

1914.

VICTORIA.

## R E P O R T

FROM

THE PARLIAMENTARY STANDING COMMITTEE  
ON RAILWAYS

ON THE

NEERIM SOUTH TO TOORONGO RIVER  
RAILWAY;

TOGETHER WITH

BOOK OF REFERENCE.

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*Ordered by the Legislative Assembly to be printed, 30th January, 1914.*

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EXTRACTED FROM THE VOTES AND PROCEEDINGS OF THE  
LEGISLATIVE ASSEMBLY.

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WEDNESDAY, 21ST JANUARY, 1914.

3. NEERIM SOUTH TO TOORONGO RIVER RAILWAY.—Mr. Mackinnon, in accordance with the requirements of the Railways Standing Committee Acts, moved, pursuant to notice given by Mr. A. A. Billson, That the construction of a 5ft. 3in. gauge railway from Neerim South to Toorongo River be referred to the Parliamentary Standing Committee on Railways for consideration and report.

Debate ensued.

Question—put and resolved in the affirmative.

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MEMBERS OF THE PARLIAMENTARY STANDING COMMITTEE ON RAILWAYS.

(*Tenth Committee.*)

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

S. Barnes, Esq., M.L.A.,  
The Hon. J. W. Billson, M.L.A.,  
The Hon. A. Hicks, 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 the construction of a 5ft. 3in. gauge railway from Neerim South to Toorongo River, has the honour to report as follows:—

## DISTRICT TO BE SERVED.

1. The Latrobe Valley is about 10 miles north of Neerim South, which is the terminus of the short branch railway starting at Warragul, on the Gippsland main line. This valley is on the southern side of the Dividing Range, and the Latrobe River rises at the western head of the valley and flows eastward for about 15 miles to Toorongo River, and thence southward towards Moe. On the opposite or northern fall of the Dividing Range is the Upper Yarra and Warburton district. From Neerim South railway station the country gradually ascends till reaching Neerim North, a distance of 7 or 8 miles. Then there is a steep descent of 800 feet into the valley of the Latrobe River. Across that stream, on the north side, the country again rises, and the ascending grade continues for about 8 miles, when the summit of the Dividing Range is reached. From Neerim South to Neerim North there is a good metalled road, and the 10,000 acres of fertile volcanic land between those places are served by the existing railway, though the residents of Neerim Junction and Neerim North would use the railway if it were extended northwards to the Latrobe Valley. Railway facilities are being sought, however, mainly to tap the State forests in the Latrobe Valley, containing about 50,000 acres, and also to assist the settlers on the north side of the Latrobe River in the parishes of Noojee, Noojee East, and Toorongo. Apart from the timber reserves, about a third of the land held privately which would be benefited by the proposed railway is first class, consisting of volcanic soil, mostly on the crowns of the hills. There are also several narrow fertile alluvial flats bordering on the Loch and Toorongo rivers, which are permanent streams and flow into the Latrobe River. The greater part of the remainder of the land in the hands of selectors is of second class quality. Most of the occupied land on the north side of the Latrobe River is heavily timbered, small patches only having been cleared by the settlers to grow fodder for their dairy herds, swine, and horses. Evidence was given that the volcanic soil and alluvial flats would grow heavy crops of potatoes, onions, pease, maize, and vegetables, the district having an average annual rainfall of 49 inches. Witnesses also stated that the second class land gave good returns of oats, both for grain and hay, while the poorer soils were suitable for fruit-growing, and with the aid of fertilizers could be cropped occasionally for hay. It was represented that it was useless clearing the land across the Latrobe River, and cultivating it beyond what was required to produce sufficient root crops and hay for home consumption, owing to the difficulty of egress. Any produce sent from the Noojee and Toorongo district has to be carted up a long, steep, winding road out of the Latrobe Valley to Neerim North. This hill road, which has a grade of 1 in 10, restricts the load of a team to a few hundredweight, and causes the rate of cartage to Neerim South railway station to be from £1 10s. to £2 a ton in summer and more in winter. As much as 2s. 6d. a can has to be paid for the carriage of cream from Fumina to that station. There was a general belief in the district that if railway facilities were provided to the junction of the Latrobe and Toorongo rivers it would enable the settlers to get their potatoes, onions, maize, &c., cheaply to the Melbourne market, and would lead to a large increase in the area cultivated. The Committee, however, is still of the opinion it expressed in 1912 that, while the railway would induce the selectors to retain and work their holdings, and probably cause a few additional persons to take up some of the available Crown lands of second or third class quality in the district, agricultural development in the Noojee, Toorongo, and Fumina country must necessarily be slow, because of the heavy timber growing on the land and few of the settlers having capital at their

