

1968  
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VICTORIA

# VICTORIAN RAILWAYS

REPORT

OF THE

VICTORIAN RAILWAYS COMMISSIONERS

FOR THE

YEAR ENDED 30TH JUNE, 1968

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

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*By Authority:*

A. C. BROOKS, GOVERNMENT PRINTER, MELBOURNE.

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1968.

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

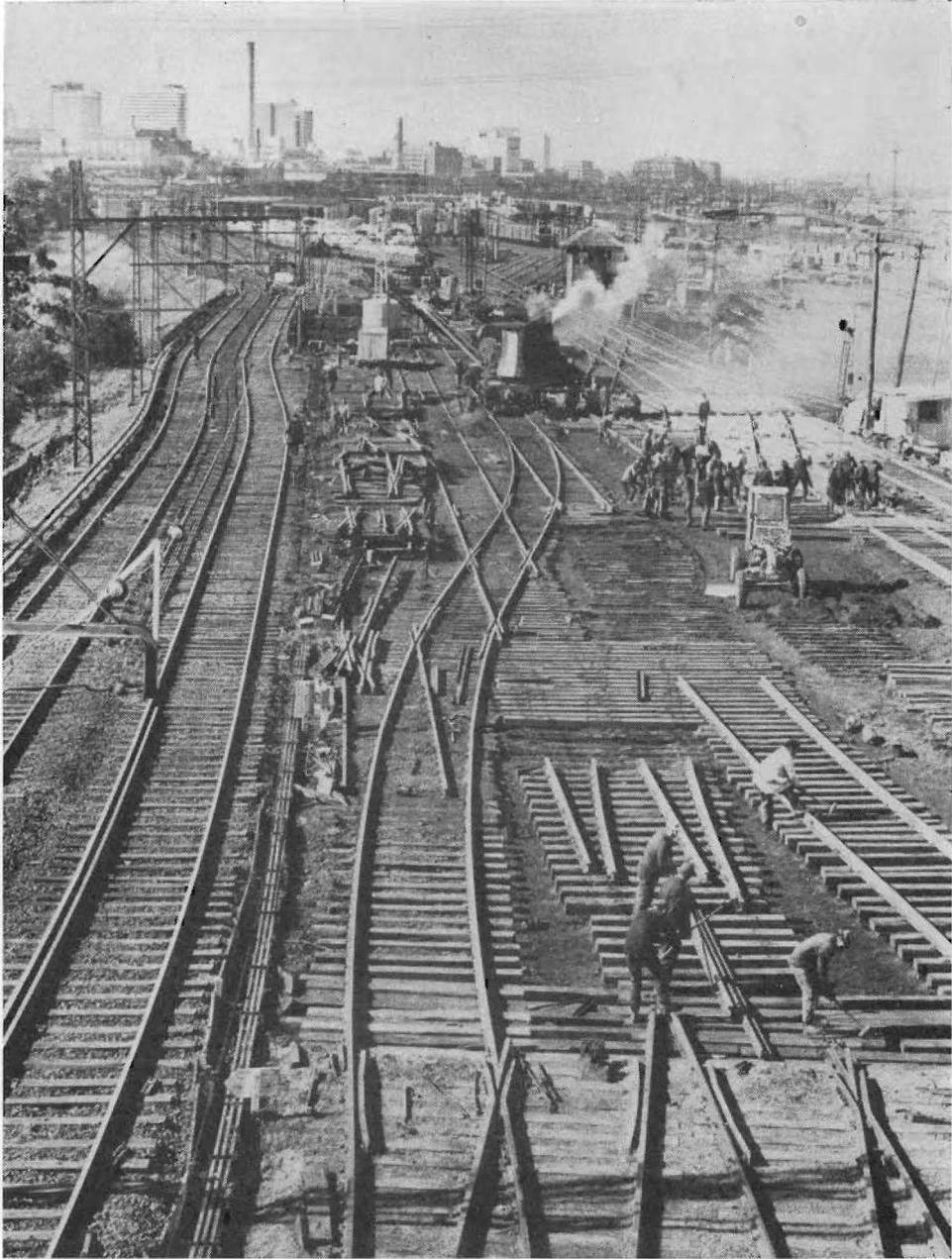
Dear Mr. Minister,

In accordance with Section 105 of the Railways Act, we submit our Report for the year ended June 30, 1968.

Yours sincerely,

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





Re-arranging trackwork for the entrance to new arrival yard near Moonee Ponds Creek, North Melbourne.



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**REPORT OF THE  
VICTORIAN RAILWAYS COMMISSIONERS  
FOR THE YEAR ENDED  
30TH JUNE, 1968**

FINANCIAL RESULTS.

The results of working were :		\$	c
GROSS INCOME EARNED	.. .. .	99,393,514.	76
WORKING EXPENSES CHARGED AGAINST INCOME	.. .. .	105,204,041.	26
LOSS ON CURRENT OPERATIONS	.. .. .	5,810,526.	50
Interest charges and expenses	.. .. .	5,377,275.	89
Exchange on interest payments	.. .. .	118,683.	04
Contribution to National Debt Sinking Fund	.. .. .	250,622.	67
TOTAL INTEREST, EXCHANGE, ETC.	.. .. .	5,746,581.	60
DEFICIT	.. .. .	11,557,108.	10

The gross receipts for the year were \$98,786,245.32, a difference of \$607,269.44 compared with the Income total shown above. A reconciliation of the two sets of figures appears in Appendix No. 3.

Last year there was a profit on current operations of \$1,019,602. The retrogression this year was due to :—

		\$
Decrease in earnings	.. .. .	5,185,663
Increase in working expenses	.. .. .	1,644,465
Retrogression	.. .. .	6,830,128

The decrease in earnings resulted in the main from the following variations :—

<i>Decreases :</i>		\$
Parcels	.. .. .	66,000
Goods	.. .. .	5,522,000
<i>Increases :</i>		
Passengers	.. .. .	176,000
Rentals	.. .. .	220,000

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

<i>Increases :</i>		\$
Full year effect of various Wages Awards made in 1966-67		1,274,000
Cost of Wages Awards made in 1967-68	.. .. .	1,979,000
Superannuation charges	.. .. .	199,000
Long Service Leave	.. .. .	85,000
Railway Accident and Fire Insurance Fund	.. .. .	299,000
General Expenses	.. .. .	221,000

<i>Decreases :</i>		
Savings in operating and maintenance costs due to increased efficiency and decrease in train mileage	.. .. .	2,401,000

*Loan Expenditure.*

The amount of Loan Funds allotted by the Treasury for expenditure during the year was \$16,614,092 which was expended as follows :

<i>Renewals and replacements :</i>					\$	\$
Way and Works	..	..	..	..	3,536,032	
Rolling Stock	..	..	..	..	5,553,145	
					<hr/>	9,089,177
<i>Capital :</i>						
Way and Works	..	..	..	..	6,980,630	
Rolling Stock	..	..	..	..	496,997	
New Lines	..	..	..	..	47,288	
					<hr/>	7,524,915
						<hr/>
						16,614,092

We are still concerned at the large proportion of interest bearing funds expended on renewals and replacement. Since 1st July, 1960, the overcapitalization from this cause amounts to \$73,932,000, on which the Department pays interest, but cannot look for any return.

*Standard Gauge Line.*

Payments to the Commonwealth Government in respect of the Standard Gauge Line were—

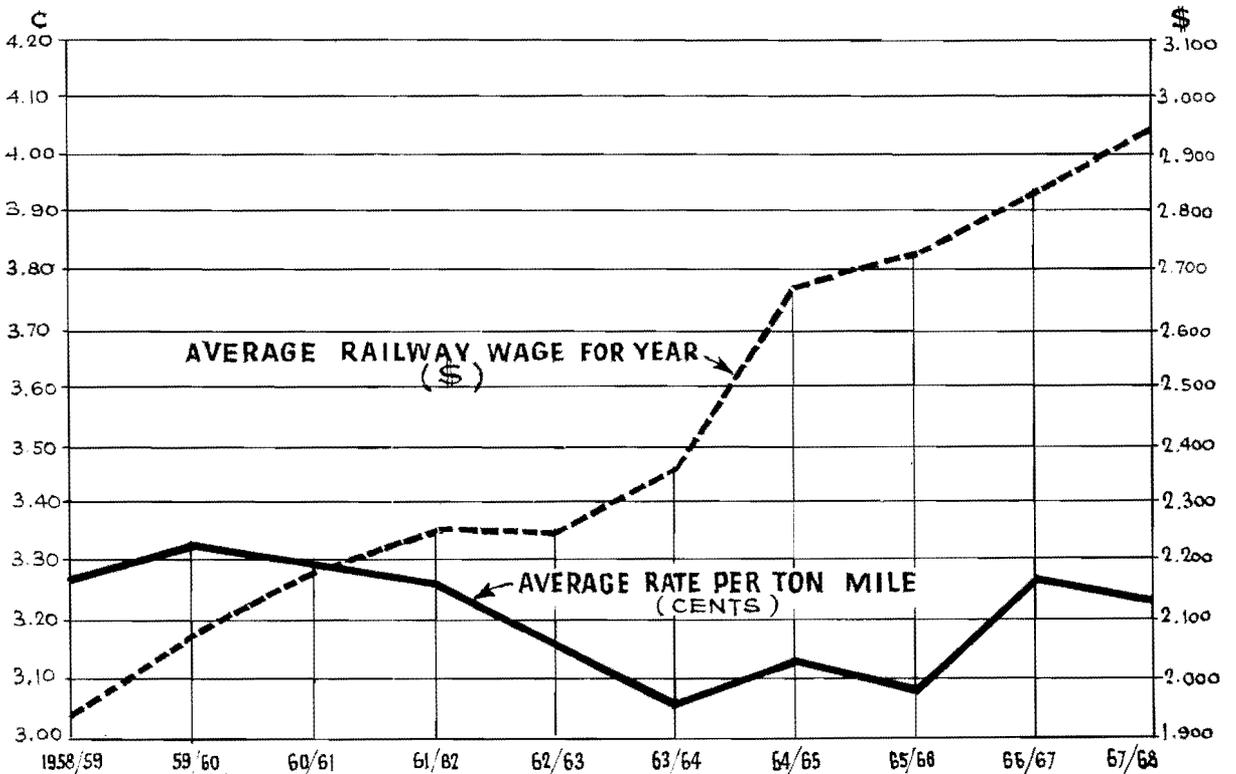
						\$
Principal	..	..	..	..	..	95,837
Interest	..	..	..	..	..	215,103
making a total repayment, up to 30th June, 1968, of—						
Principal	..	..	..	..	..	679,027
Interest	..	..	..	..	..	1,625,541

*Drought Relief.*

The Commonwealth Government advanced \$569,906 for work in drought stricken areas of the State. Work on projects of a Capital nature absorbed \$372,106, the balance being expended on Way and Works Branch maintenance.

