

1926.

VICTORIA.

REPORT

FROM

THE PARLIAMENTARY STANDING COMMITTEE
ON RAILWAYS

ON THE PROPOSED

HURSTBRIDGE TO MITTON'S BRIDGE
RAILWAY;

TOGETHER WITH

MINUTES OF EVIDENCE, BOOK OF REFERENCE, AND PLAN.

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LEGISLATIVE ASSEMBLY.

WEDNESDAY, 23RD DECEMBER, 1925.

32. HURSTBRIDGE TO MITTON'S BRIDGE RAILWAY.—Motion made, in accordance with the requirements of the Railways Standing Committee Acts, and question—That the construction of a 5 ft. 3 in. gauge railway from Hurstbridge to Mitton's Bridge be referred to the Parliamentary Standing Committee on Railways for consideration and report (*Mr. Eggleston*)—put and agreed to.
-

MEMBERS OF THE PARLIAMENTARY STANDING COMMITTEE ON RAILWAYS.

(*Fifteenth Committee.*)

A. E. LIND, Esq., M.L.A., Chairman.*

The Hon. A. E. CHANDLER, M.L.C., Vice-Chairman.†

The Hon. A. Bell, M.L.C.
J. D. Deany, Esq., M.L.A.

R. H. Solly, Esq., M.L.A.
The Hon. G. C. Webber, M.L.A.

* Mr. A. E. Lind, M.L.A., was appointed Chairman on 3rd August, 1926, in succession to Mr. J. D. Deany, M.L.A., whose term of office expired on that date.

† The Hon. A. E. Chandler, M.L.C., was appointed Vice-Chairman on 3rd August, 1926.

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REPORT.

THE PARLIAMENTARY STANDING COMMITTEE ON RAILWAYS, to which the Legislative Assembly referred the question of constructing a 5 ft. 3 in. gauge railway from Hurstbridge to Mitton's Bridge, has the honour to report as follows:—

PREVIOUS REPORTS OF THE COMMITTEE.

1. The matter of railway communication to serve the Kinglake district was inquired into by the Railways Standing Committee in 1911, in conjunction with a proposed line to Toolangi, but it was not deemed expedient at that time to recommend any railway proposal with the idea of serving the Kinglake plateau. In 1917, owing to the increasing loss on the Hurstbridge line (which serves to a large extent the Kinglake district) the Committee inquired into the financial results of that line, and found that, while the passenger and goods revenue had more than realized the estimated receipts on which the line was recommended, the working expenses had increased to an extent altogether out of proportion to the increased revenue, and been mainly responsible for the heavy losses. The Committee recommended that a "freight officer" be appointed with a view to fostering traffic amongst the fruitgrowers who, because of their dissatisfaction with railway carriage, had resorted largely to road traffic; and it is interesting to note that after a lapse of nine years the Railway Department has recently appointed an officer whose full time is being devoted to the work of inducing and holding railway traffic against road competition.

2. In 1923 the Railways Standing Committee again reported on a proposal to serve the Kinglake district, and after considering numerous routes made a conditional recommendation on the preliminary or general reference for a line from Hurstbridge to Mitton's Bridge, a distance of $7\frac{3}{4}$ miles, since shortened to $6\frac{3}{4}$ miles by a more direct survey. The line was not definitely recommended in an unqualified manner, but—

"conditionally on the Closer Settlement Board securing the necessary legislative power to resume suitable privately-held areas on the Kinglake tableland to form, in conjunction with the available Crown lands there, a group settlement of at least 200 or 250 holdings, and putting that law into operation, as outlined by Mr. W. McIver, Director of Land Settlement, in his evidence before the Committee."

The 1923 Report also stated—

"The Committee admits it was faced with difficulties in dealing with the question of railway connexion with Kinglake or of extending the Hurstbridge or Whittlesea lines towards that district. A railway to Kinglake from any direction would not pay for many years, if at all, because of the present high cost of construction, equalling about £5 per acre of the good country on the Kinglake tableland. Without the addition of the proposed group settlement at Kinglake the ultimate financial success of any railway extension to the foothills would also be doubtful, because of the present uncertainty of the future of the fruit industry."

