quality, be largely used for building and mining purposes, bridges, wharf construction, and also for palings, fencing, &c. At the time of the Committee's visit to the district last year there was a saw-mill cutting in Kinglake West, and the hardwood was being taken by traction engine and teamsters to Whittlesea—a distance of about 12 miles. It was stated by the mill-owner that he had secured rights to cut over a large area of land a mile or two further east, and that if a railway were constructed into the district he

could start more mills and largely increase his annual output of sawn hardwood. There are also areas of good milling timber around Kinglake East. The Victoria State Forest adjoins Toolangi on the north side, and a fair portion of that reserve would be tapped by either a railway from Yarra Glen to the junction of the Yea River and Campbell's Creek (or Mountain Creek, which is close by) or a line from Whittlesea or Hurst's-bridge running through Kinglake to Toolangi. One of the mills—the Australian Hardwoods Company—whose plant is 13 or 14 miles from Yarra Glen, has constructed a wooden tramway from the mill for about 5 miles towards Yarra Glen, and the sawn hardwood is carted from there to that railway station. The cartage of timber from Toolangi and Kinglake East to Yarra Glen in the summer months costs 2s. 6d. per hundred superficial feet, while the charge from Kinglake West to Whittlesea is 2s. All the mills have to cease operations during the wet season, owing to the bad condition of the roads. It was asserted, however, that if a railway were constructed to Kinglake or to Toolangi the mills would be worked all the year round, and so give additional employment. The forest extends for several miles north of Toolangi towards the Murrindindi Creek, and also along the valley of the Yea River. One mill is operating in that portion of the parish of Woodburne, and has its sawn timber carted to Yea at a cost of 2s. 9d. per hundred superficial feet, it being all down-hill carting. A representative of the Australian Hardwoods Company informed the Committee that, if a railway were made from Yarra Glen to Toolangi, his company would be prepared to erect two other mills in the 5,000 acres of Crown lands over which they have secured from the Forests Department the right to cut timber. It would also put in tonguing, grooving, and planing machinery, and a seasoning plant, besides erecting charcoal kilns, so that the tops of trees which now go to waste could be utilized and turned into an article of commercial value.

4. There would, it was said, be a large tourists' and week-end passenger traffic to Kinglake and Toolangi if a railway were built to those places, as there are extensive and picturesque views from the hills around Kinglake and Toolangi, and several attractive fern gullies and waterfalls, while the climate was cool during the summer nights, and bracing in winter. If there were easier means of reaching the district it would be a favourite locality for summer residences, being within 40 miles of Melbourne. Tourists' traffic.

5. Several routes were suggested for railways to Toolangi and Kinglake. Railway routes. The proposal submitted by the residents of Kinglake West was the extension of the Whittlesea broad-gauge railway in a north-easterly direction, past the entrance to Toorourrong, or Jack's Creek, water reserve, and thence up the hills to Kinglake West, keeping close to the southern boundary of that reserve and near to the Whittlesea-Yea road, as far as Joyce's, at Kinglake West, and thence eastwards along the crest of the Dividing Range through Central Kinglake and Kinglake East, and down a steep hill to the junction of Yea River and Campbell's Creek, which would be about 3 miles west of Toolangi. An alternative proposal placed before the Committee by some of the residents of Kinglake West was to extend the Hurst's-bridge railway up the valley of Arthur's Creek, and thence along the east side of Sugarloaf Hill, on an ascending grade, to Kinglake West, where the line would turn eastwards and follow the same course as the proposed Whittlesea route, through Kinglake to Toolangi. It was urged in support of these proposals that they would be continuations of existing lines, and therefore additional trains and staffs would not be required to operate the extensions. The residents of Toolangi asked for the construction of a broad-gauge line, about 12 miles in length, northwards from Yarra Glen to a gap in the Dividing Range, and thence to the junction of Yea River and Campbell's Creek, where the line would terminate for the present. It was pointed out that this extension would serve Kinglake East and tap the Victoria State Forest, and could eventually be continued northwards down the valley of the Yea River to Yea, on the Tallarook and Mansfield railway, and thus give an alternative and shorter route to Melbourne.

6. Mr. Kernot, Chief Engineer for Railway Construction, informed the Committee that a broad-gauge railway from Whittlesea, *via* Kinglake, to Toolangi would be approximately 24 miles in length, and would cost upwards of £160,000, exclusive of land and rolling-stock. The distance of the terminal point from Melbourne would be  $51\frac{1}{4}$  miles, and the highest elevation reached 2,000 feet. Cost of proposed railways.