*Financial Considerations.*

The substantial decrease in revenue, as compared with the previous year, was almost entirely due to the severe drought which gripped the State for much of the year. This is enlarged upon elsewhere in this Report.



Fares and the general tariff rates for goods traffic remained unchanged during the year.

A further 57 country industries were approved by the Minister of State Development as eligible for the special rates applicable to "Approved Decentralized Secondary Industries", and the total number at 30th June stood at 592.

The concessions granted to "country industries" are estimated at \$4,180,000 per annum which we contend should properly come from a decentralization fund.

This amount, when added to concessions granted to students, for travel to educational establishments, to sporting functions, at week-ends and on vacation, as well as the unsubsidized portion of the cost for pensioners' concessions, makes a substantial total which we claim should not be debited to us.

We would also mention the continued burden which superannuation charges impose on working expenses. The total charge to railway revenue for superannuation payments during the year was \$5,272,600, or about 5.4 per cent. of revenue.

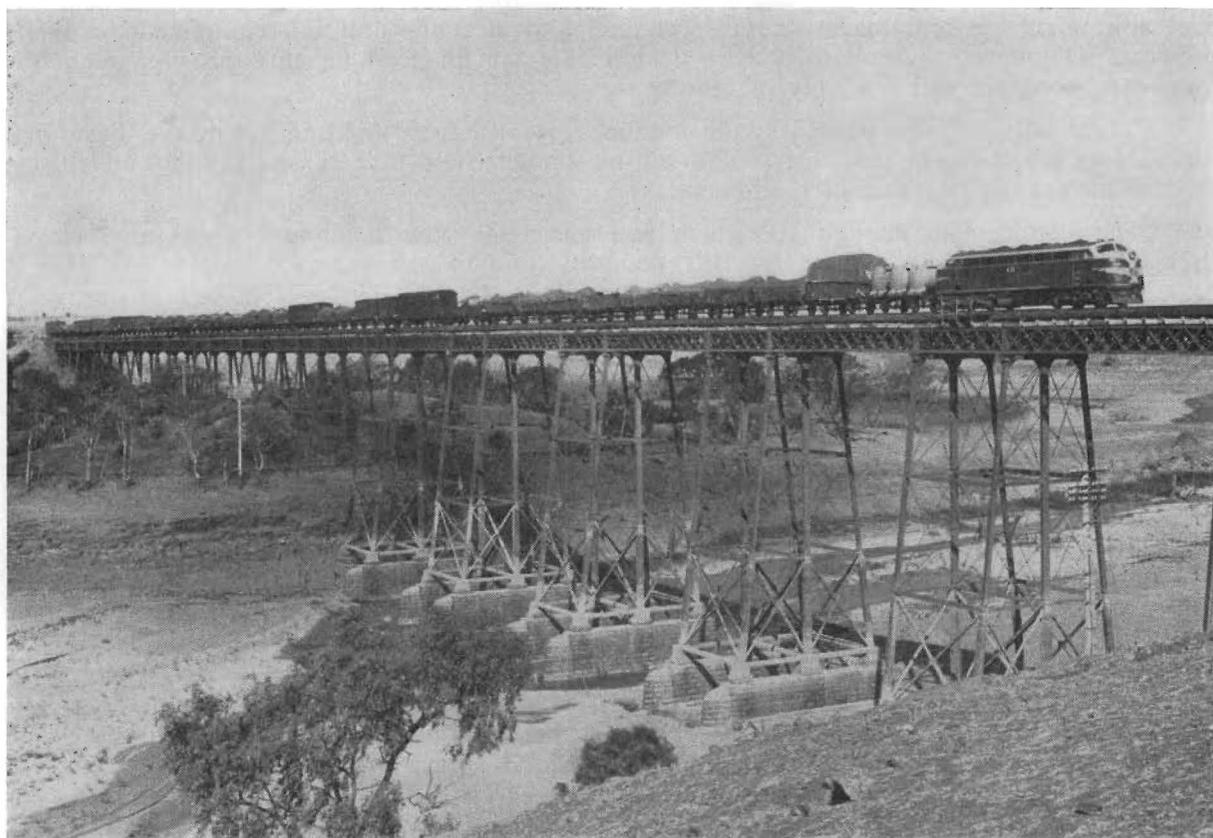
The value of stock held at 30th June, 1968 was \$7,267,309—an increase of \$46,332 when compared with the previous year.

Issues and sales from stock totalled \$33,901,843—a decrease of \$1,091,267—and a satisfactory turnover rate of 4.67 was maintained.

The value of materials reclaimed for sale or re-use, although lower than the previous year's record, was an impressive \$925,860.

#### *The Year in Review.*

*Drought.*—That one word aptly sums up the past year. The State's economy and the Department suffered severely. The wheat harvest, the major railway haul each year, was only a shadow of that of recent years and other grains produced poor crops too. This in turn led to reduced railings of superphosphate.



A vivid picture of the effects of the drought. Normally the Melton Reservoir over which the goods train is passing holds a large amount of water.

The following figures tell the story :

Commodity.	Tons Carried.	Reduction by comparison with last year tons
Wheat .. .. .	1,231,354	638,104
Oats .. .. .	119,924	154,679
Barley .. .. .	136,281	59,786
Superphosphate .. .. .	816,433	259,387

Revenue from wheat, oats and barley was \$6,009,875 below that of the previous year.

However, the Department is proud of its part in alleviating the effects of the drought. Massive lifts of livestock were made from drought stricken areas to New South Wales and Gippsland. In one week alone, during November, 1967, the biggest rail movement of livestock for many years took place when over 100,000 sheep and 12,000 head of cattle were carried in 24 special trains.

Concurrently, we carried over 30,000 tons of fodder each month for consumption by starving stock in needy areas.

With the arrival of the autumn rains, special trains were run to bring livestock back from agistment.

We hope that, in more prosperous times, the man on the land will not forget these things, when choosing his transport media.

Vandalism and "fare dodging" were tackled with fresh vigour during the year. Some train travellers seem to regard the dishonesty of fare evasion as a trifling offence. We hardly need to emphasize the effect on our revenue when people deliberately pay nothing for their travel, or less than the prescribed fare.

We are doing our utmost to put down this kind of behaviour, but our efforts are not always helped by the unrealistic penalties sometimes imposed on offenders by the Courts.

### COMMERCIAL.

There has been no abatement of the fiercely competitive conditions in the middle and long distance transport field and we have again concentrated on personal canvass by our commercial agents to consolidate and expand our share of the market. Supported by the extensive knowledge and resourcefulness of our packaging and transport engineering specialists, the commercial staff has been able to offer a comprehensive transport service to meet the unusual requirements of many shippers. Our agents have been able to demonstrate the financial benefits that flow from the regularity, reliability and flexibility of railway services.

These activities were backed by the continued use of advertising underlining the theme that the railways are transport specialists. This will be supplemented by extensive outdoor advertising sited to attract the attention of roadusers.

Our commercial, marketing research and packaging and handling sections are being strengthened, numerically and by specially designed training courses.

We again mention, without elaboration, the comprehensive nature of our service as common carriers, which is in strong contrast to the ability of road operators to be selective in the commodities handled and the routes traversed. But the whole transport needs of the community must be met and it falls to the railways to provide the standby equipment to meet overflow loading that cannot be handled by road operators and interstate shipping.

Procedures to attract the protection of Section 92 of the constitution of the Commonwealth of Australia are still being freely employed by road operators to give a legal interstate character to what are essentially intrastate commercial transactions. We are forced to resort to freight rate adjustments dictated by the prevailing local road rates in an endeavour to combat the continuing inroads into traffic to the border areas of the State. Logical and consistent rating becomes impossible.

#### *Freight.*

As Victoria stands poised to take full advantage of the recent discoveries of natural gas and oil on its doorstep, the Victorian Railways are playing an important role by moving the vast quantities of materials needed for construction works and ultimate distribution.

In the latter part of 1967, increasing quantities of structural steel and other items were railed to Welshpool, from where they were taken by road for the last 7 miles of the journey to Barry Beach, the marine construction terminal of the gas and oil project. Large steel pipes measuring up to 60 feet in length were also railed.