DESCRIPTION OF DISTRICT.

3. Mitton's Bridge, $6\frac{3}{4}$ miles north-east of Hurstbridge and 1 mile from Queenstown, is situated at the foot of the Kinglake plateau, the selection of this place as the proposed terminus in the previous recommendation being due to the fact that it represented a comparatively cheap construction to serve the Kinglake settlers, who could cart down to it (a distance of 6 miles from Kinglake East) with full loads. The district of Mitton's Bridge has very little to recommend it as a railway terminal except its comparative contiguity to Kinglake, as the land surrounding it is of poor quality, being used for light grazing and a little apple-growing. At East Kinglake, situated on a plateau 1,700 feet above sea level, at a distance of 6 miles from Mitton's Bridge, 13 miles from Hurstbridge, and 35 miles from Melbourne, the red silurian soil is of excellent quality, and well adapted for growing potatoes, market-garden produce, and small fruits such as raspberries, gooseberries, and red or black currants.

4. The population of the Queenstown and Kinglake districts, embracing not only East, Central, and West Kinglake, but also the lighter areas northward towards Flowerdale and Glenburn, is about 2,000. The area of privately-owned land is about 20,000 acres, while the acreage of Crown land approximates 30,000. Most of the Crown land is held by the Forests Commission, and is temporarily withheld from selection until sawmillers have cut over the best of the area, which

contains good milling timber such as messmate and blackbutt on the higher country, and stringybark, box, and peppermint on the lower hill slopes. Good fencing posts and firewood are also available from the poorer quality land. The cost of carting produce from the Kinglake tablelands to Hurstbridge or Whittlesea stations is £1 per ton. The scenic beauties of Kinglake are also such as would induce week-end and tourist traffic, as fine panoramas of Melbourne and surrounding districts may be seen from the tableland, and the picturesqueness of the approach to the high land is very striking.

CLOSER SETTLEMENT POSSIBILITIES.

5. When the Committee took evidence in 1923 Mr. McIver, Director of Land Settlement, appeared before it, and the closer settlement prospects were summarized in the Committee's report of that year in the following terms:—

“ Much of the land on the Kinglake plateau is, in his (Mr. McIver's) opinion, suitable for the production of small fruits and market-garden produce; but the district, having an elevation of close on 2,000 feet, is not a good one for dairying. If some 5,000 or 6,000 acres of the privately-held lands which are not being properly worked were resumed under the compulsory provisions of the Land Act and they were merged with the available Crown lands into a compact area, which would be re-subdivided into holdings of 50 or 75 acres, and if the subsidiary roads were re-located so as to obtain easy grades, and they and the main roads were metalled, he thought some 250 or 300 settlers could be placed on the land at Kinglake under the Mountain Area Settlement conditions with good prospects of success, even though some of them might be 10 or 12 miles from Mitton's Bridge station. It will be all down-hill carting over a good metalled road to that station. In carrying out this scheme there would have to be co-operation between the Closer Settlement Board, Country Roads Board, and the Railway Construction Branch. It would also be necessary, Mr. McIver added, to have an amendment of the Land Act, because the owner under the compulsory resumption provisions had power to retain £6,000 worth of land where there is a homestead on it, and £2,500 where there is none. The retention of that law practically prohibited any compulsory land resumption in hilly districts like Kinglake.”

