

1928.
—
VICTORIA.

REPORT

FROM

THE PARLIAMENTARY STANDING COMMITTEE
ON RAILWAYS

ON THE PROPOSED

MACARTHUR DISTRICT RAILWAY;

TOGETHER WITH

MINUTES OF EVIDENCE, PLAN, AND MAP.

Ordered by the Legislative Assembly to be printed, 24th July, 1928.

By Authority:

H. J. GREEN, GOVERNMENT PRINTER, MELBOURNE.

RAILWAYS STANDING COMMITTEE REPORT No. 3.—[9D.]—7733.

EXTRACTED FROM THE VOTES AND PROCEEDINGS OF THE
LEGISLATIVE ASSEMBLY.

TUESDAY, 12TH JULY, 1927.

18. LINES OF RAILWAY REFERRED TO RAILWAYS STANDING COMMITTEE.—Motion made, by leave, and question—That the following questions be referred to the Parliamentary Standing Committee on Railways for inquiry and report:—

- * * * * *
- (3) *Macarthur, Yambuk, Orford, Bessiebelle, Byaduk, and Warrong Districts Connecting Railway.*—
The question of connecting the districts of Yambuk, Bessiebelle, Orford, Macarthur, Byaduk, and Warrong with the existing railway system by means of a 5-ft. 3-in. gauge railway.
- * * * * *

—(Mr. Tunnecliffe)—put and agreed to.

MEMBERS OF THE PARLIAMENTARY STANDING COMMITTEE ON RAILWAYS.

(*Sixteenth Committee.*)

R. T. POLLARD, Esq., M.L.A., Chairman.

A. A. DUNSTAN, Esq., M.L.A., Vice-Chairman.

The Hon. A. Bell, M.L.C.

The Hon. A. E. Chandler, M.L.C.

A. E. Lind, Esq., M.L.A.

The Hon. J. W. Pennington, M.L.A.

APPROXIMATE COST OF REPORT:

Printing (250 copies)	£	s.	d.
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REPORT.

THE PARLIAMENTARY STANDING COMMITTEE ON RAILWAYS, to which the Legislative Assembly referred the question of connecting the districts of Yambuk, Bessiebelle, Orford, Macarthur, Byaduk, and Warrong with the existing railway system by means of a 5-ft. 3-in. gauge railway, has the honour to report as follows :—

PREVIOUS REPORTS OF THE COMMITTEE.

1. In September, 1915, the Committee reported to Parliament on the "General" question of connecting Macarthur, Orford, and Yambuk by means of a 5-ft. 3-in. gauge railway with the existing system in the following terms :—

" the Committee recommends the construction of a 5-ft. 3-in. railway from Port Fairy via Yambuk, Orford, and Broadwater to Macarthur, a distance of 32 miles, at an estimated cost of £129,000, with £3,400 added for truck stock, as a Developmental Railway."

2. The recommendation of this line as a "developmental railway" meant that under the *Developmental Railways Act* 1915, No. 2640, the funds in the Developmental Railways Account could be used (up to an annual maximum of 4 per cent. on £1,000,000, or £40,000) to make good the deficiency on any "developmental railway," being, in fact—

" the sum, if any, by which the total working expenses of such railway, together with the interest (calculated at four pounds per centum per annum) on the cost of the construction of such railway, exceeds the total annual revenue of such railway. . . .";

and that such payments should cease twenty years after the date on which the railway was first opened for traffic.

3. No action was, however, taken by the Government in the matter, and as years went on the money available in the Developmental Railways Account was taken for other purposes, and in 1918, under Act No. 2944, it was provided that the sum of £25,000 annually should be set aside from the Developmental Railways Fund to meet the payment of interest on a loan of £500,000 for developmental roads. Eventually the idea of using the fund to meet losses on non-paying developmental railways was apparently dismissed in favour of making a lump-sum gift payment towards the cost of construction, thus lessening the amount of capital upon which the line should be expected to earn interest. On this principle the Port Fairy to Yambuk Developmental Railway Act, No. 3152, was passed on 21st December, 1921, allotting a sum of £80,000 from the Developmental Railways Account towards the construction of the first section of the railway from Port Fairy to Yambuk, provided that the Board of Land and Works—

" is satisfied that the construction of the line is likely to lead to considerable development of the district served by the encouragement of agriculture, industrial undertakings, or increased output of forest produce, or promotion of successful settlement of discharged soldiers."

