ROYAL COMMISSION
ON
RAILWAYS.

Presented to both Houses of Parliament by His Excellency's Command.

[SECOND SESSION OF THE ELEVENTH PARLIAMENT.]
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1.—Reply by the Commissioner of Railways to the First Progress Report of the Royal Commissioner.

31st March, 1922.

The Hon. Mr. Scaddan:

With reference to the First Progress Report of the Royal Commission on the State Railways, and in accordance with your minute of 29th instant, I beg to submit the following remarks:

1.—Maintenance of Lines of Way.

(a.) With the principle put forward under this heading the Department is in entire agreement. It has, some time ago, initiated the policy referred to, of having at the present time 13 gangs equipped with motor trolleys. It appears, however, that the Royal Commission wishes to go a little further than I can recommend pending further detailed inquiry.

(b.) I attach, however, file W.R. 1249/21, containing a report dated 8th December, 1921, by the Chief Engineer, Way and Works, with an application for money authority from Loan Capital for £4,075 to equip the Southern and Northern Districts with 30 motor trolleys, which is proposed to be made in the Loco. Shops at Midland Junction. This expenditure will return a reduction in wages (at present rates) of £7,215 per annum, and, after allowing for £3,346 for interest, depreciation, and repairs, will give a net saving of £3,869 on the first year’s operation, and afterwards an annual saving of £4,439.

(c.) While on this subject I submit also file W.R. 1528/22, containing an application for £2,260 to cover the cost of two Casey-Jones motors and 15 Fairbanks-Morse motor quadricycles, all of which are required to facilitate the movements of Permanent Way and Traffic Officers in the Central, Southern, and South-West Districts for purposes of supervision.

(d.) I have been holding both these applications for capital expenditure for some little time owing to the financial position. If capital (i.e., loan) authority cannot be granted, I suggest that the work be authorised, and that authority be given to include the cost of the equipment in next year’s Working Expenses Estimates—as the saving in the one financial year would almost balance the outgoing.

(e.) It would appear that a saving of so much as £45,000 per annum by these means is rather a sanguine estimate, but the report in this respect, as in all others, will be closely analysed by the Engineering Branch, and the Chief Engineer Way and Works will submit recommendations as to equipping more fully than he had previously proposed the Northern and Southern Districts, and for extending the system to the other districts. On receipt of his report I will write you further, though I suggest that no delay should be allowed to occur in approval to the two propositions submitted herewith.

2.—Regrading and Deviating.

(a.) On 19th November, 1920 (W.R. 2529/21), I reported as follows:

"If these twenty-eight (28) additional locomotives average at £16,000 each for the heavy type, and £14,000 each for the Garratts (which is the nearest approximate estimate that can be given—based on £197 per ton (which was the cost of the Midland Railway Company’s engines referred to above), a sum of £412,000 will be involved. Concurrently with the execution of this order, the expenditure of £100,000 to be undertaken (equivalent to a little more than the cost of six (6) heavy type locomotives at £15,000 each) on the improvement of grades between—

(a.) West Perth and Landserville.
(b.) Near Quilgurup—on the Namurp line.
(c.) Between Kirup and Brookhampton.
(d.) Between Palgarup and Yornup—on the Bridgetown-Jarradup line.

The reduction of grades at these places would so improve loads as to be equivalent to many more than the power of six additional locomotives."

(b.) It is understood that funds have not become available yet for any of the works indicated. There are many other known places where it is obvious that regrading or relocation of our main and branch lines would be profitable, but the policy of successive Governments for many years has been in the direction of opening new country by building more mileage rather than in providing funds for the improvement of opened railways.

3.—Station Gardens.

(a.) The Gardening Gang, consisting hitherto of one ganger at £255 and five others at £206 per annum, was instituted a couple of years ago, not only for gardening but also for general tidying and cleaning up duties in the Metropolitan Area. A consideration at the time was that it provided employment of a suitable kind for certain long service and returned soldier employees whose retribution would have been opposed to public opinion, and whose employment in any other position would have been directly unprofitable. A statement (marked "A"), giving particulars of the men concerned, is attached, One, Reilly, aged 68 years, with 24 years’ service, will shortly be retired; and another, McDonald, a returned soldier of 12 years’ Railway service, has been given notice of retribution, which will expire on 8th April.

(b.) This will reduce the cost of the gang to £550. Of their time approximately 35 per cent. is spent on work other than gardening, reducing the future wages cost of garden upkeep to £550 per annum.

(c.) Apart from what is outlined above, I would not at present recommend further action. The work could not be efficiently carried out by the Station Staffs, who already attend to watering and other intermittent details of the work.

(d.) There is no other capacity in which these men could be employed.

(e.) Incidentally, the gardens attract an advertising revenue, the value of which should not be overlooked.
4—Additional Engine Power.

(a) A copy (marked "B") of my report, dated 13th November, 1920 (W.R. 2529/21), as to additional locomotives, is attached. Developments as therein anticipated did not eventuate, and a further report, dated 29th August, 1921, copy of which (marked "B1") is appended, represents the position with regard to the eight Garratt locomotives at present in question, and for the construction of which (and purchase of machinery) the Government have given an approval which I think ought not to be interfered with. If the declared progressive land settlement policy of the Government is to be carried out, the produce, for the carriage of which this Department must efficiently and adequately provide, will demand not only these eight Garratts, but many more locomotives in addition.

(b) Although traffic has not increased as seemed probable in November, 1920, one cannot escape the conclusion that this has been due to a temporary depression and to temporary causes—and I believe that the fact of our being now in a position to get delivery of locomotives from Beyer, Peacock & Co. within 20 weeks, while in 1920 the North British Co. would not quote for less than 2½ years' delivery, is likewise due to a temporary condition which will pass away.

(c) The further question of the policy of building locally and spending our capital amongst our own people as opposed to that of sending our money abroad in payment for imported articles, is involved in the recommendation of the Royal Commission. Our shops were increased in size between 1911 and 1914 with the distinct object of avoiding importation.

(d) I realise that we have at the present time a margin of engine power to draw upon, but the Royal Commission's figures are not to my mind so conclusive on examination as they may at first sight appear. I draw your attention to a copy (attached and marked "C") of my report, W.R. 5764/20, of 4th August, 1920, with regard to obsolete locomotives. If the 27 "dead" locomotives mentioned therein be allowed for, and our train mileage (4,918,000) of last financial year—a mileage which was heavily depleted by the strike of January, 1921, and the following slump of May and June—be divided by the actual number of "live" locomotives (390), our mileage for the year comes out at 12,419 per locomotive.

(e) I have had some difficulty in considering the average mileage run by the South Australian locomotive, which is put down in the Royal Commission's Report as 23,703 miles for the year 1920-21. I can only come to the conclusion that some clerical error has occurred. The total mileage run over the whole South Australian system was 5,712,491 which, divided by the number of 3-6 locomotives, viz., by 241, gives a result of 23,703. But in addition to the 241 narrow 3-6 gauge locomotives, South Australia has in operation 251 broad (5-3) gauge locomotives, viz., a total of 492, which, when divided into the train mileage above quoted, gives an average of 11,610 train miles per locomotive, for the year against our 11,626—and that notwithstanding that just about half of the South Australian track mileage is of the 5-3 gauge.