6. Since that date Mr. McIver had the district classified as to the quality of the soil both for privately-held land and Crown land. The result was disappointing. Giving evidence before the Committee a few weeks ago Mr. McIver stated that the suitable areas there were much smaller than the Board had been led to understand from the statements originally made by local residents. The whole of the good land on the plateau, so far as the Board's valuers and surveyors could locate it, amounted to only 12,000 acres, of which 2,000 were Crown land. Approximately 2,500 acres had been offered to the Board by private land-holders at Kinglake for the purpose of forming a settlement, and of the 29 people who had thus offered either portion or all of their land, 17 were actually resident there and working the land. Mr. McIver added that it would be impossible to place 200 to 250 new settlers at Kinglake under the present economic conditions, but the Board might possibly place 50 there on the 2,500 acres. He stated that from the Board's point of view the proposal had got a very big setback on account of the small area of good land. Most of the Crown land was steep in conformation and poor in quality, being rough and having no soil on it, and, in his opinion, it would not be worth developing for any purpose. Mr. McIver suggested that the southern slope of the tableland, which was hopeless and useless for land settlement, could be used for a National Park. The roads in the district were good, and “ if a man is growing stuff which he has to put into a motor lorry to cart to Mitton's Bridge, there is just a possibility that he will run to Melbourne; there are metalled roads all the way.” He stated that unless the Committee recommended a line to Mitton's Bridge the Closer Settlement Board had no intention of establishing the proposed settlement at Kinglake.

LENGTH AND COST OF PROPOSED LINE.

7. The Chief Engineer for Railway Construction, Mr. C. H. Perrin, has furnished the Committee with the following information relating to the proposed extension of the Hurstbridge line to Mitton's Bridge, viz. :—

Method of Traction.	Distance.		Grade.	Sharpest Curve.	Cost per Mile.	Total Cost.
	Miles.	Chains.				
Steam	6	57	1 in 40	12 chains	£ 12,450	£ 84,000
Electric	6	57	1 in 40	12 chains	20,785	140,300

TRAFFIC OFFICER'S REPORT.

8. Mr. J. H. Olsson, Chief Special Officer of the Victorian Railways, in his report on the proposed line, estimated the area tributary to the suggested extension as 65,000 acres, including roads, rivers, and forests, the areas settled being shown as 41,000 acres, and the number of owners as 434. The population, including the townships of Queenstown and Kinglake, is estimated at 2,000. The roads are for the greater part formed and metalled and in fairly good order. After consultation with the Lands Department it was estimated that 12,200 acres of land suitable for closer settlement would be served by the proposed railway, 10,000 acres being privately owned, and 2,200 acres Crown land. Some of the land at Kinglake has been subdivided into small blocks at high prices, apparently for week-end or tourist use. It was estimated that only 80 additional settlers at most could be placed on the tableland, with an average area in each case of 75 acres, and the revenue calculations were made on this basis. Allowance was made for 1,500 tons of potatoes annually, for which the nearest cartage would be 6 miles from East Kinglake to Mitton's Bridge. Dealing with the road traffic it was found that between Kinglake, Hurstbridge, and Melbourne there are now at least ten carriers using motor vehicles, the general rate charged being 20s. per ton between Kinglake and Hurstbridge, or 30s. per ton between Kinglake and Melbourne. For passengers a motor bus runs one return trip daily from Hurstbridge to Kinglake at a fare of 4s. each way. A very large proportion of the fruit grown in the Hurstbridge district is at present forwarded by road to the Melbourne market, the quantity forwarded by rail intended being mainly for export overseas or destined for interstate markets. The total tonnage sent by rail from Hurstbridge last year amounted to only 500 tons.

ESTIMATED ANNUAL CHARGES AND REVENUE.

9. As the original recommendation of the Committee in 1923 contemplated a steam service between Hurstbridge and Mitton's Bridge the estimates of the Railways Commissioners were framed on this basis. Owing, however, to the electrification of the Melbourne-Hurstbridge line having now being completed, the Committee considered that estimates under electrified conditions should be prepared for the Hurstbridge-Mitton's Bridge section. This was accordingly done, and the estimates under steam and electrified conditions are as follow:—

HURSTBRIDGE TO MITTON'S BRIDGE (STEAM TRACTION).

Annual Charges.

Interest at 5½ per cent. per annum on £96,325, being cost (£83,750) of constructing 6¾ miles of 5 ft. 3 in. railway from Hurstbridge to Mitton's Bridge, with £12,575 added for rolling-stock	£5,057
Working Expenses, Transportation and Traffic Branches	730
" " Way and Works Branch (Maintenance, &c.)	905
" " Rolling Stock (Locomotive expenses, repairs, and renewals)	2,610
General Expenses (Administration, Printing, Auditing, &c.)	106
	£9,408

Revenue.