disposal to allow them to employ labour in clearing their holdings. Moreover, some of the hillsides are too steep to be cultivated. It was evident from the circumstances of the settlers that they will for some years have to rely mainly on dairying and pig-raising for their livelihood, and the Committee therefore concurs in the view expressed by the Railways Commissioners, and several of the local residents, that the bulk of the freight to be carried over a railway to the Latrobe Valley must for several years be sawn hardwood and split timber.

#### TIMBER SUPPLIES.

2. Mr. H. R. Mackay, Conservator of Forests, stated that the forest reserves which would be tributary to a railway terminating at the junction of the Latrobe and Toorongu rivers covered an area of about 50,000 acres. The timber near the head of the Latrobe Valley in the parishes of Ellinging and Nayook was mostly virgin forest, consisting principally of mountain ash or blackbutt, on the north side of the river. There were also lesser areas of messmate and white stringybark. The bulk of the messmate and white stringybark was on the south side of the river. A fair proportion of the Latrobe Valley forest was ripe for the saw, and some of it was over mature. There was, however, still a lot of immature spar timber which could stand for a considerable time. The Latrobe Valley timber was of better quality than Warburton, being of slower growth and denser. A great area of the Noojee country had been ringbarked by the settlers. Any sawmillers established in the Latrobe Valley would have a large body of timber of fine quality and in its prime to work on for probably 20 or 25 years. When giving evidence in 1910 Mr. Mackay said that if the broad-gauge railway were extended from Neerim South to the junction of the Latrobe and Loch rivers, and no local rate charged for the carriage of the timber over the new line, but only the ordinary through mileage rate from that terminus to Melbourne, the probable annual output of timber from the four mills likely to be established in the Latrobe Valley during the first twelve or eighteen months following the opening of the railway would be 4,500,000 super. feet, or 12,500 tons. Towards the end of the second year the output would probably be increased to 6,000,000 super. feet, or 16,000 tons per annum, and by the fifth year it might reach 9,000,000 super. feet, or 25,000 tons, as by that time several of the sawmillers operating in the Warburton district would either have cut out their supplies or have to go further back into the forest for their logs. This would cause a more general demand on the part of sawmillers to start operations in the Latrobe, Loch, and Toorongu valleys. Since giving that evidence, however, there has been an increasing demand in Victoria for sawn hardwood for building and other purposes, due to the continuance of good seasons, the general prosperity of the community, and the spread of settlement, particularly in the northern irrigation districts, and also in the Mallee and Riverina. Moreover, comparatively little timber, except hardwood flooring and blackwood, is now imported into this State from Tasmania, the sawmillers there having found more remunerative markets for their hardwood in New Zealand and South Australia. In consequence of these changed circumstances Mr. Mackay amended his figures. He recently informed the Committee that if the Neerim South railway were extended into the Latrobe Valley and carried as far as the Loch or Toorongu valleys, four large mills and four smaller ones would be established in those basins, and draw supplies of logs from the neighbouring hill slopes. If the present buoyant market continued, he estimated that the annual output of these mills would reach about 12,000,000 super. feet, or 33,333 tons, during the first two years from the opening of the railway, and that in the third year, if the times were prosperous, causing the demand for hardwood to be maintained, the output should increase to close on 16,000,000 super. feet, or about 44,000 tons. Over twenty applications to establish sawmills in the State forests draining into the Latrobe River have been received by the Forestry Department during the last year or so. Some of the applicants, however, were not considered suitable to be granted cutting areas, because of their small plants and their inability to handle the bigger timber with advantage. In framing these estimates Mr. Mackay excluded the belt of blackbutt forest in the western part of the parish of Ellinging, on the tableland near the source of the Latrobe River, which had been reserved for a joint-stock company that has since erected an extensive mill and timber-seasoning works across the Divide at the head of the Little Yarra Valley and is despatching supplies of sawn and seasoned hardwood

by the Warburton railway to Melbourne. The total output of sawn timber from the forests in Victoria last year (1913) was over 55,000,000 super. feet, and the Conservator expects that this will gradually increase up to approximately 70,000,000 super. feet within the next five years or so.