I regret it has been impossible to consult Mr. stead as to this apparent slip, owing to his absence from Perth, but I think my figures will be found correct.

(f) On figures corrected to the basis of the two foregoing paragraphs, the actual train mileage per locomotive for 1920-21 would be:

1. Western Australia ..... 12,419
2. South Australia ..... 11,610
3. Queensland ..... 15,787
4. New South Wales ..... 17,818
5. Victoria ..... 20,138

Western Australia did better than South Australia, although, as mentioned, a large proportion of South Australian mileage is 5-3 gauge.

(g) The comparison of earnings per locomotive, as shown in the Report of the Royal Commission, is not based on the same period—an important factor in view of recent rates revision.

5—Superheating of Engines.

(a) During the War the Department was unable to obtain the material necessary for maintenance of the superheater elements then actually in use. Certainly none could be obtained for additions. Since my appointment the financial position has precluded me from pressing this question upon this Government in face of so very many matters of greater urgency.

(b) I may say that drawings have been made for the adaptation of all the boilers enumerated by the Royal Commission, except the "Ee" class, which class it is proposed to convert. The estimated saving (£29,000 per annum) submitted by the Royal Commission will be further gone into. At present the basis of calculation is not quite clear.

(c) So far as the capital cost is concerned, it would amount approximately to £500 apiece for the 188 locomotives which should be fitted, or a total of £94,000. In addition, machinery to the value of £20,000 would require to be installed.

A detailed report will be submitted, if there be any utility, in view of the financial position, in going into the question minutely.

(Sgd.) H. POPE,
Commissioner of Railways.
<table>
<thead>
<tr>
<th>Name</th>
<th>Grade</th>
<th>Rate</th>
<th>Last entered Service.</th>
<th>A.F.</th>
<th>M. or S.</th>
<th>Age</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant, C.</td>
<td>Ganger</td>
<td>8, d.</td>
<td>23-6-98</td>
<td>19-2-29</td>
<td>No.</td>
<td>M.</td>
<td>65</td>
</tr>
<tr>
<td>Anderson, E.</td>
<td>Labourer</td>
<td>14</td>
<td>26-3-11</td>
<td>9-2-30</td>
<td>No.</td>
<td>M.</td>
<td>50</td>
</tr>
<tr>
<td>Sharpe, C.</td>
<td>Labourer</td>
<td>14</td>
<td>26-1-01</td>
<td>27-1-20</td>
<td>Yes</td>
<td>M.</td>
<td>57</td>
</tr>
<tr>
<td>Borcham, P.</td>
<td>Labourer</td>
<td>14</td>
<td>26-3-11</td>
<td>28-7-29</td>
<td>Yes</td>
<td>M.</td>
<td>37</td>
</tr>
<tr>
<td>Reilly, J.</td>
<td>Labourer</td>
<td>14</td>
<td>26-9-98</td>
<td>4-10-20</td>
<td>No</td>
<td>W.</td>
<td>68</td>
</tr>
<tr>
<td>McDonald, M.</td>
<td>Labourer</td>
<td>14</td>
<td>30-5-10</td>
<td>30-5-21</td>
<td>Yes</td>
<td>M.</td>
<td>52</td>
</tr>
</tbody>
</table>

Ganger C. Grant was injured whilst on duty on 15th July, 1919, through a rail falling on his shoulder, and at one time his life was despaired of. He was paid compensation pay up to the time he resumed duty at the formation of the Garden Gang, Perth. As will be noticed he is an old Railway Servant of some 24 years’ standing.

When the formation of the Garden Gang took place it was essential that a suitable man of experience in this class of work should be secured, and as Anderson, who was a Repairer in the Baywater Gang, was known to be less strong than the other members, having recently at that time been an inmate of Wooroloo Sanatorium, and having had 8½ years’ experience as gardener and assistant propagator with the London County Council at Battersea and Dulwich Parks, it was considered beneficial from all points of view to put him into the Garden Gang.

Sharpe, who was a Repairer in the Perth Gang, resumed duty on his return from the War, but had to apply for 6 months’ leave without pay shortly afterwards and forwarded certificate from Dr. Holland in support—later he was examined by Dr. Blanchard, who stated Sharpe was suffering from nervous debility from War causes, and was only fit for light work away from moving trains—he is an old Railway Servant with over 20 years’ service, a returned soldier, and in every way suited to the work he is engaged on.

This man, who was a Repairer in the Higginstown Gang, enlisted in 1915, and his Military Discharge shows that he had four years’ service abroad, and was discharged medically unfit (not due to misconduct). Dr. Blanchard certified that Borcham was colour blind to a marked degree, which he attributed to shell shock which Borcham got at the Front, and stated that he was only fit for work not connected with moving trains—he was therefore placed in the Garden Gang.

As will be seen from his record Reilly has been old in the Service, having 24 years to his credit, and it was a case of paying him off or retaining a faithful servant for a year or two longer, as he had notified his wishfulness as a Repairer and become noticeably embittered. He was therefore placed in the Garden Gang but may shortly be given notice of retirement.

McDonald joined the A.F. on 5th January, 1917, and served abroad for 390 days, being discharged on 18th January, 1918, when he was attached to the Base Hospital at Fremantle as Cook and for treatment. From 30th May, 1921, he was put on the strength of the Garden Gang, which at that time was making some new gardens, Dr. Blanchard having certified that he was not suitable for employment associated with moving trains. He has since been given 14 days notice of the termination of his services, and will leave the Department on 8th April, 1922.
The Hon. Mr. Scaddan:

1. No appreciable addition has been made to our stock of locomotives since the year 1913/14, during which period 25 Class "E" heavy Goods, and 7 Class "M" Garratt engines were brought into use. The train mileage of that period was 5,566,000, the total number of locomotives in stock on 30th June, 1914, being 416 (including about 100 comparatively new machines).

2. On 30th June, 1920, the year closed with 423 locomotives in stock (all of which were six years older), 4,851,000 train miles having been run—the latter being an increase of 18.5 per cent., viz., 757,000 train miles, over the 4,094,000 which sufficed for the traffic of the year ended 30th June, 1918, when the low-water mark was touched.

3. This increase of traffic in the short space of two years shows every indication of becoming more rapid in the near future. During the quarters ended 30th September for the years referred to below, the train mileages were:

<table>
<thead>
<tr>
<th>Year</th>
<th>Miles of Track Operated</th>
</tr>
</thead>
<tbody>
<tr>
<td>1918</td>
<td>994,000</td>
</tr>
<tr>
<td>1919</td>
<td>1,085,000</td>
</tr>
<tr>
<td>1920</td>
<td>1,237,000</td>
</tr>
</tbody>
</table>

4. It will be seen that 1919 increased by 9.2 per cent. over 1918, and that 1920 has increased by 14.0 per cent. over 1919, and by 24.4 per cent. over 1918. The estimated train mileage for the current financial year is 5,290,000.

