

1969  
—  
VICTORIA

# VICTORIAN RAILWAYS

## REPORT

OF THE

# VICTORIAN RAILWAYS COMMISSIONERS

FOR THE

YEAR ENDED JUNE 30, 1969

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PRESENTED TO BOTH HOUSES OF PARLIAMENT PURSUANT TO ACT 7 ELIZABETH II. No. 6355

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October 20, 1969.

*The Honorable V. F. WILCOX, M.P.,  
Minister of Transport.*

Dear Mr. Minister,

In accordance with Section 105 of the Railways Act, we submit our Report for the year ended June 30, 1969.

Yours sincerely,

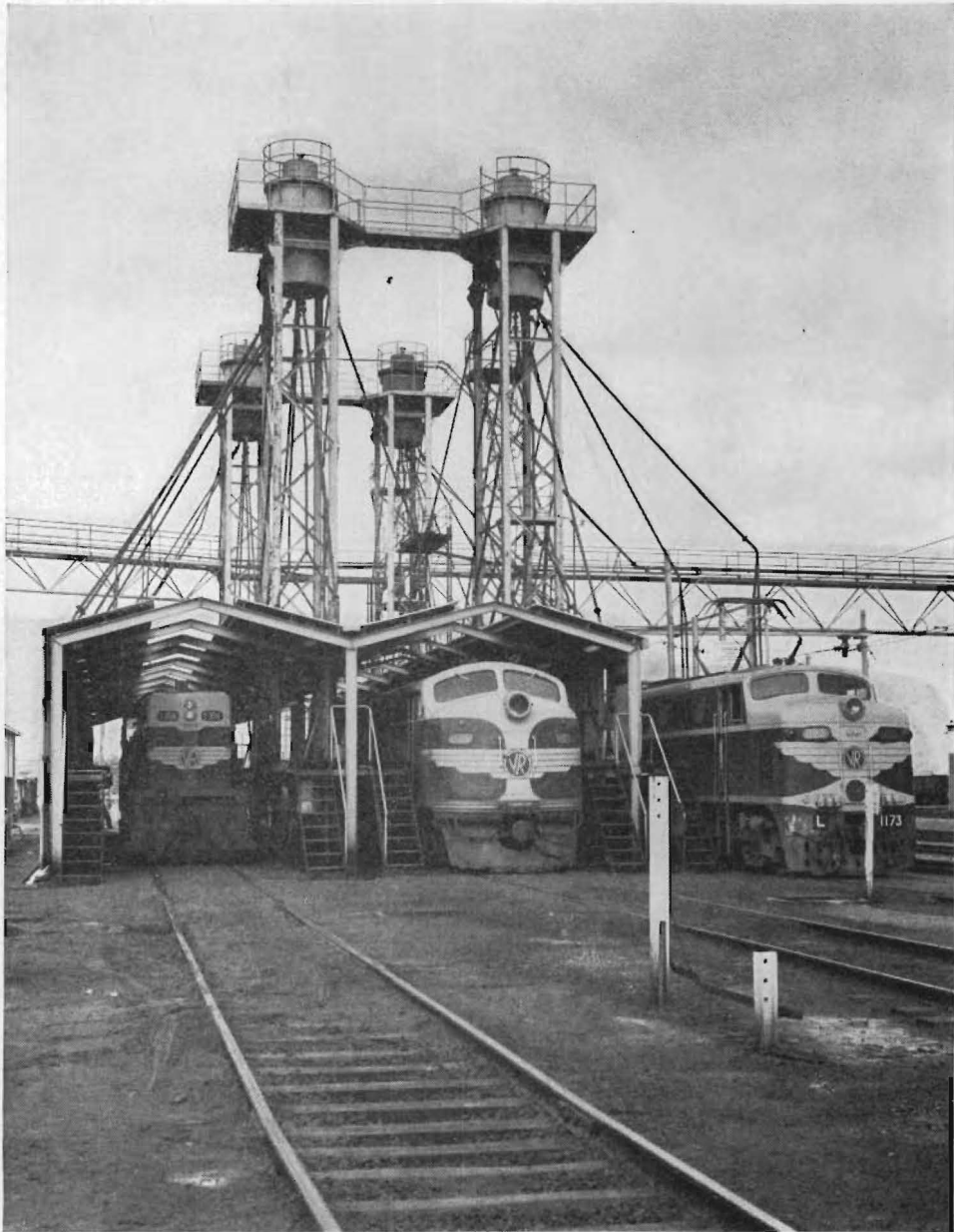
G. F. W. BROWN	}	Victorian Railways Commissioners
E. P. ROGAN		
L. A. REYNOLDS		



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Diesel electric locomotives refuelling at South Dynon.





**REPORT OF THE  
VICTORIAN RAILWAYS COMMISSIONERS  
FOR THE YEAR ENDED  
JUNE 30, 1969**

**A SOUND BUSINESS BASIS**

Railway accounts have long concealed the assistance given by the State Government to sections of the community.

These include inevitable losses on suburban and country passenger services and special concessions to country industries and exporters.

The social services aspect of passenger services, particularly in large cities, is being increasingly accepted throughout the world.

While these social services and special concessions are continued as a matter of Government policy we strongly urge that we should be recompensed, not solely by way of deficit financing with its undisclosed cross-subsidization, but by the provision of funds to the extent involved, as is done with other social service activities.

This would have the effect of putting railway financial affairs on a sound business basis and thus give the Government credit for what it is doing for each section of the community.

On this basis the results for 1968-69 would be approximately as follows:

Revenue received	..	..	..	..	\$100,528,000	
Treasury reimbursements for services rendered in pursuance of Government policy						
Operating loss on suburban passengers			..	..	6,000,000	
Operating loss on country passengers			..	..	8,500,000	
Concessions to country industries			..	..	4,400,000	
Total earnings	..	..	..	..		\$119,428,000
Working expenses	..	..	..	..	\$111,216,000	
* Interest, etc. charges	..	..	..	..	6,615,000	117,831,000
<b>SURPLUS</b>						<b>\$1,597,000</b>

\* Includes interest charges applicable to passenger services.

**FINANCIAL RESULTS**

	1967-68	1968-69
	\$	\$
Gross income earned	99,393,514.76	100,590,879.27
Working expenses charged against income	105,204,041.26	111,344,202.12
<b>LOSS ON CURRENT OPERATIONS</b>	<b>5,810,526.50</b>	<b>10,753,322.85</b>
Interest charges and expenses	5,377,275.89	6,221,177.60
Exchange on interest payments	118,683.04	105,517.69
Contribution to National Debt Sinking Fund	250,622.67	288,214.00
<b>TOTAL INTEREST, EXCHANGE, ETC.</b>	<b>5,746,581.60</b>	<b>6,614,909.29</b>
<b>DEFICIT</b>	<b>11,557,108.10</b>	<b>17,368,232.14</b>

EARNINGS

EXPENDITURE

The main increases in earnings were:

The increase in working expenses was principally due to the following:

	\$
Goods .. ..	727,000
Passengers .. ..	248,000
Rentals and miscellaneous	222,000

	\$
<i>Increases</i>	
Cost of wages awards .. ..	5,086,000
Higher cost of materials & c. .. ..	1,632,000
Railway Accident and Fire Insurance Fund	376,000
Long service leave .. ..	223,000
Superannuation charges .. ..	179,000
<i>Decreases</i>	
Savings in operating and maintenance costs	1,493,000

FINANCIAL CONSIDERATIONS

*Loan expenditure*

The total of interest-bearing funds expended on renewals and replacement since July 1, 1960, is now \$84,932,000. We emphatically repeat our warning against continuation of this alarming rate of overcapitalization.