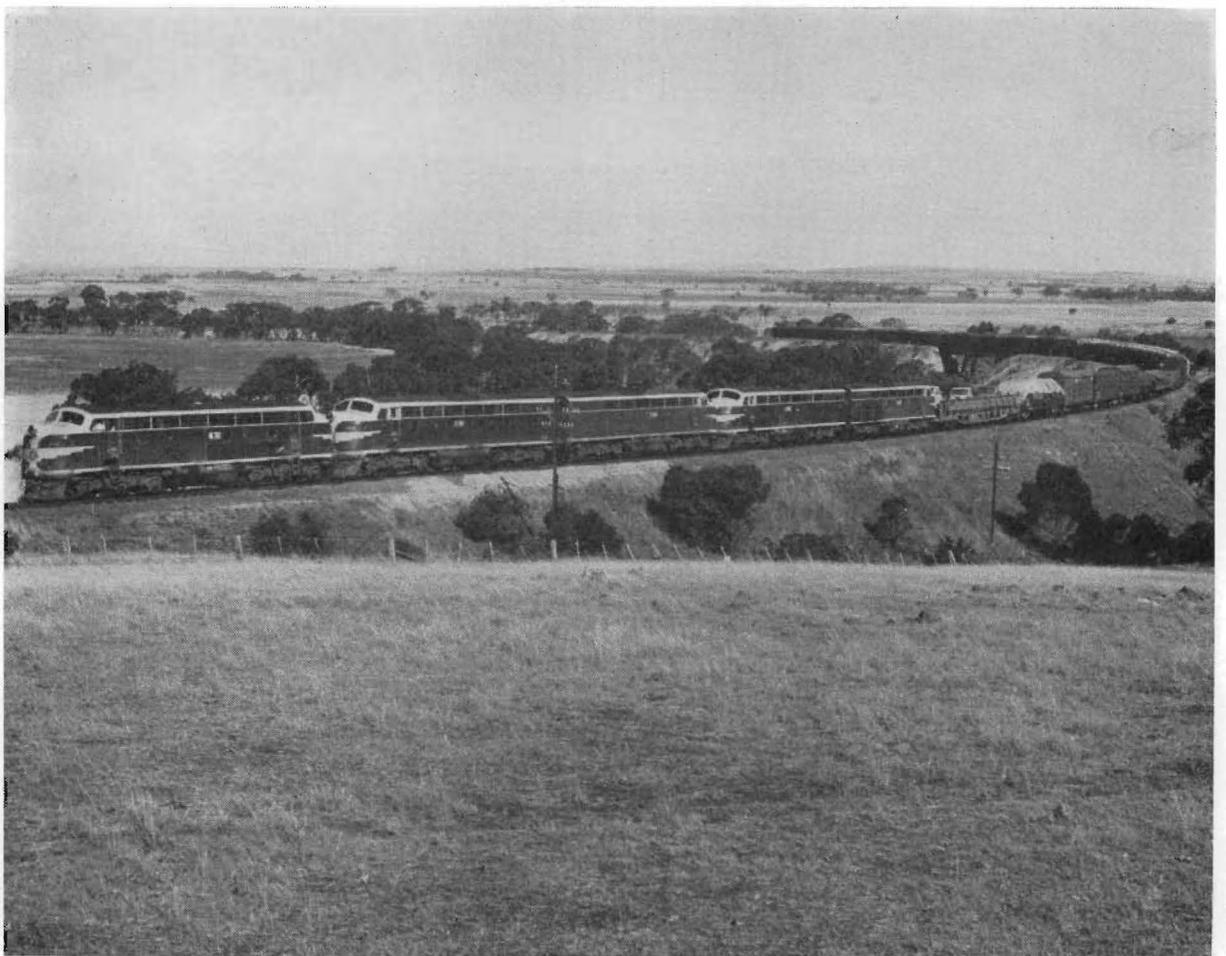
In January, 1968, the first train load of steel pipes for the natural gas landline was loaded at the Somerton works of the manufacturer and railed to Lyndhurst, to be taken from there to the scene of pipelaying operations. Pipes were later railed to Warragul and Rosedale. In addition, the movement was a significant contribution to the comfort of the private motorist by keeping a large fleet of heavy transports from congested city streets and roads.

Another large transport task was the railing of 13 miles of P.V.C. rigid piping from Dandenong to various destinations beyond Korumburra in connection with the construction of a sewerage outlet.

Intersystem goods traffic on the standard gauge line between Melbourne and Albury rose to a record figure of 2,250,258 tons, an increase of 195,809 tons on the previous year.



At Lyndhurst, pipes for Melbourne's natural gas line are being unloaded from a wagon.



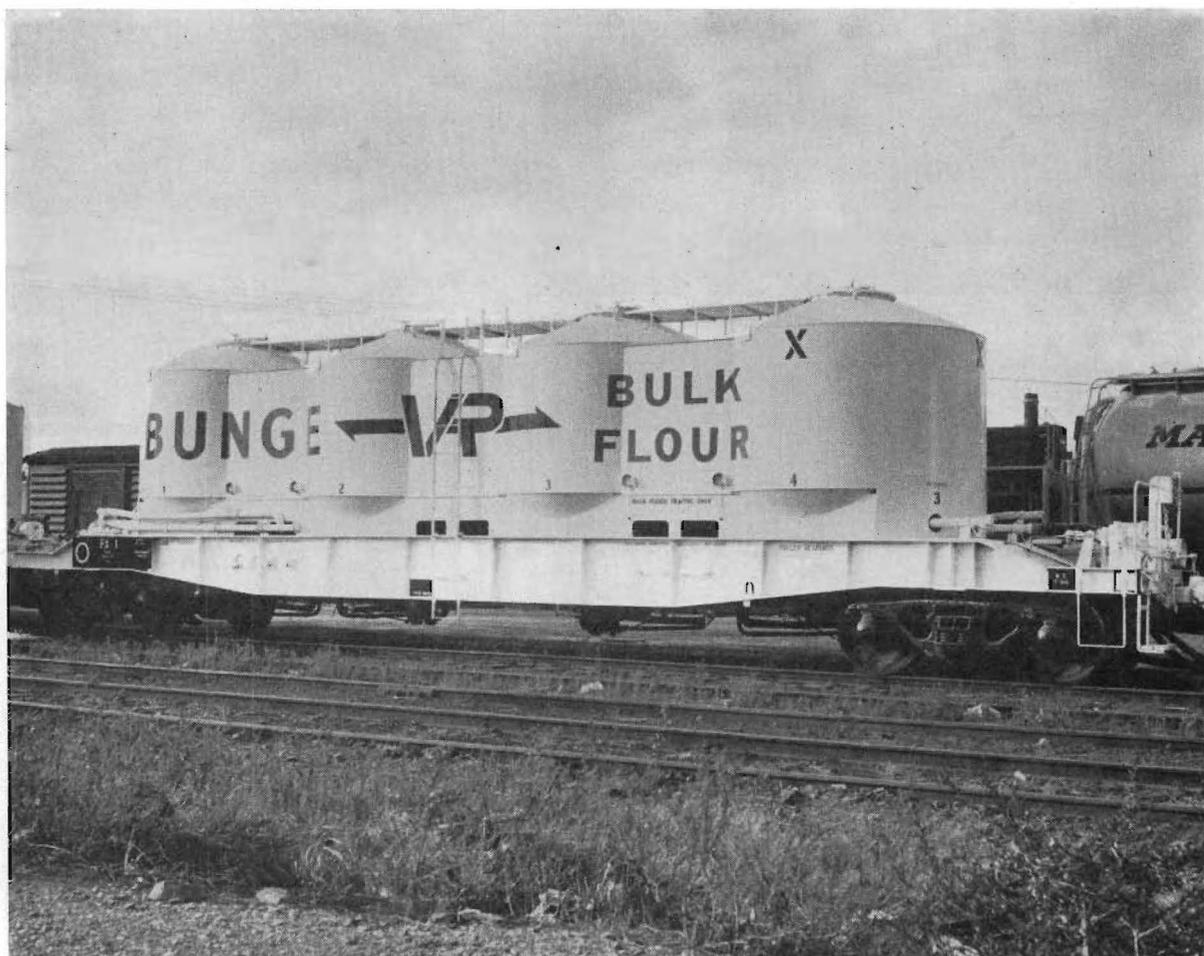
Fast goods being hauled by five locomotives near Bacchus Marsh.

The tonnage of livestock carried during the year increased by 176,889 to 334,941, but cement traffic declined by 40,091 tons to 766,417 tons, and briquettes by 71,307 tons to 1,415,544 tons.

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

	1967-68.	1966-67.	1965-66.
Total goods and livestock tonnage .. ..	11,115,953	12,074,550	12,156,405
Average haul per ton of goods (miles) ..	160	160	164
Total ton miles (goods and livestock) ..	1,776 million	1,937 million	1,989 million
*Average miles per wagon per day .. ..	34·04	33·75	35·51
*Average ton miles per wagon per day ..	323	340	346
Average tonnage (net) per loaded wagon mile..	14·08	14·91	14·58
Average ton miles (net) per goods train hour ..	3,607	3,701	3,563
Contents load per goods train mile (tons) ..	286	305	300
Percentage of empty wagon mileage to total ..	32·53	32·45	32·81