5. Recent contracts for locomotives made in the Eastern States indicate a period of not less than 24 months at least is required between the placing of an order and the delivery of the machine on traffic. The Midland Railway Company, which placed an order for two locomotives with the Baldwin Co., U.S.A., in November, 1919, has only been able to get these machines into use last month. This order was placed in America after the North British Co. had quoted not less than 2¼ years for delivery. I understand these locomotives cost the Company £12,000 each on traffic. Our pre-war cost for a similar class of engine—the last of which was placed on traffic on the Government Railways in 1913/14—was £5,215.

6. Taking into consideration the rate at which traffic has sprung up during the past two years, the present rate of its growth, and the length of time required between order and delivery, it has been necessary to carefully go into the question of adding to the now available haulage power to adequately meet the traffic requirements of three years hence. At the same time the types of locomotives have been carefully gone into by the Chief Traffic Manager, Chief Mechanical Engineer, and myself.

7. The latter question has involved consideration of the proportions of locomotives which are so heavy as to be available only for the heavy rail and those suitable for the lighter rail. During the past ten years the light rail track mileage has so increased in proportion to heavy track, and traffic from the light track has so developed that an adjustment of locomotive power to meet the altered conditions has become essential; the figures showing the alteration in proportions of heavy and light track mileage are below; the manner in which this task has developed in recent years, and is still developing along light rail lines is a matter of common knowledge.

<table>
<thead>
<tr>
<th>Rails</th>
<th>30th June, 1919</th>
<th>30th June, 1920</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>58 and 60-lb.</td>
<td>907</td>
<td>1,307</td>
<td>400</td>
</tr>
<tr>
<td>50, 46½, and 45-lb.</td>
<td>1,337</td>
<td>2,144</td>
<td>807</td>
</tr>
<tr>
<td>2,144</td>
<td>3,338</td>
<td>1,194</td>
<td>65</td>
</tr>
</tbody>
</table>

8. To meet the conditions referred to above it is recommended that—

(a) Our stock of 20 Class "E" locomotives be converted so as to be available for work on light rails. One of these has already been so converted with success.

(b) Purchase eight (8) additional Class "M" Garratt locomotives which pull heavy loads over light lines, and are especially suitable for steep grades and sharp curves.

(c) Purchase twenty (20) additional heavy locomotives to replace the conversion of the 20 "E" class.

These new locomotives to be of a design somewhat similar to the Class "E" (which pulls the Goldfields Express and other heavy rail trains of the same kind), but to be of 25 per cent. greater haulage power, with fireboxes specially suitable for Collie coal, on the lines recommended by the Collie Coal Commission of 1914.

9. If these twenty-eight (28) additions' locomotives average at £15,000 each for the heavy type, and £14,000 each for the Garratts (which is the nearest approximate estimate that can be given)—based on £107 per ton (which was the cost of the Midland Railway Company's engines referred to above), a total of £412,000 will be involved. Concurrently with the execution of this order, the expenditure of £100,000 to be undertaken (equivalent to a little more than the cost of six (6) heavy type locomotives at £15,000 each) on the improvement of grades between—

(a) West Perth and Leederville.

(b) Near Quindalup—on the Nanmar Line.

(c) Between Kiup and Boyupampton.

(d) Between Palgarup and Yarloop—on the Bridgetown-Jarrahdale line.

10. The reduction of grades at these places would so improve loads as to be equivalent to many more than the power of six additional locomotives.

11. In designing new carriage stock, the question of weight is being given special attention with a view to avoiding the necessity for additional locomotive power.

12. The question of building at Midland Junction the 28 additional engines recommended above has been given most careful consideration. It is regretted that maintenance of the existing stock will absorb the whole effort of men, material, and machinery, at all events until 1923; and therefore that the construction of additional locomotives at our own shops cannot at present be recommended. In fact, I am compelled by present conditions to recommend.
(on W.R. 0315/20) that tenders be called both here, in the Eastern States, and in Great Britain, for 22 boilers for maintenance, leaving another 78 boilers to be made in our Shops if possible.

13. In making the recommendation for the purchase of the above 28 steam locomotives, the question of electrification has not been overlooked. The prospect of relief to steam haulage power from this source, however, is not sufficiently definite to admit of calculations being based upon it; nor could that work, if started in the comparatively near future, be made available within such a time as would safely admit of deferring the question of additional steam locomotives which will be essential for carrying on the prospective traffic of three years hence.

14. By bringing to the Superintendent of Loco. Running and his Staff from Midland Junction to Perth for closer co-ordination with the Traffic Transportation Staff, and by efforts in the direction of getting a higher average mileage per annum per locomotive, I hope to secure improved results from the locomotive stock which the Department has; these factors have been given due consideration.

15. I shall be glad to have your approval to the invitation of tenders in Australia, Great Britain, and the U.S.A. for the supply of the twenty-eight (28) locomotives as per para. 8.

(Sgd.) H. POPE,
Commissioner of Railways.

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Note re para. 3.—Train Mileage for Quarter ended 30th September, 1921, was 1,630,000. The actual train mileage for the year 1920-21 was 4,918,000. In this year 225,000 train miles were lost by the strike—1st to 14th January inclusive. The Estimate of 3,200,000 train miles was, therefore, very close to the actual result.

COPY " B L."

N.W.
W.R. 2529/21.
20th August, 1921.

Locomotive Power.

The Hon. Mr. SCADDAN:

With reference to my memo. of 13th November, 1920, on the question of additional locomotive power, of which copy is attached, I have gone into the question recently with the Chief Mechanical Engineer in view of depression in traffic rendering necessary the reduction of staff in the Loco. Workshops, and submit his report as to building at Midland Junction the eight Garratt locomotives which form part of the recommendation.

2. I have realised that the financial situation is such that pressure for the execution of the recommendation would be futile, but it would not be right to disguise from you that some movement towards increased locomotive power is essential and should not be further delayed.

3. The Chief Mechanical Engineer’s proposals are to construct at Midland Junction eight Garratt locomotives at a cost of approximately £10,000

spices, the work involving the purchase of machinery for the shops estimated at £29,000—a total expenditure of £100,000, as against a quotation of £13,500 for the same locomotives if imported, totalling £108,000.

4. The advantages of doing the work locally are:

(a.) The skilled staff at the Shops will be conserved.

(b.) About 60 per cent. of the money will be spent in the State.

(c.) About £14,000 will go to relieve overhead charges of the Shops, and

(d.) The expenditure can be regulated and spread gradually over a period of 36th June, 1923; or, if necessary, the work can be speeded up.

5. Although the present is a time for depression, I do not think there can be any doubt but that the depression is merely temporary. In view of this and of the length of time which the construction of locomotives requires, I earnestly recommend the proposals above referred to for your approval.

(Sgd.) H. POPE,
Commissioner of Railways.

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COPY " C."


Obsolete Locomotives.

