

1913.

VICTORIA.

REPORT

FROM

THE PARLIAMENTARY STANDING COMMITTEE
ON RAILWAYS

ON THE

CAVENDISH TO TOOLONDO RAILWAY;

TOGETHER WITH

BOOK OF REFERENCE.

Ordered by the Legislative Assembly to be printed, 3rd December, 1913.

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RAILWAYS STANDING COMMITTEE REPORT No. 4.—[6d].—16403.

EXTRACTED FROM THE VOTES AND PROCEEDINGS OF THE
LEGISLATIVE ASSEMBLY.

WEDNESDAY, 26TH NOVEMBER, 1913.

5. CAVENDISH TO TOOLONDO RAILWAY.—Mr. A. A. Billson, in accordance with the requirements of the Railways Standing Committee Acts, moved, pursuant to notice, That the construction of a 5ft. 3in. gauge railway from Cavendish to Toolondo be referred to the Parliamentary Standing Committee on Railways for consideration and report.

Debate ensued.

Question—put and resolved in the affirmative.

MEMBERS OF THE PARLIAMENTARY STANDING COMMITTEE ON RAILWAYS.

(*Tenth Committee.*)

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

J. W. Billson, Esq., M.L.A.,
The Hon. A. Hicks, M.L.C.,
W. Hutchinson, Esq., M.L.A.,

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

APPROXIMATE COST OF REPORT.

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| Compilation.* | £ . . . |
| Printing (700 copies) | |

* The compilation was a portion of the work of the Secretary of the Railways Standing Committee, who is paid by annual salary.

REPORT.

THE PARLIAMENTARY STANDING COMMITTEE ON RAILWAYS, to which the Legislative Assembly referred the question of the construction of a 5ft. 3in. gauge railway from Cavendish to Toolondo, has the honour to report as follows:—

FORMER REPORT.

1. On the 3rd July, 1912, the Committee presented to the Legislative Assembly a Report dealing with the general question of providing direct railway communication to the sea-board at Portland from districts between the South Australian Border line and the existing railway from Murtoa to Hopetoun. In that Report the Committee gave its reasons for setting aside the proposed connecting lines from Casterton northwards through Edenhope to Kaniva on the main Serviceton railway, and from Hamilton northwards, *viâ* Cavendish and Glenisla, to Horsham in favour of the proposed line from Hamilton northwards by way of Cavendish and Balmoral to Toolondo. It was stated that the last-mentioned proposal would give a direct railway connexion with Portland, and would serve a much larger area of the Wimmera and Southern Mallee country than the Casterton-Edenhope-Kaniva suggestion, and, while not so direct a route as the Hamilton-Glenisla-Horsham survey, it would nevertheless pass through much better country for agricultural purposes and settlement, and consequently was likely to derive more local traffic. At that time the Committee said—"Undoubtedly, the Glenisla route would be the better connexion had the matter to be considered from the aspect of a through line only. There is, however, much uncertainty as to the volume of through traffic in general merchandise which a direct railway will create, and also a doubt as to whether importers and others will establish agencies at Portland, and have sufficient direct shipments to cause a rapid expansion of the trade of that port. Therefore, the Committee, in considering the financial results of the proposed connecting railway, and the need for lessening the annual loss, found it necessary to have more regard to the probable development of the country lying between Hamilton and Horsham than to the possible increase in the tonnage of the through traffic. In the opinion of the Committee the land along the Balmoral-Toolondo route affords more opportunities for settlement and has better prospects of agricultural expansion than that traversed by the Glenisla survey. Consequently, after considering all the surroundings, the Committee came to the decision that the Balmoral-Toolondo route would be the preferable one. That route will make all stations on the Murtoa-Hopetoun line $1\frac{3}{4}$ miles nearer to the sea-board at Portland than to Geelong Harbor; but the rates to and from either port will be practically the same. Taking Horsham, however, as the centre of the Wimmera district the distance from that station, *viâ* Balmoral, to Portland will be $146\frac{1}{4}$ miles, compared with 184 to Geelong, and $192\frac{3}{4}$ by way of the existing lines through Ararat and Hamilton to Portland. All stations west of Horsham and those on the Dimboola-Rainbow line will be $37\frac{3}{4}$ miles nearer to Portland by way of Balmoral than to Geelong. The Balmoral connexion will give all stations on the Goroke and Noradjuha lines a shorter route to the sea-board than the Glenisla survey." During the Session of 1912 Parliament sanctioned the construction of a 5ft. 3in. railway from Hamilton to Cavendish, $15\frac{3}{4}$ miles in length, and estimated to cost £67,376, including £9,210 for rolling-stock. This was the first section of the proposed direct connecting line between

Portland and the Wimmera district, and now the remaining section from Cavendish, *via* Balmoral, to Toolondo, $43\frac{3}{4}$ miles, and estimated to cost £175,105, is submitted for consideration and approval.