### COST OF PROPOSED RAILWAY.

3. The proposal made by the Committee in 1912, and again recommended now, to serve the Latrobe, Loch, and Toorong valleys is to extend the Warragul-Neerim South broad-gauge railway northward up the valley of Red Hill Creek to Neerim Village, and thence across the main road descending into the Latrobe Valley about a mile west of Neerim Junction township, and terminating in that valley half-a-mile down stream from the bridge over the Latrobe River on the Loch Valley-road, and  $1\frac{1}{4}$  miles up stream from the bridge crossing the same river on the Toorong Valley-road. In its former Report the Committee suggested that the line should terminate about 60 chains nearer the junction of the Latrobe and Toorong rivers, but Mr. Kernot, Chief Engineer for Railway Construction, reported that the permanent survey which had since been made had shown that the site now selected was the best position obtainable to suit traffic from both the Loch and Toorong valleys, having regard to the provision necessary for the reception of large quantities of sawn and split timber at the terminal station. Mr. Kernot stated that roads having a grade of 1 in 20 could be made from both bridges to the station at moderate cost. The length of the line now recommended is 14 miles, with a ruling gradient of 1 in 30, and having curves of 8 chains radius. This grade is as steep as any on the Victorian railways, and the curves are as sharp as can be used with safety on a broad-gauge line, unless special locomotives, carriages, and trucks are employed to operate the railway. Nevertheless, the estimated cost of the extension is £112,519, or £8,037 per mile, exclusive of land and rolling-stock. The high cost of this line is mainly due to the difficulty of making the railway down the steep hillsides from near Neerim Junction into the Latrobe Valley with a grade up which payable loads may be hauled. This difficult section of the line will be about 4 miles in length, and will cost about £11,000 per mile, because of the extensive cuttings and bridges which will be necessary. There will be over 1,500 lineal feet of high bridge trestling spanning gullies, the beds of which will be from 42 feet to 90 feet below the level of the railway. The cuttings will be from 12 feet to 48 feet deep, and the embankments from 20 feet upwards in height. Several routes for getting down into the Latrobe Valley were surveyed, and the one adopted had been found to be the cheapest. Two roadside stations, one to serve Neerim Village and the other Neerim Junction, had been allowed for in the estimate, in addition to the terminal station; also five residences for railway employés. Provision had been made for two stock-trucking yards, one to cost £400 and the other £200. The Committee, however, considers that, as the estimated revenue to be obtained from the carriage of live stock during the first year the extension is in operation is but £25, some cheaper means of trucking the pigs and calves which will be consigned over the line should be provided. When the Committee in 1912 recommended the building of this extension the cost was set down at £99,000. But since then the wages of navvies have advanced to 9s. per day, the rate in 1912 being 8s. 6d., and the price of rails and other railway material has also increased. The former estimate of £99,000 was based on serviceable second-hand rails being available. The present estimate of £112,519 provides for new rails, and also for fencing and road diversions which have been found necessary. If second-hand rails can be obtained the cost of the extension will be reduced by £300 per mile.

### REPORT OF TRAFFIC OFFICER.

4. Mr. J. S. Mitchell, Special Traffic Officer, Victorian Railways, who visited the district to report on the freightage likely to be carried over the extension of the Neerim South railway to the junction of the Latrobe and Toorong rivers, stated that the new line would serve about 90,000 acres, of which 43,000 acres were either freehold or in course of alienation from the Crown, the remainder being held as forest reserves or as Crown lands. The population of the district was 800 persons, and an allowance had been made for additional passenger traffic resulting from the establishment of the sawmills. Approximately 2,000 acres were under cultivation last season in the area tributary to the extension, the crops comprising hay, potatoes, and maize