The \$16,826,396 of loan funds allotted us during the year were expended as follows:

*Renewals and replacements*

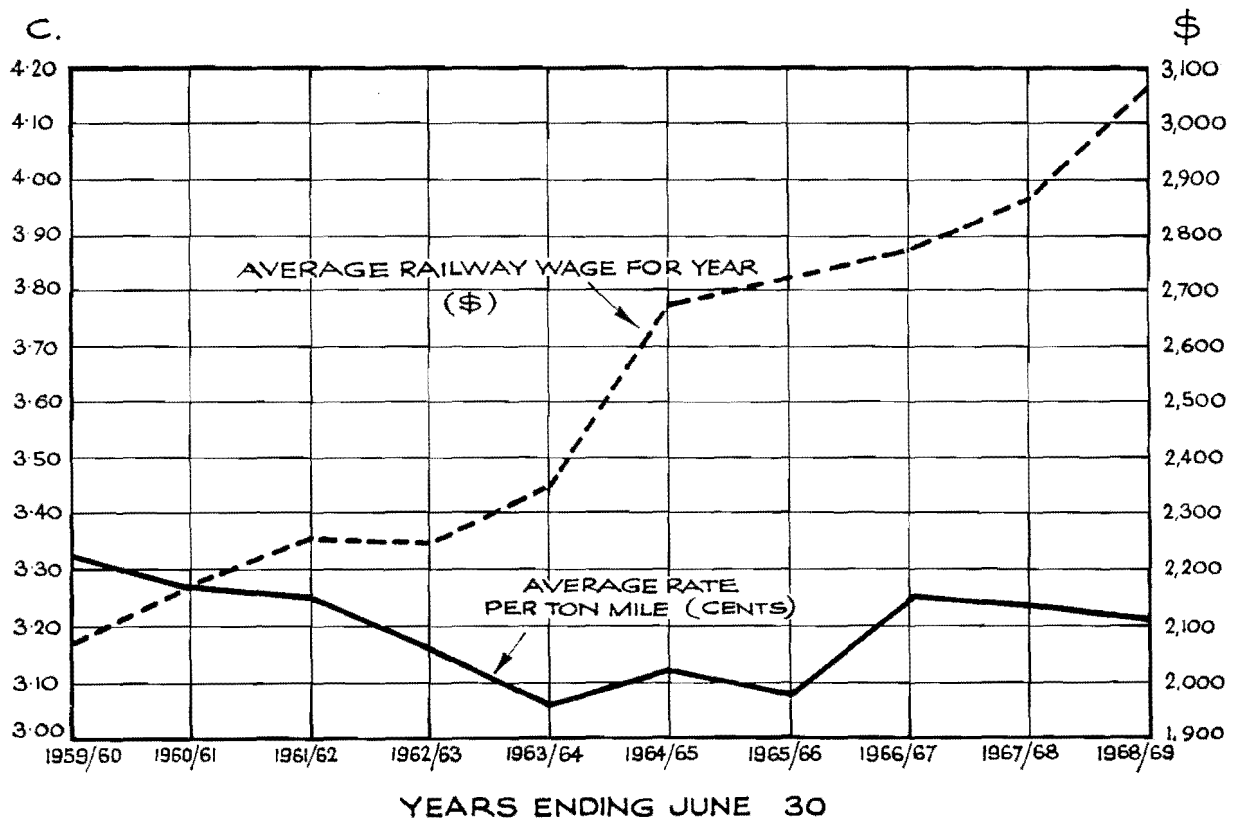
		\$	\$
Way and works .. ..		4,939,985	
Rolling stock .. ..		6,059,630	10,999,615

*Capital*

Way and works .. ..		5,435,496	
Rolling stock .. ..		58,419	
New lines .. ..		332,866	5,826,781

*General*

The general tariff rates for goods traffic were not altered during the year.



An important development was the introduction from July 1, 1968, of a simplified rating scheme for intersystem goods. This coincided with the publication of the "Railways of Australia Goods Rates Book", setting out the new method of intersystem goods rating, on the basis of a uniform classification and uniform intersystem mileage rates.

A further 46 industries were approved by the Minister of State Development as eligible for the special rates applicable to "Approved Decentralized Secondary Industries". This brought the total at June 30, 1969, to 638. We estimate that these concessions are costing us \$524,000 a year.

On January 26, 1969, passenger fares were increased by percentages ranging from five to ten per cent for suburban travel and five per cent for country journeys. In addition, all stations within a radius of 32 miles of Melbourne were included in the suburban fare scale. This closely approximates the area now designated as the metropolitan area.

At the same time many of the fare anomalies which had arisen over the years because of fixed percentage fare increases were corrected.

#### *Grade separation*

Twenty per cent of the cost of grade separation works is charged to railway loan funds.

The only source from which the Department can meet the interest payments on these funds is the savings, if any, resulting from the grade separation works.

Many of the projects—particularly in country areas—result in no saving to the Department, and a survey of a representative sample of metropolitan and country works has shown that an average payment of 7½ per cent of the total cost is the most that can be justified by the savings accruing to the Department at the present time. This will decrease in future.

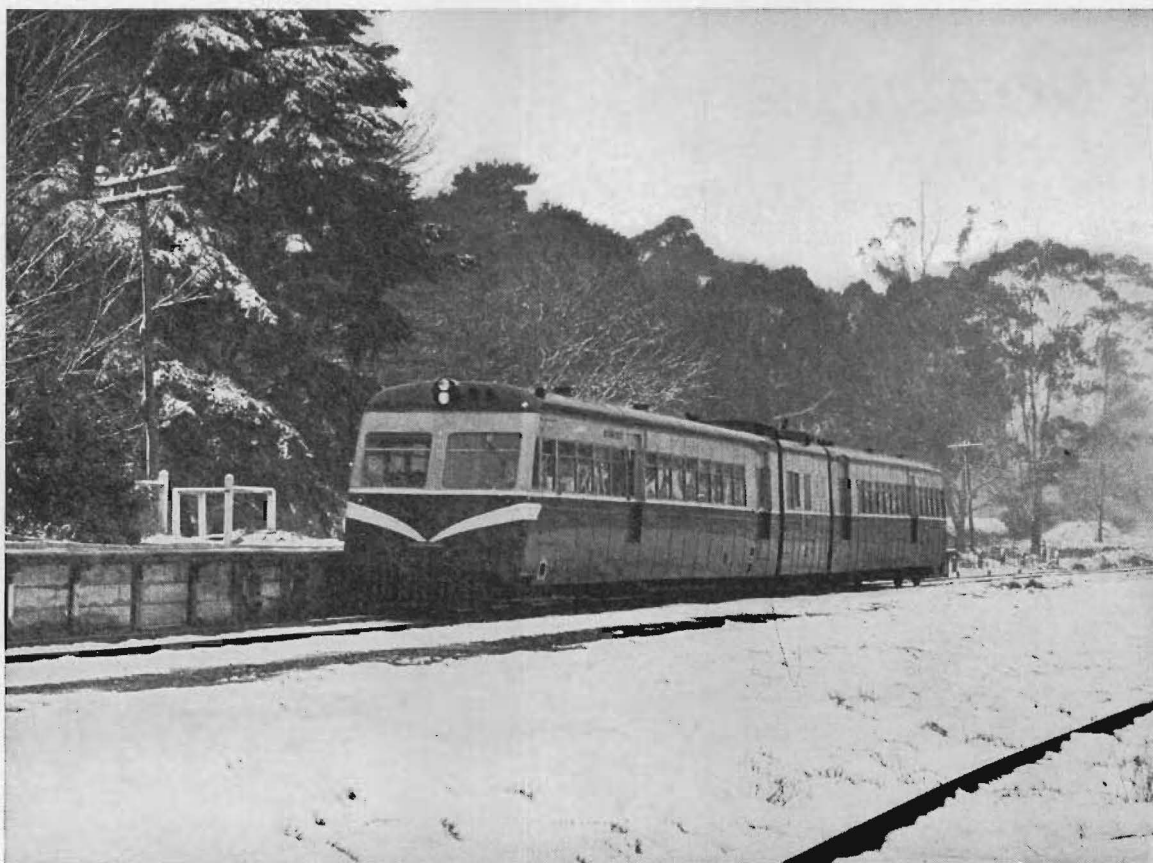
Mention is made of the number of accidents due to road vehicles running into the sides of trains or damaging the underside of railway bridges. In many instances the owners were not insured and we are therefore unable to recover damages.

#### *Stores*

The value of stock held at June 30, 1969, was \$8,436,959—\$1,169,650 greater than at the same time the year before.

Issues and sales from stock were valued at \$35,057,575, the turnover rate being 4.15.

Materials reclaimed for sale or re-use realized \$875,657, only slightly less than in the previous year.



