

1928.

VICTORIA.

REPORT

FROM

THE PARLIAMENTARY STANDING COMMITTEE
ON RAILWAYS

ON THE PROPOSED

TOLMIE DISTRICT RAILWAY;

TOGETHER WITH

MINUTES OF EVIDENCE, PLAN, AND MAP.

Ordered by the Legislative Assembly to be printed, 10th July, 1928.

By Authority:

H. J. GREEN, GOVERNMENT PRINTER, MELBOURNE.

RAILWAYS STANDING COMMITTEE REPORT No. 1.—[9D.]—6436.

REPORT.

THE PARLIAMENTARY STANDING COMMITTEE ON RAILWAYS, to which the Legislative Assembly referred the question of connecting the district of Tolmie with the existing railway system for inquiry and report, has the honour to report as follows:—

PREVIOUS REPORTS OF COMMITTEE.

1. In 1901, soon after the construction of the Wangaratta to Whitfield narrow-gauge railway, the Railways Standing Committee inquired into the question of railway communication with Tolmie, and recommended the extension of the Whitfield line to Mahaikah, a distance of 19 miles, at an estimated cost of £65,520, exclusive of land and rolling-stock, the estimate being based on a wage of 7s. per day for labourers. At that time the Railways Commissioners reported that this narrow-gauge extension would result in a loss of £2,651 during the first year of operation, but the Committee considered that the deficiency would not be more than £900. Towards the close of 1901 a Bill authorizing the construction of the extension was passed by the Legislative Assembly, but rejected by the Legislative Council.

2. In 1905 the question of railway connexion with Tolmie by means of a narrow-gauge line was again inquired into by the Committee. At that time the extension of the 2-ft. 6-in. railway from Whitfield to Mahaikah was estimated to cost £71,158. The Railways Commissioners estimated that this extension would show a loss of £2,984 in the first year of operation if it terminated at Mahaikah, and £2,185 if it ended at McDonald's Gap, $4\frac{1}{2}$ miles nearer Whitfield. The Committee reported that it was compelled to withhold its recommendation for the construction of the railway until such time as the Government brought forward and Parliament approved of a scheme which would, for the first few years at least, relieve the settlers in such out-lying rugged localities as Tolmie of the obligation of making good the whole or the greater part of the annual deficit resulting from the building and working of the railway, it being considered impossible for the settlers to bear a loading or railway tax upon their land averaging about £15 per annum for each land-holder. At the same time the Committee expressed the view that there was no hope of a railway towards Tolmie paying until closer settlement, with its attendant increase in the production of the district, had been secured.

3. In 1906 the question of constructing a railway up the valley of Boggy Creek, a tributary of the King River, towards Mahaikah was inquired into by the Committee. It reported in February, 1907, against the proposal, as such a line would, for the greater part of its length, run parallel with the narrow-gauge railway to Whitfield, and owing to its proximity to that line, would have such a restricted gathering ground for traffic that it was improbable it would ever become a payable undertaking.

4. In 1908 a further inquiry was made by the Committee under the provisions of the *Tolmie Railway Act 1907*. That Act directed the Committee to investigate and report as to the best route to be adopted for a line (or lines) of railway to encourage settlement on the lands in the Parishes of Toombullup, Cambatong, Dueran, Dueran East, Whitfield, Whitfield South, and Toombullup North. The Committee, in compliance with the obligation placed on it by that Act to select the best route to serve the parishes named, reported that the extension of the narrow-gauge line from Whitfield to Mahaikah would best accomplish that object. This railway was then estimated to cost £85,000. In making its report the Committee again drew attention to the need of an effective closer settlement scheme preceding the building of the line if the estimated loss of £2,500 a year was to be substantially reduced. No action was taken under the provisions of the *Tolmie Railway Act 1907* to secure the passing of the necessary resolution in both Houses of Parliament permitting the construction of the railway from Whitfield to Mahaikah to be proceeded with.

5. In 1914 a further investigation was made. In accordance with the requirements of the *Tolmie Railway Act 1907*, a permanent survey was made during 1912-13 of the suggested 2-ft. 6-in. extension from Whitfield, via Glenmore and McDonald's Gap to Mahaikah, and Mr. Kernot, in March, 1914, furnished an estimate of the cost of the extension based on that permanent survey, showing that the line would be 20 miles in length, and allowing for sharp curves of 2 chains radius and one in 30 grades it would cost £148,138, exclusive of land and rolling-stock, instead of £85,000, as estimated in 1908. The Committee's decision was that because of the unpromising financial outlook it could not recommend the construction of a railway to the Tolmie Tablelands, even under the provisions of the *Developmental Railways Act 1912*.