	On New Line.	On other Lines from New Traffic from New Line.	
Passengers 27,500 journeys	£782	£438	
Parcels and Mails	137		
Fruit 575 tons	23	46	
Class Goods 1,035 tons	104	87	
Wool 20 tons	3	4	
Timber 3,000 tons	113	375	
Firewood 6,000 tons	183	327	
Potatoes 1,500 tons	69	90	
Agricultural Produce 150 tons	5		
Building Materials 800 tons	77		
Manures 920 tons	20		
All other Traffic	25		
	£1,541	£1,367	.. 2,908
Estimated loss first year of operation			£6,500

HURSTBRIDGE TO MITTON'S BRIDGE (ELECTRIC TRACTION).

Annual Charges.

Interest at 5½ per cent. per annum on £144,000, being cost (£140,300) of constructing 6¼ miles of 5 ft. 3 in. railway from Hurstbridge to Mitton's Bridge, with £3,700 added for rolling-stock	£7,560
Working Expenses, Transportation and Traffic Branches.. .. .	730
" " Way and Works Branch (Maintenance, &c.)	1,040
" " Electrical Engineer's Branch	819
" " Rolling Stock (Locomotive expenses, repairs, and renewals)	600
" " Signals and Telegraph Branch	190
General Expenses (Administration, Printing, Auditing, &c.)	84
	£11,023

Revenue.

	On New Line.	On other Lines from New Traffic from New Line.	
Passengers 27,500 journeys	£782	£438	
Parcels and Mails	137		
Fruit 575 tons	23	46	
Class Goods 1,035 tons	104	87	
Wool 20 tons	3	4	
Timber 3,000 tons	113	375	
Firewood 6,000 tons	183	327	
Potatoes 1,500 tons	69	90	
Agricultural Produce 150 tons	5		
Building Materials 800 tons	77		
Manures 920 tons	20		
All other Traffic	25		
	£1,541	£1,367	.. 2,908
Estimated loss first year of operation			£8,115

It will be noted that although there is a decrease of £889 in the working expenses under electrified conditions as compared with steam, the interest charge on the greater capital cost shows an increase of £2,503, and as the revenue remains the same the difference between these two amounts almost accounts for the disparity between the respective losses of £6,500 and £8,115. The loss under steam operation is substantially greater than the Committee's rough estimate of 1923, viz., £4,000, because with the electrification of the Hurstbridge line the section from Hurstbridge to Mitton's Bridge is now called on to bear the total charge of the rolling-stock necessary to provide the steam service, instead of only a proportionate part of the cost.

VIEWS OF THE COMMITTEE.

10. There is no doubt as to the suitability of the good land of Kinglake for closer settlement purposes. Heavy crops of potatoes may be obtained, and greater use would be made of the land for this purpose if the cartage distance to a railway station were not so great. Unfortunately, however, the area of suitable land is not large, consisting as it does of only 10,000 acres of privately-held land and 2,200 acres of Crown land. This small area renders it difficult to justify costly railway construction; and while the position would be appreciably improved if the remaining land served were of fairly good quality, the land surrounding Mitton's Bridge and Strathewen districts is not at all encouraging from an agricultural stand-point. The main hope of the extension to Mitton's Bridge would be the traffic from the Kinglake plateau, and without such a group settlement as was suggested in the 1923 conditional recommendation the prospects for the railway are very poor indeed.

11. From Hurstbridge station there has been a remarkable and depressing decline in the traffic, both inwards and outwards, of recent years, the figures since 1920 being—

Year.	Outward Tonnage.	Inward Tonnage.	Total Tonnage.
1920	20,168	2,666	22,834
1921	17,741	2,521	20,262
1922	9,380	2,087	11,467
1923	10,756	2,248	13,004
1924	11,417	2,132	13,549
1925	7,213	1,705	8,918
1926	5,912	2,105	8,017

12. The financial results for the Hurstbridge line instead of improving with the passing of the years, as might reasonably be expected with the terminus only $22\frac{3}{4}$ miles from Melbourne, have been growing steadily worse, as the following table shows, viz. :—