4. Nothing was done, however, in the direction of constructing the proposed line, and eventually on 22nd July, 1924, the matter of "The construction of a 5-ft. 3-in. gauge railway from Port Fairy to Macarthur" was referred to the Committee as a "Specific" question for consideration and report. During 1925 the Committee reported to the House as under—

RECOMMENDATION.

As this proposal was referred by Parliament as a Specific Reference, the Committee is obliged to deal with it solely by recommending or not recommending the route, or portion of it, as defined in 1915. The development of the district has not been in the direction then anticipated, and the proposal to run westerly to Yambuk before proceeding north to Orford and Macarthur does not now seem to the Committee the route to serve the best country and the most population throughout the whole district. Because of this fact; because of the total absence on one side of the line of any gathering ground for traffic for the first 10 miles running west towards Yambuk (owing to the line closely paralleling the sea-shore and adjacent sand-hills); and because of the serious motor and vehicular competition existing, and which would continue to exist on the excellent roads running alongside this route, between Port Fairy and Yambuk and between Orford and Macarthur, the Committee recommends that it is not expedient to build a 5-ft. 3-in. gauge railway to connect with Port Fairy the districts of Yambuk, Orford, and Macarthur.

The Committee is, however, of opinion that the settlers in the large extent of country in the Bessiebelle, Orford, Macarthur, Byaduk, and Warrong districts are handicapped by the absence of closer rail facilities, and suggests that, as this inquiry was restricted to one route only, which is not approved, the matter might again form the subject of inquiry by the Committee as a general reference for connecting those districts with the existing railway system; and that the sum of £80,000 set aside out of the Developmental Railways Account under the provisions of the Port Fairy to Yambuk Railway Construction Act, No. 3152, be made available towards the construction of a line from the existing railway system to serve the districts of Bessiebelle, Orford, Macarthur, Byaduk, and Warrong should such a proposal be submitted for further inquiry and subsequently recommended.

5. Because of the desire of the Committee that every practicable route should be considered before coming to a determination as to whether or not railway facilities were warranted in this district, Parliament referred to the Committee in July, 1927, the "General" question of "connecting the districts of Yambuk, Bessiebelle, Orford, Macarthur, Byaduk, and Warrong with the existing railway system by means of a 5-ft. 3-in. gauge railway." This reference forms the subject of the present Report.

DESCRIPTION OF DISTRICT.

6. The districts proposed to be served lie in the south-western portion of the State, comprising roughly the triangular area bounded by the Port Fairy to Hamilton railway line, the Hamilton to Portland line, and the sea-front from Portland to Port Fairy. The principal streams in the southern portion of the district are the Eumeralla and Shaw Rivers, approximately south of Macarthur, and the Moyne River, which enters the sea at Port Fairy. Near Macarthur township, which is 26 miles by road from Port Fairy, there is Mount Eccles, an extinct volcano, and about 10 miles north-west, Mount Napier. The land adjacent to these mountains, and for some few miles around, is largely strewn with basaltic boulders, rendering cultivation impracticable in many places, as even with the expensive removal of the surface stones the underlying soil is too stony for agricultural purposes. South-west from Macarthur, for a distance varying from 6 to 8 miles the stony land drains into a swamp area which flows into the Eumeralla River.

7. In the eastern portion of the area to be served, in the southern part of the Warrong estate, and about 6 to 8 miles distant from Woolsthorpe and Warrong railway stations, there is the Moyne swamp, through which flows the River Moyne to Port Fairy. To the south-west of the district to be served there is an area of about 10,000 acres of timbered land, consisting mainly of white gum, stringy-bark, and messmate. This timber is of little value for milling purposes, and is mostly carted into Port Fairy for firewood.