6. In 1923 the Committee again reported on proposals to serve the Tolmie district from Mansfield, Tatong, or Mahaikah, but for various reasons rejected each suggested connexion, and added that with "the present high costs of railway construction this district must look for its development to the graded metalled roads which the Country Roads Board is constructing."

HISTORY OF THE TOLMIE DISTRICT.

7. The Victorian Government in 1886 determined to open up and settle the Tolmie Tablelands, and the blocks thrown open for selection were eagerly applied for, the holdings ranging in area from 150 to 700 acres, the general average being about 250 acres. As a consequence of the disturbed condition of the country at that time the application of each prospective landholder was reported on by the police before the selection was granted by the Lands Department. Apparently because of this, and owing also to the presence a few years later of a party of railway surveyors endeavouring to find a suitable route for a railway, the belief was held locally that railway facilities were to be provided for the district. The Committee on a previous inquiry made very close investigations into this matter, but was unable to find anything at all in the nature of a definite promise by any one in authority to the effect that railway facilities would be provided.

8. In the absence of a railway the settlers struggled on; but owing to the long distance and rough roads over which they had to haul their produce to the railway stations at Wangaratta (40 miles), Benalla (38 miles), or Mansfield (16 miles), they gradually lost heart, and in most cases abandoned their holdings, which consequently reverted to the Crown. To-day, although the railway has been extended to Whitfield and to Tatong, distant in each case about 20 miles from the Tolmie Tableland, and although the roads have been greatly improved, there has been practically no resumption of the abandoned blocks, and very little cultivation has taken place over and above what is necessary for the district requirements. It may, of course, be that, with the recent high prices for wool, the tendency would have been in any case for the settlers to go in for grazing instead of cultivation. With railway facilities the course pursued would be optional; without a railway grazing is compulsory.

DESCRIPTION OF COUNTRY.

9. The Tolmie Tableland is situated in the Wombat Ranges, a series of rugged spurs running north from the Dividing Range, at a height of between 2,000 and 3,000 feet above sea level, lying about 16 miles north of Mansfield and approximately 25 miles south of Whitfield. Mahaikah is a township site about 2 miles east of Tolmie on the road to Whitfield. There is a good road for the 16 miles from Mansfield to Tolmie, and a steeper and rougher road for the 25 miles from Tolmie via Mahaikah to Whitfield. There is also a new road, metalled for portion of its length, from Tatong to Mahaikah, a distance of about 18 miles. From Tolmie on the west side there are numerous watercourses, which unite to form the Boggy Creek, running into the King River near Moyhu, the Fifteen-Mile Creek, which flows into the Ovens River just north of Wangaratta, and Ryan's Creek and Holland's Creek, which join the Broken River near Benalla. On the east side of the Tolmie Tablelands, which form the watershed for the district, a number of small streams form the headwaters of the King River, which flows practically parallel with the Whitfield railway line to Wangaratta.

10. Owing to the elevation of Tolmie the climate is rather cold in winter for live stock as compared with that of the lower lands, and this point was deprecatingly stressed in evidence by a witness; but when it is remembered how thriving an industry dairying has proved in countries with much colder climates there should, with ordinary care and the provision of cattle rugs and comfortable housing, be no great detriment to the success of the industry in the Tolmie district. The serious handicap is the absence of good and cheap transport rather than the climate.

11. The soil is of a volcanic nature, the geological formation consisting mainly of dacites and porphyries, with occurrences of the older basalt. Further north the country develops into the Ordovician characteristics of slate and sandstone, while north again towards Wangaratta the more recent sandy, clayey, and limestone soils are met with. Many steep slopes extending from the Tableland to the creeks in the low lands could not if they were cleared be cultivated, but between the various streams some of the broader timbered ridges have been cleared and used for agricultural purposes. In the lighter land of sandstone formation, where the soil varies from a light loam to a dark and somewhat friable clay, good crops of cereals have been obtained

The district at one time carried a population of about 700, but this has materially diminished, and to-day within a radius of 10 miles from the Tolmie township there would not be more than 300 people. The average annual rainfall of the district is about 42 inches, and in winter there are frequent falls of snow.

PRODUCTION AND CLOSER SETTLEMENT POSSIBILITIES.