DESCRIPTION OF COUNTRY.

2. The country between Cavendish and Balmoral is undulating and open. It is lightly timbered with redgum, and the soil is of fair agricultural quality. Around Cavendish the land is being used for growing wheat and oats, and it is believed that the construction of the proposed railway will lead to two or three large estates between there and Balmoral being subdivided and either let on the share system for raising cereals or sold for agricultural purposes. To the west of the route of this line is some good land in the neighbourhood of Spring Vale and Nareen, and also towards Harrow, which will probably be used for cultivation instead of grazing if the expected railway facilities are provided. On crossing the Glenelg River near Fulham, about 7 miles north of Balmoral, the country is flat, and continues so till reaching Toolondo, which is about 12 miles from Fulham. The country around Fulham is considered tributary to the Toolondo line, and grain grown there is now carted to that station. The extension of the railway, however, is likely to cause some of the loamy land to the west of Fulham to be used for cultivation. Mr. Kernot, Chief Engineer for Railway Construction, estimated that 350,000 acres, including 20,000 acres of forest reserves bordering on the Black Range, 15 miles to the north-east of Balmoral, would be served by this through railway.

COST OF RAILWAY.

3. Mr. Kernot reported that the railway from Cavendish to Toolondo, as surveyed through Balmoral and Fulham, would be 43 miles 60 chains in length, and would cost £175,105, or £4,002 per mile for a broad-gauge line, exclusive of land and rolling-stock. Included in that sum was £45,620 for 45.62 miles of new 60-lb. steel rails, or £1,000 per mile for rails alone, and £22,646 for sleepers, or about £500 per mile. The earthworks, which averaged about 9,000 cubic yards per mile, were estimated to cost £30,726, and the ballast, which will consist of gravel obtainable from Crown lands near Balmoral, £18,770. The two bridges—one over the Wannan at Cavendish, and the other over the Glenelg at Fulham—were expected to involve an outlay of £7,000. They will be constructed of timber. Provision was made in the estimate for seven roadside stations and twelve residences for employes, at a total outlay of £9,000. The estimate was based on a wage rate of 9s. per day for labourers. Mr. Kernot added that if serviceable second-hand rails became available the cost would be reduced by about £300 per mile.

REPORT OF TRAFFIC OFFICERS.

4. It was estimated by the Traffic Officers that the proposed railway from Cavendish through Balmoral to Toolondo would serve approximately 350,000 acres, and in addition there was a large tract of country lying outside a 10-mile radius of the line that would contribute traffic to this railway in the event of it being constructed. For the most part this extensive area was fair cultivable land, well watered by rivers and numerous creeks. In the past almost the whole of this country has, they added, been devoted to sheep-farming, but with railway facilities they thought that several of the large estates around Balmoral would be subdivided and brought under cultivation. The local tonnage likely to be offered for transport over a through line from Cavendish, *via* Balmoral, to Toolondo during the first twelve months it was open for traffic was estimated by them as follows:—Agricultural produce, 7,000 tons; sawn and split timber, 5,000 tons; wool, 1,000 tons; and general goods, including salt, honey, hides, skins, and bark, 2,000 tons. The inwards tonnage to the district was put down at 2,000 tons. The population along the route of this railway was estimated at 2,200 persons; and the number of horses at 1,200; cattle, 2,300; sheep, 160,000; and pigs, 150.

WORKING EXPENSES AND REVENUE.

5. The Railways Commissioners furnished the Committee with the following estimates of annual expenses and revenue for a connecting line from Cavendish, *viâ* Balmoral, to Toolondo, providing for one train each way per day :—

ANNUAL CHARGES.

| | |
|---|-------------|
| Interest at 4 per cent. per annum on £175,929, being the estimated cost (£175,105) of constructing 43 $\frac{3}{4}$ miles of 5ft. 3in. railway from Cavendish, <i>viâ</i> Balmoral, to Toolondo, at a wage rate of 9s. per day, with £824 added for rolling-stock | £7,037 0 0 |
| Traffic expenses | 521 0 0 |
| Maintenance charges | 3,175 0 0 |
| Locomotive expenses, including repairs and renewals of rolling-stock | 2,595 0 0 |
| General charges | 159 0 0 |
| Total annual charges | £13,487 0 0 |

REVENUE.