The Hon. Mr. SCADDAN:

1. During each of the undermentioned years, a certain sum, as shown, was paid from Railway Working Expenses into a fund called “The Replacement of Obsolete Rolling Stock Suspense Account”—

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1901-2</td>
<td>22,900</td>
</tr>
<tr>
<td>1902-3</td>
<td>26,350</td>
</tr>
<tr>
<td>1903-4</td>
<td>35,787</td>
</tr>
<tr>
<td>1904-5</td>
<td>40,331</td>
</tr>
<tr>
<td>1905-6</td>
<td>40,445</td>
</tr>
<tr>
<td>1906-7</td>
<td>40,388</td>
</tr>
<tr>
<td>1907-8</td>
<td>30,090</td>
</tr>
</tbody>
</table>

| Total | £234,180 |

2. This £234,180 was not used for the purpose of replacing obsolete rolling stock, but was utilised for the construction of the undermentioned additional rolling stock and improvements to certain then existing rolling stock, which normally would have been charged to Loan—

<table>
<thead>
<tr>
<th>Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Locomotives</td>
<td>44,392</td>
</tr>
<tr>
<td>Carriages</td>
<td>97,597</td>
</tr>
<tr>
<td>Brake vans</td>
<td>6,286</td>
</tr>
<tr>
<td>Wagons</td>
<td>85,996</td>
</tr>
</tbody>
</table>

| Total | £234,180 |
3. On 1st July, 1908, payments to the fund were discontinued, the view being taken by the Government that the Sinking Fund should cover such charges (see W.R. 2660/08, folio 116).

4. As a matter of fact, although this amount was provided to regenerate the locomotive stock by replacing obsolete engines with up-to-date machines from year to year, no locomotive was at any time so replaced. Of our total stock of 424 locomotives, 214 are of types introduced prior to 1900.

5. Items totalling £11,342, representing difference between capital value of locomotives sold and amount realised therefrom, were debited to the Replacement of Obsolete Rolling Stock Fund, leaving a balance of £222,838, which remains owing by Loan Account to Working Expenses.

6. The time has now arrived when a very considerable number of our locomotives are obsolete, both as regards design and also as regards condition, and ought to be scrapped. I am of opinion—in view of the above facts—that an amount of £222,838 should now be made available from Loan to repay the £222,838 provided from Working Expenses for this purpose, and I shall be glad to know whether you will be able to arrange this, so that I may go into the question of laying out the amount mentioned to the best advantage.

7. I would propose that the replacement should be on the basis of tractive power, that is to say, that we could now probably write off three old type locomotives and replace the haulage power of the three with one modern heavy locomotive.

8. There are, on the quarterly return showing the state of locomotives, a number of engines which are consistently shown as "Out of traffic waiting to go into the Shops," which it is not actually worth while putting into the Shops, such as:

<table>
<thead>
<tr>
<th>Class</th>
<th>No.</th>
<th>Average tractive Power</th>
<th>Date placed on Traffic</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;A&quot;</td>
<td>3</td>
<td>7,383 lbs.</td>
<td>1883-94</td>
</tr>
<tr>
<td>&quot;B&quot;</td>
<td>4</td>
<td>11,782 lbs.</td>
<td>1884-99</td>
</tr>
<tr>
<td>&quot;C&quot;</td>
<td>6</td>
<td>11,644 lbs.</td>
<td>1889-99</td>
</tr>
<tr>
<td>&quot;D&quot;</td>
<td>3</td>
<td>12,250 lbs.</td>
<td>1892</td>
</tr>
<tr>
<td>&quot;E&quot;</td>
<td>2</td>
<td>11,414 lbs.</td>
<td>1896-97</td>
</tr>
<tr>
<td>&quot;F&quot;</td>
<td>4</td>
<td>12,606 lbs.</td>
<td>1897-99</td>
</tr>
<tr>
<td>&quot;G&quot;</td>
<td>5</td>
<td>9,086 lbs.</td>
<td>1888-90</td>
</tr>
</tbody>
</table>

9. All these engines are absolutely unprofitable (through out-of-date design) to work at the present time even if they were in good condition, and I am afraid they really by no means exhaust the list. I quote them as showing the necessity for taking some action towards their replacement as early as possible.

(Sgd.) H. POPE,
Commissioner of Railways.
2. — Preliminary Reply by the Commissioner of Railways to the Second and Final Report of the Royal Commissioner.

The Hon. Mr. Scaddan,

Commissioner’s Office,
Perth, 21st July, 1922.

I have read the Second and Final Report of the Royal Commission on the Administration of the Government Railways, and beg to submit the following remarks thereon:—

1. It is a pleasure to note that the Royal Commissioner realises the difficulties which have to be contended with in Western Australia in the management of the Railway system which is carried by the smallest population per mile of most railway system in the world. This system has been built up for the development of the State without regard to the point of view of the management, either financially or geographically. In spite of this the Royal Commissioner criticises its results and compares it with other States on a perfectly even basis. For instance, Victoria received in 1920-21 £101,499 (see pages 3 and 4 of Victorian Report) credit from their Treasury in respect of loss incurred in certain non-paying lines, etc. In this State no such allowance is made, and he appears to expect the Railways of this State to run purely developmental lines at a profit from their inception. He criticises most severely our expenditure on administration of our Way and Works Branch in comparison with New South Wales, where, as a fact, the cost of Salaries, Office Expenses and General Superintendence in this State was £44,054 against £149,170 in New South Wales for the year 1920-21; this in spite of the fact that we have six District Engineers for our 3,559 miles against only four District Engineers for 5,045 (not 5,494 miles as stated by Mr. Stead, whose figures generally are not accurate).

2. Necessity for Economy.—The success of the co-ordinated effort for economy for many months past of all Branches has been conclusively shown in the results for the current financial year, which will be published as soon as the minor adjustments necessary to the exact figure are cleared up—probably during next week. To 31st May, as you are aware and as my evidence to the Royal Commission shows, our financial result was £163,650 better than that of last year, notwithstanding the inclusion of £21,665 more this year in interest charges, easily due simply to increased rate of interest on the Capital of the undertaking—a matter quite beyond the control of the Administration, the Government or anyone else. In the year ended 30th June, 1920, the Railways showed a loss of £893,215. Of this, £105,815 had occurred in the two months prior to my taking control; £84,500 was due to the retrospective effect granted by the Government to an award of December, 1919. The year ended 30th June, 1921, showed a loss of £418,370. The retrospective effect of the Award of September, 1920, granted by the Government, amounted to £105,000. The loss following the loco-engine-drivers’, flemen’s, and cleaners’ strike of January, 1921, was £101,000. Additional costs for coal, owing to increased prices fixed by the Coal Control Board, amounted in these two years to £60,000. Of the loss of £817,585 during the two years, the very simple items for which no sane person could hold the present Railway Administration in any way responsible, amounted to £44,815.