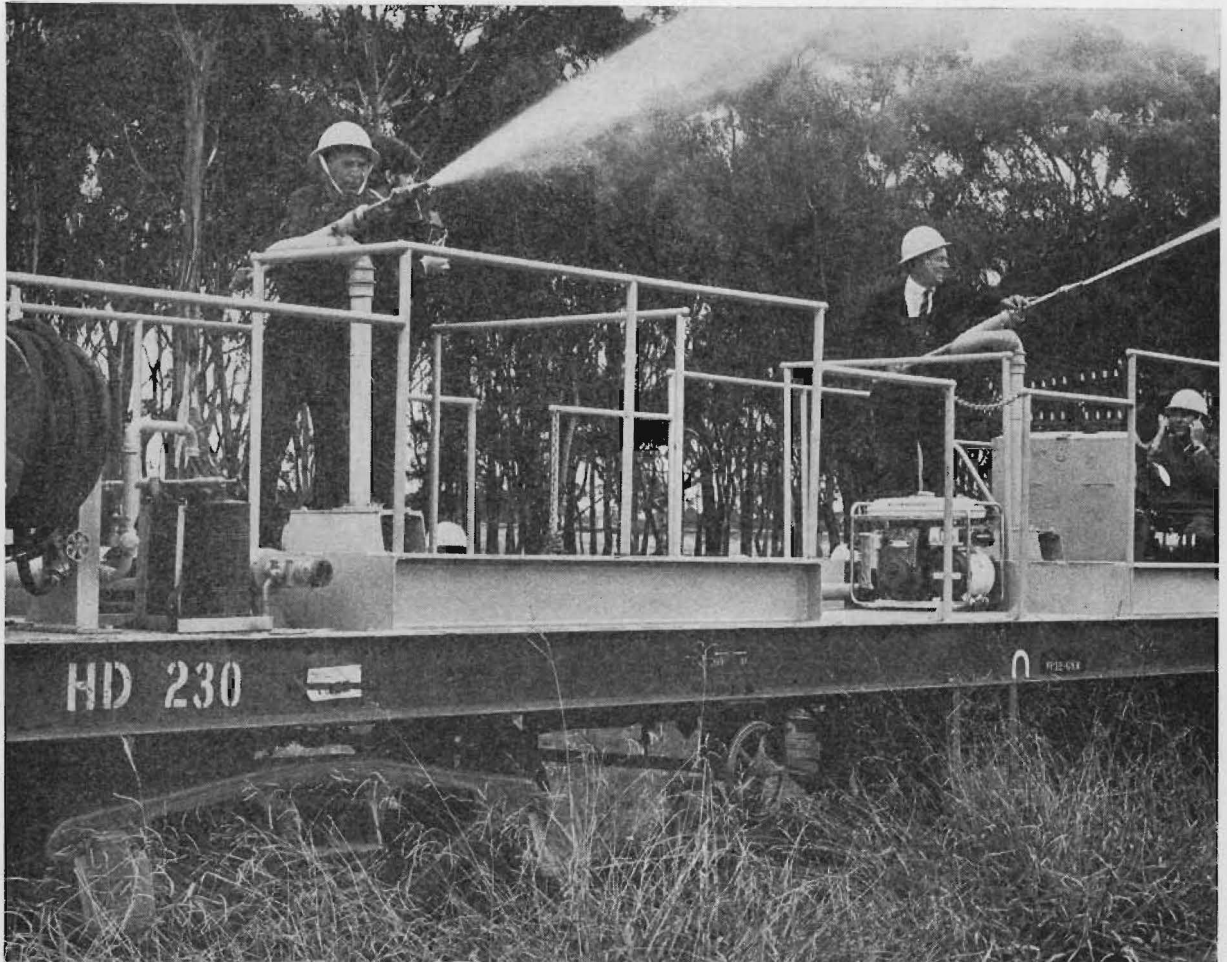
Rail motor arrives at Bullarto during a snow storm

## RETROSPECT

The bushfires which flared in the State on January 8, 1969, caused the worst fire damage we have experienced for 25 years.

In brief, the fires destroyed 14 railway bridges, and damaged another three; damaged or destroyed 12,000 railway sleepers and 45 miles of track; put nearly 80 miles of track out of use, and seriously disrupted services on other lines; disrupted power supply for signalling and extensively damaged telephone pole lines.

The staff tackled the difficult job of restoring services quickly with commendable endeavour and resourcefulness.



Water train fire attack wagon.

It is not generally realized that each summer we burn or poison 9,000 miles of firebreaks along railway lines and that this costs us \$500,000. We also make an annual grant of \$30,000 to the Country Fire Authority for the assistance it gives us. Our efforts contrast sharply with the lack of preparedness by many property owners adjacent to railway lines, who last year made only 648 miles of firebreaks.

Friday, February 7, 1969, was an unhappy day for the Victorian Railways. Eight persons, three of them railwaymen, died when "Southern Aurora" hit a freight train head on near Violet Town. This shattered a long standing safety record. The unusual combination of circumstances may never be repeated, but procedures have been reviewed to combat a recurrence even under the same extraordinary circumstances.

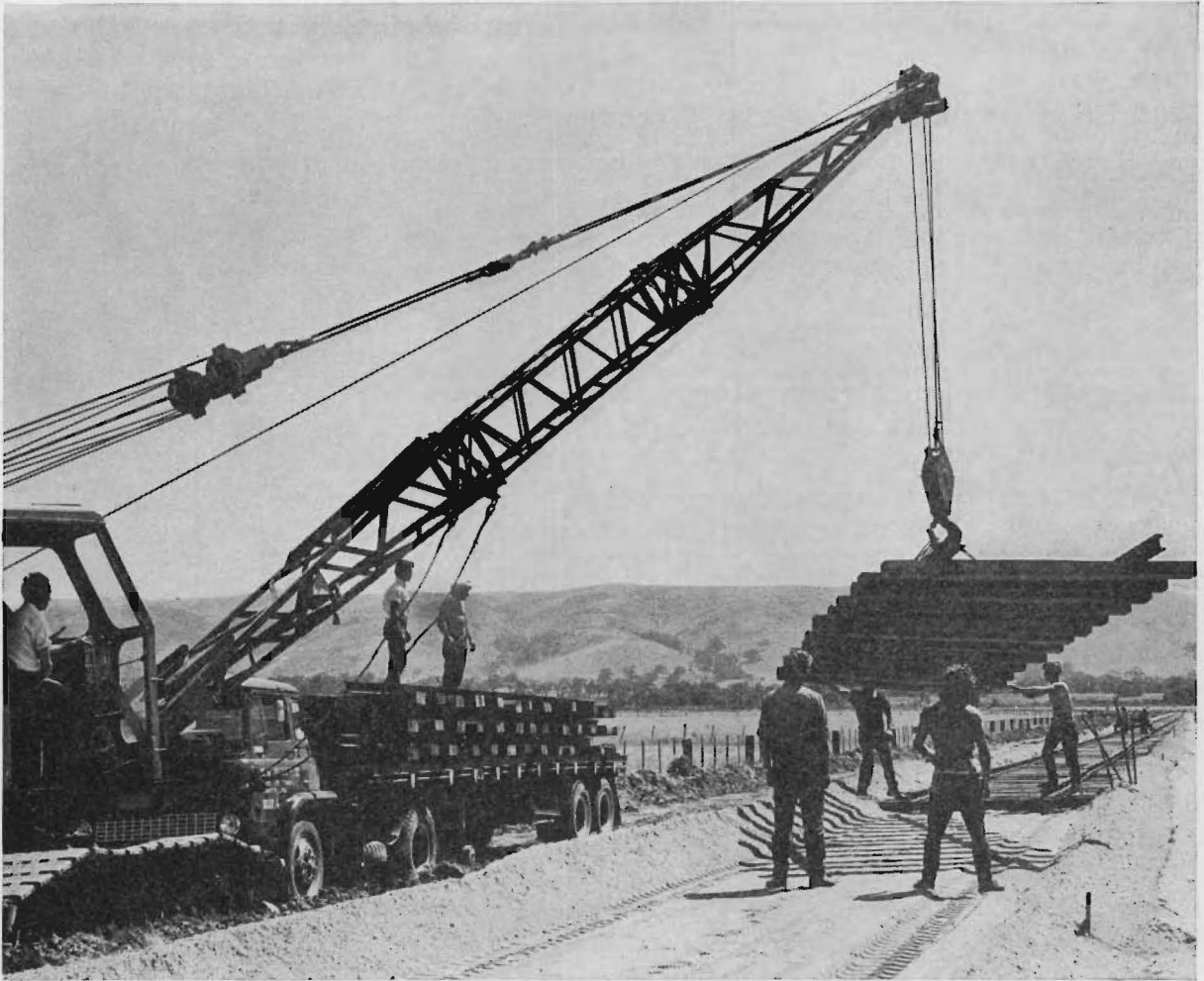
The Commissioners expressed their sympathy to all who were in any way affected by the crash.

