

1973
—
VICTORIA

VICTORIAN RAILWAYS

REPORT

OF THE

VICTORIAN RAILWAYS BOARD

FOR THE

YEAR ENDED JUNE 30, 1973

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

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December 6, 1973

*The Honorable E. R. MEAGHER, M.B.E., E.D., M.P.,
Minister of Transport.*

Dear Mr. Minister,

In accordance with Section 105 of the Railways Act, the Report of the Victorian Railways Board for the year ended June 30, 1973 is submitted to Parliament.

Yours sincerely,

A. G. GIBBS,
Chairman, Victorian Railways Board.

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TRANSITION



The first meeting of the newly appointed Victorian Railways Board was held on May 8, 1973. From left: Messrs E. P. Rogan (General Manager), G. J. Meech, R. W. Ellis, G. F. Brown (Chairman), L. M. Perrott, N. G. Wilson and J. G. Urbahns.

The outstanding feature of the year was the passing of legislation during the spring session of Parliament to change the management of the Railways from the Railways Commissioners to a Railways Board, as recommended in the Report of the Board of Inquiry into Land Transport in Victoria.

The legislation provided for a seven man Board comprising men from Railways and business and also for the appointment of a General Manager of the Victorian Railways.

The Railways (Amendment) Act 1972, No. 8353, was proclaimed to be operative on May 8, 1973, from which date the new Board was appointed.

Board members and their background are:

- | | | |
|--------------------------|----|---|
| Mr. G. F. W. Brown | .. | Formerly Chairman, Victorian Railways Commissioners. |
| Mr. R. W. Ellis | .. | Chartered Accountant and Company Director. |
| Mr. L. M. Perrott | .. | Architect and Town Planner; Perrott Lyon Timlock Kesa & Associates. |
| Mr. E. P. Rogan | .. | Formerly Deputy Chairman, Victorian Railways Commissioners. |
| Mr. J. G. W. Urbahns | .. | Consulting Engineer and Licensed Surveyor. |
| Mr. N. G. Wilson, C.M.G. | | Formerly Commercial Director, I.C.I. Australia Ltd. and Managing Director, Fibremakers Ltd. |

Shortly before the end of the year the Government announced that Mr. A. G. Gibbs, Managing Director of General Motors—Holden's Pty. Ltd, had been appointed as Chairman of the Railways Board from July 1, 1973.

Pending the appointment of Mr. Gibbs, Mr. Brown was Chairman and Mr. G. J. Meech, Director of Transport, Victoria, a member of the Board.

Mr. Rogan was appointed a full time Board member and also General Manager of the Victorian Railways. The other members are part time.

Mr. I. G. Hodges, who was previously a Railways Commissioner, was appointed as Deputy General Manager of the Railways.

As the Board was only in office for the last eight weeks of the year the various aspects of operations covered throughout this Report relate mainly to that period when the railways were under the management of the Victorian Railways Commissioners.

The Board is gratified and encouraged that both the Victorian and Commonwealth Governments have announced that greater attention will be given to upgrading public transport to encourage greater patronage with beneficial reduction in road congestion and the demand for heavy investment in urban freeways.

This will involve generous financial grants to achieve the quality of service which can offer a worthwhile alternative to the motor car for passengers and modern road transport for freight. The Board is accordingly appraising various alternatives as a prelude to developing overall objectives and plans towards this end. However it is clear at the outset that there is urgent need for financial assistance for modern freight and passenger rolling stock and additional motive power.

**REPORT OF THE
VICTORIAN RAILWAYS BOARD
FOR THE YEAR ENDED
JUNE 30, 1973**

FINANCIAL RESULTS

	1972-73	1971-72
	\$	\$
GROSS INCOME	110,410,116	111,966,605
WORKING EXPENSES CHARGED AGAINST REVENUE	156,326,972	138,899,614
LOSS ON CURRENT OPERATIONS	45,916,856	26,933,009
Interest charges and expenses	10,020,511	9,077,394
Exchange on interest payments	65,982	81,472
Contribution to National Debt Sinking Fund	419,291	393,013
TOTAL INTEREST, EXCHANGE, ETC.	10,505,784	9,551,879
DEFICIT	56,422,640	36,484,888

Compared with last year, income was down \$1.5 million whilst working expenses increased by \$17.4 million.

The increase in expenditure was due mainly to \$14.8 million for wages awards. The decrease in revenue was mainly due to the effect of the severe drought on some of our major freight items.

In comparison with last year, revenue for wheat movements fell by \$2.6 million and revenue for oats and barley by \$1.5 million.

For many years now we have advocated the separation in the accounts of all our social service activities from our commercial activities, but to date this has only occurred piecemeal.

Included in revenue was a recoup of \$1.25 million towards concessions granted to pensioners and scholars for school travel and \$286,000 for parcels and goods freight concessions. However if reimbursements had been made for other social services provided during the year the approximate amounts would have been:

Suburban Passenger Services*	\$14,800,000
Country Passenger Services*	\$12,600,000

(* Excludes interest payments and depreciation for which no cash provision was made.)

LOAN FUNDS

Interest bearing funds totalling \$16,019,804 were allotted by the Treasury for expenditure during the year, an increase of \$575,570 over the previous year.

They were used as follows:

RENEWALS AND REPLACEMENTS

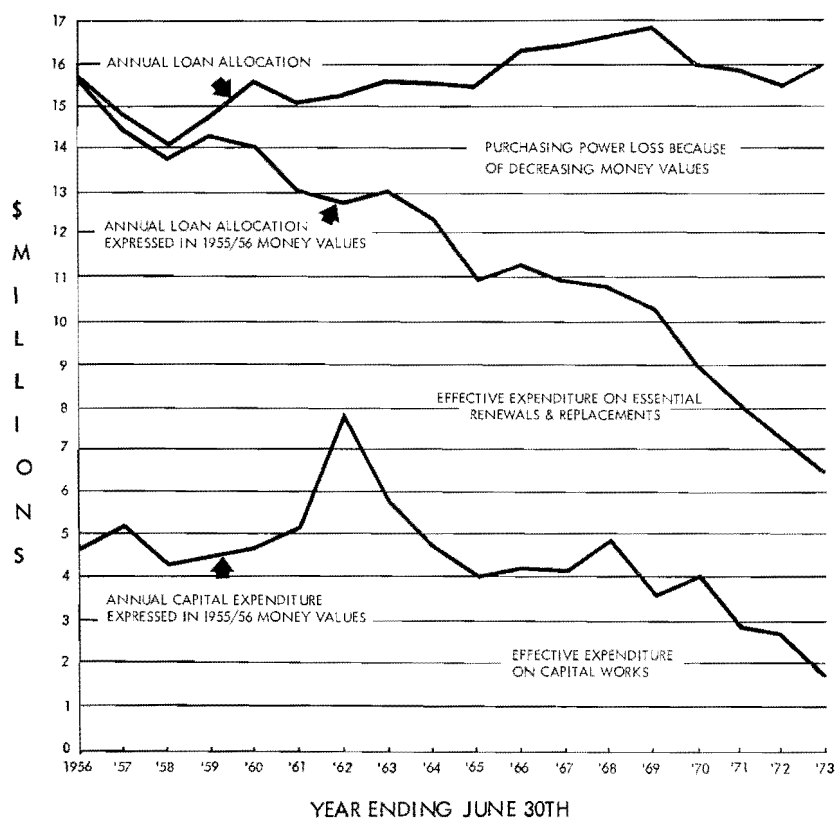
Way & Works	..	..	..	..	\$	\$
Rolling Stock	..	..	..	..	2,565,733	10,651,974
					8,086,241	