for green fodder. An increased output in potatoes of 500 tons was anticipated during the first year the railway was opened for traffic. The hay crops were grown mainly for local consumption, and any small surplus would be conveyed over the line. There were large areas of timber of good quality easily accessible to the proposed extension. Mr. Mitchell stated that he had accepted the estimate of the Conservator of Forests that 12,000,000 super. feet, or 33,333 tons of sawn hardwood would be despatched annually over the new line, but he added "if the sawmilling company which proposes to operate in the timbered country towards the head of the Little Yarra Valley also secures the right of a large tract of forest near the head of the Latrobe Valley and of a tramway to Yarra Junction railway station, and it produces the quantity of sawn timber expected, it is somewhat doubtful if the demand for hardwood will be sufficiently great to absorb the output from this company and from the Neerim district also, in addition to the other sources of supply, and the effect may be to reduce the estimated quantity produced in the Neerim district." The Committee is aware, of course, that the existing demand for sawn timber is largely dependent on the continuance of good seasons and the extension of closer settlement throughout Victoria and Riverina; but, looking at the increasing annual output from the Victorian forests and its absorption during the last few years, the decrease in the importations of sawn hardwood from Tasmania, and the probability that before long locally-grown seasoned weatherboards and flooring and lining boards will largely take the place of imported softwoods, it is likely that any slackening in the demand will be merely temporary. Mr. Mitchell explained that his estimated output included sawn timber from private lands.

#### REVENUE AND WORKING EXPENSES.

5. The estimates of annual working expenses, interest charges, and revenue furnished by the Railways Commissioners for a 5ft. 3in. railway from Neerim South to near the junction of the Latrobe and Toorongo rivers were as under for a daily train each way over the new line:—

##### ANNUAL CHARGES.

Interest at 4 per cent. per annum on £115,844, being £112,519, cost of constructing 14 miles of 5ft. 3in. railway from Neerim South to near the junction of the Latrobe and Toorongo rivers, based on a wage rate of 9s. per day for labourers, with £3,325 added for rolling-stock					£4,634	0	0
Traffic expenses	...	...	...	...	686	8	5
Maintenance charges	...	...	...	...	1,365	0	0
Locomotive expenses, including repairs and renewals of rolling-stock	...	...	...	...	1,747	2	0
General charges	...	...	...	...	94	19	3
Total annual charges					£8,527	9	8

##### REVENUE.

(Based on local rates for carriage of all traffic over new line except timber.)

	On New Line.			On other Lines from New Traffic from New Line.			
Passengers	...	£441	2 2	...	£100	0 0	
Parcels	...	150	0 0	...	...		
Mails	...	112	10 0	...	...		
Class goods	...	423	10 0	...	...		
Live stock	...	25	0 0	...	...		
Timber	...	1,772	18 4	...	4,285	16 8	
Agricultural produce	...	193	15 0	...	63	6 8	
Dairy produce	...	30	0 0	...	...		
All other traffic	...	60	0 0	...	...		
					£3,208	15 6	
					£4,449	3 4	
					£7,657	18 10	
Estimated loss during first year of operation					£869	10 10	

## RECOMMENDATION.

6. The Committee recommends the construction of a 5ft. 3in. railway, with curves of not less than 8 chains radius and a ruling grade of 1 in 30, from Neerim South northwards to the Latrobe Valley and thence eastwards to near the junction of the Latrobe and Toorongo rivers, a length of 14 miles, at a cost of £112,519, with £3,325 added for rolling-stock. It considers that, as this extension will be the means of establishing several sawmills in the Latrobe, Loch, and Toorongo valleys, and as the men employed in connexion with those mills will cause increased stores, &c., to be brought into the district, the new line should have been credited with £350 additional revenue, representing its proportion of the income obtained from the carriage of these class goods over existing railways. But, owing to the wording of section 4 of Act No. 1695, the Railways Commissioners state they can only credit the new line with its share of the new traffic it "brings to" the general railway system. In other words, the law applies to the new "outwards" traffic only and not to any additional "inwards" tonnage resulting from the construction of a new line and the opening up or development of the district. In the opinion of the Committee this section should be amended so as to apply to all new traffic whether outwards or inwards.

7. The settlers in the parishes of Toorongo and Fumina, to the east of the Toorongo River, will be able to reach the terminal station of this line by descending a road graded to about 1 in 12 for 3 miles or so. This hillside road leads from the west boundary of Fumina Village Settlement, and runs down to the junction of the Latrobe and Toorongo rivers. Some of the settlers in Toorongo and Fumina will, however, be from 8 to 12 miles from the terminus of this extension.

E. H. CAMERON,  
Chairman.

Railways Standing Committee Room,  
State Parliament House,  
Melbourne, 29th January, 1914.