Once again, the staff responded magnificently to the emergency, and many other individuals and organizations worked to assist the victims, without counting the cost. We have appropriately expressed our appreciation and thanks.

To keep things in perspective, it is well to remember that during the last 50 years only 11 passengers have died in Victorian Railways accidents. In the same period well over 7,827 million passenger journeys have been made.

Two new short, but important, railway lines were built during the year. One runs from near Welshpool to Barry Beach, the site of the natural gas off-shore drilling marine terminal. It is three miles long, including sidings.





Track being placed in position during construction of the line to Barry Beach.



The new line to Long Island Point showing Australia's first Multi-Plate pipe structure for grade separation.

The other line branches from the Stony Point line mid-way between Tyabb and Hastings, and runs for about  $1\frac{1}{2}$  miles. Initially, it will handle traffic to a new fertilizer works, but it will be able to meet the requirements of any new industry in the proposed industrial complex in Western Port's Long Island area.

Traffic has been conducted over both lines since April 1969.

In addition, a  $1\frac{1}{2}$  mile extension was built from the Appleton Dock sidings to the new Swanson Dock container terminal and opened for use on March 14, 1969, to take containers to the country in anticipation of the arrival of the first container ship.

### COMMERCIAL

The strength of our commercial agents was increased during the year both numerically and by special training. However, our marketing activities are again being critically reviewed.

We have provided a wider coverage of the State, and staff have been able to spend more time in discussion with potential rail users in the city and the country as well as with our present patrons. They have been supported by the specialist staff available to advise on packaging and freighting problems generally. By this means we have gained valuable new traffic and retained that which might otherwise have been lost. Nevertheless, significant rate reductions have been necessary over an extended area near the borders to combat the activities of so-called interstate operators.

Despite mounting road competition, interstate tonnage continues to increase and now is 29.6 per cent of our total tonnage. Competitive rates must be backed by a high standard of service, frequently involving guaranteed delivery times.

A gratifying feature is the considerable co-ordination between road and rail, with an increasing number of road operators using rail for their city to city hauls. Record tonnages are being handled by this forwarding agent method and the highways are less congested as a result.

For many years combined bus-rail tickets have been issued for the private bus service between Middle Brighton and St. Kilda and the St. Kilda line trains. After protracted negotiations, the scheme has now been accepted for services to Croydon, Glen Iris and Newport stations. Other operators are watching, with interest, the result of these ventures.

### FREIGHT OPERATION

Statistics relating to the more important aspects of freight operations are as under:

	1968-69	1967-68	1966-67
Total goods and livestock tonnage .. ..	11,315,916	11,115,953	12,074,550
Average haul per ton of goods (miles) ..	168	160	160
Total ton miles (goods and livestock) in millions ..	1,903	1,776	1,937
*Average miles per wagon per day .. ..	33.22	34.04	33.75
*Average ton miles per wagon per day .. ..	347	323	340
Average tonnage (net) per loaded wagon mile ..	15.58	14.08	14.91
Average ton miles (net) per goods train hour	3,754	3,607	3,701
Contents load per goods train mile (tons) ..	298	286	305
Percentage of empty wagon mileage to total ..	32.98	32.53	32.45

\* Based on the number of goods vehicles actually available for service.

Good autumn rains ended the drought which had dogged Victoria for much of the previous year, and the harvest was plentiful.

Although the wheat harvest for 1968-69 of more than 94 million bushels was about 67 million bushels in excess of the previous year, the quantity exported (11.4 million bushels) was even less than the previous year's figure of 17.7 million bushels. We were thus deprived of valuable revenue we would otherwise have earned from railing wheat to the seaboard.

The first overseas container ship, "Encounter Bay", berthed at the new Swanson Dock container terminal on April 10, 1969. Since then a further four container ships have berthed at the terminal. We moved 1894 containers to and from the five ships.



A Mildura bound container train.

The principal items have been canned fruit from Victoria's Goulburn Valley and South Australia's Riverland area, dried fruit from the Sunraysia district, and flour, rice, and milk products.

As indicated elsewhere our wagon construction programme anticipates the increasing overseas container traffic.

Superphosphate traffic showed a welcome increase of 32,447 tons over the previous year, but this was well below the 1966-67 figure.

Traffic in cement, motor cars and motor car bodies also registered increases.

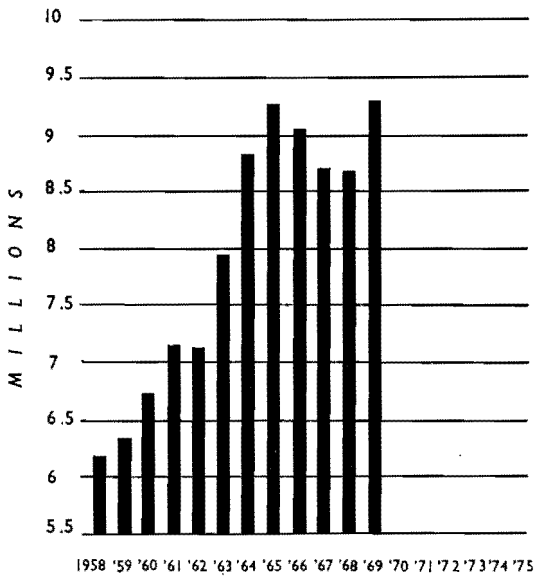
The following table sets out the tonnages of some of the principal commodities carried over the last three years:

Commodity	Tons Carried		
	1968-69	1967-68	1966-67
Wheat .. .. .	1,688,839	1,231,354	1,869,458
Oats .. .. .	168,920	119,924	274,603
Barley .. .. .	190,557	136,281	196,067
Superphosphate .. .. .	848,882	816,433	1,075,820
Cement .. .. .	765,361	766,417	806,508
Briquettes .. .. .	1,028,234	1,415,544	1,486,851
Livestock .. .. .	278,491	334,941	158,052

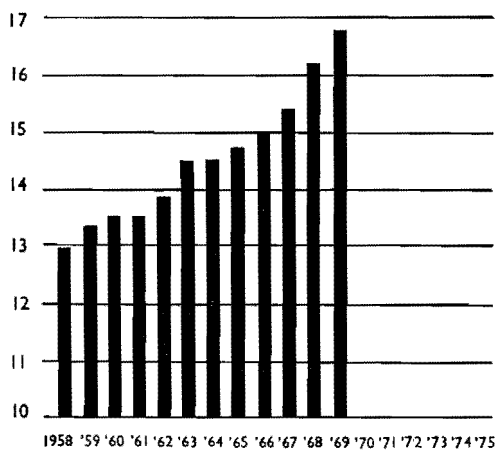
## FREIGHT TRAIN STATISTICS

(YEARS ENDING JUNE 30)

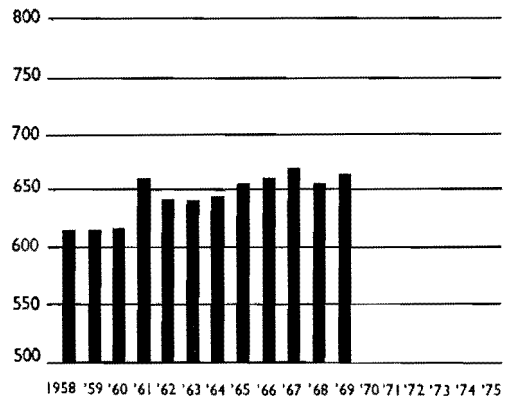
### LOCOMOTIVE MILES IN TRAFFIC



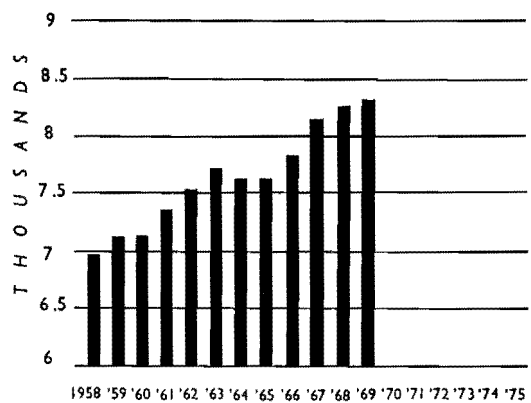
### MILES PER LOCOMOTIVE PER HOUR IN TRAFFIC



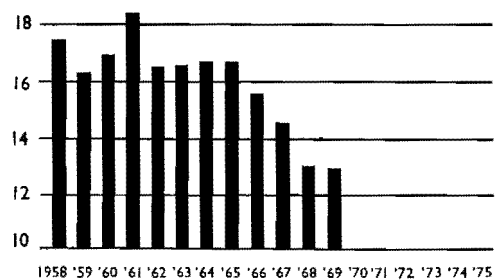
### AVERAGE GROSS TONNAGE PER TRAFFIC TRAIN MILE



### GROSS TON MILES PER LOCOMOTIVE PER HOUR IN TRAFFIC



### STANDING HOURS PER 1000 TRAFFIC MILES



## PASSENGER OPERATION

It is not surprising that the rapidly increasing car ownership is reflected in the diminishing number of passengers travelling by train.