CAPITAL WORKS

Way & Works	..	..	..	..	5,263,886	
New Lines	..	..	..	..	103,944	5,367,830
						16,019,804

As has been the case for many years, the major portion of the loan allotment was again used to finance renewals and replacements amounting to 66.5% of the allotment. In fact since July 1, 1960, from total loan allocations of \$206.8 million, \$123.4 million has been expended on renewals and replacements for which we pay interest but receive no return.

Whilst the purchasing power of funds continues to diminish, there has been no reduction in the many capital works that must be carried out urgently if we are to provide a modern and highly efficient rail system. As part of its programme to upgrade public transport the Government proposes to make many improvements to the suburban system. If we are to undertake these important works, we emphasize the necessity to change the present financial system of our loan funds. The seriousness of this is evident from the accompanying graph.:



MARKETING

Reorganization and expansion of the Marketing division, providing for Marketing Managers assigned to specialize in various groups of major commodities, was begun. A significant early achievement has been the introduction of block train operation for petroleum products between Melbourne and common facilities at Wodonga. Negotiations are proceeding for extension of the system to other parts of the State.

There has been no abatement of the fierce road competition particularly interstate and in the ever expanding area inside the state borders serviced by "border hoppers". We are most disturbed at the apparent ease with which the latter operators are allowed to function under the protection of Section 92 of the Constitution of the Commonwealth of Australia, by giving a legal interstate character to what are essentially intrastate road movements.

Despite this growing road competition our staff was successful in securing new custom worth more than \$300,000.

We are fully conscious of the importance to provide modern techniques for handling and packaging of customers goods. Emphasis given to this area of our operations by our specialists has resulted in a highly efficient service to customers.

During the year approval was given to operate our own road vehicles to pick up from and deliver goods direct to clients premises in the metropolitan area. Although only operating in a restricted area at present, the additional service has proven popular with customers and we expect will be of great advantage to us in securing new business.

The Minister of State Development and Decentralisation approved a further 165 industries as eligible for special rates applicable to "Approved Decentralized Secondary Industries" bringing the total to 1,005.

In August, the overnight train to Mildura was modernised with airconditioned sleeping carriages. Named "The Vinelander" the train's popularity is evident by an increased patronage of 25% during the first ten months of operation. The number of motor cars carried on the MotoRail wagon to Mildura has doubled during the year.



"The Vinelander", the modernised overnight sleeping train operating between Melbourne and Mildura, was introduced on August 9, 1972.

A Package Tours Promotion Section established recently has been most successful in organising tours to several popular intrastate and interstate locations. Promotion of the tours resulted in considerable new rail traffic. The Section is constantly researching potential areas for expansion of the service.

PASSENGER OPERATION

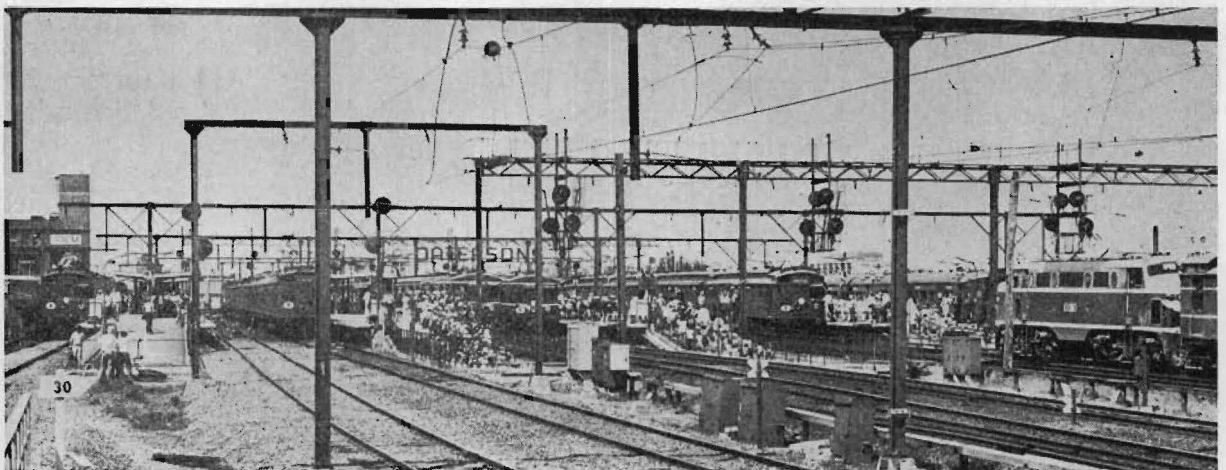
Although the number of suburban passenger journeys fell by 2.2 per cent to 131.01 million, patronage of peak hour suburban services continued to increase. Country and interstate journeys increased by 6.01 per cent and 3.83 per cent respectively.

Special trains carried 217,000 passengers to the Royal Show. This was an increase of more than 10,000 over the previous year.

The 40th Eucharistic Congress held in Melbourne in February involved organising for the biggest ever rail movement of people in a limited time.

The major task for railway staff was to transport nearly 75,000 school children to and from the Children's Mass at the Melbourne Cricket Ground, within a two hour period each way, using 55 suburban and 26 country trains. At the same time normal commuter services were required to be operated.

Appreciation was expressed by Congress officials for the vital role played by railway staff in moving people during the Congress week.



The Railways played a vital role in moving people during the Eucharistic Congress. Richmond station was the main terminal for special trains transporting school children to the Children's Mass at the Melbourne Cricket Ground.

To cater for patrons attending sporting events in Melbourne a day return service on Saturday was introduced from Portland and Dimboola.