3. Working of Way and Works, Traffic and Locomotive Branches.—I do not propose to comment on these in detail until I have the reports of the heads of the branches. I will, however, say at once:—

4. Way and Works Branch.—Districts over which a district engineer can reasonably with physical possibility get over at reasonable intervals are essential if the district engineer is fairly to be saddled with the responsibility for his district. Both in number of staff of each district engineer and in the facilities for getting about, the conditions of New South Wales and Western Australia respectively are not comparable—as would be apparent to any railway man having knowledge of the subject. Suffice it to say that Mr. Stead, as General Manager of the Midland Railway Company, considered an engineer and two inspectors necessary for his railway of 277 miles in length, the engineer being appointed after a serious accident had shown the necessity for professional supervision.

5. Regarding Sleepers.—In no avenue of railway work has more attention been given to improvements and economy than during the past three years to this question. When I assumed control in 1919, 15 years was the official life of the sleeper in the track. This has, through the interest taken in the subject by Mr. Cresswell, Chief Engineer Way and Works, been increased to 18 years; and we are hopeful of further increase up to 24½ years. The practice of re-sleepering, which we have found to be wasteful, is that which was originated about 20 years ago. It was based upon a decision of the professional officers of all the Australian railways, endorsed by the Railway Commissioners of all the States, in May, 1901. (Interstate Commissioners’ Conference Minute No. 261.) It is only recently that the use of mechanical appliances for boring and splicing sleepers has been introduced in this system by the initiative of the Chief Engineer Way and Works, supported by myself, the practical results of which were demonstrated on the metropolitan re-laying to yourself and to other Ministers and members of Parliament on 20th instant.

6. Your approval to the sale of our Petrolising Plant at Bunbury (if possible) was given on my recommendation within the last few months. Quite apart from any Royal Commission, the uselessness of the Government having one plant at the State Sawmills at Pemberton and another at Bunbury had been recognised for some considerable time.

7. Sandstone Stockyards.—As to the benefit to the prospects of a very large and newly opened pastoral district and as to the Royal Commissioner’s remarks in general on this subject, I refer you to the Pastoralists’ Association and to the Member for the district. The construction of these yards was the only hope
of developing a stock traffic on the Sandstone railway, and I claim that what I did has been perfectly successful in present and in prospect—so far as any indication for traffic over this line could be successful.

8. Seasoned Sleepers.—As you are aware, this question has been in hand for a long time. It is purely one of the finance of a big stack of sleepers (say, 600,000) standing for seasoning from 18 to 24 months.

9. Other matters of detail criticised in connection with the Way and Works Branch will be dealt with when the report of the Chief Engineer Way and Works is received. They are such as would occur in degree in any business of small or great magnitude.

10. Traffic Branch.—This is the branch in which, per excellence, it is understood that the Royal Commissioner claims expert knowledge. It is, as at events, the only branch in which he has had any considerable service. I leave his remarks until I have a report by Mr. W. Lord, who succeeded Mr. Stein in this service as Superintendent of Transportation, who subsequently was (in 1915) appointed Chief Traffic Manager, and who in regard to efficiency combined with economy has carried out the duties of both offices with marked ability.

11. Correspondence as to Improvements.—This has been due principally to alternating financial conditions and prospects of traffic. What the Royal Commissioner has not understood has been the difficulty created by difficulties as to approval to capital expenditure.

12. Time Tables and Country Connections.—It was with the object of inquiry in detail in districts as to a more scientific arrangement of time tables, particularly with the object of making time tables as far as possible fit the working hours of the men necessarily employed, rather than of providing men to work a time table fixed upon with regard to the number of men employed or their hours, that I, some months ago, appointed a Time Table Committee to go into these matters. On the appointment of the Royal Commission, however, I was asked to lend Mr. Thos. Gedling, one of our experienced time table clerks, and a member of this committee, to act as secretary to the Royal Commission. Anticipating that some useful suggestions would come from the Royal Commission, I lent Mr. Gedling for the purpose required, during whose absence in this capacity the work of the committee has been held in abeyance.

13. Perth-Kalgoorlie Express.—The question of cutting out the express service between Merredin and Kalgoorlie on two days per week has been under consideration, but it is a question of public policy as well as of railway management, and has not yet been finally dealt with. My estimate for cutting out two trains per week, saving 828 train miles at 2s. 6d. per train mile is about £200 per week. The Royal Commissioner seems to have based his saving of £5,000 on 13,248 train miles at 12s. per train mile—a rate of saving which is ridiculously excessive to base a calculation of this sort on, as he himself should well know; the only reduction practicable being wages of train crews, fuel, and stores, without reduction of overhead charges, maintenance of permanent way, etc.

14. I would like to say that I had hoped to give the Upper Darling Range Railway, as well as the branches in the Hills to Mundaring and Parkerville, a motor coach service until practical test showed conclusively that our petrol engines were not of sufficient high power to negotiate the exceedingly heavy grades regularly and satisfactorily. That being so, a test of the development of the Hills traffic will be undertaken by steam.

15. Regarding the Boulder Line Service, by a most curious coincidence the Royal Commissioner, before proceeding to the Eastern States, and after careful inquiry at Kalgoorlie and in that locality, recommended a train service almost exactly identical with that upon which the Department, entirely independently and without knowledge of the Royal Commissioner’s recommendation, had already decided upon and had in print!

16. The question of removing the Interlocking at Geraldton was considered a long time ago. It has been gone into in detail, the result being that it has been decided to disconnect it, and with it the consequential signals with their lights. While on this subject, I may say that it is very clear that in most cases it is more economical to incur the very small expense of keeping signals lights burning continuously than to employ labour to extinguish and light them daily. There is no doubt on this question.

17. Dining and Buffet Cars.—This is a subject of intense controversy and difference of opinion. As to how the Royal Commissioner arrives at his estimate of “cost of coal at 43s. per ton mile, £597 19s.”—I am at a loss to imagine.

18. Locomotive Branch.—In this connection also I shall await the report of the Chief Mechanical Engineer before going into detail, except to say that in 1921 I discussed at length with Mr. Harold W. Clapp, Chairman of the Victorian Railway Commissioners, the question of separating the purely Mechanical Staff and Workshops from the Running Staff of the Loco. Branch. He, with a very extensive experience of this system—the American system—put the position to me somewhat in the following way: The American practice is to build a locomotive and hand it over to the Transportation Branch, never expecting to see it again, but starting the engine to build another to replace it when worn out. The British system is to build a locomotive, and to repair it equal to new again and again. With the American system the Chief Mechanical Engineer need bother himself only with the construction of new locomotives. With the British system the Chief Mechanical Engineer must control the men who work the locomotives so that he may have some say as regards repairs. Mr. Clapp told me he had not seen any advantage in the American system which would lead him to adopt it in preference to the British system as then operating in Victoria—nor has he since. I prefer Mr. Clapp’s advice, combined with my own opinion, to Mr. Steed’s, as put forward in his report.

19. So far as mileage per driver per day of eight hours is concerned, this is a matter which has been engaging attention for many years. We are restricted by the conditions of Awards. We ought not to be compared with New South Wales, where speeds on their 4ft. 8½in. gauge are faster than our 3ft. 6in. speeds. Obviously to the meanest intelligence, the 88 miles of Queensland, as quoted, is arrived at on a different basis of computation to that on which the 52 miles of Western Australia is calculated.