Peak hour suburban services are still heavily patronized, particularly to those stations 10 miles or more from the city; the longer journeys from and to the newer residential areas bring their own problems. Our peak hour traffic is becoming heavier and more trains, track duplication and improved signalling must be provided at a considerable outlay, although maximum use is made of them only for the few peak hours each day.

Unnecessary train and carriage mileage on off-peak suburban journeys was avoided by matching services to the demand and running trains with fewer carriages.



Nearly 300,000 passengers travelled on special suburban and country trains organized in conjunction with sporting and other events. The ability of rail to do a job well was again demonstrated by the successful mass transportation of people attending the Billy Graham Crusade meetings in Melbourne. Those who organized party travel by train were most appreciative of the ease with which the crowds were handled.

From August 1968, passengers travelling to Mildura were able to have their cars transported by the same train. This began as a three days a week venture, but now operates on an "as required" basis, six days a week.



Mildura motorail.

During the year, the frequency of the direct service between Melbourne and Canberra was increased from four to six days a week.

On April 21, a Transport Information Centre was opened at the Victorian Government Tourist Bureau in Collins Street. A joint venture of the Transport Regulation Board, the Melbourne and Metropolitan Tramways Board, the Bus Proprietors' Association and ourselves, it gives at the one centre details of passenger services provided by all forms of surface transport throughout the State. Inquiries may be made in person or by telephone.

## PROGRESS

### *Motive power*

Six 2,000 h.p. diesel-electric locomotives for main line goods and passenger services are on order. These will be our most powerful diesel-electric locomotives.

A further twelve 1050 h.p. diesel-electric locomotives were purchased. All are designed for goods and passenger traffic on main and branch lines, but five are also equipped for hump yard operation at controlled low speeds.

In addition, six 750 h.p. diesel-electric branch line and shunting locomotives were added to the fleet.

This will complete the dieselization programme.



A flexi-van freight train bound for Melbourne crosses a goods train at Wallan.

### *Passenger Stock*

#### *Suburban*

Five "Harris" type suburban motor coaches were completed in our workshops during the year.

Tenders were invited for the supply of a number of additional trains, each to consist of six modern design carriages with more seating and greater overall capacity than the present 7-carriage trains.

These longer carriages will provide more passenger comfort than existing ones. New features on these trains will be pressurized ventilation, carriage heating, and remote-controlled doors. There will be as much window area as possible, good lighting and quiet operation.

#### *Country*

Two air-conditioned self-propelled rail-cars, capable of speeds of up to 70 m.p.h., have been ordered for use on the Ararat-Hamilton-Portland line, and the first one should come into service about the middle of 1970. The exterior will be of polished aluminium, and the luxury seating will be reclining type.

Two more second-class air-conditioned sitting carriages were provided for "The Overland". They are jointly owned by the South Australian Railways and ourselves.

### *Freight Vehicles*

New wagons, as listed below, were built in our workshops during the year :

Type	Number completed
52-ton flat wagons (for coiled steel traffic) .. .. .	6
55-ton flat wagons (for container traffic) .. .. .	32
49-ton flat wagons (for steel plate and general traffic) .. .. .	25
50-ton flat wagons (for container and general traffic) .. .. .	18
50-ton open wagons (for general merchandise) .. .. .	110
50-ton cement hopper wagons (aerated discharge) .. .. .	1
40-ton tank wagons .. .. .	10



The thirty-two 63-ft. flat wagons specially designed for overseas containers are of low-alloy, high-tensile steel with an economical tare weight of only 19 tons. A further 113 such wagons will follow.

Seventy-six 53-ton capacity low-alloy steel grain hopper wagons have been received from the contractor, a further 24 being required to complete the order.

An additional 25 insulated tallow tanks are to be built and three bogie container wagons are to be provided for tallow traffic from Portland.

At the close of the year, we had in service 1,766 wagons suitable for bogie exchange. The extent to which bogie exchanging has become an established part of operations is apparent from the year's tally of 34,791 vehicles dealt with at South Dynon and 3,152 at Wodonga, compared with 25,107 and 2,756 respectively two years ago.

#### *Melbourne Goods Terminal re-arrangement*

The first major stage of this most important project to provide an automatic railway classification yard with hump shunting and automatic control of points and retarders was completed on December 2, 1968, with the official opening of the West Tower and Melbourne Yard's new arrival yard. Despite the difficulty of completely altering the layout of this major marshalling yard while maintaining operations, the work has proceeded according to schedule.



In the signal box at West Tower, Mr. Commissioner Reynolds (nearest camera) indicates to the Honorable V. F. Wilcox, M.P., Minister of Transport, some features of the push-button signalling system.

Control of the arrival yard is now effected from the West Tower and the automated classification procedures will follow. The retarder operator will have a clear view of the humping operations. The new route selection signal box in the Tower replaces three old mechanical boxes.

The inadequacy of the old arrival yard for today's longer diesel-hauled trains has been overcome by the 17 tracks in the new yard, the longest being 2,062 feet.

A new 4-storey building, the East Tower, was completed and houses the Assistant Yardmaster in charge of the make-up of departing trains.

A contract has been let for the automation of the Yard and some of the equipment has already been manufactured and delivered, while preliminary site work is in hand by the contractor. Meanwhile, the hump construction is proceeding.

At the same time the goods shed facilities are being modernized and expanded, so that they will be able to cope effectively with the expected volume of traffic.

#### *Permanent way*

Modern track relaying and maintenance equipment is a far cry from that available a few years ago and we are continually acquiring new machines. Among the items purchased this year were three ballast regulators, two sleeper spacers and two sleeper renewing machines.

In the course of work during the year, 365,000 cubic yards of ballast, 505,000 new sleepers and about 30,000 tons of new and reclaimed rail were used. Two hundred and eleven miles of track were relaid.

#### *Level crossing abolition and protection*

The level crossing at Canterbury was eliminated with the completion of an overpass to carry two rail tracks above Canterbury Road, whilst a contract was let for the construction of an overpass to carry Somerville Road over the railway line at Yarraville.

Preliminary work began on grade separation at Princes Highway East, Traralgon.

In addition, we co-operated with the Country Roads Board at places where the Board was the grade separation constructing authority, and helped financially.

Six additional boom barrier installations and 37 new sets of flashing light signals were brought into use during the year and work is in hand on a further three boom barrier installations.

#### *Geelong line duplication*

Work has continued steadily on this project which will enable us to operate improved services between Melbourne and the State's second largest city. Two tracks are now available between Melbourne and Werribee as well as between Corio and Geelong, enabling much better timekeeping on the line. The duplication between Werribee and Little River is proceeding.

#### *Communications*

The last link with morse telegraphy was broken when teleprinters were installed at Mildura and Ouyen, bringing to an end over a century's use of this form of communication.

The rebuilding of the telephone pole line to Serviceton continued. When the final section between Dimboola and Serviceton is completed, Melbourne will be linked with the South Australian border by the latest transmission equipment. The necessary components are on hand.

#### *Advertising and public relations*

For some years railway messages have been broadcast daily over country stations. This year we ventured into country commercial television stations, which we are satisfied provides a wider coverage.

A steady stream of inquiries from potential rail users has confirmed the value of our continued newspaper advertisements highlighting the wide range of articles, some of them unexpected ones, which come and go by train.

The traditional appeal of railways to young and old resulted in more than 70,000 people attending our biggest ever display held at Spencer Street Station over an October week-end to commemorate the 50th anniversary of Australia's first electric train. Judging by the many comments, they were impressed with the \$5 million worth of railway equipment on display.

## THE FUTURE

Can Melbourne afford to wait much longer for its underground railway loop ? Many who have made a study of passenger transport are convinced that an early start is imperative, and many cities overseas are leading the way. Finance for the project remains the only barrier.

Over twenty years' experience of container movement by rail has enabled us to meet all demands since the introduction of overseas containers. We are providing sufficient additional specialized vehicles to transport efficiently the increasing volume of containerized cargoes handled by overseas ships.