12. In the Tolmie district yields of potatoes have been obtained weighing up to 11 tons to the acre on the exceptionally fertile land, the average yield being from 6 to 10 tons, while crops of oats yielding 40 to 60 bushels to the acre have also been gathered. The districts that would be served by the railway to Tolmie may be regarded as suitable generally for the production of such crops as potatoes and other root crops, rye, barley, oats, tobacco, hops, and maize. It was also stated that wheat crops in the district hardened and ripened perfectly despite the heavy rainfall and high altitude.

13. A return prepared some years ago by the Lands Department showed that in the Tolmie district there had been 145 forfeitures and refofeitures of allotments, the rentals paid amounting to £3,614, the survey fees to £1,246, while the valuation of improvements on those allotments amounted to £11,239. Following on the abandonment of so many of the allotments, efforts have at various times been made to induce the Lands Department to proceed with a scheme of closer settlement, but so far without success.

14. In 1922 the Closer Settlement Board obtained a special report from two of its officers on the lands in the Tolmie district. The officers (Messrs. R. J. Gray and E. V. Kent) reported that the Crown lands suitable for settlement in the Parishes of Whitfield, Whitfield South, Dueran East, and in the eastern part of Toombullup comprised 6,894 acres, of which 1,390 were adapted for cultivation. On this area they considered 23 men could be settled. They added—

“The balance of the areas held by the Crown in the above-mentioned parishes consists of land of poor quality, being of a steep, rough, and stony nature, and of no value whatever for closer settlement purposes. Most of the best land that exists in this district is held by absentee owners, and if these holdings, which we consider suitable for settlement, could be acquired at a fair price, we would strongly recommend that they be purchased. These properties would work in in most cases with the adjoining Crown lands in any scheme of subdivision and settlement. On most of these holdings a considerable amount of work was done in past years in clearing, fencing, and erecting buildings, but the cleared land has through neglect been allowed to revert practically to its unimproved state, while bush fires have demolished the fencing and other improvements.

We estimate that at least 24 settlers could be placed on the areas which we consider suitable and now held by absentee owners. These areas total 6,878 acres, of which 2,590 is agricultural land of good quality. Oats, peas, hops, most varieties of fruits, English grasses, and also root crops have been successfully grown on these good lands. The grazing land is adapted for either sheep or cattle. We consider that 80 to 100 acres of first-class land with an additional area of 150 acres of second-class land would constitute a good living area for each settler. The main reason so many failed in this district was the difficulty in carting their produce over bad roads to the rail-head. . . . As there appears to be little chance of a railway being constructed into this district for some considerable time, a motor or steam tractor service (subsidized by the Government, if necessary) should be installed to run between Mansfield and Tolmie township. This service would act as a feeder to the Mansfield railway, and if the freights charged were kept as low as possible it would be a great factor in the successful settlement of this district.”

15. In a subsequent report these officers stated that the whole of the Crown lands in the Parish of Toombullup North—with the exception of about 300 acres adjoining the absentee holdings—is of very poor quality, being steep, stony country, and timbered with some very fine bluegum, messmate, and stringybark. If cleared, they said, this country would only be very poor grazing land. They could not recommend any of it for settlement. There were, they added, five allotments in the west of the Parish of Toombullup, aggregating 902 acres, held by absentees. They concluded by saying that the forest areas in the Parishes of Whitfield and Whitfield South are rough, steep, stony country, quite unsuitable for settlement.

16. In the absence of closer railway facilities Mr. McIver, Director of Land Settlement, does not consider it likely that any closer settlement scheme will be undertaken by the State in the Tolmie district in the immediate future.

TIMBER AND FOREST AREAS.

17. There are extensive forest areas in the districts to be served by the proposed line to Tolmie. On the eastern side in the Parishes of Dueran East and Cambatong there are about 5,000 acres (out of a total area of approximately 30,000 acres of timbered country) which could be regarded as tributary to a station at Mahaikah, while residents stated that in the Parishes of Whitfield, Whitfield South, and Toombullup there were a further 15,000 or 16,000 acres. In the Toombullup Parish Mr. McCashney's sawmill (affording employment to approximately 30 men) is working near the head of Equinox Creek, the timber being conveyed by a private tramline 17 miles to Tatong railway station. Mr. McCashney is at present cutting mostly messmate, with

lesser quantities of peppermint, ribbongum, and bluegum. Near the present site, he said, there were only another 12 or 18 months' cutting, but another belt of timber of which he had knowledge would, in his opinion, last him for about another twelve years. He stated that as to the demand there was a lull at present, and added—"The hardwood trade at the present time is very uncertain. When I gave evidence here a few years ago the demand for hardwood timber was totally different from what it is to-day, and I really could not say what the demand would be for hardwood in the future. I am inclined to think that possibly the trade will be greater later on."