8. The character of the soil in the area to be served varies greatly, ranging from extensive outcroppings of basaltic rock, very light land, and sand hills to some rich volcanic land, and some exceptionally fertile and well-drained but small swamp areas, such as the Gorrie swamp of 1,000 acres, and the Eumeralla swamp of 1,300 acres, near Macarthur, and the Bessiebelle swamp of about 5,000 acres, 10 miles from Orford. Between Port Fairy and Yambuk, the proposed line runs parallel with the road and the coast at an average distance of only 1 mile from the beach, and for this portion of the route there are mostly sand-dunes and some dairying land, of a limestone formation, as a gathering ground on the south or sea side of the line. On the northern side towards Macarthur the soil, though interspersed with some sandy, light country between Yambuk and Orford, improves gradually in quality, is mainly gently undulating in formation, and is used principally for grazing or dairying. The proposed line via Yambuk traverses for the first 10 or 12 miles the approximate geological boundary between the pliocene sands and limestones on the south, and the newer basalt of the Cainozoic period, which extends in a northerly direction right to Hamilton and a little distance beyond, and also westerly to beyond the Port Fairy-Hamilton railway line, forming the fertile Western Plains of Victoria.

9. The cereal crops produced throughout the district are mainly for local consumption, although a limited amount of barley is sent away from the district. Owing to the heavy cartage involved, however, the acreage under potatoes is very much smaller than would be the case with nearer railway facilities. Wheat-growing was carried on throughout the district many years ago, when there was a flour mill at Port Fairy, but for many years past the wheat crops have been supplanted by those of oats and barley.

10. The road from Port Fairy to Macarthur traverses a number of comparatively small stony ridges, but is of macadam, and in good condition. The unmetalled roads of the district also offer mostly good grades and surfaces. The average annual rainfall of the district is about 27 or 28 inches.

LAND SETTLEMENT.

11. There are a number of closer settlement estates in the district, the largest being the Warrong estate of 23,100 acres, on which there are 57 settlers. This estate, which lies between Macarthur and the Port Fairy-Hamilton railway line, is practically wholly served by the railway stations at Warrong, Woolsthorpe, and Hawkesdale, from which it is distant 2 to 10 miles. The Eumeralla Estate at Macarthur consists of 10,000 acres, with 34 settlers. This property was

purchased by the Government in 1910 for £57,000, and was divided into allotments varying from 15 to 746 acres each, the average area, excluding the small workmen's homes, being 265 acres. The Squattleseamere Estate of 8,229 acres has 20 settlers upon it, while there are also smaller areas, such as the Knebsworth Estate of 3,500 acres, about 7 miles east of Condah railway station and about 8 miles from Macarthur, and also the Green Hills Estate of 5,200 acres, which adjoins the railway line at Minhamite.

12. There are a number of large estates in the district suitable for subdivision, most of them being on the route of the proposed line from Koroit to Macarthur, viz., A. Boyd, 21,500 acres; Baulch Bros., 18,000 acres; E. J. Gleeson, 6,000 acres. Other large estates in the district at a recent date were those of T. Robertson, 16,600 acres; Hodgson and Reseigh, 13,000 acres, and the Mount Napier Estate of 16,000 acres. These areas are used at the present time almost entirely for grazing.

13. Mr. W. McIver, Director of Land Settlement, was asked his opinion regarding a route from Koroit to Macarthur as compared with that previously investigated from Port Fairy via Yambuk and Orford to Macarthur. He stated that while he preferred the Koroit-Macarthur route he would not advocate the construction of either line at the present time unless the large estates traversed by the proposed railway or in its immediate vicinity were resumed and subdivided for closer settlement purposes. Without a railway any proposal for closer settlement in the district would not be attractive at present. Questioned further as to the policy likely to be pursued in relation to the acquisition by the Department of further estates for closer settlement purposes, Mr. McIver stated—

“The financial stringency makes it difficult to provide funds for further closer settlement at present, and it is doubtful if the Government would find money to resume these areas unless some very special reason made such a course desirable.”

Mr. McIver, therefore, suggested that any recommendation for the construction of a railway from Koroit to Macarthur should be made subject to the resumption and subdivision of the whole or the greater portion of these estates.

ROAD TRANSPORT CONDITIONS.