A club car and a cafeteria will be added to "The Overland" on the Melbourne-Adelaide run. This is a continuation of our policy of providing intercapital passenger services of top world standards.



Showers are available for sleeping berth passengers on interstate trains.

We have already summarized progress on the re-arrangement of the Melbourne Yard. When this advanced scheme is completed, we will be able to offer an even better service to our freight customers.

We now face the paradox of an excellent harvest but relatively little movement of wheat for want of export sales.

Uncontrollable rising costs, due in large measure to wage and salary increases, are another concern. We will maintain our intensive efforts to eliminate wasteful procedures and ensure that all our operations are conducted as efficiently as possible.

#### PERSONNEL AND ADMINISTRATION

At June 30, 1969, the total staff (including casual labour equivalent to 587 men working full time) was 26,963 compared with 27,430 a year ago.

*Industrial matters*

Unfortunately, there were several unnecessary industrial stoppages during the year. It is difficult to measure their effect, but there is little doubt that any disruption of rail schedules causes the travelling public to lose confidence in the service.

Wage increases granted by the Commonwealth Conciliation and Arbitration Commission were spread over the many railway grades and in a full year they will involve us in additional expenditure of about \$6½ million. Additional amounts were also authorized by way of State Incremental Payments, salaried increments and service grants. These are estimated to cost \$925,000 in a full year.

The average annual payment, including overtime and penalty payments, to all officers and employees, including juniors, was \$3,073 compared with \$2,884 the previous year.

*Management Services Division*

Projects undertaken by Work Study and Methods Officers during the year reflected the confidence shown in the Division by the various Branches and the detailed and systematic approach to a diversity of problems has had beneficial results.

We will continue to look for the specialist help of the Division in reducing costs and lifting efficiency.

Use of the General Electric 415 computer was extended progressively in stores inventory control, accounting and costing to all of our 57 storehouses, and to the processing of statistical information, earnings, tax and superannuation records and to the solving of engineering problems.

*Industrial safety*

Safety practices and performances were under constant and critical review. The reward was a continuation of the downward trend in the number of industrial accidents.

*Education*

We are vitally concerned to combat obsolescence in our trained staff and advantage was taken of the many opportunities in today's educational structure for attaining new skills and learning to use new techniques.

Many senior officers were nominated to living-in courses in higher business management and many others attended shorter study courses and seminars of a specialized nature.

The Victorian Railways Institute, which continued to provide tuition in railway subjects, is investigating the modernization of its teaching facilities.

*Overseas visit*

As guest of the Austrian Federal Economic Chamber, Mr. J. K. Brodie, Acting Engineer of Maintenance, left on April 19, 1969, to attend a permanent way exhibition in Strasbourg, France, and was later given an insight into the working of the Austrian Railways. He returned on June 19, taking the opportunity to briefly look at railway operations in the United Kingdom and North America on the way.

*Acknowledgment of services of staff*

In a vast enterprise it is essential that there be a high degree of co-operation by the staff at all levels. We thank the staff for the way they carried out their work during the year, particularly where they had to contend with unusually difficult situations encountered this year.

## HEADS OF BRANCHES

There were no changes during the year, the Heads of Branches at June 30, 1969, being:

Secretary	..	..	..	..	..	..	Mr. W. Walker
Chief Mechanical Engineer	..	..	..	..	..	..	Mr. S. F. Keane
Chief Civil Engineer	..	..	..	..	..	..	Mr. D. D. Wade
Chief Traffic Manager	..	..	..	..	..	..	Mr. T. A. James
Chief Electrical Engineer	..	..	..	..	..	..	Mr. I. G. Hodges
Comptroller of Accounts	..	..	..	..	..	..	Mr. N. L. Miller
Chief Commercial Manager	..	..	..	..	..	..	Mr. A. W. Weeks
Comptroller of Stores	..	..	..	..	..	..	Mr. A. W. Thomson
Superintendent of Refreshment Services	..	..	..	..	..	..	Mr. F. P. Kennedy

## CERTIFICATES OF HEADS OF BRANCHES

I hereby certify that the rolling stock, machinery and equipment under my control were maintained in good working order and repair during the year ended June 30, 1969.

S. F. KEANE  
*Chief Mechanical Engineer*  
August 22, 1969

I hereby certify that the permanent way, stations, buildings, bridges, signalling, safeworking equipment and other works under my control were maintained in good working order and repair during the year ended June 30, 1969.

D. D. WADE,  
*Chief Civil Engineer*  
August 22, 1969.

I hereby certify that the sub-stations, transmission system, overhead equipment and depots under my control were maintained in good working order and repair during the year ended June 30, 1969.

I. G. HODGES,  
*Chief Electrical Engineer*  
August 22, 1969

I hereby certify that the stock of stores has been carefully and systematically inspected during the year and that its value at June 30, 1969 was \$8,436,959.

A. W. THOMSON,  
*Comptroller of Stores*  
August 22, 1969.

## APPENDICES.

The balance sheet for the year and various accounts, statements and other information are embodied in the appendices, a list of which appears at the front of this Report.

G. F. W. BROWN, Chairman

E. P. ROGAN, Deputy Chairman

L. A. REYNOLDS, Commissioner

} Victorian  
Railways  
Commissioners



## BALANCE SHEET AS AT

1968	Nature and source of funds	1969				
\$		\$	\$	\$	\$	\$
	<b>FUNDS PROVIDED BY THE STATE TREASURER :</b>					
	<b>For capital purposes—</b>					
	From loans raised on behalf of the State				414,108,544	
	<b>Less—</b> Equity in the National Debt Sinking Fund				57,972,374	
	<b>Net liability</b>					356,136,170
	<b>Less—</b> Loan for renewals, replacements and maintenance works not represented by assets		1,050,000			
	Discounts and expenses on loans		6,938,928			
335,251,791	<b>Total net funds provided from Loans</b>				7,988,928	348,147,242
	<b>For special purposes—</b>					
	From—					
	Sundry special funds		13,075,130			
	Commonwealth Grant—Drought Relief 1967		647,111			
	Boom Barriers Act 7746 Item 70				13,722,241	
	Level Crossing Fund Act 6229				74,704	
	Uniform Railway Gauge Trust Fund		31,600,000		6,801,361	
	Less repayment to Commonwealth under Act 6459		774,864			
					30,825,136	
	From Public Account—					51,423,442
	Act 6345 Section 15		1,096,976			
	" " " 17 (I)		1,404,303			
51,971,035					2,501,279	53,924,721
	<b>RESERVES—</b>					
	National Debt Sinking Fund Reserve				57,972,374	
	Railway Accident & Fire Insurance Reserve				200,000	
54,972,098	Uniform Railway Gauge Reserve				774,864	58,947,238
	<b>CURRENT LIABILITIES—</b>					
	Sundry creditors—					
	Stores and services				9,983,512	
	Revenue				611,687	
13,864,578	Trust				4,141,290	14,736,489
	<b>SPECIAL FUNDS FOR WORKING PURPOSES—</b>					
	Sundry provisions prior to 30.6.64			4,052,215		
	Commonwealth Grant—Drought Relief 1967			340,126		
	Amount contributed from general revenue of State to meet losses—				4,392,341	
	To 30.6.37			38,949,674		
	From 1.7.37 to 30.6.68	115,861,274				
	Contribution for year ended 30.6.69	17,630,594				
				133,491,868	172,441,542	
					176,833,883	
	Loss on operation—					
	To 30.6.37			40,390,243		
	From 1.7.37 to 30.6.68		114,078,310			
	Railway Funds	17,368,232				
	Commonwealth Grant—Drought Relief 1967	142,326				
	For year ended 30.6.69		17,510,558*			
				131,588,868	171,979,111	
4,592,410	Outstanding income 30.6.69					4,854,772
460,651,912						480,610,462

\* This amount is exclusive of provision for depreciation \$6,848,871 and for—  
Annual leave accrued during the year, \$762,507  
Annual leave aggregate liability at 30.6.69 (540,933 days) \$5,068,532

Subject to comments in my Report, PART VI, to the  
Legislative Assembly on the Accounts for the year  
1968-69.

A. J. A. GARDNER  
Auditor General. 13th October, 1969



JUNE 30, 1969.