Train times to Sale and Bairnsdale have been improved considerably.

FREIGHT OPERATION

One of the most significant factors which can influence our "bread and butter" item for freight revenue unfortunately struck again during the year. "DROUGHT". Its devastating effect on our annual major wheat haul is highlighted by the poor wheat harvest which was 513,495 tons below the previous year's. Also the amount of wheat exported was 716,806 tons less.

Similarly other grains produced poor crops and revenue suffered further.

Previous experience is that the full effect of a drought is not confined to one year's operations, nor to primary products.

Despite a reduction of 714,000 tons in major grain traffic compared with 1971/72, the total tonnage of all commodities as indicated hereunder was only down 314,000 tons. This was mainly due to increased commercial activities in the second half of the year following the breaking of the drought and the improvement in economic conditions throughout the State.

	1972-73	1971-72	1970-71
Total goods and livestock tonnage ..	11,294,101	11,608,739	12,490,335
Average haul per ton of goods (miles) ..	171	172	170
Total net ton miles (goods and livestock) in millions	1,935	1,996	2,119
Average miles per wagon per day	34.71	37.10	36.61
Average daily wagon output (net ton miles) ..	376	397	400
Average net wagon load (tons)	15.99	16.11	16.39
Average ton miles (net) per goods train hour ..	4,083	4,088	4,047
Average net train load (tons)	288	297	301
Standing time (hours) per 1,000 train miles ..	10.1	10.6	11.3

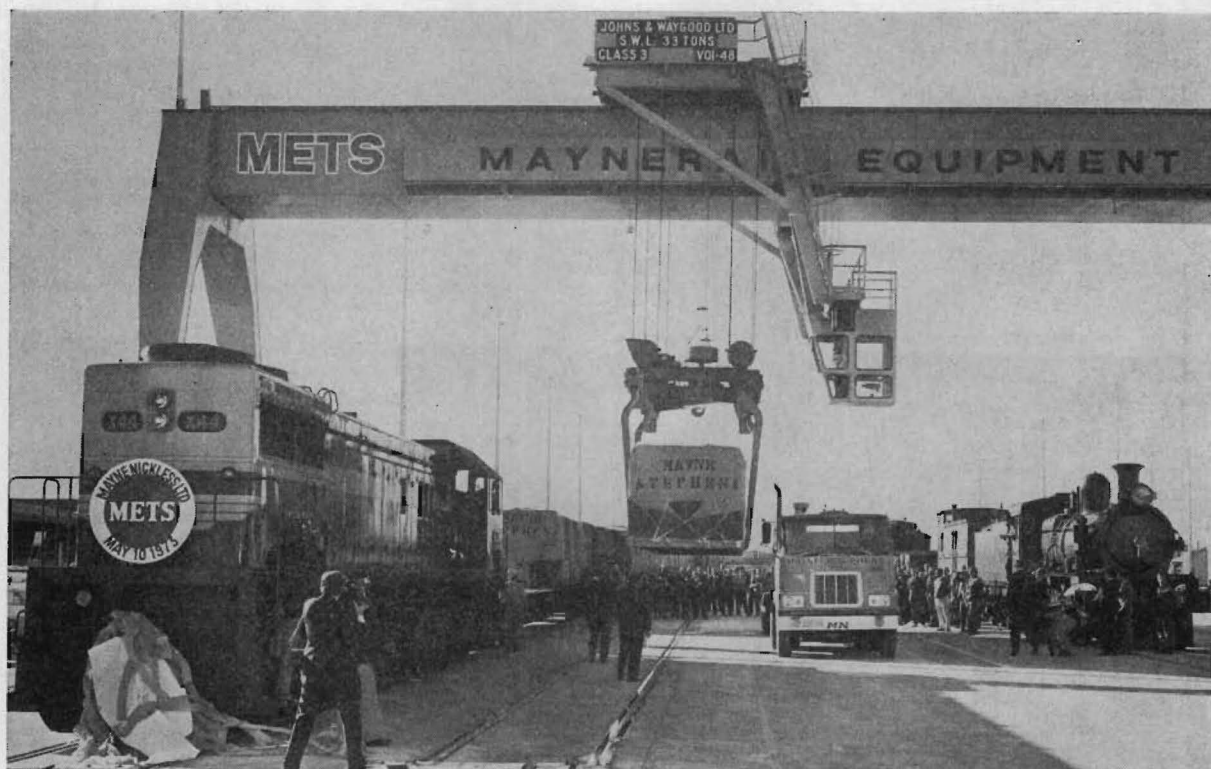
Wagon loads of livestock traffic decreased by 10% over last year. Sheep traffic was down 47% but this was due to farmers withholding sheep from sales following the high rise in wool prices. Cattle, however, showed a 25% increase due mainly to the movement of fat and store stock to New South Wales and Queensland.

Superphosphate traffic showed an increase of 112,744 tons, but it was disheartening that a record amount was carried by road.

Growth in container traffic continued to increase rapidly, to a record total of 58,857 containers—an increase of 27% on the previous year.

Traffic in cement also registered an increase.

Motor car traffic was 17% below last year but this was due mainly to industrial disputes in the industry, and the closing down of a plant at Port Melbourne.



Co-operation between the Victorian Railways and road transport resulted in a new forwarding agent's terminal in Melbourne with speedy transfer of containers. The steam locomotive symbolised the past method of freight handling at the official opening in May 1973.

Confidence in the Railways ability to perform major transport tasks was shown by one of Melbourne's main forwarding agents opening a special terminal at South Dynon in May. Called M.E.T.S. (Maynerail Equipment Transfer System) it is controlled by Mayne Nickless and is used principally for the movement of containers between Melbourne and Sydney.

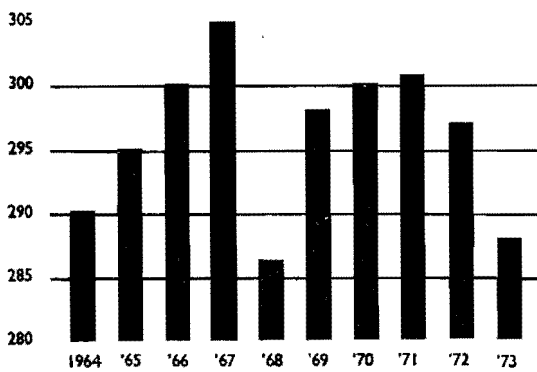
The commencement of operations during the year by John Lysaght (Aust.) Ltd. at Long Island resulted in 87,730 tons of rail traffic, including 43,836 tons from Port Kembla and Japan. More than 100,000 tons of steel were also railed from the Port Kembla area to the Sunshine Plant.