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

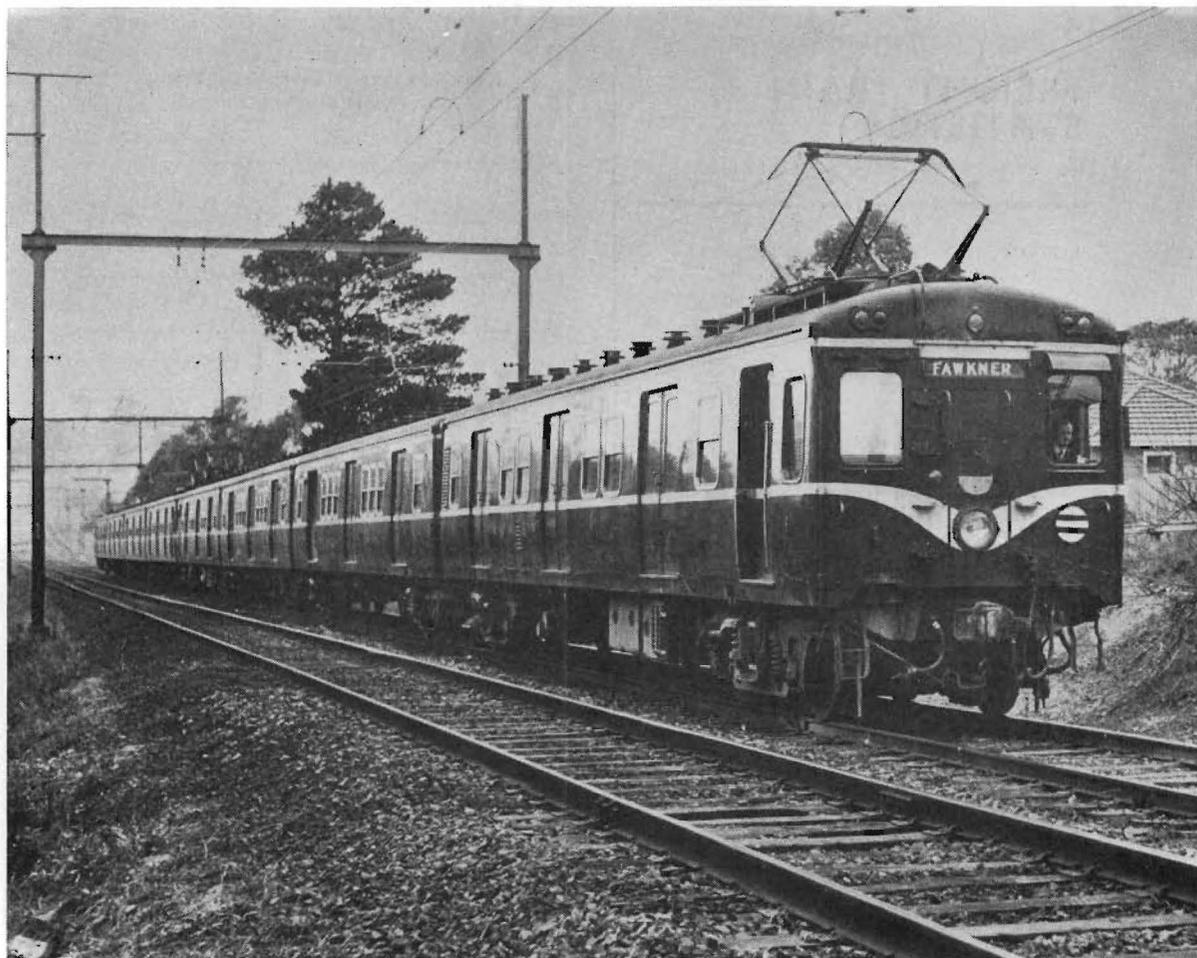


New "FX" bulk flour wagon.

#### *Passenger Operation.*

Although the number of country passenger journeys fell by 3 per cent. to 4·53 million, there was a very slight increase of ·1 per cent. in the number of suburban journeys, the total being 141·73 million. Passenger revenue at \$30·27 million increased by about ·6 per cent. compared with 1966-67.

Peak hour suburban travel continued to expand, and the more heavily loaded trains on the Belgrave, Lilydale and Glen Waverley lines were increased in length from seven to eight carriages during the rush hours. Eight carriage trains are soon to make their appearance on the Frankston line at peak periods.



An eight carriage "Harris" train.

Off peak services were adjusted to accord more closely with the demand. A one carriage train, with interior booking office, began running on the Camberwell-Alamein line on Sundays. It has no difficulty in coping with the light traffic, and more economical operation is possible.

Special services to the Royal Show carried about 195,000 passengers, an increase of just over 8,000 on the previous year, but the percentage of rail travel to the total attendance was slightly lower.

A mini-buffet refreshment service was introduced on the morning and evening trains between Melbourne and Albury on Mondays to Saturdays and passengers have shown their appreciation of this added amenity.

A first class air-conditioned carriage was added to the early morning train from Ballarat to Melbourne on Mondays to Saturdays and the late afternoon train on return.

### PROGRESS.

#### *Rolling Stock.*

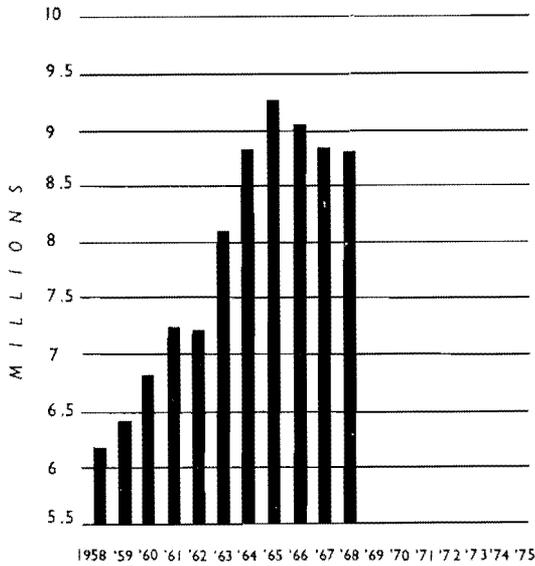
The following new rolling stock was built in our Workshops during the Year :

Classification and Type.	Number Completed.
"Harris" suburban motor carriages .. .. .	3
Brake vans (freight service) .. .. .	8
50 ton open wagons (for general merchandise) .. .. .	38
50 ton flat wagons (for steel plate and general traffic) .. .. .	29
50 ton flat wagons (for container traffic) .. .. .	12
40 ton louvre vans (for general merchandise) .. .. .	104
50 ton wagons (for bulk cement traffic) .. .. .	9
Rail tractors .. .. .	5

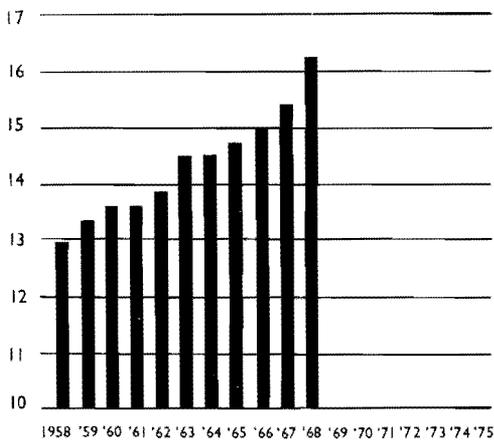
## FREIGHT TRAIN STATISTICS

(YEARS ENDING JUNE 30)

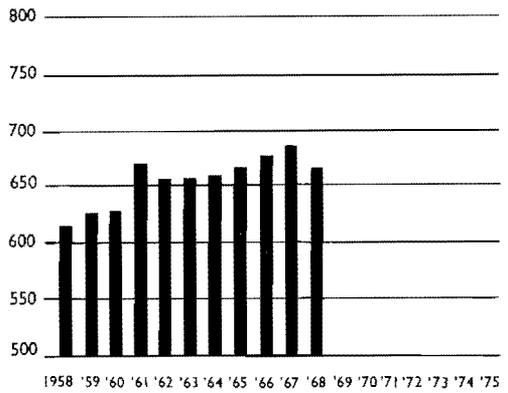
LOCOMOTIVE MILES IN TRAFFIC



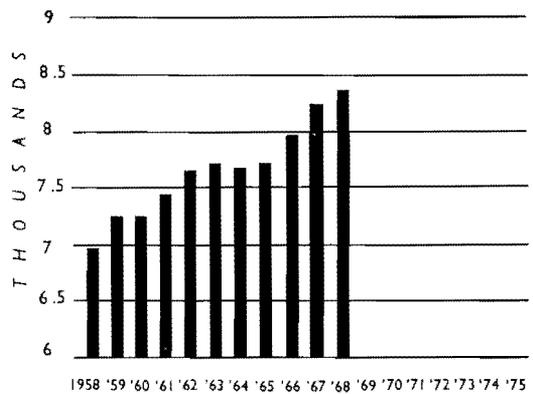
MILES PER LOCOMOTIVE PER HOUR IN TRAFFIC



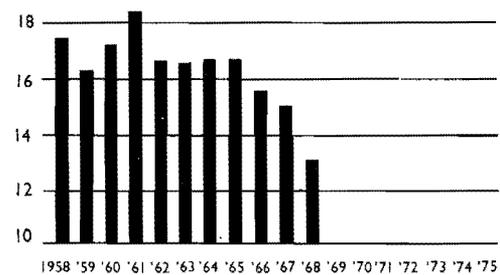
AVERAGE GROSS TONNAGE PER TRAFFIC TRAIN MILE



GROSS TON MILES PER LOCOMOTIVE PER HOUR IN TRAFFIC



STANDING HOURS PER 1000 TRAFFIC MILES



### Motive Power.

With the scrapping of a further 37 steam locomotives during the year, the number on the Register fell to 95—ten years ago there were 431. Regular running by steam locomotives has virtually ceased.

Two "T" class 1,050 h.p. diesel-electric locomotives were acquired for main and branch line goods and passenger services, as well as an additional 19 "Y" class 750 h.p. diesel-electric branch line and shunting locomotives. Six more of these "Y" class locomotives have still to be delivered to complete the contract.

In addition, a contract has been let for the supply of a further 11 "T" class locomotives, the first of which is scheduled for delivery towards the end of the year. Five of these will be equipped for hump yard operation at controlled speeds.

### *Passenger Stock.*

Three "Harris" suburban motors, manufactured at Newport Workshops, went into running during the year as part of the program to provide longer trains as previously mentioned. The construction of seven more is in hand.

Considerable thought has been given the design of suburban rolling stock and advice sought from experts in Australia and overseas to ensure that Melbourne's future suburban trains will be the most suitable for requirements and right up to world standards. The emphasis will be on light weight vehicles with high passenger carrying capacity and low operating and maintenance costs. Six prototype trailer carriages, 75 feet in length, are under construction. These cars will afford us the opportunity to test modern features and equipment in service.

Two further air-conditioned twinette sleepers, each with accommodation for 20 passengers, were provided for "The Overland". They are jointly owned by the Victorian and South Australian Railways.

Tenders have been called for the supply of two air-conditioned self propelled railcars for use on the Ararat-Hamilton-Portland line.



Interior of new rail cars to be built for the Ararat-Hamilton-Portland line.

### *Freight Vehicles.*

An order has been placed for the supply of 100, 53-ton capacity, low alloy steel grain hopper wagons and 25 are expected to be available by the end of 1968, in time to assist with the speedy handling of the harvest.

Following a decision by the Australian and New Zealand Railways Conferences, we assumed design responsibility for a 63-ft. low tare flat wagon to cope with the expected increase in container traffic resulting from the containerization of overseas shipping cargoes. The wagon will carry three 20-ft. dry freight containers, a combination of one 40-ft. and one 20-ft. container, or two refrigerated containers and their ancillary power units.

We plan to build 50 of these wagons and the first is expected to be in service by the end of 1968.

Ten rail tank wagons are being constructed for hiring to oil companies. Each has a capacity of 12,000 gallons in three compartments.