1968	Disposal of funds				1969
\$		\$	\$	\$	\$
	<b>EXPENDITURE ON—</b>				
	Railways—				
	Way, works, building, machinery and plant	261,355,867			
	Rolling stock general equipment	106,121,557			
				367,477,424	
	Road motor public services—				
	Buildings and equipment	7,184			
	Rolling stock	20,574			
				27,758	
	Railways under construction	305,261			
	Bridges for railways not yet constructed	—			
	Surveys	121,206			
				426,467	
	Lines closed for traffic—				
	Railways	558,614			
	Tramways	—			
				558,614	
				368,490,263	
	<b>DEPRECIATION ACCOUNT—</b>				
	Depreciation not provided for by cash appropriations to 30.6.68		73,935,043		
	Normal depreciation for the year	7,435,807			
	Less amount provided	586,936			
	Under provision for the year		6,848,871		
				80,783,914	
431,226,453					449,274,177
	<b>FUNDS FOR SPECIAL PURPOSES held by the State Treasurer—</b>				
	Railway Accident & Fire Insurance Fund			200,000	
	Railway Charges in Suspense			5,797,517	
	Railways Stores Suspense Account			1,827,937	
	Railways Repayment Fund			15,413	
8,779,099					7,840,867
	<b>CURRENT ASSETS—</b>				
	Works in progress—Manufacturing account			810,737	
	Stores and materials on hand and in transit—				
	Railways	8,436,959			
	Construction Board	5,283			
	Equalization Account	5,863			
				8,448,105	
	Refreshment Services stock & equipment	742,797			
	Less provision for losses and breakages	6,764			
				736,033	
	Securities held in trust—				
	In London	—			
	In Melbourne	4,125,877			
				4,125,877	
	Sundry debtors—				
	Revenue	5,008,010			
	Other	1,244,157			
				6,252,167	
	Income cash on hand and in transit			458,449	
	Advances—				
	To Accounting Offices, Stations, etc.		2,619,115		
	To Agent General for purchase of—				
	Capital equipment	11,450			
	Stores, etc.	33,485	44,935		
				2,664,050	
20,646,360					23,495,418
460,651,912					480,610,462

N. L. MILLER  
Comptroller of Accounts.  
13th October, 1969

## APPENDIX No. 2

SUMMARY OF THE FINANCIAL RESULTS BY CONTRAST WITH THOSE IN THE  
PRECEDING YEAR

	Year 1968-69	Year 1967-68	Increase (+) or Decrease (-) in 1968-69
	\$	\$	\$
GROSS REVENUE—			
*Railways	100,528,500 .89	99,331,298 .42	+ 1,197,202 .47
Road motor public services	62,378 .38	62,216 .34	+ 162 .04
Total	100,590,879 .27	99,393,514 .76	+ 1,197,364 .51
WORKING EXPENSES—			
Railways	111,216,145 .37	105,084,440 .13	+ 6,131,705 .24
Road motor public services	128,056 .75	119,601 .13	+ 8,455 .62
WORKING EXPENSES CHARGED AGAINST REVENUE	111,344,202 .12	105,204,041 .26	+ 6,140,160 .86
DEFICIT ON CURRENT OPERATIONS	10,753,322 .85	5,810,526 .50	+ 4,942,796 .35
NET REVENUE			
Interest charges, exchange and contribution to the National Debt Sinking Fund	6,614,909 .29	5,746,581 .60	+ 868,327 .69
DEFICIT	17,368,232 .14	11,557,108 .10	+ 5,811,124 .04

\* Includes—\$200,000 pensioners' fares subsidy, \$62,000 parcels recoup, \$224,000 goods freight recoup.

## APPENDIX No. 3

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 RECONCILIATION OF THE RAILWAY AND THE TREASURY FIGURES RELATING TO REVENUE AND WORKING EXPENSES, FOR THE YEAR 1968-69
 

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<b>REVENUE</b>		\$	\$
Revenue shown by the Railways		100,590,879 .27	
To bring this amount into agreement with the Treasury figures deduct—			
Outstanding at June 30, 1969, not included in the Treasury figures		4,854,772 .10	
		<hr/>	
		95,736,107 .17	
and add—			
Outstanding at June 30, 1968, collected in 1968-69 and therefore included by the Treasury in that year		4,592,410 .33	
		<hr/>	
Revenue as shown by the Treasury			100,328,517 .50

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<b>WORKING EXPENSES</b>			
Working expenses as shown by the Railways		111,344,202 .12	
Add—Interest and exchange charges, loan conversion expenses and contribution to the National Debt Sinking Fund shown by the Railways and the Treasury		6,614,909 .29	
		<hr/>	
		117,959,111 .41	
Less deficit as shown by the Treasury		17,630,593 .91	
Working expenses as shown by the Treasury		<hr/>	100,328,517 .50

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**RAILWAY POSITION SUMMARIZED**

Revenue	100,590,879 .27
Working expenses	111,344,202 .12
	<hr/>
Loss on current operations	10,753,322 .85
Interest and exchange charges, loan conversion expenses and contribution to National Debt Sinking Fund	6,614,909 .29
	<hr/>
Deficit	17,368,232 .14

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## APPENDIX No. 4.

## STATISTICAL STATEMENT (EXCLUSIVE OF ROAD MOTOR PUBLIC SERVICES).

Particulars		Year 1968-69	Year 1967-68
1.	Average Mileage of Railways open for Traffic ... ..	4,190	4,210
<b>PASSENGER TRAFFIC</b>			
2.	Passenger Train Mileage ... ..	4,741,343	4,832,769
3.	Earnings from Passengers Carried ... ..	8,138,856	8,420,043
4.	Number of Passengers Carried ... ..	\$7,473,212	\$7,673,007
5.	Number of Passengers Carried One Mile ... ..	\$22,979,018	\$22,631,779
6.	Average Miles each Passenger was Carried ... ..	4,078,208	4,070,411
7.	Average Number of Passengers per Car ... ..	140,787,697	142,197,660
8.	Average Earnings from each Passenger Journey ... ..	368,139,699	375,782,549
9.	Average Earnings per Passenger Mile ... ..	1,263,823,183	1,250,057,919
		90.27	92.32
		8.98	8.79
		11	11
		31	30
		183.25c	187.77c
		16.32c	15.92c
		2.03c	2.03c
		1.82c	1.81c
<i>Per Average Mile of Railway Open</i>			
10.	Number of Passengers Carried ... ..	995	988
11.	Number of Passengers Carried One Mile ... ..	474,033	478,780
12.	Passenger Train Mileage ... ..	89,834	91,254
13.	Earnings from Passengers Carried ... ..	4,255,296	4,208,949
		1,157	1,174
		27,404	28,350
		\$1,823.62	\$1,856.00
		\$77,370.43	\$76,201.27
<i>Per Passenger Train Mile</i>			
14.	Average Number of Passengers ... ..	78	78
15.	Average Number of Cars ... ..	155	148
16.	Average Earnings from Passengers Carried ... ..	7	7
		5	5
		157.62c	158.15c
		282.33c	268.78c
<b>GOODS AND LIVE STOCK TRAFFIC—PAYING</b>			
17.	Goods Train Mileage ... ..	6,808,958	6,632,683
18.	Earnings from Goods and Live Stock ... ..	\$58,527,853	\$57,800,647
19.	Number of Tons Carried ... ..	11,315,916	11,115,953
20.	Number of Tons Carried One Mile ... ..	1,902,982,705	1,776,160,203
21.	Average Haul per Ton of Goods (Miles) ... ..	168.17	159.78
22.	Average Tonnage per Loaded Wagon ... ..	15.58	14.08
23.	Average Train Load (Tons) ... ..	298	286
24.	Average Earnings per Goods Train Mile ... ..	859.57c	871.45c
25.	Average Earnings per Ton ... ..	517.22c	519.98c
26.	Average Earnings per Ton Mile ... ..	3.08c	3.25c
<i>Per Average Mile of Railway Open</i>			
27.	Number of Tons Carried (Paying Traffic) ... ..	2,701	2,640
28.	Number of Tons Carried One Mile (Paying Traffic) ... ..	454,172	421,891
29.	Goods Train Mileage ... ..	1,625	1,575
30.	Earnings from Goods and Live Stock ... ..	\$13,968.46	\$13,729.37
<b>GOODS AND LIVE STOCK TRAFFIC—GROSS</b>			
31.	Average Tonnage per Loaded Wagon ... ..	28.31	26.00
32.	Average Train Load (Tons) ... ..	662	655
33.	Average Number of Vehicles per Train—Loaded ... ..	19	20
34.	Average Number of Vehicles per Train—Empty ... ..	9	10

Figures for years 1968-69 and 1967-68 have been adjusted because of the extension of the Suburban Area to a 32 mile radius effective from the 26th January, 1969.