20. Tare of Wagons.—This is largely due to the State policy enacting use of local timber in wagon building, and is compensated to some extent by smaller costs of construction and maintenance.
21. As to the necessity for the new "Y" Wagens for fruit primarily and general traffic secondarily, please refer to the development of orchards and to the advice of the Industries and Agriculture Departments and of the various bodies representative of orchardists and others, which is to be found on the file. The remarks of the Royal Commissioner that the construction of these wagons is another proof that the Railways are not economically managed is nothing more nor less than ridiculous—unless he considers also that our potentialities of building a fruit export trade are to be strangled at birth.

22. "Xa" Hopper Wagons.—If Mr. Taylor had seen Mr. Lord on this subject I feel satisfied that he could have got more satisfaction than he appears to consider he has done. At the same time, while he has complete control of his coal orders, he does not apparently know the vagaries of the mines as to when and into what trucks they will load his small coal. It is a pity he gave such evidence without consulting me in the matter. There are ample "Xa" wagons for the Power House coal traffic, apart from those which require rebuilding.

23. Regarding Premier Mine Cool.—I heartily concur with the Royal Commissioner who, however, should have made himself acquainted with the obstacles which have prevented the Department from entirely eliminating the soft coals of the Premier and Cardiff mines from its contracts. You are yourself aware of them.

24. As to the State-owned Mine, please let me refer to Victorian experience.

25. Accounts and Stores Branches.—If there are branches of this service with which, from practical comparison with other Railway systems, I am fully satisfied, they are these two. In order to test this, I am quite in accord with the proposal to get a Railway accountant, or any firm of qualified accountants of reputation and experience beyond question to report on the conduct of the Royal Commissioner who, in my opinion, has erred upon a subject with which I compare the loss by peculation of thousands of pounds of the Midland Railway Company's funds during the eight years of his management of that Company's affairs—he is not well acquainted nor qualified to express an opinion.

26. As to Mr. Shillington's charges against myself personally, I do not wish to say much; they are the murmurings of a disgruntled and disappointed man, who, disappointed at not being appointed Commissioner of Railways in 1919, kept a diary on the successful applicant, and retailed it to the Royal Commissioner.

27. Regarding Mr. Lackie's evidence, I am surprised at his bringing up the question of the Hoe Printing Machine sale—a machine which we should undoubtedly have had on our hands, occupying useful space, to the present day, if I had not personally taken the responsibility of snapping the only offer we ever had for it.

28. As to combining Construction of new railways with maintenance, this is a question entirely of Government policy. The same comment applies to the Royal Commissioner's remarks as to Unimproved Land.

29. Regarding Shipping Timber, I can only say that the recommendations of the Royal Commissioner have been tried on the timber companies without result, but they will be tried again.

30. You will be aware of efforts I have made since my earliest days of control as regards sending officers abroad to study up-to-date methods, and of the result.

31. Regarding Retracement of Juniors, I commend the Royal Commissioner's remarks to the industrial unions concerned. When a lad, however promising and with whatever brilliant credentials and certificates, becomes 21 years of age, he becomes an adult worker, and consequently cannot continue as a junior worker. But there is no vacancy for him as an adult worker—in fact, many adult workers who have been retracene are waiting to be re-employed in any vacancy as such. The union will not—and they are quite within their rights under their award—allow me to continue to employ the junior worker after he has attained the age of 21 as a junior worker pending a vacancy as an adult worker though, obviously, I would prefer to do so rather than take on a lad fresh from school. I am not allowed to continue to employ him as a junior worker—I cannot employ him as an adult worker—what would the Royal Commissioner suggest? There is no provision in the award for supernumerary employees.

32. Automatic Signalling and Signalling at Freemantle may, I think, be left until I have the detailed report of the Chief Traffic Manager. The closing of non-paying railways is a political matter.

33. Rates and fares will require very careful consideration. My estimates of revenue for the current financial year have been based upon existing fares and freights.

34. Management.—After services in the Department extending over 27 years, preceded by service in the Great Northern Railway (England), and including observation abroad as detailed in my application for this position, I dissent generally from the propensities of the Royal Commissioner, which I submit are the result of insufficient knowledge and experience of the management of any undertaking of the magnitude and complexity of the Government Railways of this State. 1, after nearly three years of sole control, suggest that I know a great deal more about the business than your Royal Commissioner knows. His proposals for divisional control is superficially attractive. His experience in connection with the Perth Ice Company's frauds should have led him to avoid recommendations for reduced supervision. One State of the Commonwealth only has adopted this American system, viz., Queensland. I have a copy of the report (confidentially) on which it was initiated after the return of the Queensland Commissioner (Mr. Davidson) from a trip to the United States. I have discussed the system with Mr. Davidson—whose defeat on the Queensland Government Railways was £4,390,475 for the year 1920-21. I have discussed it with Mr. Clapp, Chairman of the Victorian Railways Commissioners, and with Mr. Fraser, Chief Commissioner of the New South Wales Railways. The former (Mr. Clapp) told me he could see no advantage in introducing the divisional system into Victoria; that in the United States, where it had been in vogue since the inception of railways, it answered well; but that in Victoria, where the branch organisation—the same, practically, as in Western Australia—had been in vogue since the inception, he considered that system was better than the divisional system of America, and he was not going to alter it. Mr. Fraser's views as regards the New South Wales Railways organisation were practically similar. These
are gentlemen of the highest experience and reputation in railway matters in Australia. There are many men who are prepared to endorse and adopt anything that bears or seems to bear the brand of the United States of America—I am not one of those. Consider our organisation and the service which this W.A. Government Railways system as a whole renders to the community which supports it. What is the matter with it—taken apart from the minor complaints which are inevitable to any and every form of business enterprise? I submit that the organisation proposed by the Royal Commissioner is not so efficient, and that it would not—for many reasons—ultimately be as economical as that of the present day.

That we have yet, under our own British system, opportunities for further economies I do not wish for one moment to deny. But many changes of organisation and practice have been made since 1st September, 1913, when I was appointed Acting Commissioner of Railways, and there is wisdom in hastening slowly, especially when the largest business in the State controlled by one man is in question. The Royal Commissioner has overlooked that the Government Tramways and Government Electricity Supply are also responsibilities of the Commissioner of Railways.

35. The Royal Commissioner has not one word of commendation for the Administration or for the responsible officers of the department. All are bad, and nothing they have done or can do is good—he does not even express appreciation of the assistance given him by the department in making his inquiries—not that appreciation is expected from him, but rather that courtesy would have offered it. Everything mentioned in the report is condemned—from the system of organisation down to the burning of a few signal lights at Geraldton.

36. That being so, I feel impelled to bring to notice that a State-owned Government railway is necessarily managed from a point of view somewhat different from that of the general manager of a dividend-making, privately-owned railway—the one object of which is profit.