(Based on local rates on all goods except timber and firewood carried over the new line.)

| | On New Line. | On other Lines from New Traffic from New Line. | |
|-----------------------|--------------|--|------------|
| Passengers | £1,261 0 0 | £200 0 0 | |
| Parcels | 293 0 0 | ... | |
| Mails | 319 0 0 | ... | |
| Class goods | 1,691 0 0 | 80 0 0 | |
| Wool | 560 0 0 | ... | |
| Live stock | 160 0 0 | 41 0 0 | |
| Timber | 750 0 0 | 600 0 0 | |
| Grain | 1,321 0 0 | 1,000 0 0 | |
| All other traffic | 120 0 0 | ... | |
| | £6,475 0 0 | £1,921 0 0 | £8,396 0 0 |
| Estimated annual loss | ... | ... | £5,091 0 0 |

REDUCTION IN ESTIMATED ANNUAL LOSS.

6. When giving evidence in 1912 concerning the estimates in respect of the through line between Hamilton and Horsham, Mr. W. F. Fitzpatrick, Chairman of the Railways Commissioners, explained that they represented the value of the proposed connecting line as a producer of new revenue or as an additional asset to the Department. This connexion had been credited with the nominal sum of £100, representing the additional passenger traffic it was likely to induce as a direct through service between Hamilton and Horsham, and also with 100 tons of new through goods traffic coming *viâ* Portland. No allowance, however, had been made in respect to any flour, bran, pollard, or live stock likely to be carried over the line from the Wimmera and Southern Mallee districts to Hamilton and stations on the Portland, Casterton, Coleraine, and Warrnambool lines, nor for any potatoes, onions, or other agricultural produce sent from the Warrnambool and Portland districts to stations in the Wimmera and Southern Mallee, because that traffic was now obtained by the Department, being carried over the existing lines *viâ* Ararat. Moreover, the charges for the carriage of such articles would be less by way of Ararat than *viâ* Balmoral, as local rates would, unless the Act authorizing the building of the new connecting line otherwise directed, have to be charged on all goods hauled over that line, and such rates, added to the ordinary mileage rates over

the existing lines, would be higher than the charges *viâ* Ararat. But, he added, even if local rates were not enforced on the new line—only the ordinary mileage rates being charged on the commodities stated—the Commissioners considered that the receipts from this traffic should not be credited to the new line, as the Department would actually lose revenue by reason of the shorter haul. As, however, the shorter haul would mean less locomotive expenses, the Committee, while agreeing with the Railways Commissioners that the value of a new line to the Department should be viewed from the stand-point of the additional revenue it would bring to the general railway system, asked Mr. Fitzpatrick whether, after the through traffic in flour, bran, pollard, hides, live stock, potatoes, onions, butter, cheese, and fresh fish carried over the new connecting line had been “tolled,” the line would, in the annual statement of non-paying railways issued by the Department, show a lesser loss than £5,000 by being credited with its mileage proportion of such through traffic, and, if so, what was the estimate of the lesser loss. He replied that an accurate statement of the reduction in the estimated loss, on account of the mileage proportion of the revenue from the through traffic being credited to the new line, could not be given until detailed returns of the traffic now carried by way of Ararat had been obtained, and this would cause considerable delay. But from investigations already made the Commissioners calculated roughly that the estimated loss on the Balmoral route would be reduced from £5,000 to about £2,920. The Committee, being of opinion that where a line carries traffic it should be credited with the net revenue arising from that business, has therefore regarded the estimated annual loss of the Balmoral route at £2,920.

SAVING IN COST OF SLEEPERS.

7. In the Progress Report on the question of this proposed connecting railway, presented to the Legislative Assembly on 19th December, 1911, it was stated that a direct line from Hamilton to Horsham, *viâ* Glenisla, would “enable large quantities of redgum sleepers and bridge timbers required by the Railway Department for the renewal of the Wimmera and Western District railways, as well as the Adelaide main line, to be obtained from the Victoria State forest at a less price than is now paid for such supplies.” The Committee ascertained from the Railways Commissioners that if this through line were constructed the saving to the Department in the cost of sleepers and timbers would be £2,833, of which £2,709 referred to sleepers. Mr. W. F. Fitzpatrick, however, stated that it was extremely doubtful if the Department would make any saving, as it was by no means certain that the practice of purchasing sleepers anywhere in the State at the same fixed rate, according to the timber used, would be permanent. It was not unlikely, he added, in this particular instance, where a new forest was to be opened up a long distance from any rival source of supply, that the sleeper-hewers would demand a higher rate. The Balmoral route will also traverse a belt of redgum timber bordering on the Glenelg River both above and below that township, and limited supplies of sleepers can be obtained from there. Notwithstanding the doubts expressed by Mr. Fitzpatrick, the Committee considers the Department will make a substantial saving for several years by being able to take delivery of sleepers close to the source of supply, instead of at distant stations, with the cost of cartage thereto added.