Other new traffic was obtained when Australian Char Company railed 39,783 tons of char from the Morwell Briquette Siding to Appleton Dock for export.

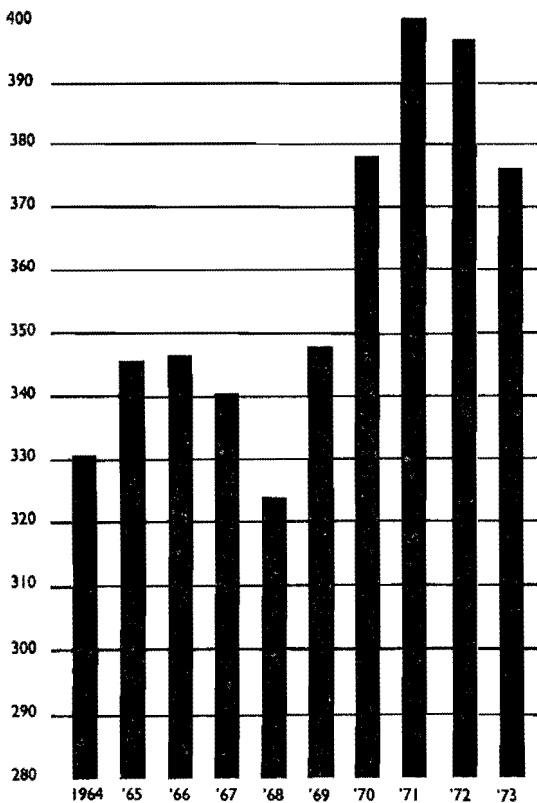
Traffic from both new areas is expected to increase substantially in the coming year.

FREIGHT OPERATING STATISTICS (YEARS ENDING JUNE 30)

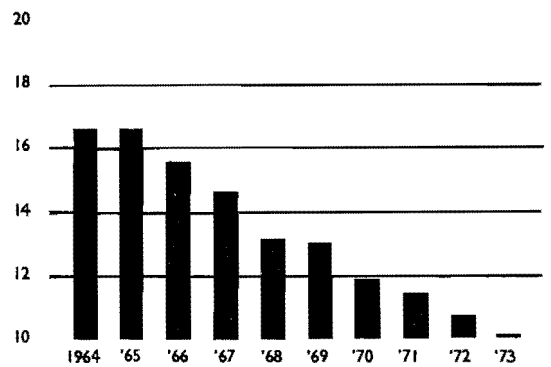
AVERAGE NET TRAIN LOAD (TONS)



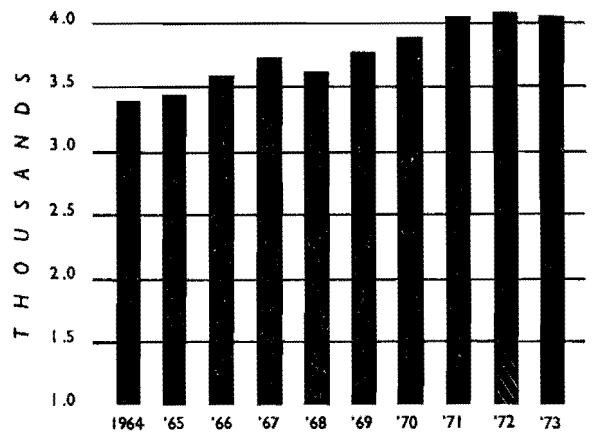
AVERAGE DAILY WAGON OUTPUT (NET TON MILES)



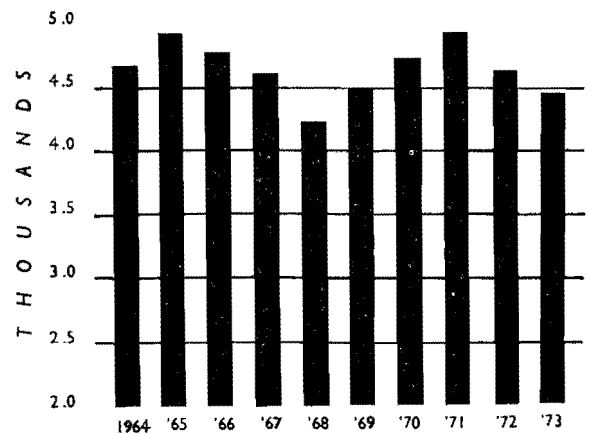
STANDING TIME PER 1,000 TRAIN MILES (HOURS)



AVERAGE HOURLY TRAIN OUTPUT (NET TON MILES)



AVERAGE ANNUAL OUTPUT PER TON OF ROLLING STOCK CAPACITY (NET TON MILES)



PROGRESS

The first new stainless steel suburban train commenced operation on the St. Kilda line in December.

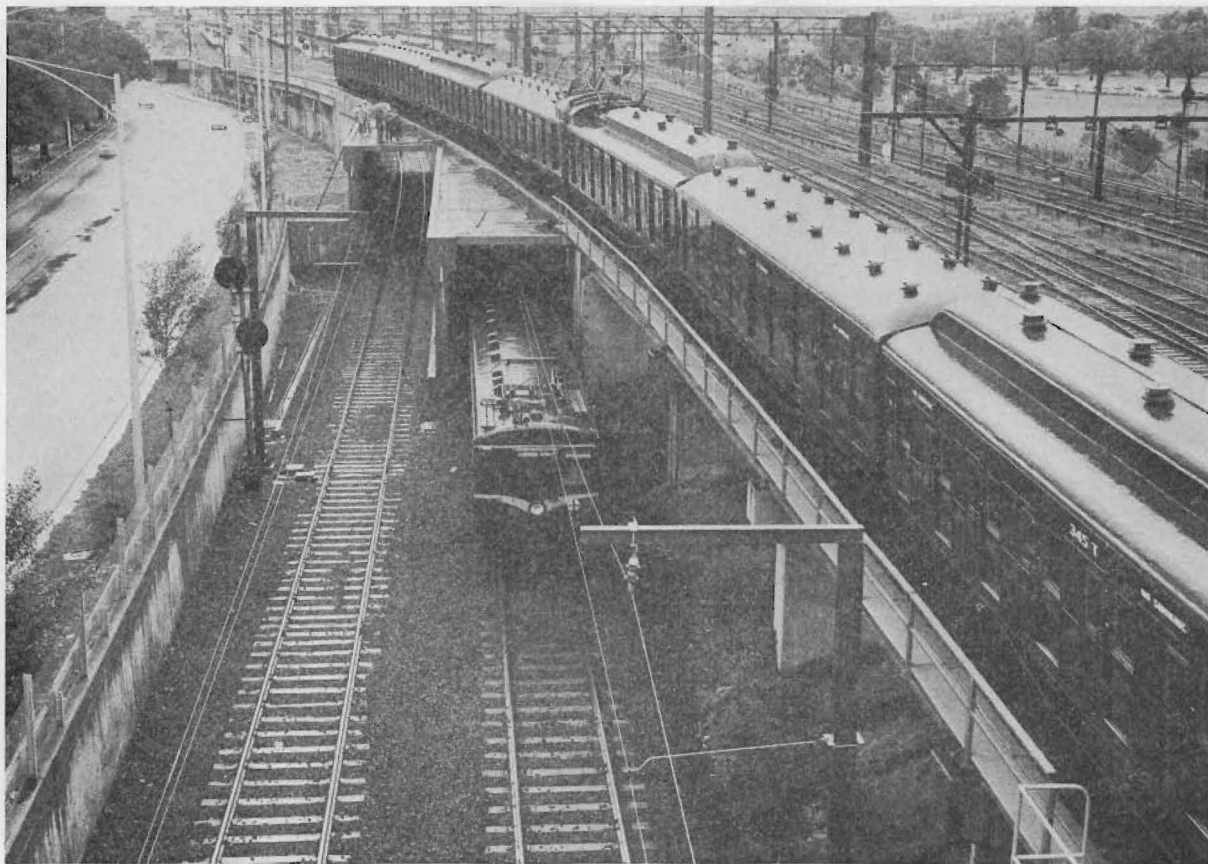
Industrial action over the new driving trailer carriages delayed the introduction of some completed carriages. At the end of the year one 6-carriage and two 2-carriage trains were in regular service.