## APPENDIX No. 5

## NEW LINES UNDER CONSTRUCTION AT JUNE 30, 1969

Section	Miles
Tyabb to Long Island Railway. (Traffic conducted since 29.4.'69) .. .. .	1½
Barry Beach Line. (Traffic conducted from 2.4.'69) .. .. .	3
Gippsland Railway. Deviation between Moe and Morwell. .. .. .	2¾

## LINES CLOSED FOR TRAFFIC DURING THE YEAR ENDED JUNE 30, 1969

Section	Miles	Date closed
Heathcote Junction to Heathcote .. .. .	39.83	7.11.68

## APPENDIX No. 6

## MILEAGE OF RAILWAYS AND TRACKS

	Mileage open for traffic at June 30												
	Tracks			Railways									
	Tracks	Sidings	Total	Ten tracks	Eight tracks	Seven tracks	Six tracks	Four tracks	Three tracks	Two tracks	One track	Total	
Year 1968-69	5' 3" gauge	4589.23	969.72	5558.95	} 0.38	1.34	0.88	1.55	7.16	68.55	439.55	3647.74	4167.15
	4' 8½" gauge	194.57	48.59	243.16									
	Dual gauge	7.31	4.91	12.22									
	2' 6" gauge	8.48	0.78	9.26									
Total	4799.59	1024.00	5823.59	0.38	1.34	0.88	1.55	7.16	68.55	439.55	3656.22	4175.63	
Year 1967-68	5' 3" gauge	4622.58	975.06	5597.64	} 0.38	1.34	0.88	1.55	7.16	68.55	433.07	3694.05	4206.98
	4' 8½" gauge	194.57	48.70	243.27									
	Dual gauge	7.31	4.91	12.22									
	2' 6" gauge	8.48	0.78	9.26									
Total	4832.94	1029.45	5862.39	0.38	1.34	0.88	1.55	7.16	68.55	433.07	3702.53	4215.46	

	Average mileage open for traffic during the year												
	Tracks			Railways									
	Tracks	Sidings	Total	Ten tracks	Eight tracks	Seven tracks	Six tracks	Four tracks	Three tracks	Two tracks	One track	Total	
Year 1968-69	5' 3" gauge	4602.25	972.53	5574.78	} 0.19	1.53	0.88	1.55	6.63	68.52	438.47	3662.92	4181.25
	4' 8½" gauge	194.57	48.68	243.25									
	Dual gauge	7.31	4.90	12.21									
	2' 6" gauge	8.48	0.75	9.23									
Total	4812.61	1026.86	5839.47	0.19	1.53	0.88	1.55	6.63	68.52	438.47	3671.40	4189.73	
Year 1967-68	5' 3" gauge	4615.05	977.12	5592.17	} 0.19	1.53	0.88	1.55	6.63	68.52	433.34	3688.58	4201.22
	4' 8½" gauge	194.57	48.79	243.36									
	Dual gauge	7.31	4.90	12.21									
	2' 6" gauge	8.48	0.75	9.23									
Total	4825.41	1031.56	5856.97	0.19	1.53	0.88	1.55	6.63	68.52	433.07	3697.06	4209.70	

## APPENDIX No. 7

## RAILWAYS STORES SUSPENSE ACCOUNT

	\$	\$		\$	\$
Funds provided at the date of the authorization of the Stores Suspense Account (June 30, 1896)	1,118,881.62		Stores and materials on hand—		
Less expended on special and deferred repairs in accordance with Section 3 of Act 1820	100,000.00		Railways	8,436,958.67	
		1,018,881.62	Construction Board	5282.53	
Advances from Loan Account subsequent to June 30, 1896		7,981,118.38	Equalization Account	5863.46	
Total funds provided		9,000,000.00			8,448,104.66
Sundry creditors		1,440,023.27	Sundry debtors		130,496.59
		10,440,023.27	Cash in Treasury at June 30, 1969		1,827,937.14
			Advances with the Agent-General		33,484.88
					10,440,023.27

## APPENDIX No. 8

## RAILWAYS RENEWALS AND REPLACEMENTS FUND

Nature and source of funds	During the year ended June 30, 1969		Period July 1, 1937, to June 30, 1969		Disposal of funds	During the year ended June 30, 1969		Period July 1, 1937, to June 30, 1969	
	\$	\$	\$	\$		\$	\$		
Balance at June 30, 1968	—	—	—	—	Renewals and replacements :				
Funds specially appropriated under Act No. 6355	400,000.00	12,800,000.00	12,800,000.00	12,800,000.00	Traffic	3,340.00	486,131.42	486,131.42	486,131.42
Additional funds authorized by Parliament	—	11,500,000.00	11,500,000.00	11,500,000.00	Rolling Stock	369,036.87	113,783,191.17	113,783,191.17	113,783,191.17
Rail motor and road motor, &c. depreciation	186,935.56	4,129,332.65	4,129,332.65	4,129,332.65	Way and Works	613,752.69	35,503,614.10	35,503,614.10	35,503,614.10
Sundry sales, abolitions, &c.	399,356.00	7,290,834.17	7,290,834.17	7,290,834.17	Electrical Engineering	162.00	6,440,609.69	6,440,609.69	6,440,609.69
Interest on investments	—	1,406,582.80	1,406,582.80	1,406,582.80	Advance (net) with the Agent-General	—	106,386.78	106,386.78	106,386.78
Amount charged Item 5 Loan Acts	—	119,193,183.54	119,193,183.54	119,193,183.54					
	986,291.56	156,319,933.16	156,319,933.16	156,319,933.16		986,291.56	156,319,933.16	156,319,933.16	156,319,933.16

## APPENDIX No. 9

## DEPRECIATION—PROVISION AND ACCRUAL

	During the year ended June 30, 1969		Period July 1, 1937, to June 30, 1969			During the year ended June 30, 1969		Period July 1, 1937, to June 30, 1969	
	\$	\$	\$	\$		\$	\$		
Special appropriations	400,000.00	12,800,000.00	12,800,000.00	12,800,000.00	Normal depreciation—				
Additional funds authorized by Parliament	—	11,500,000.00	11,500,000.00	11,500,000.00	Way, works, buildings, &c.	1,976,111.00	32,305,088.53	32,305,088.53	32,305,088.53
Sundry depreciation provided in working expenses	186,935.56	4,129,332.65	4,129,332.65	4,129,332.65	Rolling stock (including machinery and equipment in Rolling Stock Workshops)	4,948,613.00	67,404,773.35	67,404,773.35	67,404,773.35
Provision from sundry sales, &c., included as additional depreciation	—	687,993.39	687,993.39	687,993.39	Electrical Engineering plant and equipment	335,765.00	7,498,727.32	7,498,727.32	7,498,727.32
Interest on investment	—	1,406,528.80	1,406,528.80	1,406,528.80	Electric tramways, rail motors and road motors	175,317.56	4,099,233.23	4,099,233.23	4,099,233.23
Balance at June 30, 1969 amount short provided	6,848,871.00	80,783,913.59	80,783,913.59	80,783,913.59					
	7,435,806.56	111,307,822.43	111,307,822.43	111,307,822.43		7,435,806.56	111,307,822.43	111,307,822.43	111,307,822.43

## APPENDIX No. 10

## STATEMENT OF CAPITAL EXPENDITURE

	Year ended June 30, 1969	Year ended June 30, 1968
	\$	\$
New lines and surveys— Gross expenditure Credits	332,866 —	47,288 —
Net expenditure	332,866	47,288
Additions and improvements on existing lines— Gross expenditure Credits	10,815,823 608,517	10,646,891 524,892
Net expenditure	10,207,306	10,121,999
Rolling stock— Gross expenditure Credits	6,117,526 369,037	6,533,902 374,115
Net expenditure	5,748,489	6,159,787
Electrification of Melbourne suburban lines— Gross expenditure Credits	546,473 162	293,756 162
Net expenditure	546,311	293,594
Total railways— Gross expenditure Credits	17,812,688 977,716	17,521,837 899,169
Net expenditure	16,834,972	16,622,668
Road motor public service (including garage accommodation)— Gross expenditure Credits	— 8576	— 8,576
Net expenditure	Cr. 8576	Cr. 8,576
Total— Gross expenditure Credits	17,812,688 986,292	17,521,837 907,745
Net expenditure	16,826,396	16,614,092