14. There is a macadam road in excellent condition from Port Fairy to Macarthur, 26 miles, and motor vans or lorries provide a regular service, the charge for outwards produce and inwards commodities being usually 30s. per ton between Macarthur and Port Fairy, and 15s. per ton between Orford and Port Fairy. A motor service is also in operation over the 23 miles between Macarthur and Hamilton, via Byaduk, the charge for the conveyance of goods being 25s. per ton. In the Yambuk and Codrington districts the limestone roads are in good condition, and a charge of 7s. 6d. per ton is made for the conveyance of produce over the distance of 10 miles between Yambuk and Port Fairy.

WATER TRANSPORT.

15. Since the date of the Committee's previous report Parliament has passed the Harbour Boards Act (No. 3560) which provides, *inter alia*, for the establishment of Port Fairy as a Harbour Board District, and specifies the municipalities affected. It is understood, however, that up to the present time advantage has not been taken of the operation of this Act nor in fact has the Harbour Board been constituted.

16. The element of water competition between Port Fairy and Melbourne affects the railway position, inasmuch as the cheaper freight by boat may be expected to attract a large proportion of any new traffic brought to Port Fairy from the Macarthur district. So far as the lower classified goods and agricultural produce are concerned, the advantage is with the railways, but for all goods in the higher classes the combined rail and boat rate (rail from stations on the Macarthur line to Port Fairy, thence boat to Melbourne, or vice versa), has a decided advantage. For wheat, barley, potatoes, and onions consigned from Macarthur to Melbourne the through rail rate is 14s. per ton, while the combined rate (including 2s. 6d. per ton wharfage at Port Fairy) is 19s. 7d. On most other commodities, however, both inward and outward, quite a substantial advantage would be held by the boat service, the variation in the rates being as under :—

Route.	Agricultural Produce per ton.	General Goods per ton.
	<i>s. d.</i>	
Port Fairy to Melbourne, or vice versa—		
Rail	13 7	36s. 1d. (Class A) to 116s. (Class 2)
Boat	12 6	26s. per ton measurement, or 29s. per ton dead weight

ARINGA LIMESTONE DEPOSITS.

17. There are extensive deposits of limestone at Aringa, about 5 miles west of Port Fairy, and from time to time the suitability of this site for the establishment of cement works has been canvassed, but so far with no permanent result. In the 1925 Report of the Committee it was mentioned that an English company intended commencing operations at Aringa during 1926, and that the recommendation or non-recommendation of the then proposed railway by this Committee would not influence the Company in its decision to immediately proceed with the project. No steps have, however, yet been taken to establish the proposed works. Latterly boring operations have been carried out at Aringa for an Australian company, but not with entirely satisfactory results, in the opinion of Mr. W. Baragwanath, Director of Geological Survey, Mines Department, who is at present engaged in an endeavour to find in the district a better limestone area than that previously investigated.

VARIOUS ROUTES SUGGESTED.

18. A number of routes were suggested with a view to serving the district. The two mostly favoured were, firstly, from Port Fairy via Yambuk and Orford to Macarthur ($32\frac{1}{2}$ miles); and, secondly, from Koroit to Macarthur, either direct or with a curve to enable the line to pass close to Orford, the direct distance being $27\frac{3}{4}$ miles, and via Orford, 30 miles. Other routes advocated were from Warrong, via Orford, to Macarthur, $28\frac{3}{4}$ miles, and from Hawkesdale to Macarthur, 20 miles. The last-named route is much the shortest method of reaching the Macarthur district, but it leaves unserved the areas at Orford and westward of that district at St. Helen's, Broadwater, and Bessiebelle. In addition the outlet from Hawkesdale is not so good as from Warrong, as there is a rather steep descent to the Moyne Valley, which is deeper opposite Hawkesdale.

ESTIMATED CONSTRUCTION COSTS.