The ruling grade would be 1 in 30. He stated that a narrow-gauge line from Whittlesea, *viâ* Kinglake, to Toolangi would be about 27 miles in length, and would cost close on £100,000. The ruling grade of this line would be 1 in 45. With regard to the proposal to extend the Hurst's-bridge railway up Arthur's Creek, and thence along the east side of Sugarloaf Hill to Kinglake West, Mr. Kernot stated that the cost of this route would be prohibitive for a broad-gauge railway, inasmuch as four tunnels, with a total length of 2,595 feet, would be required, and also very heavy earthworks. This difficulty was recognised by the residents at Strathewen, in the upper part of Arthur's Creek. They suggested, with a view of lengthening the route of the line, and so lessening the grade and reducing the earthworks, that the railway, on leaving Hurst's-bridge, instead of proceeding northwards along Arthur's Creek, direct to Kinglake, should take a north-easterly course along the valley of Diamond Creek to Queenstown, a distance of 6 miles, and thence northwards to Rushy Flat Gap, and north-westwards past Strathewen and across the valley of Arthur's Creek to the east side of Sugarloaf Hill, up which it should proceed to Kinglake West. It was urged that this alteration in the route would take the railway through the most populous and productive part of the Upper Diamond Creek district, and, by securing from that area a large outwards traffic in fruit and the carriage inwards of stores, manure, &c., bring revenue to the line, and assist in making the extension to Kinglake a profitable undertaking. This proposed deviation was examined by the engineers of the Construction Branch of the Railway Department, and they reported that the route was practicable for a broad-gauge railway as far as Strathewen, but from there onwards the country, owing to its broken character and steep grades, was unsuitable for broad-gauge location, and would involve an outlay of from £25,000 to £30,000 per mile for a length of about 6 miles from Strathewen to the crest of the range at Kinglake West, near the junction of the Sugarloaf and Kinglake roads. They stated that a broad-gauge railway from Hurst's-bridge to Kinglake, either by way of Arthur's Creek or Rushy Flat, would be more costly than the Whittlesea route. On both routes the ruling grade would be 1 in 30. The engineers further reported that a practicable route for a narrow-gauge line with a 1 in 30 grade could be obtained from Rushy Flat Gap by ascending the east side of Arthur's Creek to Kinglake West instead of descending from that gap into the valley of that stream at Strathewen and then ascending Sugarloaf Hill on the west side of Arthur's Creek. The length of the railway along the east side of Arthur's Creek to the tableland at the head of that stream would be  $16\frac{1}{2}$  miles from Hurst's-bridge, as compared with about  $12\frac{1}{2}$  miles from Whittlesea to the same point near the junction of the Sugarloaf and Kinglake roads. They added that, as the cost per mile of these two routes would probably be about the same, the line *viâ* Queenstown and Strathewen, owing to its extra length, would entail about 25 per cent. greater expenditure than the Whittlesea route, and would not serve the Flowerdale district so well. Mr. Kernot informed the Committee that a broad-gauge railway from Yarra Glen to the junction of Yea River and Campbell's Creek, near Toolangi, would be approximately  $11\frac{1}{2}$  miles in length, and the cost about £90,000 for a line having a ruling grade of 1 in 30 and 8-chain curves. He added that the proposed line would pass over particularly rough country, which made railway construction costly. The distance of the terminal point from Melbourne would be  $42\frac{1}{4}$  miles, and the highest elevation 1,200 feet. A narrow-gauge line from Yarra Glen to the same point near Toolangi would, he said, be about  $12\frac{1}{2}$  miles in length, and would cost upwards of £50,000. "But," he remarked, "this is only a rough guess. Survey work is absolutely necessary to make a reliable estimate."

Grades on  
railways.