37. While economy and efficiency are, in spite of all that is said to the contrary, the essential principles guiding the administration of the Western Australian Government Railways, that administration must also and at the same time give some heed to the voice of public opinion; it must “assist development”; it is not as free from political influence as many imagine it to be; its employees have rights and privileges, security of employment, and other means of obtaining benefits which would be entirely foreign to the private employer. The Government railway official is the butt of hostile and unjust Press criticism, of criticism which would be outrageous libel if directed against the manager of a private railway or any other business. The private business affairs of the private employer are private. With the Government railways every detail, every transaction, may be subjected to public scrutiny and public criticism; and no matter how misleading or falsely based that criticism may be, it will not be corrected. The Government railways are the property of the people, and the Press has the right to say what it likes of them—and it does!

38. As the Royal Commissioner has put the black side of “one-man management” which “must fail, as it has done in this case,” I feel I ought to put something of the other side of the picture. The present “one-man management” took control on 1st September, 1913. The railway finances had fallen from the surplus of £1,250,100 in 1912-13 to a deficit of £320,704 in the year 1915-16. The interest bill had increased from £556,843 to £936,100, and rates of interest were steadily rising. The population per mile of Government railway had declined from 110 to 91. The loss on our two isolated lines (Port Hedland and Hopetoun) had risen from £157,780 to £194,444. The prices of every class of commodity used by the department had gone up steadily, many lines ranging up to 300 per cent. in advance of pre-war figures. Coal was controlled under the War Precautions Act by a coal board, which had power to fix prices and which, shortly before the date of my appointment, added 2s. 7d. per ton to the prices, which had already been materially increased since 1914. A further 3s. per ton was added by the same authority on 27th September, 1919. One penny per ton on coal involves practically one thousand pounds per annum on to the expenditure of the Department. The cost of living was becoming rapidly higher, and the Department was facing demands for increased wages and salaries to meet this condition. A case having been decided in the Arbitration Court with this object prior to my appointment. On the other hand, large numbers of the 2,200 railway men who had been to the war were returning or had recently returned, and these had to be placed in order to carry out the promise of restoration to employment equivalent to that which they had enjoyed at the time of enlistment. Many returned soldiers who had left other employment had been put on in the Railway Department by my predecessor. The disturbed spirit of the aftermath of the war was abroad in the country, and actual mob violence had occurred in the previous month of May. The currency was in danger, by war expenditure, and money was plentiful though its purchasing power was waning rapidly.

39. Awards affecting the whole service were delivered by the Court of Arbitration on 16th December, 1919, and 19th September, 1920, adding £250,000 and £280,000 per annum respectively to the wages and salaries bill, apart from irrecoverable retrospective payments of £84,500 and £93,000. The scales of charges were hurriedly increased with the object of meeting these increased annual charges, but retrospective payments were avoided.

40. During the war, for perfectly legitimate and well-understood reasons, unintercourse in every branch had been reduced to the lowest limit. Tracks, buildings, and rolling stock were all below standard. Leave due to all members of the service had been allowed to accumulate, and represented a very formidable burden. The 44-hour week was introduced in respect of the Locomotive Workshops and Permanent Way men by the Arbitration Court award of December, 1919. The whole service was thrown idle from 1st to 14th January, 1921, by a strike of a section of railway men and our traffic was continually affected by strikes in other branches of industry, notably those affecting shipping, goldfields activities, and the Trans-continental Railway.

41. Although the effects of these conditions have not yet been entirely disposed of, they have been faced, and are gradually being overcome without special provision, but as matters of ordinary working expenses and administration. Delays to trains through failure of vacuum brakes due to old and faulty material which were extraordinarily frequent
in 1919 have been reduced to normal. Punctuality of running has received a great deal of attention and, with the exception of the 600-mile run on the Murchison service, perhaps, I submit the running of trains generally is now more free from irregularity than it has ever been. Our stock of tarantulas, which was in parlous condition both as to quality and number in 1919, has been very materially improved in both respects, and a stock taking all over the system is now in hand with a view to ascertaining the present actual state of deficiencies.

42. That the service was overmanned to some extent at the commencement of my control I shall not dispute. The state of the labour market and the voice of public opinion, combined with expectations of increasing business, made the process of reduction gradual, particularly as our men gradually returned to duty after discharge from the A.I.F., and as the additional work of taking up arrears of belated maintenance work had to be vigorously dealt with. At the present time I have no hesitation in saying that any statement that the Department is overmanned is untrue.

43. In October, 1919, control of the Government Tramways and Electricity Supply, then distributed between the Chief Engineer of Existing Lines, the Electrical Superintendent, and the Chief Traffic Manager, was centralised in the appointment of a General Manager with a central office and staff.

44. The re-organisation and co-ordination of districts over the railway system was put in hand at an early date and brought to completion in 1921. The effects of closer supervision, and the convenience of district officers of each branch being in close touch at each district headquarters, have been shown by the improved working generally.

45. The former Way and Works Shops at West Midland, controlled by the Chief Engineer Way and Works, were amalgamated about the end of 1920 and their control merged into that of the main shops at Midland Junction under the Chief Mechanical Engineer. A capital expenditure of £18,000 is involved before the full benefit of this move can be effected, but already the result shows a considerable economy. At the same time fitters' and blacksmiths' work at Way and Works Depôts was transferred to the Locomotive Branch so that skilled supervision and machinery might be utilized to the best advantage.

46. The system of carrying out work by contract in the districts in preference to employing our own tradesmen has been developed, the powers of district officers in this respect having been extended.

47. The question of clearing up unsupplied stores from all over the system has received attention. Stocks at out-stations and depôts have been reduced to working requirements. Stores buildings have been improved to admit of properly classified storage, and the practice of selling by auction old unwanted timber and other accumulations of odds and ends has been instituted.

48. Advertising—the rights for which were formerly leased—has been taken over by the Department with excellent financial results, and with every satisfaction to our customers.

49. The establishment of a Suggestions and Economies Board has encouraged members of the staff generally to bring to notice many valuable suggestions in every branch of the Department's work.

50. The Superintendent of Locomotive Running, formerly housed at Midland Junction, has been given office accommodation alongside the Traffic Transportation staff, this move facilitating the co-operation of the two branches, in operation of traffic and, I hope, avoiding a certain amount of correspondence.

51. The two sub-branches controlled respectively by the Electrical Engineer and the Interlocking Superintendent were combined as from 1st July, 1921, under the Electrical and Signal Engineer, giving considerably reduced costs by amalgamating the work.

52. During the whole period the question of decreasing expenditure on sleepers has received constant attention. Round dog-splines have been adopted as our standard in lieu of square dog-splines. Sole-plates made from worn-out strap belts are being utilised on bad curves. Spike-killed holes are being filled with a composition which has resulted from researches made by the Chief Engineer Way and Works, and are being re-bored. New types of dog-splines are being tested. The result so far has been to increase the officially adopted "life" from 15 years to 18 years, with hopes that later it may be raised to 22½ years. The increase already made reduces our requirements by 20 per cent. per annum. If and when we achieve the latter, they will have been reduced by 50 per cent.—a very important matter to a system resting on upwards of 7,200,000 sleepers.