19. Mr. C. H. Perrin, Chief Engineer for Railway Construction, furnished the Committee with the following estimates of construction costs for the routes shown, viz. :—

Route.	Type of Construction.	Length.	Rating Grade.	Sharpest Curve.	Rate per Mile.	Total Cost.
		Miles.	One inch.	Chains Radius.	£	£
Port Fairy via Yambuk and Orford to Macarthur	3rd Class Line ..	$32\frac{1}{2}$	75	12	5,930	192,750
	Skeleton .. .. .	..	..	..	5,272	171,350
Koroit to Macarthur	3rd Class	$27\frac{3}{4}$	66	30	6,140	170,400
	Skeleton .. .. .	..	..	..	5,490	152,350
Koroit via Orford to Macarthur	3rd Class	30	75	15	6,140	184,200
	Skeleton .. .. .	..	..	..	5,490	164,700
Warrong via Orford to Macarthur	3rd Class	$28\frac{3}{4}$	75	15	6,100	175,380
	Skeleton .. .. .	..	..	..	5,450	156,690

20. The difference between a third class line and a skeleton line is that whereas a third class line provides for $8\frac{1}{2}$ inches of ballast (of which 3 inches are under the sleepers), fences, and the usual high level platforms, the skeleton line is usually unfenced, has a reduced amount of ballast, low level platforms, and is provided with as little equipment as possible, consistent, of course, with the observance of safe working principles.

VIEWS OF THE COMMITTEE.

21. The Committee has inspected the district and heard local evidence on this matter. Although the route from Port Fairy via Yambuk and Orford to Macarthur was rejected on a previous inquiry, it was again investigated on this occasion along with other suggested routes from Koroit, Warrong, and Hawkesdale, also from Macarthur to Condah, and via Byaduk to Hamilton. The strong objection to the Yambuk route is that for the first 10 miles it parallels the sea-coast at a distance of a little over a mile, with the consequence that very little, if any traffic, can be expected from the seaward side of the route, the country there for a large part being composed of very light grazing areas. The development of the Aringa limestone deposits by the establishment of cement works has always been a possibility to be considered with this route, but the present position does not apparently justify any action in regard to a proposed railway. If later developments warrant it, the question of a railway line to serve the district can be further investigated in the light of the then prevailing conditions.

22. From Yambuk northward to Orford the country is rather light, but from Orford to Macarthur it improves in quality. From Broadwater (which is about half-way between Orford and Macarthur) the gathering ground for the line on the west side is very narrow, owing to the proximity of the large stony area extending south from Mount Eccles towards Broadwater and Bessiebelle. This route would, however, be the most suitable for the Bessiebelle and Squattleseamere settlers.

23. The route suggested from Koroit has two main distinguishing characteristics : firstly, that it serves a number of large estates ; and secondly, that it traverses a succession of stony ridges, rendering the cost per mile of railway construction greater than on the Yambuk-Orford route. Although the total cost is less by reason of the shorter distance, very little local support was given to the proposed routes from Macarthur to Condah, or via Byaduk to Hamilton, and having regard to the size and quality of the area to be served, to the trend of the traffic, and the additional mileage involved in reaching ports or metropolitan markets, the Committee was not favorably impressed by either of these suggested routes.

24. A line from Warrong, curving in order to pass close to Orford, would be really $1\frac{1}{4}$ miles shorter than a similar line from Koroit to Macarthur, and the total construction cost would be £8,820 less. This route would pass close to the Moyne Swamp, and traverse some of the largest estates between there and Macarthur. The Hawkesdale-Macarthur proposed connexion is the shortest, the direct distance being only 20 miles, but this route would not serve the settlers between Squattleseamere, Orford, Bessiebelle, and Port Fairy.

25. A factor which has given the Committee very serious concern in this investigation is that of road competition with the railways. In this district in particular, with excellent macadam roads and plentiful supplies of bluestone available cheaply, there is an inviting opportunity for competitive services, and while the freight rates for agricultural produce and lower class goods would be much less on the railway than with road motors, the fact remains that with the more highly classified general goods, the road service could attract so much of the possible freight as to render the railway line an unprofitable one, hauling only produce and commodities classified at low freight charges.

26. Furthermore, with a connexion at Port Fairy, and, to a lesser degree, with a junction at Koroit (connecting with the ports of Warrnambool and Port Fairy), the element of boat competition also enters into the matter, the freight by water between Melbourne and Port Fairy being on the average much less than the railway charge for general goods. With a connexion between Macarthur and Koroit there is probably less likelihood of goods being transhipped at Warrnambool or Port Fairy than would be the case with a direct Macarthur-Port Fairy connexion. The fact remains, however, that a combined rail and boat rate would be much less on most goods than a through rail rate to Melbourne. There is a motor service at the present time between Macarthur and Port Fairy, and the district is connected to that extent with a sea service to Melbourne.