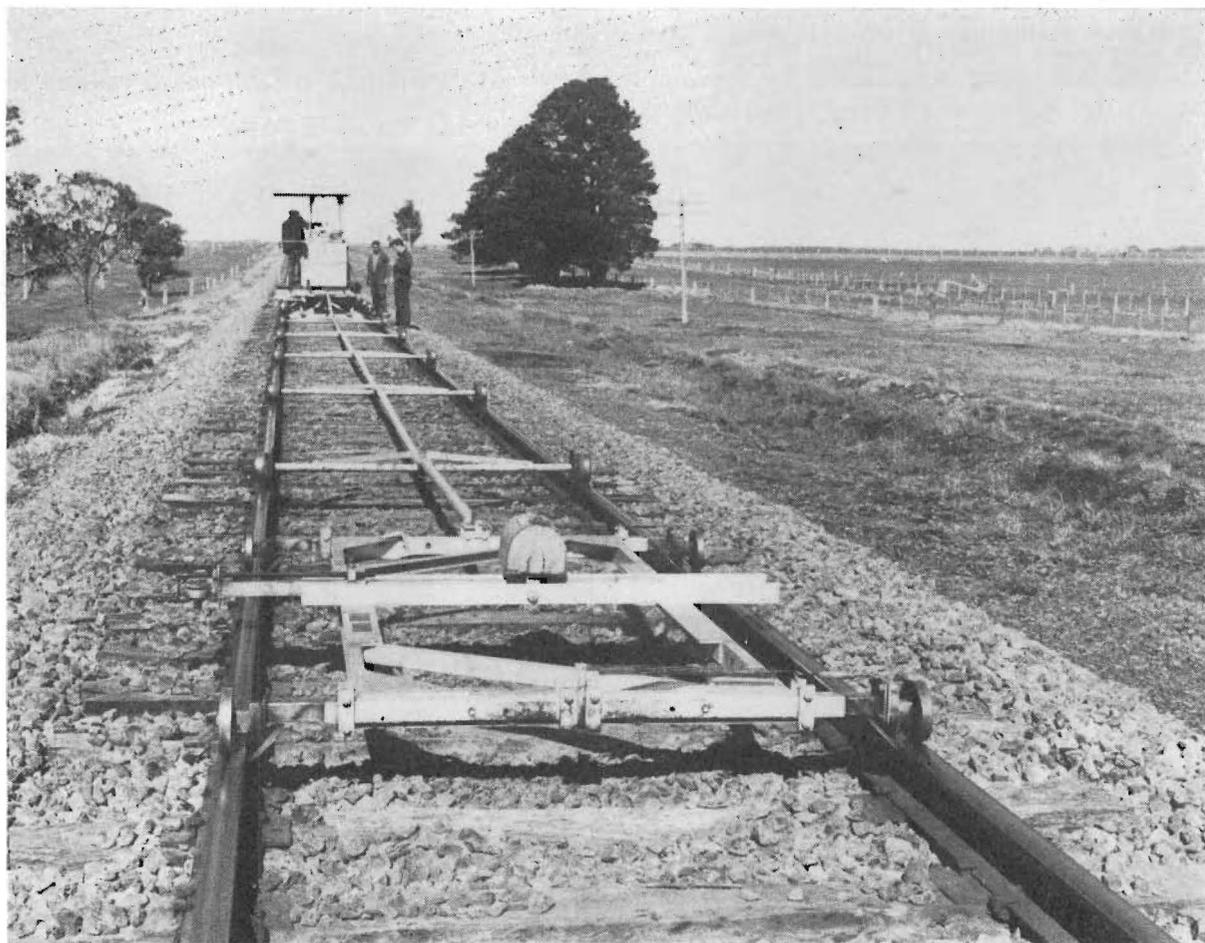
A new method of insulating bulk tallow containers has been tested. Six portable tallow tanks have been coated with polyurethane foam, to reduce reheating time and so speed up the delivery of the tallow and improve the turn-round of the tanks. It is likely that the remaining containers will also be insulated.

Additional special purpose wagons were provided as necessary during the year to convey different classes of traffic.

It is interesting to record that in the period of just over five years since it was established, about 103,000 rail vehicles have been bogie-exchanged at South Dynon.

#### *Permanent Way.*

An ever-increasing variety of modern mechanical equipment is being used to facilitate track improvement and maintenance. New plant purchased during the year included three heavy duty electromatic tamping machines capable of surfacing up to 18 chains of track an hour, and featuring an automatic jacking system actuated by a beam of light.



Track aligning machine at work at Meredith.

The use of fully mechanized gangs for renewing sleepers and lifting, packing and lining the tracks on a regular cycle (the cyclic maintenance system) continued successfully in the Geelong district and was extended to the Eastern and Bendigo districts, steps towards the time when the system will be used generally throughout the State.

During this year, 182 miles of track was relaid. Due to lack of finance this was 29 miles short of the annual total nominated by the Public Accounts Committee as a desirable minimum.

#### *Grade Separation.*

The level crossing at Warrigal-road, Oakleigh, was eliminated with the completion of an overpass for road traffic, and grade separation at Canterbury, involving the construction of a rail bridge over Canterbury-road, proceeded satisfactorily. Planning to eliminate the Somerville-road, Yarraville, level crossing, by a road overpass, is well advanced.

At other locations where the Country Roads Board was the constructing authority, we assisted as necessary and contributed to the cost of the works.

Three additional sets of boom barriers and 25 sets of flashing lights were installed during the year.

The Government recently directed, as a matter of policy, that gates at level crossings are to be replaced by boom barriers on the basis of the cost being shared by it, the Municipality concerned and the Railways. Negotiations are at present in course with a number of Councils.

### *Increased Track Facilities.*

Work continued steadily on the scheme to increase the number of tracks on the Box Hill line. Previous years had seen the elimination of the bottleneck at Richmond, including the construction of the new station, and the provision of additional tracks between Richmond and Burnley, and Hawthorn and East Camberwell.

Duplication of the Geelong line has continued and two tracks are now available between Melbourne and Laverton, and Corio and Geelong. The Laverton-Werribee section should be completed in the latter part of 1968.

### *Melbourne Goods Terminal Re-arrangement.*

Work on this important project to provide an automatic railway classification yard with hump shunting and automatic control of points and retarders is proceeding steadily. It is expected to be completed by November, 1970.

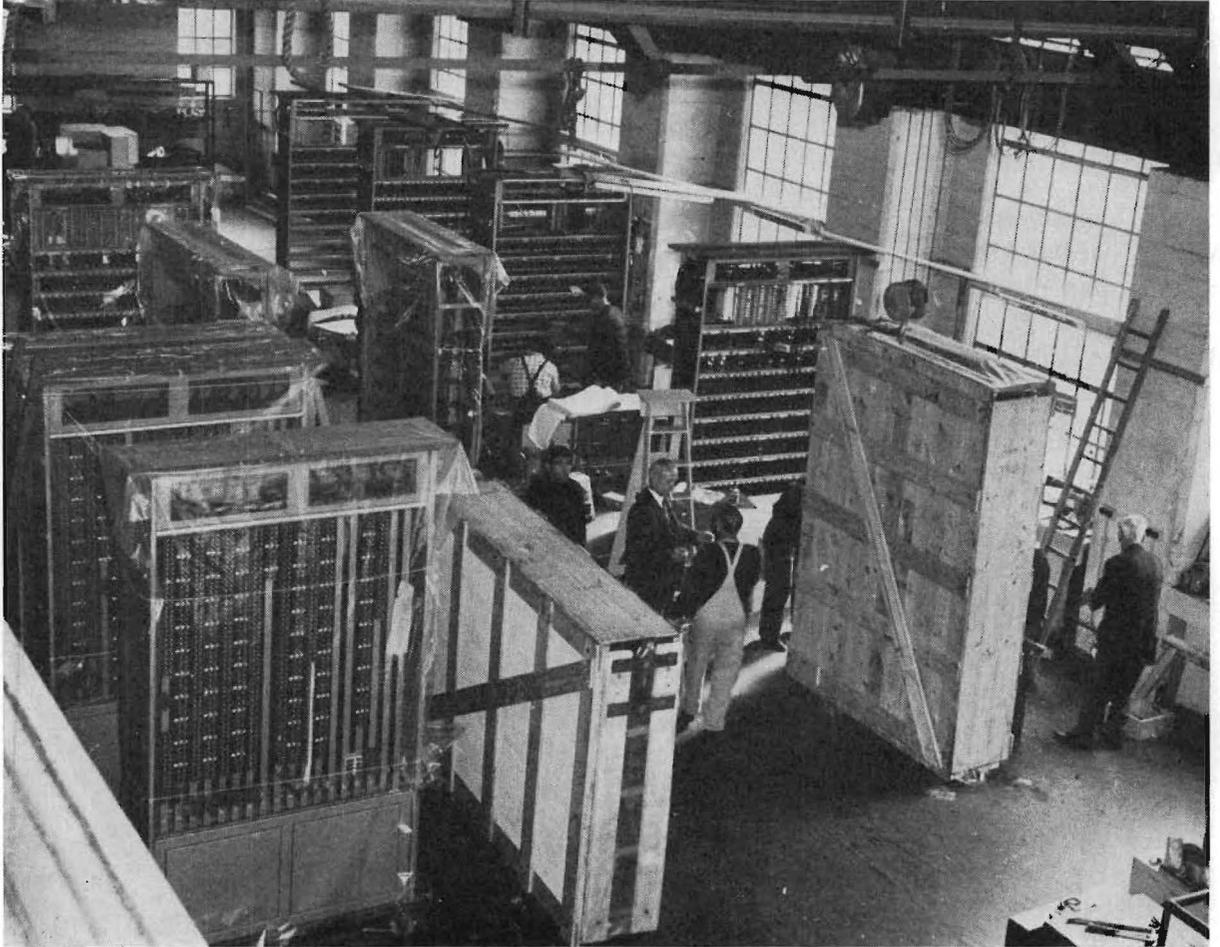


Aerial view of Melbourne Yard. To the right are the new trackwork and new sheds in the Yard re-arrangement.