7. In deciding as to which of the three routes advocated by the local residents was the best, so that estimates of revenue and working expenses regarding it might be obtained from the Railways Commissioners, the Committee had to take into consideration the cost, grades, and gathering ground for traffic of the lines, and the distance by each route to Melbourne, which would be the market for the sawn hardwood, firewood, fruit, and potatoes sent out of the district. Both the evidence received and the inspection of the district showed that the largest supplies of timber were not at Kinglake West, but towards Kinglake East and to the north of Toolangi in and around the Victoria State Forest. As timber and firewood would for several years represent by far the greater part of the traffic, and as those commodities are

carried over the railways at an exceedingly low or cheap rate, the Committee had to give consideration to the grades on the different routes. Between Toolangi and Yarra Glen there would be no gradients against traffic towards Melbourne, while, on the other hand, between Toolangi and Kinglake a rise of 860 feet would have to be climbed in a few miles. This would largely affect the load a locomotive could haul, and consequently lessen the likelihood of the railway showing a paying result, especially when the bulk of the freight would be carried at such low rates. A further objection to the timber from the Toolangi forests being carried to Melbourne by way of Kinglake and Whittlesea was that the distance by that route would be  $51\frac{1}{4}$  miles, as against  $42\frac{1}{4}$  *viâ* Yarra Glen, if the railway were a broad-gauge one, and  $54\frac{1}{4}$  and  $43\frac{1}{4}$  miles respectively if the line were built on the narrow gauge. In view of these important differences in the loads that could be hauled over the lines and the distances by rail to Melbourne, the Committee decided that the Yarra Glen to Toolangi route would be preferable to either the Whittlesea-Kinglake or the Hurst's-bridge-Kinglake route to Toolangi in the event of railway connexion with that place being decided on.

### KINGLAKE RAILWAY.

8. Having come to this opinion, the next question the Committee had to consider was whether there should be a railway to Kinglake, and, if so, whether it should start from Whittlesea or Hurst's-bridge and terminate near the junction of Sugarloaf, Kinglake, and Pleasant Creek roads. As the prospective traffic would not justify a larger expenditure than was absolutely necessary the Committee had to set aside the proposal to extend the Hurst's-bridge line up the side of Sugarloaf Hill to the Kinglake tableland, because it would be much more costly than the Whittlesea route. Finally, the Committee had also to reject the latter proposal, as there would be very little gathering ground for traffic in the first 8 or 9 miles from Whittlesea to Joyce's at Kinglake West. For a distance of over 7 miles on one side of this suggested line is the extensive water reserve in connexion with the Jack's Creek-Yan Yean supply for Melbourne, and from which, of course, no freight for the railway would be obtained. On the other side, the land is of poor quality, and outside the 10-chain reserve falls rapidly into Scrubby Creek, so that the traffic from there would be limited to the fruit production of some six or seven settlers. The freight that would be despatched from and received at stations at Kinglake West, near Joyce's and near Campbell's, would no more than yield sufficient revenue to pay the interest on the capital required (about £100,000) to construct a broad-gauge line from Whittlesea to Kinglake, leaving nothing available to meet the working and maintenance expenses. The Committee is, therefore, of opinion that it is inexpedient to construct a railway from either Whittlesea or Hurst's-bridge to Kinglake.

### RUSHY FLAT EXTENSION.

9. The Committee was informed by Mr. Kernot that a broad-gauge railway from Hurst's-bridge through Queenstown to Rushy Flat would be  $9\frac{1}{2}$  miles in length, and would cost approximately £70,000. It was stated by the Traffic Officers of the Railway Department that about 30,000 acres and a population of 600 persons would be served by this proposed extension, including a portion of Kinglake East. The principal occupation of the residents was fruit-growing, and it was estimated that the traffic by rail from the orchards would total about 400 tons per annum. A small traffic in agricultural produce from the Kinglake East district was also anticipated by the Traffic Officers. They allowed for two trucks of firewood per day being despatched over the new line, representing a total of 3,756 tons per annum. In computing the revenue from passengers, allowance had been made for a tourists' traffic to Kinglake tableland, which would be about 6 miles from the proposed terminus. In replying to a question asked by the Committee, the Traffic Officers said the reason they had not allowed for more than 18,000 cases of fruit to be sent over the line was that while apples and pears for export would be carried on the railway to Port Melbourne for shipment there, most of the soft fruits, such as peaches, plums, and apricots, and also the varieties of apples and pears which were not exportable, would be taken by road to the Victoria Market, Melbourne.