27. On the question of the resumption of the large estates which would be served by a line from Koroit to Macarthur, the Committee agrees in the main with the views expressed in the following extract from a statement submitted in evidence at Bessiebelle by the Squattleseamere Estate settlers, who were opposed to the Koroit-Macarthur route, viz. :—

“ The settlers desire to point out that there are many large estates through which railways are running in the Western District which might, or could be, resumed—compulsorily or otherwise—and it would be preferable to settle these estates first before constructing a railway through the large estates (as suggested by Mr. McIver) 3 or 4 miles east of the proposed line on the existing survey from Port Fairy to Macarthur.”

The reference to Mr. McIver was apparently based on the mistaken assumption that he favoured the construction of the line directly through these estates, but Mr. McIver has made it clear that, while he favoured the Koroit-Macarthur route against the Port Fairy-Yambuk-Macarthur route—as also does the Committee, his preference is strictly subject to the preliminary subdivision of the estates referred to.

28. There is no doubt that with railway facilities provided some of the better class land in the district would be used for growing potatoes, onions, or other root crops, and the lighter lands for increased areas under cereals, but the Committee is of opinion that this transition from dairying and grazing could only be expected with a substantial fall in wool and lamb values. Having regard therefore to this problematical factor, and to the competitive aspect, which, with good roads and a cheap sea service, would be exceptionally strong in this district, the Committee regrets that it cannot see its way to make a favorable recommendation.

29. It is not suggested that a district in which dairying and grazing are the main industries should be debarred from a railway service, but at the same time it cannot be overlooked that these branches of agriculture furnish far less railway freight than the cultivation of cereals and root crops ; and, furthermore, that the necessity for railway transport is not nearly so essential

for success with dairying and grazing as it is with cultivation. In addition, the estimates of revenue and expenditure obtained in 1925, when the Committee rejected the proposed line from Port Fairy to Macarthur, showed a loss of £9,628 for the first year of operation. Having regard to the extent of stony land which would be traversed by the proposed line from Koroit, it is felt that the deficit would be only slightly reduced on that route. This fact, coupled with the necessity, on the Koroit route, for the State embarking on an extensive and expensive programme of purchase and subdivision of land in this area, in order to provide farm freight, has also influenced the Committee in arriving at its decision.

RECOMMENDATION.

30. The Committee for the foregoing reasons is of opinion that it is not expedient to connect the districts of Yambuk, Bessiebelle, Orford, Macarthur, Byaduk, and Warrong with the existing railway system.

DIVISION.

31. The following extract from the Minutes of the Proceedings shows the division which took place during the consideration of the question, viz. :—

Mr. Bell moved, That it is not expedient to construct any line to connect the districts of Yambuk, Bessiebelle, Orford, Macarthur, Byaduk, and Warrong with the existing railway system.

After discussion—

Mr. Dunstan moved, as an amendment, That all the words after "That" be omitted, and the following words inserted, viz., "with a view to further considering the matter, estimates of revenue and expenditure be obtained from the Railway Department for a line from Koroit to Macarthur."

Question, that the words proposed to be omitted stand part of the motion—put.

<i>Ayes</i> , 5.	|	<i>Noes</i> , 1.
The Chairman		Mr. Dunstan.
Mr. Bell		
Mr. Chandler		
Mr. Lind		
Mr. Pennington.		

The amendment was therefore negatived.

Mr. Bell's motion was then put to the meeting and the Committee divided.