We look forward to more new trains coming into service and to the progressive withdrawal of our antiquated stock. Whilst we appreciate the funds being made available for the purchase of new trains we believe that if we are to obtain greater acceptance by the public of rail services urgent action must be taken to speed up the replacement rate of our old trains. In this regard we believe the 10 year delivery time for the 50 trains on order should be reduced to 5 years.



New stainless steel trains have come into service in the Metropolitan area.

The completion in February of two additional tracks and a flyover between Richmond and Flinders Street removed the major bottleneck which caused delays to trains servicing Melbourne's heavily populated eastern suburbs. Extra train services have been introduced to cater for commuters in those areas.



Improved train services were introduced when two additional tracks and a flyover were completed near Richmond.

Free commuter car parking spaces now number 12,425 at 142 stations throughout the metropolitan area. The programme recently announced by the Government to upgrade public transport included provision of a total of 25,000 spaces. As these facilities will assist in reducing the increasing congestion on roads we believe we should not be solely responsible for their cost.

More than \$70,000 has been spent in providing new modern equipment in our various workshops.

Work in connection with the Underground Rail Loop Project was centred mainly in three areas. At Jolimont two sections of tunnel for the Caulfield and Sandringham lines have been completed, together with 500 feet of box tunnel and 545 feet of ramp work for the Burnley lines. Other ramp works are in progress in the area. A contract was let by the Melbourne Underground Rail Loop Authority for construction of a ramp and associated works to link with the northern loop tunnel near North Melbourne. To provide a suitable working area for the contractor two platforms at North Melbourne station have been temporarily closed and an access road made from street to track level. Preliminary works commenced for construction of underpass tunnels and ramps in the vicinity of Spencer Street station.

The programme of extending suburban platforms to cater for eight carriage trains to meet the increase in rail patronage during peak hours has continued.

In co-operation with the Country Roads Board, three more level crossings have been eliminated by grade separation. During the year an additional 18 level crossings were fitted with flashing light signals, whilst boom barriers were installed at three locations.

PERSONNEL AND ADMINISTRATION

At June 30, 1973, the total staff (including casual labour equivalent to 685 men working full time) was 25,182 compared with 25,715 at the end of last year.



Flooding at Seymour in February caused severe damage to the main Melbourne to Sydney rail tracks. The standard gauge track is on the right.

We take the opportunity to express our appreciation to the staff for their work in all phases of operations during the year. An outstanding achievement worthy of particular reference was the ability and dedication shown by staff in restoring rail operations following heavy flooding at Seymour in February. Severely damaged rail track and other vital installations promptly repaired under extremely difficult conditions resulted in minimal delays to rail services.

On July 1, 1973, railway business was converted to the metric system. The smoothness of the change was a tribute to the Committee which undertook the massive task of organizing the changes to be made and supervising the comprehensive educational programme.

Development of staff training programmes was expanded throughout the year. A new training centre was opened at Princes Gate where courses covering a wide range of railway operations were conducted under the control of the Education Officer. As in past years, senior officers also attended outside management and business courses.

The Management Services Division continued to work in close co-operation with Branches to develop new techniques and ways to improve the efficiency of operations.

Station staff at Blackburn has been issued with a new uniform for testing under working conditions. Staff and passenger reaction will determine whether the uniform, lighter in colour and weight than the present navy blue one, will become standard attire for station staff.



A new uniform for station staff is being tested under working conditions by staff at Blackburn.

A second computer is now in use to meet the growing demand within the Department for more and more detailed and specific information about the many aspects of railway operations.

Membership of the Victorian Railways Institute increased for the first time in many years. The Institute was successful in joining with another organisation to establish a Trading Company for the benefit of railway staff and their families.

During the year salary and wage increases were granted to a number of railway grades by the Commonwealth Conciliation and Arbitration Commission. It is estimated that the additional cost of these increases will be \$29.2 million in a full year.

The average annual payment, including overtime penalty payments to all officers and employees, including juniors, was \$4,647 compared with \$3,992 the previous year.

Mr. L. A. McCallum, Deputy Chief Civil Engineer visited Europe during April, 1973 to study matters associated with the construction of the Melbourne Underground Rail Loop.

Two Heads of Branches retired on reaching the age of 65. Mr. A. W. Thomson, Comptroller of Stores, on October 20, 1972 and Mr. N. L. Miller, Comptroller of Accounts, on April 11, 1973. We are pleased to record our appreciation of the very capable way these officers administered their Branches.

Mr. A. J. Fell (formerly Assistant Comptroller of Stores) succeeded Mr. Thomson and Mr. J. K. McGowan (formerly Acting Assistant Comptroller of Accounts) succeeded Mr. Miller.