PORTLAND HARBOR.

8. Evidence taken by the Committee showed that the harbor at Portland had natural advantages, such as the necessary depth of water, to make it a suitable port for over-sea trade. A curved railway pier runs out into a depth at low tide of 30 feet of navigable water if the sea is smooth. The depths at low tide at the breakwater and railway piers, Williamstown, is 29 feet, and at the railway pier, Port Melbourne, 20 feet, while Hopetoun Channel, Geelong, has a navigable depth of 27 feet, with a tidal rise of 1 foot 9 inches. Portland pier is 2,528 feet in length, being 20 feet wide at the shore end and 35 feet at the sea end. It cost £14,750. Tenders have recently been accepted for widening and lengthening the pier-head so as to better facilitate the berthing and loading of vessels. The rates for freight and insurance are the same from Portland as from Melbourne to European ports. Mr. W. F. Fitzpatrick

informed the Committee that if any considerable additional traffic were forthcoming for handling at Portland extensive additions would have to be made in the yard accommodation at Portland North, with the addition of a second line between that station and the pier. No estimate of the cost of these works had been prepared.

9. The Committee agrees with the opinion expressed by Mr. M. Brodie, representative of the shipping firm of Messrs. John Sanderson and Co., that if the freight is at Portland there will be no difficulty in getting vessels to take it away. But for the reasons stated hereafter the Committee has grave doubts as to whether the freight will be there, even if a railway is made giving direct communication from the Wimmera and Southern Mallee districts to Portland, unless an alteration is made in the railway rates for the carriage of agricultural produce and live stock, so as to give that port the full advantage of its geographical position.

NON-EXPANSION OF PORTLAND TRADE.

10. It is close on 35 years since the railway from Ararat to Portland was opened for traffic. A visit to the latter town, and a study of its import and export statistics indicate that the expectations that the railway would result in the expansion of Portland and its shipping trade have not been realized. This is not due to the poorness of the soil in the back country, which, geographically speaking, belongs to the port of Portland. Indeed, some of the best land in the State exists in the valley of the Wannon River, 50 miles north of Portland, and further on towards the Glenelg River there are extensive areas of land suitable for cultivation, while along the railway from Hamilton to Ararat wheat-growing has during the last decade been largely entered upon. Therefore, the cause of the absence of progression at Portland has to be looked for in other directions. The local residents declared that the railway "district" rates, which were in operation for a number of years, were the main factor in withholding from Portland the advancement in trade which it otherwise would have secured. Apart, however, from this aspect of the matter, the Committee's inquiries showed that the general rates charged uniformly throughout Victoria for the carriage of grain and live stock over the railways were largely responsible, because of the tapering principle adopted, for the absence of expansion in the shipping trade at Portland. These tapering rates, which are necessary to secure the development of the more distant inland districts of the State, such as the Mallee and the north-eastern counties, so that the settlers there may not be too heavily burdened in sending their produce to Melbourne for sale or export, have adversely affected the geographical position of Portland and its natural advantages as the port for the western part of Victoria. For instance, the railway rate for the carriage of wheat 100 miles is 8s. 6d. per ton, or practically 1d. per ton per mile. The rate for 200 miles is but 10s. 6d. per ton. In other words, the second 100 miles is carried for 2s. additional, which is at the rate of a farthing per ton per mile. The difference in the rates for the carriage of live stock is not so marked. But, nevertheless, the tapering principle also obtains in respect of them. The effect of such rates has been to concentrate trade in Melbourne, to the detriment of nearer ports. It is useless pointing out that Horsham is $203\frac{1}{4}$ miles from Melbourne and but $146\frac{1}{4}$ miles from Portland by way of the proposed Toolondo and Balmoral route, and letting the case for the suggested direct railway to Portland stand on that marked difference in mileage alone. Railway rates more than distances govern trade, and largely affect the destination of the export traffic. The rate on wheat carried from Horsham to Melbourne is but 10s. 8d. per ton for $203\frac{1}{4}$ miles, while it would be 9s. 4d. to Portland by way of Toolondo and Balmoral, $146\frac{1}{4}$ miles. In other words, agricultural produce is carried over 50 per cent. further distance to Melbourne compared with the Portland route for about 15 per cent. additional charge. So long as this continues it will be useless constructing a direct railway from the Wimmera wheat-growing districts to Portland in the hope that a large tonnage of grain will be transported over the line for export at Portland. A re-adjustment of the railway rates should therefore be made if Portland is to receive any material advantage from the construction of the line, or the farmers of the Wimmera and Southern Mallee are to derive any benefit from the shorter route to the sea-board.