18. Reports made in 1911 by Mr. W. J. Code and Mr. D. Ingle, of the Forests Commission, showed considerable disparity, according to the acreage regarded as tributary to a proposed line, and also in respect of the average number of superficial feet of timber available per acre, Mr. Ingle quoting 25,000,000 super. feet of sawn timber as being available from 7,200 acres, while Mr. Code estimated that 111,500,000 super. feet would be obtained from 13,000 acres. Mr. Mackay, Chief Conservator of Forests (and later Commissioner), in 1914 inspected the district, and came to the conclusion that Mr. Code's estimate was a "very fair" one.

19. In 1924 Mr. Ingle made a further report on the district, and estimated that with the proposed line from Moyhu to Mahaikah there would be in the watersheds of Boggy Creek, Fifteen Mile Creek, Spring Creek, and Middle Creek (covering 34,000 acres) 36,000,000 super. feet of timber, with recurring crops and smaller yields at ten to fifteen years' interval. To this there should be added areas within the Parish of Toombullup yielding 6,000,000 super. feet, making a total of 42,000,000 super. feet. If the Cambatong areas were included, which he regarded as a doubtful proposition, there would be an additional 18,000,000 super. feet, or an aggregate of 60,000,000 super. feet in the whole district.

20. Mr. Ingle stated that the timber throughout the whole of the district comprises peppermint, ribbongum, bluegum, and messmate, and adds—

"The forest country which is really payable workable to this proposed railway is situated within the watersheds of Boggy Creek, Fifteen Mile and Middle Creeks. . . . The other parts which local residents claim can be served by the line lie in the Parishes of Cambatong and Toombullup. If the Cambatong timber were taken to the proposed line the area with the natural fall to Whitfield would be so reduced as to make it doubtful whether the King River and Evan's Creek watersheds would be payably exploitable. There is no doubt but that the Cambatong tableland of about 3,000 acres could be worked—at a high cost—to the Fifteen Mile Creek, but I do not think, for the reason stated above, that it would be advisable to include it and other small areas adjoining in the present transport scheme. . . . Locally a very exaggerated idea is held of the quality and yield per acre of timber available, caused no doubt by the fact that the persons concerned have not had opportunities of seeing the good forests in other parts of the State, with which the Whitfield areas only rank third rate."

VARIOUS CONNEXIONS SUGGESTED.

21. A number of routes have in the past been investigated in connexion with the proposals to serve Tolmie, but in this inquiry practically all the witnesses suggested one of two routes. In the Tatong and Benalla districts a route from Tatong to Tolmie was mainly favoured, either practically direct via Holland's Creek, or running at first north to Molyullah and then along the valley of the Fifteen Mile Creek to Mahaikah and Tolmie. At Tolmie, Myrree, Moyhu, and Wangaratta the course generally advocated was that of converting the Whitfield narrow-gauge line to a broad gauge between Wangaratta and Moyhu, and taking off near the latter station and running along the valleys of the Boggy Creek and Fifteen Mile Creek to Mahaikah and Tolmie. This latter method would leave a small cockspur between Moyhu and Whitfield to be operated on either the 2-ft. 6-in. narrow gauge as at present, or preferably converted also to the 5-ft. 3-in. ordinary gauge.

22. The route from Tolmie via Mahaikah to Whitfield (practically parallel with the west branch of the King River) did not receive general support, nor did the proposal to reach the existing system at Mansfield in 14 miles 20 chains, much the shorter distance, it being considered that the markets for most of the district products would be found in towns north of Wangaratta and in the Riverina. In the circumstances it was considered that a connexion via Mansfield would make the rates unduly high and lengthen materially the time taken in transit, while the compensation of being provided with a more direct route to Melbourne was not valued because of the Melbourne market being so readily accessible to competitors from nearer points, involving less freight and delay with perishable produce such as potatoes and other root crops.

23. At Tatong a number of witnesses from the district between Lima and Mansfield advocated a connexion between those two points, but as the reference to the Committee was that of serving the district of Tolmie, this proposal, while not exactly outside the scope of the Committee's consideration, was not regarded as possessing sufficient merit to warrant further investigation.