At June 30, 1973 the Heads of Branches were:

Secretary	..	..	..	..	..	Mr. C. S. Morris
Chief Mechanical Engineer			..	..	..	Mr. S. F. Keane
Chief Civil Engineer	..	..	..	..	..	Mr. D. D. Wade
Chief Traffic Manager	..	..	..	..	..	Mr. J. C. Crute
Chief Commercial Manager			..	..	..	Mr. A. W. Weeks
Chief Electrical Engineer	..	..	..	..	..	Mr. A. Firth
Comptroller of Accounts	..	..	..	..	..	Mr. J. K. McGowan
Comptroller of Stores	..	..	..	..	..	Mr. A. J. Fell
Superintendent of Refreshment Services			..	..	..	Mr. J. L. Anderson

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 30th June, 1973.

S. F. KEANE,
Chief Mechanical Engineer.
August 23, 1973.

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 30th June, 1973.

D. D. WADE,
Chief Civil Engineer.
August 23, 1973.

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 30th June, 1973.

A. FIRTH,
Chief Electrical Engineer.
August 23, 1973.

I hereby certify that the stock of Stores has been carefully and systematically inspected during the year and that its value at the 30th June, 1973, was \$7,969,087.

A. J. FELL,
Comptroller of Stores.
August 23, 1973.

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.

VICTORIAN RAILWAYS BOARD

G. F. W. BROWN,	Chairman
R. W. ELLIS,	Member
G. J. MEECH,	Member
L. M. PERROTT,	Member
E. P. ROGAN,	Member
J. G. W. URBAHNS,	Member
N. G. WILSON,	Member

BALANCE SHEET AS AT

1972	Nature and source of funds	1973			
\$		\$	\$	\$	\$
	FUNDS PROVIDED BY THE STATE TREASURER:				
	For capital purposes—				
	From loans raised on behalf of the State			477,446,313	
	Less—Equity in the National Debt Sinking Fund			76,336,379	
	Net liability			<u>401,109,934</u>	
	Less—Loan for renewals, replacements and maintenance works not represented by assets	1,050,000			
	Discounts and expenses on loans	7,435,319			
			<u>8,485,319</u>		
382,029,488	Total net funds provided from Loans				392,624,615
	For special purposes—				
	From—				
	Sundry special funds			13,722,240	
	Boom Barriers			445,037	
	Level Crossings Fund			10,467,302	
	Uniform Railway Gauge Trust Fund	31,600,000			
	Less repayment to Commonwealth	1,158,213			
			<u>30,441,787</u>		
				<u>55,076,366</u>	
	From Public Account—				
	Act 6345 Section 15			834	
	" " " 17 (I)			1,399,354	
				<u>1,400,188</u>	
55,959,274					56,476,554
	RESERVES—				
	National Debt Sinking Fund Reserve			76,336,379	
	Railway Accident & Fire Insurance Reserve			200,000	
	Uniform Railway Gauge Reserve			1,158,213	
72,401,667				<u>77,694,592</u>	
	CURRENT LIABILITIES—				
	Sundry creditors—				
	Stores and services			9,170,820	
	Revenue			712,496	
	Trust			4,166,089	
16,437,107				<u>14,049,405</u>	
	SPECIAL FUNDS FOR WORKING PURPOSES—				
	Sundry provisions prior to 30.6.72	4,695,432			
	Commonwealth Grant Metro. & Rural Employment Works & Services Act—Metric Conversion	1,053,002			
		12,326			
				<u>5,760,760</u>	
	Amount contributed from general revenue of State to meet losses—				
	To 30.6.37			38,949,674	
	From 1.7.37 to 30.6.72	220,726,617			
	Contribution for year ended 30.6.73	56,422,640			
			<u>277,149,257</u>		
				<u>316,098,931</u>	
				<u>321,859,691</u>	
	Loss on operation				
	To 30.6.37			40,390,243	
	From 1.7.37 to 30.6.72	217,629,096			
	For year ended 30.6.73	54,902,387*			
	Commonwealth Grant Metro. & Rural Employment Works & Services Act—Metric Conversion	1,053,002			
		12,326			
			<u>55,967,715</u>		
				<u>273,596,811</u>	
				<u>313,987,054</u>	
6,352,384	Outstanding income 30.6.73				7,872,637
533,179,920					<u>548,717,803</u>

* This amount is exclusive of provision for depreciation \$8,222,099 and for—
Annual leave accrued during the year, 59,552 days.
Annual leave aggregate liability at 30.6.73 (552,946 days) \$8,355,014

The above statement has been examined and is in agreement with the accounts and records of the Victorian Railways Board. Subject to comments contained in Part V of my Report to the Legislative Assembly for the year 1972-73, the above statement, in my opinion, fairly summarises the nature and sources of the funds provided to the Board and the purposes to which such funds have been applied.

B. HAMILTON
Auditor General.
19th October 1973

JUNE 30, 1973

1972	Disposal of funds	1973			
\$		\$	\$	\$	\$
	EXPENDITURE ON—				
	Railways—				
	Way, works, building, machinery and plant		291,714,755		
	Rolling stock general equipment		110,981,963		
			<u>402,696,718</u>		
	Road motor public services—				
	Buildings and equipment		14,462		
	Rolling stock		4,750		
			<u>19,212</u>		
	Railways under construction		267,089		
	Surveys		294,383		
			<u>561,472</u>		
	Lines closed for traffic—				
	Railways			460,789	
				<u>403,738,191</u>	
	DEPRECIATION ACCOUNT—				
	Depreciation not provided for by cash appropriations to 30.6.72		104,116,633		
	Normal depreciation for the year	8,691,289			
	Less amount provided	<u>469,190</u>			
	Under provision for the year		<u>8,222,099</u>		
499,651,865				<u>112,338,732</u>	516,076,923
	FUNDS FOR SPECIAL PURPOSES held by the State Treasurer—				
	Railway Accident & Fire Insurance Fund			200,000	
	Railway Charges in Suspense Account			5,259,606	
	Railways Stores Suspense Account			2,519,749	
	Railways Repayment Account			<u>11,635</u>	
9,513,563					7,990,990
	CURRENT ASSETS—				
	Works in progress—Manufacturing account			961,008	
	Stores and materials on hand and in transit—				
	Railways		7,969,087		
	Construction Board		11,114		
	Equalization Account		<u>61,320</u>	8,041,521	
	Refreshments Services stock & equipment			625,657	
	Securities held in trust			4,154,454	
	Sundry debtors—				
	Revenue		7,898,894		
	Others		<u>1,634,800</u>	9,533,694	
	Income cash on hand and in transit			686,239	
	Advances—				
	To Accounting Offices, Stations, etc.		598,802		
	To Agent General for purpose of stores etc.		<u>48,515</u>	647,317	
24,014,492					24,649,890
<u>533,179,920</u>					<u>548,717,803</u>