Year ending 28th February—	Loss on Hurstbridge Line.
	£
1920	2,995
1921	3,811
1922	5,719
1923	7,455
1924	10,900
1925	9,034
1926	9,556

13. This result has been largely brought about by the decrease in the timber traffic. As a matter of fact, for the year ending 28th February, 1925 (the last annual period for which the information was available), there was no hardwood timber at all, as distinct from firewood, dispatched from Hurstbridge. However, in the new line estimates a liberal allowance was made of 3,000 tons of sawn timber annually from Mitton's Bridge, as it was expected that new cutting areas would be opened up with the advent of nearer rail facilities. The tonnage of firewood dispatched from Hurstbridge for the year ending February, 1925, was 6,622 tons, but the Committee was informed that the practice of dispatching firewood by road is increasing, and that many motor lorries loaded with firewood pass through Hurstbridge daily.

14. The country beyond the Kinglake plateau, extending north towards Flowerdale and Glenburn, is mostly very poor and unsuitable for anything but grazing, so that a great deal of production could not be expected from any land north of the Kinglake plateau itself. There would be a little additional traffic from the Strathewen district, but the settlers along the valley of Diamond Creek as far as Queenstown and at Arthur's Creek are already within 5 or 6 miles of Hurstbridge station, and though their carting distance would be shortened, there would be a very small amount of new production from the districts to the south of the Dividing Range. This means that, while the extension of the line would theoretically serve 65,000 acres of land, the railway could only expect to receive any substantial amount of new traffic (apart from timber) from the very limited area of 12,200 acres of the good soil at Kinglake.

15. The change from steam to electric traction between 1923 and 1926 on the Melbourne-Hurstbridge line caused the Committee to doubt the suitability of a steam service, as was originally intended for the Hurstbridge-Mitton's Bridge section, and it was considered that to continue a steam service with a change of trains at Hurstbridge would prove a serious detriment to both inwards and outwards traffic, and would only result in requests for the electrification to be extended to the terminus at Mitton's Bridge. Because of this the Committee has viewed the proposition as an electrified extension, and taken into consideration the estimated loss of £8,115 instead of the steam service loss of £6,500.

16. When the recommendation was made on the preliminary reference in 1923 no estimates of revenue and expenditure were obtained, and the Committee in making a conditional recommendation did so on the assumption that "In the first year or so of operation the Hurstbridge extension to Mitton's Bridge may be expected to show a loss of about £4,000 per annum," so that the proposition has really changed from a loss of £4,000, with an expected increase of 200 or 250 additional settlers, to a loss of £8,115, with an estimated increase of only 50 additional settlers. In other words, the loss has increased by over 100 per cent., while the number of prospective new settlers is only about one-fourth of the number stipulated in the conditional recommendation of the 1923 Committee.

DECISION OF THE COMMITTEE.

17. The Committee's recommendation of 1923 was made subject to certain conditions being complied with. Those conditions have not been fulfilled, nor do they appear possible of fulfilment; and the Committee is therefore obliged to recommend that it is not advisable to construct the proposed line. The changed circumstances since 1923 which have mainly influenced the Committee in coming to this decision are—

- (1) the recent electrification of the Hurstbridge line, causing the Hurstbridge-Mitton's Bridge section to bear the total cost of the steam service necessary for that section;
- (2) the great increase in that district of road motor competition, both private and public, since 1923;
- (3) the increase in the estimated loss from £4,000 to £6,500 (steam) or £8,115 (electric); and
- (4) the inability of the Closer Settlement Board to settle on the Kinglake tableland more than 50 settlers instead of 250 to 300, as originally proposed by Mr. McIver, or 200 to 250, as stipulated in the Committee's conditional recommendation.

The Committee therefore considers that it is not expedient to construct a railway at the present time from Hurstbridge to Mitton's Bridge.

A. E. LIND,
Chairman.

Railways Standing Committee Room,
State Parliament House,
Melbourne, 28th September, 1926.

[Minutes of Evidence, &c., are not printed.]