10. The Railways Commissioners furnished the following estimates of annual working expenses, interest charges, and revenue in connexion with the proposed extension from Hurst's-bridge to Rushy Flat, providing a daily train service each way :—

## ANNUAL CHARGES.

Interest at 4 per cent. per annum on £70,875, being £70,000 the cost of constructing a 5ft. 3in. railway from Hurst's-bridge to Rushy Flat, 9½ miles, and £875 additional for rolling-stock	...	...	...	...	...	£2,835	0	0
Traffic expenses	...	...	...	...	...	433	7	3
Maintenance charges	...	...	...	...	...	950	0	0
Locomotive expenses and repairs and replacement of rolling-stock	...	...	...	...	...	891	19	5
General expenses	...	...	...	...	...	56	17	8
						£5,167	4	4

## REVENUE.

		On New Line.		On other Lines from New Traffic from New Line.				
Passengers	...	£775	0	0	...	£80	0	0
Parcels	...	25	0	0	...	...		
Mails	...	71	5	0	...	...		
Class goods	...	129	10	0	...	...		
Firewood	...	187	16	0	...	150	0	0
Fruit	...	35	0	0	...	12	0	0
Agricultural produce	...	11	13	4	...	5	0	0
All other traffic	...	10	0	0	...	...		
		£1,245	4	4		£247	0	0
						£1,492	4	4
Estimated annual loss	...				...	£3,675	0	0

11. While the Committee considers that the revenue from agricultural produce and fruit would be larger than was expected by the Railways Commissioners, the annual loss would still be upwards of £3,000, and it is unlikely that that sum would be substantially diminished, as any large increase in the area under fruit would lessen the income obtained from the carriage of firewood over the railway. The Committee is of opinion that it is not expedient to construct a railway from Hurst's-bridge to Rushy Flat, as it would be an unprofitable line, and as the orchardists to be served by such an extension are within 10 or 12 miles of Hurst's-bridge, Whittlesea, or Yarra Glen railways.

## TOOLANGI RAILWAY.

12. It was reported by the Traffic Officers of the Railway Department that about 130,000 acres would be tributary to a railway constructed from Yarra Glen to Toolangi. The land for the most part is mountainous. A little less than half the area stated is Crown lands and forest reserves. There is not much cultivation in the district, and those officers were of opinion that even if cheap transport facilities were provided it would be some years before the area under crop showed any material increase, owing to the country being so heavily timbered and the cost of clearing so large. They added that in the ranges accessible to the proposed line there were large belts of timber, chiefly messmate, mountain ash, and spotted gum. In their opinion, 100,000,000 superficial feet of milling timber would be available from this district during the next twenty years, representing an annual output of close on 14,000 tons. They also expected that 4,000 tons of mixed firewood would be despatched annually over the proposed line to the Melbourne market. The population of the district was estimated at 1,000 persons. As the locality is an increasingly popular tourists' resort they had allowed for 10,000 passengers visiting the district during the first twelve months the line was open for traffic. Mr. D. Ingle, district forester, in reporting on the timber available in the area tributary to the proposed railway, said that 24,750,000 superficial feet could be obtained from the State reserves, and 5,750,000 from private lands, making a total of 30,500,000 superficial feet, or less than a third of the quantity stated by the Railway Officers. When questioned by the Committee as to the difference in the two estimates, Mr. Ingle said he had not included some of the timbered lands on the Murrindindi Creek, as the country was very broken between that stream and the site of the suggested terminus at Toolangi. He considered it was not possible to profitably bring that timber to Toolangi at present prices, and that its natural outlet was towards Yea. He stated, however, that if the Murrindindi timber were included he would increase his estimate by 12,000,000 superficial feet,

making the total available 42,500,000 superficial feet, or 118,055 tons, and added :—  
 “Mountain ash timber is very deceiving. Some of the areas at Toolangi would lead one not used to this class of forest to think that the timber was first class, whereas many of the large trees are mere ant-infested shells.” On the other hand, the managing director of the Australian Hardwoods Company stated in evidence that the company had on its area upwards of 80,000,000 superficial feet of good milling timber.

13. The Railways Commissioners furnished the following estimates of annual working expenses, interest charges, and revenue in connexion with the proposed broad-gauge railway from Yarra Glen to Toolangi, allowing for a daily train service each way :—

## ANNUAL CHARGES.

Interest at 4 per cent. per annum on £96,025, being £90,000 the cost of constructing a 5ft. 3in. railway from Yarra Glen to Toolangi, 11½ miles, and £6,025 additional for rolling-stock ... ..	£3,841	0	0
Traffic expenses ... ..	382	15	2
Maintenance charges ... ..	977	10	0
Locomotive expenses and repairs and replacement of rolling-stock ... ..	823	4	6
General expenses ... ..	54	11	9
	<u>£6,079</u>	<u>1</u>	<u>5</u>