J. K. McGOWAN
Comptroller of Accounts
19th October 1973

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

—	Year 1972-73	Year 1971-72	Increase (+) or Decrease (—) In 1972-73
	\$	\$	\$
GROSS REVENUE—			
*Railways	111,856,536.96	112,719,558.65	— 863,021.69
Road motor public services	73,832.47	71,383.66	+ 2,448.81
Total	111,930,369.43	112,790,942.31	— 860,572.88
WORKING EXPENSES—			
Railways	156,119,623.83	138,721,542.87	+ 17,398,080.96
Road motor public services	207,348.29	178,071.52	+ 29,276.77
WORKING EXPENSES CHARGED AGAINST REVENUE	156,326,972.12	138,899,614.39	+ 17,427,357.73
DEFICIT ON CURRENT OPERATIONS	44,396,602.69	26,108,672.08	+ 18,287,930.61
Interest charges, exchange and contribution to the National Debt Sinking Fund	10,505,784.24	9,551,878.86	+ 953,905.33
DEFICIT	54,902,386.93	35,660,550.94	+ 19,241,835.99

* Includes—\$1,250,000 fares concessions, \$62,000 parcels recoup, \$224,000 goods freight recoup.

RECONCILIATION OF THE RAILWAY AND THE TREASURY FIGURES RELATING TO REVENUE AND WORKING EXPENSES, FOR THE YEAR 1972-73

REVENUE

	\$	\$
Revenue shown by the Railways	111,930,369.43	
To bring this amount into agreement with the Treasury figures deduct—		
Outstanding at June 30, 1973, not included in the Treasury figures	7,872,637.02	
	104,057,732.41	
and add—		
Outstanding at June 30, 1972, collected in 1972-73 and therefore included by the Treasury in that year	6,352,383.65	
Revenue as shown by the Treasury		110,410,116.06

WORKING EXPENSES

Working expenses as shown by the Railways	156,326,972.12	
Add—Interest and exchange charges, loan conversion expenses and contribution to the National Debt Sinking Fund shown by the Railways and the Treasury	10,505,784.24	
	166,832,756.36	
Less deficit as shown by the Treasury	56,422,640.30	
Working expenses as shown by the Treasury		110,410,116.06

RAILWAY POSITION SUMMARIZED

Revenue	111,930,369.43	
Working expenses	156,326,972.12	
	44,396,602.69	
Loss on current operations		
Interest and exchange charges, loan conversion expenses and contribution to National Debt Sinking Fund	10,505,784.24	
	54,902,386.93	
Deficit		

STATISTICAL STATEMENT (EXCLUSIVE OF ROAD MOTOR PUBLIC SERVICES.)

Particulars							Year 1972-73	Year 1971-72
1.	Average Mileage of Railways open for Traffic	..	..	..	..	..	4,155	4,163
PASSENGER TRAFFIC								
2.	Passenger Train Mileage	..	..	..	..	..	Interstate .. 674,004 Country .. 4,139,719 Suburban .. 8,258,428	682,356 4,078,226 8,287,145
3.	Earnings from Passengers Carried	..	..	..	..	..	Interstate .. \$3,476,222 Country .. \$5,262,082 Suburban .. \$27,167,299	\$3,274,864 \$4,693,550 \$26,773,347
4.	Number of Passengers Carried	..	..	..	..	..	Interstate .. 553,694 Country .. 3,626,205 Suburban .. 131,008,882	533,275 3,420,707 133,840,007
5.	Number of Passengers Carried One Mile	..	..	..	..	..	Interstate .. 132,578,951 Country .. 216,179,978 Suburban .. 1,226,516,161	129,193,182 203,206,411 1,206,389,899
6.	Average Miles each Passenger was Carried	..	..	..	..	..	Interstate .. 239.44 Country .. 59.62 Suburban .. 9.36	242.26 59.40 9.01
7.	Average Number of Passengers per Carriage	..	..	..	..	..	Interstate .. 16 Country .. 10 Suburban .. 25	16 10 29
8.	Average Earnings from each Passenger Journey	..	..	..	..	..	Interstate .. 627.82c Country .. 145.11c Suburban .. 20.74c	614.10c 137.21c 20.00c
9.	Average Earnings per Passenger Mile	..	..	..	..	..	Interstate .. 2.62c Country .. 2.43c Suburban .. 2.22c	2.53c 2.31c 2.22c
<i>Per Average Mile of Railway Open</i>								
10.	Number of Passengers Carried	..	..	..	..	..	Interstate .. 1,135 Country .. 893 Suburban .. 441,107	1,093 840 450,640
11.	Number of Passengers Carried One Mile	..	..	..	..	..	Interstate .. 271,678 Country .. 53,233 Suburban .. 4,129,684	264,740 49,916 4,061,919
12.	Passenger Train Mileage	..	..	..	..	..	Interstate .. 1,381 Country .. 1,019 Suburban .. 27,806	1,398 1,002 27,903
13.	Earnings from Passengers Carried	..	..	..	..	..	Interstate .. \$7,123.41 Country .. \$1,295.76 Suburban .. \$91,472.39	\$6,710.78 \$1,152.92 \$90,145.94
<i>Per Passenger Train Mile</i>								
14.	Average Number of Passengers	..	..	..	..	..	Interstate .. 197 Country .. 52 Suburban .. 149	189 50 146
15.	Average Number of Carriages	..	..	..	..	..	Interstate .. 12 Country .. 5 Suburban .. 6	12 5 5
16.	Average Earnings from Passengers Carried	..	..	..	..	..	Interstate .. 515.75c Country .. 127.11c Suburban .. 328.97c	479.93c 115.08c 323.07c
GOODS AND LIVE STOCK TRAFFIC—PAYING								
17.	Goods Train Mileage	..	..	..	..	..	7,469,178	7,566,362
18.	Earnings from Goods and Live Stock	..	..	..	..	..	\$62,029,342	\$64,551,698
19.	Number of Tons Carried	..	..	..	..	..	11,294,101	11,608,739
20.	Number of Tons Carried One Mile	..	..	..	..	..	1,935,412,140	1,996,243,409
21.	Average Haul per Ton of Goods (Miles)	..	..	..	..	..	171.36	171.96
22.	Average Tonnage per Loaded Wagon	..	..	..	..	..	15.99	16.11
23.	Average Train Load (Tons)	..	..	..	..	..	287.18	296.75
24.	Average Earnings per Goods Train Mile	..	..	..	..	..	830.47c	853.14c
25.	Average Earnings per Ton	..	..	..	..	..	549.22c	556.06c
26.	Average Earnings per Ton Mile	..	..	..	..	..	3.20c	3.23c
<i>Per Average Mile of Railway Open</i>								
27.	Number of Tons Carried (Paying Traffic)	..	..	..	..	..	2,718	2,789
28.	Number of Tons Carried One Mile (Paying Traffic)	..	..	..	..	..	465,803	479,520
29.	Goods Train Mileage	..	..	..	..	..	1,798	1,818
30.	Earnings from Goods and Live Stock	..	..	..	..	..	\$14,928.84	\$15,506.05
GOODS AND LIVE STOCK TRAFFIC—GROSS								
31.	Average Tonnage per Loaded Wagon	..	..	..	..	..	29.63	29.15
32.	Average Train Load (Tons)	..	..	..	..	..	650	659
33.	Average Number of Vehicles per Train—Loaded	..	..	..	..	..	17.96	18
34.	Average Number of Vehicles per Train—Empty	..	..	..	..	..	8.53	9