Considerable track work was laid in what will be the arrival part of the re-arranged yard, and a new bridge was constructed over the Moonee Ponds Creek.

During the year the southern portion of the extension to No. 4 Shed was completed (the northern portion of the extension had been undertaken the previous year) and work began on the rehabilitation of the existing shed, the last stage in the provision of a shed some 1,375 feet in length.

Three major contracts were let. One for the automatic equipment and the others for the erection of two multi-storey buildings in the Melbourne Yard. The two buildings are in hand; one, known as the West Tower, will be five storeys high, and from it the arrival and sorting of incoming trains will be supervised. The other building, known as the East Tower, will be of six storeys. This building will mainly be used for the supervision of freight train make-up and departures, and the placing of inward loading.



Re-wiring relay racks for new signalling in Melbourne Yard.

Work is well advanced on providing the number of bridges necessary to carry the rail tracks over Dudley-street, West Melbourne.

#### *Communications.*

Reconstruction of the telephone pole line between Melbourne and Serviceton continued during the year and had almost been completed as far as Ararat. In addition, work began on the construction of a new line between Horsham and Dimboola and at 30th June, 1968, was 75 per cent. complete.

The necessary equipment was installed to provide improved telephone services between Ararat and Horsham, Ballarat and Maryborough, and Geelong and Camperdown.

A major improvement was the opening of a new telephone exchange at Spotswood, with automatic interworking with the Exchange at Head Office. It provides automatic facilities to cope with concentrated local telephone traffic and considerably speeds up calls to and from the Spotswood-Newport area where so many important railway operations are concentrated.

#### *Advertising and Public Relations.*

The railway exhibit at the Royal Show, always a drawcard, was moved to a larger site this year and the popular miniature railway was extended. The mobile exhibit and advisory unit, especially built for display at country agricultural shows, was featured at a record number of eighteen locations during the year.

As more and more organizations have expressed an interest in hearing what the Department is doing, a panel of speakers has been formed to address luncheon and evening meetings.

A house flag has been designed and is now flown at major railway locations.



The railway exhibit at the Royal Show.

#### *Personnel and Administration.*

At 30th June, 1968, the total staff (including casual labour equivalent to 607 men working full time) was 27,430 compared with 27,461 at the end of the previous year.

#### *Education.*

As well as the in-training we provide in a comprehensive range of strictly railway subjects, the need for wider training in modern skills and techniques is recognized and staff are nominated to attend outside seminars and study courses allied to their work.

The Victorian Railways Institute continued to provide tuition in railway subjects. Membership of the Institute was 15,650 at the close of the year, the increase of 115 during the twelve months being the first for six years. This encourages the Council to pursue its aim of providing improved library, cultural, social and sporting facilities.

#### *Industrial Awards.*

The year was generally free of industrial unrest.

A major impact on wages was the granting of an additional dollar a week from July, 1967, to all adult employes when the "total wage" concept of wage rates was introduced. The annual cost is estimated at \$1,500,000.

Increases in the Metal Trades Award applicable to outside industry have flowed to the similar grades in the Department and the estimated annual cost of these increases to us is \$750,000. More important, however, is the possibility that the members of the staff who have not qualified for increases so far, may receive a comparable lift in their rates of pay. The Commonwealth Conciliation and Arbitration Commission is conducting a work value inquiry in this regard.

Other increases in wages and conditions granted during the year by the Commission have cost an estimated \$281,500 a year.

The average annual payment, including overtime and penalty payments, to all officers and employes, including juniors, was \$2,964 compared with \$2,840 the previous year.

*Safety.*

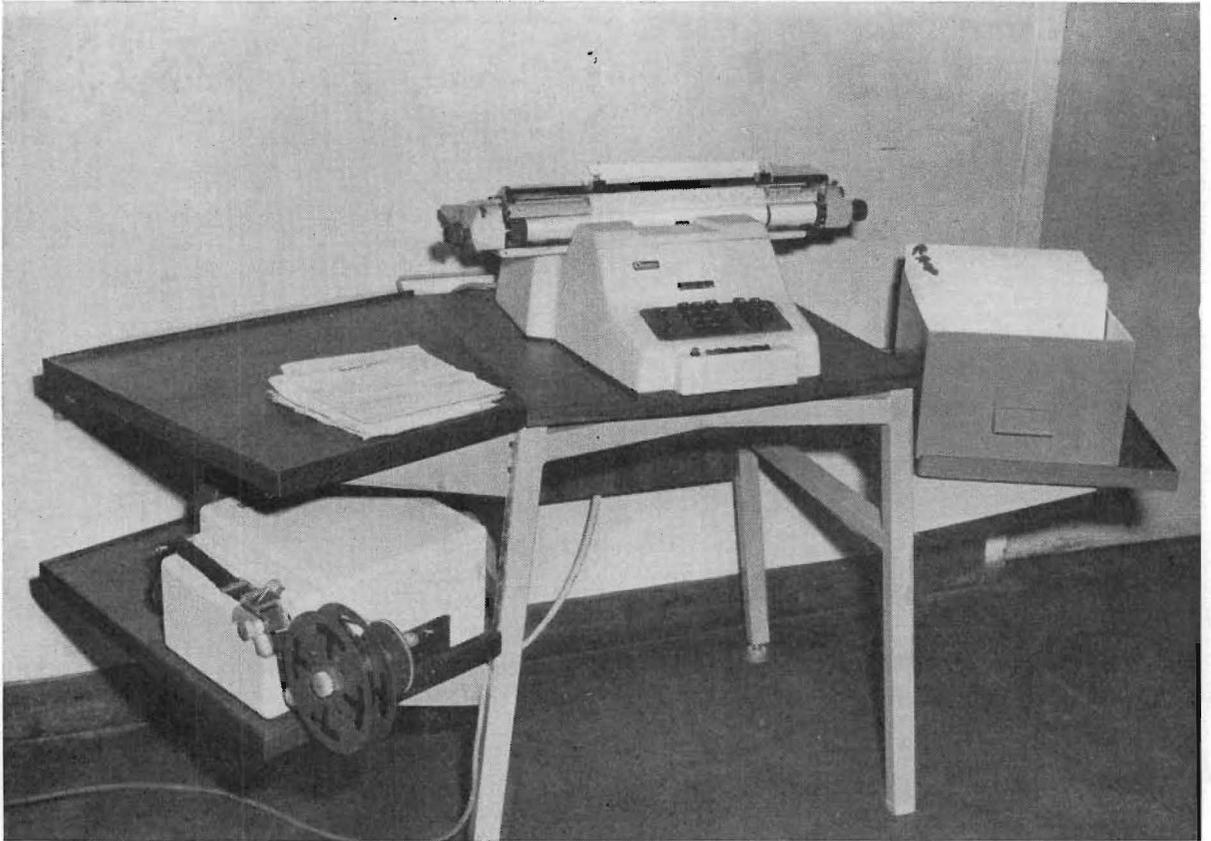
The emphasis on industrial safety was continued and is reflected by the downward trend in the injury rate.

*First Aid.*

Interest in first aid was well sustained and 95 per cent. of the 726 who took examinations gained a pass.

*Management Services Division.*

The specialist staff in this Division has continued to successfully probe operating and administrative activities in a bid to increase efficiency and reduce costs.



Equipment used in storehouse offices for recording stock. Unit on left produces punched tape as input to computer.

A General Electric 415 electronic computer was installed on 2nd October, 1967, and stores accounting and control is being progressively transferred to computer operation. Other work is already being carried out by the computer and this trend will increase.

*The Future.*

We would like to be able to say that work is to begin on the construction of Melbourne's underground railway, but finding the necessary finance remains the problem.

With the arrival of drought breaking autumn and winter rains, there is promise of a bountiful harvest and we are geared to handle the expected large tonnages of grain.

There is every prospect of increased business and revenue as a result of the State's industrial development, and direct approaches will continue to be made to business organizations to keep them in touch with the advantages of modern rail transport.

Two short new industrial railways are to be built—one from Tyabb to Long Island and the other from Welshpool to Barry Beach. Goods train services will be augmented as necessary and transit times will be reduced where this is practicable.

Whilst we expect an increase in revenue, we hope to offset some of the recurring wage increases by the widest possible use of latest techniques and equipment, and a continued tight control of expenditure.

Further progress will be made on the scheme to improve peak hour travelling conditions on the busy Box Hill group of lines. The third track will be extended beyond East Camberwell towards Mont Albert and between Burnley and Hawthorn. The latter will involve the widening of the road bridge at Swan-street and the construction of a new railway bridge over the Yarra River.

Duplication of the Newport-Geelong line will continue beyond Werribee towards Little River.

All our planning, both on the large scale and the small, will continue to be directed at the goal of maintaining the Victorian Railways position as transport specialists.



Aerial view of Jolimont Yard. Jolimont Workshops are in the foreground.

#### *Changes in Personnel.*

We wish to express our profound regret at the sudden death on 23rd November, 1967, of Mr. W. O. Galletly, Chief Mechanical Engineer.

Mr. Galletly had a distinguished railway career and was held in high esteem. He had spent some months investigating the planning and design of Melbourne's next suburban trains and his report in this regard was finalized only just before his death.

Mr. S. F. Keane, Assistant Chief Mechanical Engineer, was appointed Chief Mechanical Engineer.

Three Heads of Branches retired at 65 :—

Mr. H. C. Foulkes, Chief Electrical Engineer	..	..	19.7.67
Mr. A. Wilkinson, Comptroller of Stores	..	..	31.12.67
Mr. L. M. Williams, Comptroller of Accounts	..	..	15.4.68

The Commissioners are pleased to record their appreciation of the loyal and capable way these officers administered their Branches.

They were succeeded by the following officers, whose previous appointments are indicated :—

- Mr. I. G. Hodges (Assistant Chief Electrical Engineer).
- Mr. A. W. Thomson (Assistant Comptroller of Stores).
- Mr. N. L. Miller (Assistant Comptroller of Accounts).