## REVENUE.

	On New Line.	On other Lines from New Traffic from New Line.	
Passengers ... ..	£1,446	13	4
Parcels ... ..	100	0	0
Mails ... ..	86	5	0
Class goods ... ..	288	15	0
Live stock ... ..	...	...	...
Timber and firewood ... ..	806	15	5
Agricultural produce ... ..	62	10	0
Dairy produce ... ..	16	13	4
All other traffic ... ..	20	0	0
	<u>£2,827</u>	<u>12</u>	<u>1</u>
		<u>£969</u>	<u>7</u>
			<u>6</u>
			<u>£3,796</u>
			<u>19</u>
			<u>7</u>
Estimated annual loss ... ..			<u>£2,282</u>
			<u>1</u>
			<u>10</u>

14. In view of the above estimated annual loss the Committee considered it inexpedient to construct a broad-gauge railway from Yarra Glen to Toolangi, and asked the Railways Commissioners for estimates of annual revenue and working expenses for a narrow-gauge (2ft. 6in.) line from Yarra Glen to Toolangi. They accordingly furnished the Committee with the following estimates providing for a daily train service each way :—

## ANNUAL CHARGES.

Interest at 4 per cent. per annum on £56,740, being £50,000, the cost of constructing a 2ft. 6in. railway from Yarra Glen to Toolangi, 12½ miles, and £6,740 additional for rolling-stock ... ..	£2,269	12	0
Traffic expenses ... ..	412	6	5
Maintenance charges ... ..	1,062	10	0
Locomotive expenses and repairs and replacement of rolling-stock ... ..	1,116	14	6
General expenses ... ..	64	15	9
	<u>£4,925</u>	<u>18</u>	<u>8</u>

## REVENUE.

	On New Line.	On Other Lines from New Traffic from New Line.	
Passengers ... ..	£1,480	0	0
Parcels ... ..	100	0	0
Mails ... ..	93	15	0
Class goods ... ..	313	15	0
Live stock ... ..	...	...	...
Timber ... ..	690	2	1
Agricultural produce ... ..	62	10	0
Dairy produce ... ..	16	13	4
All other traffic ... ..	20	0	0
	<u>£2,776</u>	<u>15</u>	<u>5</u>
		<u>£752</u>	<u>5</u>
			<u>10</u>
			<u>£3,529</u>
			<u>1</u>
			<u>3</u>
Estimated annual loss ... ..			<u>£1,896</u>
			<u>17</u>
			<u>5</u>

15. From the foregoing estimates it will be seen that a narrow-gauge railway to Toolangi would secure all the traffic that would be despatched over a broad-gauge line, with the exception of firewood, as the Railways Commissioners considered that the charge for transferring that fuel at Yarra Glen from the narrow to the broad gauge trucks, which would have to be added to the selling price of the firewood, would lessen the demand for it in competition with similar firewood from neighbouring districts served by broad-gauge lines. As, however, the capital expenditure on a narrow-gauge railway would be but little more than one-half the sum required to build a 5ft. 3in. line the annual interest charge would be considerably less, and, consequently, that proposal shows a better financial result than the broad-gauge one. At the same time, the working expenses of the narrow-gauge line would be more, that railway being a mile longer. Moreover, as the narrow-gauge locomotive could not operate a section of the main line, the whole of the wages of the train crew would have to be debited to the Toolangi railway. Having regard to the wide difference in the estimates of the Traffic Officers, and of Mr. D. Ingle, district forester, as to the tonnage of milling timber which would be tapped by a railway to Toolangi, and as the latter is, from his long experience, an expert in computing the quantity and quality of timber, the Committee is of opinion that it is inexpedient to build a narrow-gauge railway from Yarra Glen to Toolangi, because the forest would be cut out of milling timber in eight or nine years if the traffic expected by the Railway Officers, namely, 14,000 tons per annum, were realized. So much of the land in the Toolangi district being reserved for forestry purposes, cultivation could not take the place of timber, and, consequently, at the end of the nine years or so there would be a large falling off in the revenue of the railway, causing a much greater loss than is shown above.

16. Section 5 of Act No. 1359 prohibits a member of the Committee taking part in the proceedings when any proposed line running into or through his electoral district is being considered or reported on by the Committee. Consequently, the Hon. E. H. Cameron, M.L.A., and the Hon. Dr. W. H. Embling, M.L.C., did not take part in the deliberations of the Committee when the question of railway communication with Toolangi and Kinglake was being considered by the Committee.

D. MELVILLE,  
Vice-Chairman.

Railways Standing Committee Room,  
State Parliament House,  
Melbourne, 24th August, 1911.

*[Minutes of Evidence are not printed.]*