28. If the Tolmie line were constructed to Moyhu on the broad gauge, with the Whitfield line remaining narrow gauge, the work of transferring goods at Moyhu to the narrow gauge and again at Wangaratta to the broad gauge would involve so much in transfer charges and delay, especially with heavy timber or perishable produce, that the line could never hope to reach the paying list labouring under such serious disadvantages. An alternative course is to make the Tolmie line narrow gauge, junctioning either at Moyhu or Whitfield, but the disastrous experience of the State with its four narrow-gauge lines during the last ten years, as indicated in the following table, does not lend encouragement to that proposal:—

Narrow-gauge 2-ft. 6-in. Lines.	Total Loss for Ten-year Period ending June, 1927.
	£
Colac to Crowes	108,816
Ferntree Gully to Gembrook	112,681
Moe to Walhalla	66,091
Wangaratta to Whitfield	34,645
Ten-year Aggregate Loss	322,233

Each of these narrow-gauge lines appears in the Commissioners' Report annually with monotonous and disheartening regularity.

29. Geographically the Tolmie district is tributary to Mansfield railway station, to which point a route can be obtained in $14\frac{1}{4}$ miles, but with the handicap that it is not carrying the produce in the shortest distance to the northern towns of the State and the Riverina, where the greatest demand is expected, while the construction cost is greater per mile than on any other route except that from Tatong to Tolmie.

30. A line via Tatong to Benalla in these circumstances becomes on the map an apparently suitable route, as the latter town affords a direct connexion with the Yarrawonga and Albury districts, as well as a fairly direct route to Melbourne for such of the produce as may be consigned there. Here again, however, the cost (£394,300) for the 20 miles of construction to Tatong is so great that it would actually be cheaper by £83,400 to build $42\frac{1}{2}$ miles of railway via Molyullah to Benalla, thus paralleling to a considerable extent the Benalla-Tatong line. This extension to Benalla direct would not, in the opinion of the Committee, be a desirable route. There is not sufficient gathering ground for traffic for a line from Tatong via Molyullah to Benalla, while a very circuitous course, involving heavy expenditure and interest charges without adequate revenue compensation, would be followed by commencing the Molyullah deviation at the Tatong terminus, as was proposed by several witnesses. The Tatong line itself was constructed for a capital cost of only £50,940, or £2,830 per mile, and despite the low interest debit on this account, and also the further fact that the line has extensive timber freight brought to it by a privately-owned tramway, 17 miles in length, from the Toombullup sawmills, the losses during recent years have been as under—

BENALLA TO TATONG LINE.

Loss for year ending 30th June, 1923	£1,626
" " " 1924	1,793
" " " 1925	2,392
" " " 1926	2,896
" " " 1927	3,317

31. In the face of these figures, with a steadily growing deficit on a line constructed so cheaply, it will be appreciated that with an extension at a cost per mile of £20,325 (an increase of over 600 per cent.), the prospects of such a line ever becoming payable are so remote that they may be at once dismissed from consideration.

32. The Committee was impressed with the fertility of much of the soil in the Tolmie district, and has every sympathy with the settlers who are labouring under such heavy transport disadvantages with such crops as they may produce. It cannot, however, in the light of the exceedingly high construction costs disclosed and the limited cultivable area of the better class land, recommend the provision of a railway to serve the district, even taking into account the lessening of the capital debit to some extent by a contribution from the Developmental Railways Account. It is felt, however, that although the reference to it is that of reporting upon a proposed railway for the Tolmie district, it should—as it cannot recommend any railway line

with a prospect of it becoming payable within a reasonable time—draw attention to the need of the district for better road communication with Whitfield, and to a less extent with Tatong. The road to Mansfield is in excellent order, but the remaining roads of the district are in need of attention, and the Committee suggests in its recommendation certain action in this respect.

RECOMMENDATION OF THE COMMITTEE.

33. The Committee, for the foregoing reasons, considers that it is not expedient to construct a line of railway on either the broad or narrow gauge to serve the Tolmie district, but suggests that, as funds become available, the Country Roads Board improve the condition of the roads serving the settlers of this district.

R. T. POLLARD,
Chairman.

Railways Standing Committee Room,
Parliament House,
Melbourne, 4th June, 1928.

[Minutes of Evidence and Plan are not printed.]