NEW LINES UNDER CONSTRUCTION AT JUNE 30, 1973

Section	Miles
Tyabb to Long Island Railway. (Traffic conducted from 29.4.'69)	1.5
Barry Beach Line. (Traffic conducted from 2.4.'69)	3
Melbourne Underground Loop	2

LINES CLOSED FOR TRAFFIC DURING THE YEAR ENDED JUNE 30, 1973

Section	Miles	Date closed
Nil	—	—

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 1972-73	5' 3" Gauge	4582.61	941.37	5523.98	} 0.38	1.34	0.88	1.55	17.08	63.32	445.39	3615.37	4145.31
	4' 8½" Gauge	206.46	40.95	247.41									
	Dual Gauge	5.34	3.48	8.82									
	2' 6" Gauge	8.48	0.78	9.26									
	Total	4802.89	986.58	5789.47								3623.85	4153.79
Year 1971-72	5' 3" gauge	4571.18	947.82	5519.00	} 0.38	1.34	0.88	1.55	17.08	61.63	437.34	3625.11	4145.31
	4' 8½" gauge	206.46	39.15	245.61									
	Dual gauge	5.34	3.48	8.82									
	2' 6" gauge	8.48	0.78	9.26									
	Total	4791.46	991.23	5782.69								3633.59	4153.79

		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 1972-73	5' 3" Gauge	4578.01	941.55	5519.56	} 0.38	1.34	0.88	1.55	17.08	62.43	440.89	3622.44	4146.99
	4' 8½" Gauge	206.46	40.05	246.51									
	Dual Gauge	5.34	3.48	8.82									
	2' 6" Gauge	8.48	0.78	9.26									
	Total	4798.29	985.86	5784.15								3630.92	4155.47
Year 1971-72	5' 3" gauge	4570.14	953.47	5523.61	} 0.38	1.34	0.88	1.55	17.08	60.22	438.75	3634.78	4154.98
	4' 8½" gauge	206.46	39.12	245.58									
	Dual gauge	5.34	3.48	8.82									
	2' 6" gauge	8.48	0.78	9.26									
	Total	4790.42	996.85	5787.27								3643.26	4163.46

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	7,969,087.35	
Advances from Loan Account subsequent to June 30, 1896		1,018,881.62	Construction Board	11,113.96	
Total funds provided		9,000,000.00	Equalization Account	61,319.22	8,041,520.53
Sundry creditors		1,759,522.81	Sundry debtors		149,738.15
		10,759,522.81	Cash in Treasury at June 30, 1973		2,519,748.93
			Advances with Agent General		48,515.20
					10,759,522.81

APPENDIX No. 17

RAILWAYS RENEWALS AND REPLACEMENTS FUND

Nature and source of funds	Disposal of funds				
	During the year ended June 30, 1973	Period July 1, 1937, to June 30, 1973			
	\$	\$		\$	\$
Balance at June 30, 1972	—	—	Renewals and replacements	—	486,131.42
Funds specially appropriated under Act No. 6355	400,000.00	14,400,000.00	Traffic	—	114,564,898.38
Additional funds authorised by Parliament	—	11,500,000.00	Rolling Stock	120,825.27	40,056,169.87
Rail motor and road motor, &c. depreciation	69,190.45	4,509,392.74	Way and Works	1,131,365.50	6,441,154.19
Sundry sales, abolitions, &c.	783,000.32	10,539,194.78	Electrical Engineering	—	—
Interest on investments	—	1,406,582.80			
Amount charged Item 5 Loan Acts	—	119,193,183.54			
	1,252,190.77	161,548,353.86		1,252,190.77	161,548,353.86

APPENDIX No. 18

DEPRECIATION—PROVISION AND ACCRUAL

	During the year ended June 30, 1973	Period July 1, 1937, to June 30, 1973		During the year ended June 30, 1973	Period July 1, 1937, to June 30, 1973
	\$	\$		\$	\$
Special appropriations	400,000.00	14,400,000.00	Normal depreciation—	2,218,286.00	41,101,567.53
Additional funds authorised by Parliament	—	11,500,000.00	Way, works, buildings, &c.		
Sundry depreciation provided in working expenses	69,190.45	4,509,392.74	Rolling stock (including machinery and equipment in Rolling Stock Workshops)	6,044,644.00	90,390,720.35
Provision from sundry sales &c., included as additional depreciation	—	687,993.39	Electrical Engineering plant and equipment	369,352.00	8,915,323.32
Interest on investments	—	1,406,582.80	Rail motors and road motors	59,007.45	4,435,129.32
Balance at June 30, 1973 amount short provided	8,222,099.00	112,338,771.59			
	8,691,289.45	144,842,740.52		8,691,289.45	144,842,740.52

STATEMENT OF CAPITAL EXPENDITURE

	Year ended June 30, 1973	Year ended June 30, 1972
	\$	\$
New lines and surveys—		
Gross expenditure	103,945	142,409
Credits	—	—
Net expenditure	103,945	142,409
Additions and improvements on existing lines—		
Gross expenditure	8,542,923	9,730,206
Credits	1,131,365	1,096,478
Net expenditure	7,411,558	8,633,728
Rolling stock—		
Gross expenditure	8,207,067	6,625,691
Credits	120,825	126,895
Net expenditure	8,086,242	6,498,796
Electrification of Melbourne suburban lines—		
Gross expenditure	418,059	169,301
Credits	—	—
Net expenditure	418,059	169,301
Total railways—		
Gross expenditure	17,271,994	16,667,607
Credits	1,252,190	1,223,373
Net expenditure	16,019,804	15,444,234
Road motor public service (including garage accommodation)—		
Gross expenditure	—	—
Credits	—	—
Net expenditure	—	—
Total—		
Gross expenditure	17,271,994	16,667,607
Credits	1,252,190	1,223,373
Net expenditure	16,019,804	15,444,234