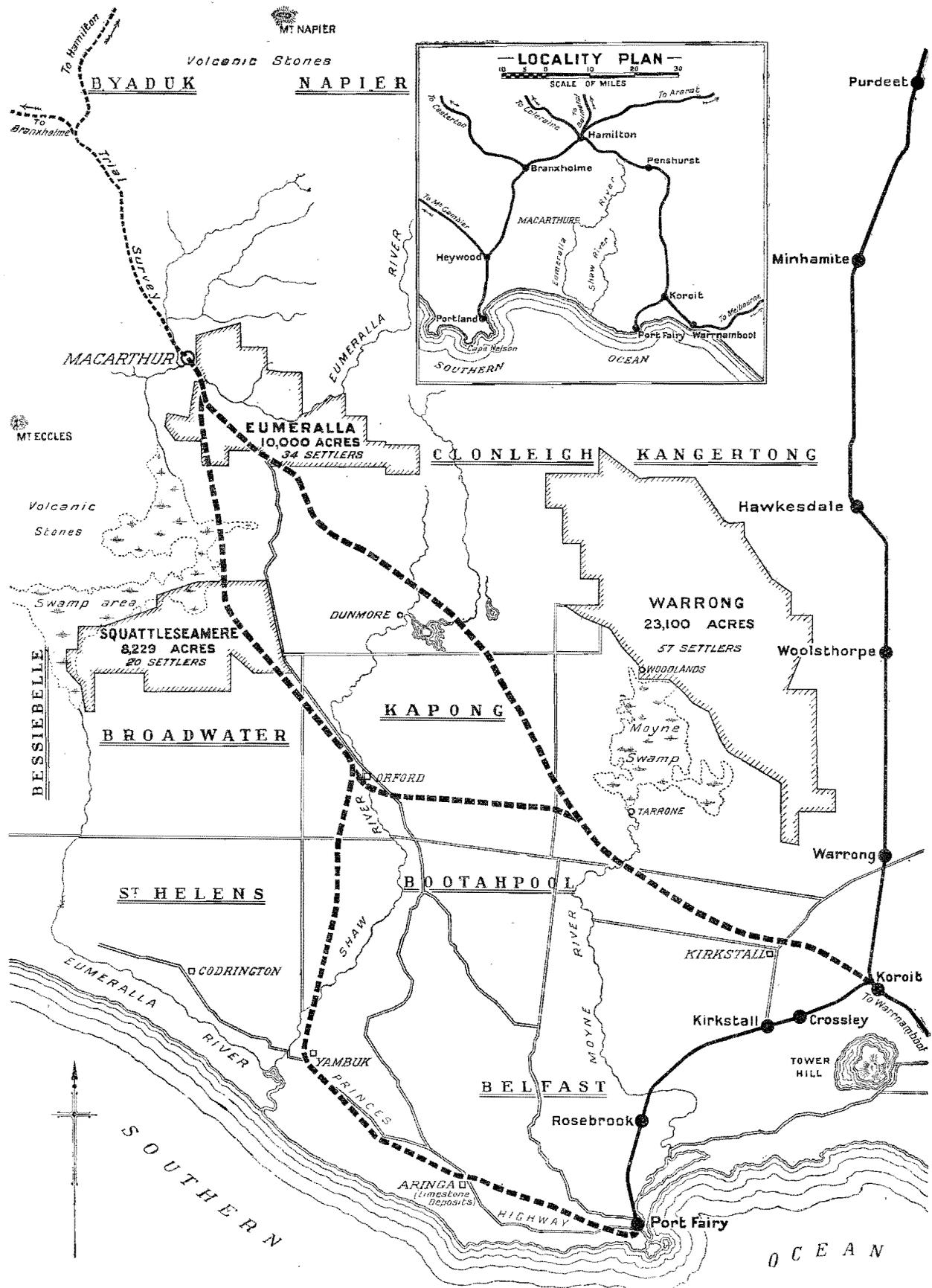
<i>Ayes</i> , 5.	|	<i>Noes</i> , 1.
The Chairman		Mr. Dunstan.
Mr. Bell		
Mr. Chandler		
Mr. Lind		
Mr. Pennington.		

And so it was resolved in the affirmative.

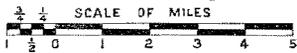
R. T. POLLARD,
Chairman.

Railways Standing Committee Room,
Parliament House,
Melbourne, 9th July, 1928.

[*Minutes of Evidence and Plan are not printed.*]



— PROPOSED MACARTHUR DISTRICT RAILWAY —



Existing Railways shown thus ———
 Proposed " " " ———
 Principal Roads " " " ———
 Parish names underlined

RAILWAY CONSTRUCTION BRANCH MAY 1928