*Overseas Visits.*

Mr. Commissioner Reynolds left for England on 13th June, 1968, to determine final design details for hump shunting in the new Melbourne Yard and to investigate the latest developments in automated yards in U.S.A. He was later joined by Mr. J. C. Crute, Manager, Melbourne Freight Terminal.

Mr. R. J. Gallacher, Engineer of Maintenance, and Mr. W. G. Mackin, Engineer in Charge, Ironworks Division, left for Canada and U.S.A. on 12th April, 1968, chiefly to study the types of mechanical equipment available for track maintenance.

Mr. S. F. Keane, Chief Mechanical Engineer, and Mr. J. A. Bate, Engineer of Tests, left for U.S.A. on 14th June, to investigate technical matters affecting diesel electric locomotives.

All those mentioned above were still abroad at 30th June, 1968.

Earlier in the year, Mr Keane, then Acting Chief Mechanical Engineer, had attended the ECAFE Conference in Bangkok, leaving Melbourne on 22nd September, 1967, and returning on 29th October.

*Acknowledgment of Services of Staff.*

It is fitting that our Report should close with an expression of appreciation to the staff for their work in all phases of operations during the year.

HEADS OF BRANCHES.

At the 30th June, 1968, the Heads of Branches were :—

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 30th June, 1968.

S. F. Keane,  
Chief Mechanical Engineer,  
21th August, 1968.

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, 1968.

D. D. Wade,  
Chief Civil Engineer,  
21th August, 1968.

I hereby certify that the substations, transmission system, overhead equipment and depots under my control were maintained in good working order and repair during the year ended 30th June, 1968.

I. G. Hodges,  
Chief Electrical Engineer,  
21th August, 1968.

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, 1968, was \$7,267,309.

A. W. Thomson,  
Comptroller of Stores,  
21th August, 1968.

## 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

1967	Nature and source of Funds	1968				
\$		\$	\$	\$	\$	\$
	<b>FUNDS PROVIDED BY THE STATE TREASURER :</b>					
	<b>For Capital Purposes—</b>					
	From Loans raised on behalf of the State ...	...	...	...	397,225,514	...
	<b>Less—Equity in the National Debt Sinking Fund</b>	...	...	...	54,093,071	...
	<b>Net Liability</b> ...	...	...	...	343,132,443	...
	<b>Less—Loan for Renewals, Replacements and Maintenance Works not represented by Assets</b>	...	...	1,050,000	...	...
	Discounts and Expenses on Loans ...	...	...	6,830,652	...	...
322,302,339	<b>Total Net Funds provided from Loans</b>				7,880,652	335,251,791
	<b>For Special Purposes—</b>					
	From—					
	Sundry Special Funds	...	...	13,075,129	...	...
	Commonwealth Grant-Drought Relief 1967 ...	...	...	372,106	13,447,235	...
	Level Crossing Fund Act 6229 ...	...	...	...	5,934,429	...
	Uniform Railway Gauge Trust Fund ...	...	...	31,600,000	...	...
	Less repayment to Commonwealth under Act 6459 ...	...	...	679,027	...	...
					30,920,973	...
					50,302,637	...
	From Public Account—					
	Act 6345 Section 15 ...	...	...	329,585	...	...
	" " " 17 (I) ...	...	...	1,338,813	...	...
50,501,670					1,668,398	51,971,035
	<b>RESERVES—</b>					
	National Debt Sinking Fund Reserve ...	...	...	...	54,093,071	...
	Railway Accident & Fire Insurance Reserve ...	...	...	...	200,000	...
51,262,619	Uniform Railway Gauge Reserve ...	...	...	...	679,027	54,972,098
	<b>CURRENT LIABILITIES—</b>					
	Sundry Creditors—					
	Stores and Services ...	...	...	...	9,710,306	...
	Revenue ...	...	...	...	765,770	...
12,228,982	Trust ...	...	...	...	3,388,502	13,864,578
	<b>SPECIAL FUNDS FOR WORKING PURPOSES—</b>					
	Sundry Provisions prior to 30.6.64 ...	...	...	4,052,215	...	...
	Commonwealth Grant-Drought Relief 1967 ...	...	...	197,800	4,250,015	...
	Amount contributed from General Revenue of State to meet losses—					
	To 30.6.37 ...	...	...	38,949,674	...	...
	From 1.7.37 to 30.6.67 ...	...	103,696,896	...	...	...
	Contribution for year ended 30.6.68... ..	...	12,164,378	...	...	...
				115,861,274	154,810,948	...
					159,060,963	...
	Loss on operation—					
	To 30.6.37 ...	...	...	40,390,243	...	...
	From 1.7.37 to 30.6.67 ...	...	102,323,401	...	...	...
	Railway Funds	11,557,109	...	...	...	...
	Commonwealth Grant-Drought Relief 1967... ..	197,800	...	...	...	...
	For year ended 30.6.68 ...	...	11,754,909*	...	...	...
				114,078,310	154,468,553	...
3,985,141	Outstanding Income 30.6.68 ...	...	...	...	...	4,592,410
440,280,751						460,651,912

\* This amount is exclusive of provision for depreciation \$6,555,372 and for—  
Annual leave accrued during the year Nil.  
Annual leave aggregate liability at 30.6.68 (512,622 days) \$4,306,025

Subject to comments in my Report, PART VI, to the Legislative Assembly on the Accounts for the year 1967-68.

A. J. A. GARDNER  
Auditor General.

30th October, 1968

30th JUNE, 1968.

1967	Disposal of Funds	1968			
\$		\$	\$	\$	\$
	<b>EXPENDITURE ON—</b>				
	Railways				
	Way, Works, Buildings, Machinery and Plant ... ..		251,139,120	...	...
	Rolling Stock General Equipment ... ..		105,075,013	...	...
				356,214,133	
	Road Motor Public Services—				
	Buildings and Equipment ... ..		15,800	...	...
	Rolling Stock ... ..		20,574	...	...
				36,374	
	Railways under construction ... ..		1,881	...	...
	Bridges for Railways not yet constructed ... ..		...	...	...
	Surveys ... ..		117,887	...	...
				119,768	
	Lines closed for traffic—				
	Railways ... ..		921,135	...	...
	Tramways ... ..		...	...	...
				921,135	
				357,291,410	
	<b>DEPRECIATION ACCOUNT—</b>				
	Depreciation not provided for by cash appropriations to 30.6.67 ... ..		67,379,671	...	...
	Normal Depreciation for the year ... ..	7,154,071	...	...	...
	Less amount provided... ..	598,699	...	...	...
	Under provision for the year ... ..		6,555,372	...	...
				73,935,043	
413,626,922				431,226,453	
	<b>FUNDS FOR SPECIAL PURPOSES held by the State Treasurer—</b>				
	Railway Accident & Fire Insurance Fund ... ..		...	200,000	...
	Railway Charges in Suspense ... ..		...	5,962,186	...
	Railways Stores Suspense Account ... ..		...	2,604,957	...
	Railways Repayment Fund ... ..		...	11,956	...
7,926,059				8,779,099	
	<b>CURRENT ASSETS—</b>				
	Works in Progress—Manufacturing Account ... ..		...	702,116	...
	Stores and Materials on hand and in transit				
	Railways ... ..		7,267,309	...	...
	Construction Board ... ..		6,924	7,274,233	...
	Refreshment Services Stock & Equipment ... ..		744,120	...	...
	Less provision for losses and breakages ... ..		10,215	733,905	...
	Securities held in Trust—				
	In London ... ..		...	...	...
	In Melbourne ... ..		3,376,546	...	...
				3,376,546	
	Sundry Debtors—				
	Revenue ... ..		4,726,792	...	...
	Other ... ..		1,212,895	...	...
				5,939,687	
	Income Cash on hand and in transit ... ..		...	631,388	...
	Advances—				
	To Accounting Offices, Stations, etc. ... ..		1,872,199	...	...
	To Agent General for purchase of—				
	Capital equipment ... ..	55,979	...	...	...
	Stores, etc. ... ..	60,307	116,286	...	...
				1,988,485	
18,727,770				20,646,360	
440,280,751				460,651,912	

N. L. MILLER  
Comptroller of Accounts.

30th October, 1968

## APPENDIX No. 2.

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

—	Year 1967-68	Year 1966-67	Increase (+) or Decrease (—) in 1967-68
	\$           c	\$           c	\$           c
<b>GROSS REVENUE—</b>			
*Railways           ...    ...    ...	99,331,298 .42	104,508,890 .81	—   5,177,592 .39
Road Motor Public Services   ...	62,216 .34	70,286 .55	—   8,070 .21
<b>Total</b> ...    ...    ...	<b>99,393,514 .76</b>	<b>104,579,177 .36</b>	<b>—   5,185,662 .60</b>
<b>WORKING EXPENSES—</b>			
Railways           ...    ...    ...	105,084,440 .13	103,423,004 .20	+   1,661,435 .93
Road Motor Public Services   ...	119,601 .13	136,571 .33	—   16,970 .20
<b>WORKING EXPENSES CHARGED AGAINST REVENUE</b> ...    ...	<b>105,204,041 .26</b>	<b>103,559,575 .53</b>	<b>+   1,644,465 .73</b>
<b>DEFICIT ON CURRENT OPER- ATIONS</b> ...    ...    ...	<b>5,810,526 .50</b>		<b>+   6,830,128 .33</b>
<b>NET REVENUE</b> ...    ...    ...		<b>1,019,601 .83</b>	
Interest Charges, Exchange and Contribution to the National Debt Sinking Fund   ...    ...	5,746,581 .60	4,891,191 .47	+   855,390 .13
<b>DEFICIT</b> ...    ...    ...	<b>11,557,108 .10</b>	<b>3,871,589 .64</b>	<b>+   7,685,518 .46</b>

\* Includes ;—\$200,000 Pensioners' Fares Subsidy. \$62,000 Parcels Recoup. \$224,000 Goods Freight Recoup.

## APPENDIX No. 3.

RECONCILIATION OF THE RAILWAY AND THE TREASURY FIGURES RELATING TO  
REVENUE AND WORKING EXPENSES, FOR THE YEAR 1967-68.