VIEWS OF THE RAILWAYS COMMISSIONERS.

11. Mr. W. F. Fitzpatrick, Chairman of the Railways Commissioners, was questioned in 1912 by the Committee concerning the proposed direct railway from the Wimmera and Southern Mallee districts to Portland. He stated that there was no necessity to build that line to relieve any threatened congestion of traffic on the Ballarat-Serviceton main line, as the Western Plains railway from Maroona, *via* Lismore and Cressy, to Gheringhap would do that. He and his colleagues were of opinion that even if the line advocated by the Portland residents were made wheat for export would still be sent to Geelong and Melbourne, as the small difference in the railway rates would not warrant the present shippers undertaking the cost of establishing themselves at Portland. In support of this opinion he pointed out that, although the wheat grown adjacent to the line between Hamilton and Maroona is trucked at stations situated nearer to Portland than to Geelong, there has been no attempt made to ship this wheat at the former port, notwithstanding that the difference in rates to those ports had been as marked as the difference in the rates to Geelong and to Portland, *via* the proposed route, from the Wimmera and Southern Mallee stations. Out of a total of 75,239 tons of wheat trucked at the stations Hamilton and Maroona inclusive during the seasons 1909-10, 1910-11, and 1911-12 37,945 tons were consigned to Melbourne, and the balance to Geelong, none being sent to Portland. He added that the port to which wheat was trucked for shipment was a matter which was entirely in the hands of the few large buyers, who naturally desired to do their export business in the fewest possible number of places. Geelong, being nearer to Melbourne and within easier access than Portland, would, he considered, always have a preference over the latter port from the shippers' point of view unless the difference in freight was so great as to make it worth their while to establish the necessary agencies and undergo the additional expense that would probably be required at Portland.

12. When hearing evidence at Portland in 1911 the Committee questioned the local merchants as to the reason why no effort had been made to export from Portland the 200,000 bags of wheat brought that season to Willaura railway station, seeing that the rate for its carriage by rail to Portland was much less than to Geelong or Melbourne, while the steamer freight to England was the same. Their explanation was that the wheat was purchased by several buyers, and none had secured a sufficient quantity to make it worth his while to ship at Portland. But they predicted that if a direct line were made from the Wimmera and Southern Mallee districts to that port some of the wheat-buyers would then have command of a sufficient tonnage within reasonable mileage of Portland to render it profitable to establish an export agency there.

13. Mr. Fitzpatrick said that the Railways Commissioners did not approve of a direct railway connexion between Hamilton and Horsham, by way of Balmoral and Toolondo, because the estimated annual loss was too great. He did not see, he added, why Portland in the future should not become an important port if sufficient wheat were produced in the district that Portland ought naturally to drain. The Commissioners would not thwart any effort that might be made in the future in that direction. But if the expansion of trade at that port was to be accomplished at the expense of a considerable amount of revenue from existing lines and the diversion of trade from the ports of Geelong and Melbourne, the fostering of Portland should, in that case, be a matter of Ministerial policy.

RECOMMENDATION.

14. The Committee, believing that there are good opportunities for further subdivision of estates and closer settlement in the Cavendish and Balmoral districts, recommends the construction of a 5ft. 3in. railway from Cavendish, *via* Balmoral, to Toolondo, a distance of $43\frac{3}{4}$ miles, at an estimated cost of £175,105, with £824 added for rolling-stock. The Committee further recommends that local rates be charged on all traffic to and from stations on the new line, and the ordinary mileage rates on all

through traffic between Hamilton and Toolondo, and that the new line be credited with its mileage proportion of the revenue from the through traffic. In making this recommendation the Committee again points out the necessity of the rates for the carriage of agricultural produce and live stock being re-adjusted so that the port of Portland may obtain the full advantage of its geographical position in respect of the trade of the west part of Victoria. The Committee also suggests that the Railways Commissioners, when issuing their annual list of non-paying railways, should insert a footnote stating the approximate annual saving they made by being able to take delivery of sleepers at stations on the new line instead of such material having to be carted to an existing line, and should intimate if such saving had been allowed when determining the annual loss arising from this connecting railway.

E. H. CAMERON,
Chairman.

Railways Standing Committee Room,
State Parliament House,
Melbourne, 2nd December, 1913.