REVENUE.		\$	c	\$	c
Revenue shown by the Railways	... ..	99,393,514	.76		
To bring this amount into agreement with the Treasury figures deduct—					
Outstanding at 30th June, 1968, not included in the Treasury figures	... ..	4,592,410	.33		
		<hr/>			
		94,801,104	.43		
and add—					
Outstandings at 30th June, 1967, collected in 1967-68 and therefore included by the Treasury in that year	... ..	3,985,140	.89		
		<hr/>			
Revenue as shown by the Treasury	... ..			98,786,245	.32

## WORKING EXPENSES.

Working Expenses as shown by the Railways	... ..	105,204,041	.26		
Add—Interest and Exchange Charges, Loan Conversion Expenses and Contribution to the National Debt Sinking Fund shown by the Railways and the Treasury.		5,746,581	.60		
		<hr/>			
		110,950,622	.86		
Less Deficit as shown by the Treasury	... ..	12,164,377	.54		
Working Expenses as shown by the Treasury	... ..			98,786,245	.32

## RAILWAY POSITION SUMMARISED.

Revenue	... ..	99,393,514	.76
Working Expenses	... ..	105,204,041	.26
		<hr/>	
Loss on Current Operations	... ..	5,810,526	.50
Interest and Exchange Charges, Loan Conversion Expenses and Contribution to National Debt Sinking Fund.		5,746,581	.60
		<hr/>	
Deficit		11,557,108	.10

## APPENDIX No. 4.

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

Particulars						Year 1967-68	Year 1966-67
1.	Average Mileage of Railways open for Traffic	...	...	...	...	4,210	4,218
PASSENGER TRAFFIC							
2.	Passenger Train Mileage	...	...	...	Country	4,832,769	4,798,452
					Suburban	8,420,043	8,503,652
3.	Earnings from Passengers Carried	...	...	...	Country	\$7,763,874	\$7,871,344
					Suburban	\$22,510,912	\$22,227,081
4.	Number of Passengers Carried	...	...	...	Country	4,534,859	4,674,465
					Suburban	141,733,212	141,593,200
5.	Number of Passengers Carried One Mile	...	...	...	Country	375,782,549	393,121,131
					Suburban	1,250,057,919	1,256,753,687
6.	Average Miles each Passenger was Carried	...	...	...	Country	82.87	84.10
					Suburban	8.82	8.87
7.	Average Number of Passengers per Car	...	...	...	Country	11	12
					Suburban	30	25
8.	Average Earnings from each Passenger Journey	...	...	...	Country	171.20c	168.39c
					Suburban	15.88c	15.70c
9.	Average Earnings per Passenger Mile	...	...	...	Country	2.07c	2.00c
					Suburban	1.80c	1.77c
<i>Per Average Mile of Railway Open</i>							
10.	Number of Passengers Carried	...	...	...	Country	1,101	1,133
					Suburban	644,242	643,605
11.	Number of Passengers Carried One Mile	...	...	...	Country	91,254	95,279
					Suburban	5,682,081	5,712,539
12.	Passenger Train Mileage	...	...	...	Country	1,174	1,163
					Suburban	38,273	38,653
13.	Earnings from Passengers Carried	...	...	...	Country	\$1,885.35	\$1,907.74
					Suburban	\$102,322.32	\$101,032.18
<i>Per Passenger Train Mile</i>							
14.	Average Number of Passengers	...	...	...	Country	78	82
					Suburban	148	148
15.	Average Number of Cars	...	...	...	Country	7	7
					Suburban	5	6
16.	Average Earnings from Passengers Carried	...	...	...	Country	160.65c	164.04c
					Suburban	267.35c	261.38c
GOODS AND LIVE STOCK TRAFFIC—PAYING							
17.	Goods Train Mileage	...	...	...	...	6,632,683	6,732,935
18.	Earnings from Goods and Live Stock	...	...	...	...	\$57,800,647	\$63,322,683
19.	Number of Tons Carried	...	...	...	...	11,115,953	12,074,550
20.	Number of Tons Carried One Mile	...	...	...	...	1,776,160,203	1,937,358,728
21.	Average Haul per Ton of Goods (Miles)	...	...	...	...	159.78	160.45
22.	Average Tonnage per Loaded Wagon	...	...	...	...	14.08	14.91
23.	Average Train Load (Tons)	...	...	...	...	286	305
24.	Average Earnings per Goods Train Mile	...	...	...	...	871.45	940.49
25.	Average Earnings per Ton	...	...	...	...	519.98c	524.43c
26.	Average Earnings per Ton Mile	...	...	...	...	3.25c	3.27c
<i>Per Average Mile of Railway Open</i>							
27.	Number of Tons Carried (Paying Traffic)	...	...	...	...	2,640	2,863
28.	Number of Tons Carried One Mile (Paying Traffic)	...	...	...	...	421,891	459,307
29.	Goods Train Mileage	...	...	...	...	1,575	1,596
30.	Earnings from Goods and Live Stock	...	...	...	...	\$13,729.37	\$15,012.49
GOODS AND LIVE STOCK TRAFFIC—GROSS							
31.	Average Tonnage per Loaded Wagon	...	...	...	...	26.00	27.00
32.	Average Train Load (Tons)	...	...	...	...	655	671
33.	Average Number of Vehicles per Train—Loaded	...	...	...	...	20	20
34.	Average Number of Vehicles per Train—Empty	...	...	...	...	10	10

## APPENDIX No. 5.

## NEW LINES UNDER CONSTRUCTION AT 30th JUNE, 1968.

Section	Miles
Gippsland Railway—Deviation between Moe and Morwell ...	2 $\frac{3}{4}$
Tyabb to Long Island Railway ...	1 $\frac{1}{2}$

## LINES CLOSED FOR TRAFFIC DURING THE YEAR ENDED 30th JUNE, 1968.

Section	Miles	Date Closed
Waubra Junction to Waubra ...	13.74	1.2.68
From 250M. 56C. to Portland (Old) ...	0.85	6.5.68



## APPENDIX No. 8.

## RAILWAY RENEWALS AND REPLACEMENTS FUND.

Nature and Source of Funds			Disposal of Funds		
	During the year ended 30th June, 1968	Period 1st July, 1937 to 30th June, 1968		During the year ended 30th June, 1968	Period 1st July, 1937 to 30th June, 1968
	\$ c	\$ c		\$ c	\$ c
Balance at 30th June, 1967	—	—	Renewals and Replacements :		
Funds specially appropriated under Act No. 6355	400,000 .00	12,400,000 .00	Traffic ... ..	1,705 .00	482,791 .42
Additional funds authorised by Parliament	—	11,500,000 .00	Rolling Stock ... ..	374,114 .81	113,414,154 .30
Rail Motor and Road Motor, &c. depreciation	198,698 .96	3,942,397 .09	Way and Works ... ..	531,763 .11	34,889,861 .41
Sundry Sales, abolitions, &c.	309,045 .96	6,891,478 .17	Electrical Engineering ... ..	162 .00	6,440,447 .69
Interest on Investments	—	1,406,582 .80	Advance (Net) with the Agent General	—	106,386 .78
Amount charged Item 5 Loan Acts	—	119,193,183 .54			
	907,744 .92	155,333,641 .60		907,744 .92	155,333,641 .60

## APPENDIX No. 9.

## DEPRECIATION—PROVISION AND ACCRUAL.

	During the Year ended 30th June, 1968	Period 1st July, 1937 to 30th June, 1968		During the Year ended 30th June, 1968	Period 1st July, 1937 to 30th June, 1968
	\$ c	\$ c		\$ c	\$ c
Special Appropriations	400,000 .00	12,400,000 .00	Normal Depreciation—		
Additional funds authorised by Parliament	—	11,500,000 .00	Way, Works, Buildings, &c. ... ..	1,885,233 .00	30,328,977 .53
Sundry depreciation provided in Working Expenses	198,698 .96	3,942,397 .09	Rolling Stock (including machinery and equipment in Rolling Stock Workshops) ... ..	4,757,503 .00	62,456,160 .35
Provision from sundry sales, &c., included as additional depreciation	—	687,993 .39	Electrical Engineering Plant and Equipment ... ..	325,518 .00	7,162,962 .32
Interest on Investment	—	1,406,582 .80	Electric Tramways, Rail Motors and Road Motors ... ..	185,816 .96	3,923,915 .67
Balance at 30th June, 1968	6,555,372 .00	73,935,042 .59			
amount short provided	7,154,070 .96	103,872,015 .87		7,154,070 .96	103,872,015 .87

## APPENDIX No. 10.

## STATEMENT OF CAPITAL EXPENDITURE.

	Year ended 30th June, 1968	Year ended 30th June, 1967
	\$	\$
<b>New Lines and Surveys—</b>		
Gross Expenditure ... ..	47,288	52,635
Credits ... ..	—	—
Net Expenditure ... ..	47,288	52,635
<b>Additions and Improvements on Existing Lines—</b>		
Gross Expenditure ... ..	10,646,891	9,423,369
Credits ... ..	524,892	632,396
Net Expenditure ... ..	10,121,999	8,780,963
<b>Rolling Stock</b>		
Gross Expenditure ... ..	6,533,902	7,851,765
Credits ... ..	374,115	556,530
Net Expenditure ... ..	6,159,787	7,295,235
<b>Electrification of Melbourne Suburban Lines—</b>		
Gross Expenditure ... ..	293,756	336,384
Credits ... ..	162	162
Net Expenditure ... ..	293,594	336,222
<b>Total Railways—</b>		
Gross Expenditure ... ..	17,521,837	17,664,153
Credits ... ..	899,169	1,189,088
Net Expenditure ... ..	16,622,668	16,475,065
<b>Road Motor Public Service (including Garage Accommodation)—</b>		
Gross Expenditure ... ..	—	—
Credits ... ..	8,576	8,576
Net Expenditure ... ..	<i>Cr.</i> 8,576	<i>Cr.</i> 8,576
<b>Total—</b>		
Gross Expenditure ... ..	17,521,837	17,664,153
Credits ... ..	907,745	1,197,664
Net Expenditure ... ..	16,614,092	16,466,489