53. Ambulance services in the remoter country districts have been established, and the fullest use of all railway facilities (e.g., telephones) and staff have been made available for urgent cases of sickness.

54. Motor coach services have been arranged for, three petrol-driven cars having been imported and fitted with bodies at the Midland Junction Shops. Although in the experimental stage, it is hoped that these will afford a convenience in the districts to which they have been allotted and in which they will shortly commence operations.

55. In 1919 the Boulder Loop line was very nearly dead. Its few trains stopping at its stations which were staffed in a regulation manner carried very few passengers—in fact, I found that it would have paid us better to let them all ride free rather than continue payment of booking clerks and ticket collectors. It was hopeless to continue on this basis. The line could not be closed because of its goods traffic. It was decided to conduct it more in the style of a tramway, with reduced staff, levelled off stopping places at frequent intervals, and with conductors on the train to take fares. The result was an immediate decrease in working costs and increase in receipts which, at all events, considerably reduced the loss. Conditions on the Golden Mile have, unfortunately, been on the decline, but at any rate the line is now used where at the end of 1919 there was every prospect of passenger traffic being closed down by reason of there being no passengers to carry.

56. The question of the establishment of a Superannuation Fund has been in hand, and every encouragement has been afforded the staff to finalise the matter. I have, however, found myself unable to recommend the large Government subsidies which each scheme submitted has pre-supposed.

57. Offices at the Central Station, Perth, which had become congested, were re-allotted in 1920, the Accounts Branch being moved into the old "Sunday Times" office in Bridge Street, the additional space thus set free being used to extend the space for the
Traffic Staff and to provide for the Loco. Running Staff removed from Midland Junction.

58. Series of excursions, giving people of the metropolitan area an opportunity of traversing wheat, fruit and forest areas, and of seeing the progress and beauties of rural industries, were instituted towards the end of 1920. This innovation has since been adopted in Victoria.

59. A sum of £30,000 having been obtained for the purpose of relieving the housing question for our men stationed away from municipalities, a standard railway cottage was designed with the idea of offering the maximum accommodation at the smallest price. About thirty of these cottages have been built at an average cost of £500 each. They include two large rooms, an excellent kitchen and bath room, with 10ft. verandah all round under a tiled bungalow roof; two 1,000 gallon tanks, copper with cement troughs in wash-house, and with picket fence all round.

60. The whole of railway properties in Perth and Fremantle have been connected with the sewerage system, with the exception of a very few resumed properties which are in hand.

61. A small standard stock yard built of old sleepers, with up-to-date race for cattle, sheep or pigs, has been designed and a large number have been placed at stations in districts showing any sign of mixed farming. They cost on an average about £100 apiece.

62. A working agreement with the Midland Railway Company to supersede that of 1907 was completed early in 1921, bringing charges for the use of wagons and other services somewhat more into conformity with present day costs, and settling other matters affecting interchange traffic. A good deal of attention has been given this railway, which had not been officially inspected since 1914 until on becoming aware of this, I directed an inspection early in 1921, and in company with the Chief Engineer Way and Works, went over it myself in September of that year.

63. The licensed baggage porter system was instituted at Perth Station in 1921. It has given every satisfaction, and has reduced our wages bill at that station.

64. All parts of the railways have been visited by committees, usually consisting of a couple of senior officers, with the object of investigating any opportunities for economy. The system, which has applied in all branches, was instituted in May last year by myself, and has given excellent results.

65. Special attention has throughout the period of my control been given to time tables and loads of trains. No less than 144 increases had been made in the load table up to March last. A new load table and table of section running times was issued on 1st May, and I am seeking advice from all concerned as to whether any can help the Department to further improve either loads or speeds.

66. Some attempt has been made to brighten or beautify certain stations with gardens.

67. The various small statistical organisations have recently been concentrated under the Chief Accountant, enabling 12 men to do what formerly occupied 16 men.

68. The Audit of Receipts has been again placed under the control of the Chief Accountant as in years gone by, the position of Auditor of Receipts being thereby abolished.

69. I could go on in this strain to a wearisome length, but simply desire to show that on the part of the "one man management" and the officers of the Department as at present constituted there has not been any lack of progress or want of energy to justify the conclusion which the Royal Commissioner has expressed to the Government "that there is an entire lack of confidence in the management, which is neither economical nor efficient."

70. I say distinctly that I do not agree with Mr. Stead's conclusions as to the organisation of the Government Railways Department. I do not agree with his conclusion that one man management has failed—though I am quite prepared to agree that I have during the past three years had a task almost beyond the powers of one man. At all events, I claim that under my own one man management, with Ministerial support and the loyal co-operation of Heads of Branches, there have been many improvements effected since 1st September, 1919. I ask you to look back upon these as the Royal Commissioner has made no reference whatever to them, and also to review the strenuous times in which under the present management, even those improvements have been effected.

71. I would like the same publicity to be given to this document as has been given to the report of the Royal Commissioner. This, I suggest, as being only fair and just to those loyal and faithful servants of the Crown who have at all times given of their best in the interest of the Government Railways of Western Australia and whose loyal and faithful service Mr. Stead appears to be incapable of appreciating. In fact, may I say that his Government Railway experience has been almost entirely confined to the Traffic Branch—of which, on going in 1912 to the Midland Railway of 277 miles in length, he was not the head. Defalcations amounting to many thousands of pounds occurred during his period of management of that railway, which period was marked also by stagnation of maintenance expenditure generally such as led up to my report, W.R. 3906/22, of 7th March, 1921, as to requirements necessary to bring it up even to a state of safety. So far as his ideas of economy when he was Superintendent of Transportation in this Department were concerned, I may say that if all the additional locomotives and wagons which he recommended, prior to leaving the Department in 1912, had been purchased, the Department would have considerably more now in 1922 than it actually has got. Yet he has no hesitation in criticising officers of far wider experience in their respective branches of railway work than he has.

72. I hope, next week, to supplement these comments with remarks as to details of the Royal Commissioner's report, many of which are inaccurate and misleading.

H. POPE,
Commissioner of Railways.
3.—Further detailed Reply by the Commissioner of Railways to the Second and Final Report of the Royal Commissioner.

Commissioner’s Office,
Perth, 4th August, 1922.

The Hon. Mr. Scaddan.

Further to my preliminary report, dated 21st July, to the second and final report of the Royal Commission on the administration of the Government Railways, I have since conferred with the responsible officers concerned as to details, regarding which I beg to report for your information as follows. In order to avoid the necessity for voluminous quotation, I have, in the copy of the report attached, numbered the paragraphs and inserted brief subject headings against them in the margin.

<table>
<thead>
<tr>
<th>Year ended 30th June, 1921</th>
<th>Western Australia</th>
<th>Queensland</th>
<th>South Australia</th>
<th>New South Wales</th>
<th>Victoria</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.—Population ... ... ... ...</td>
<td>330,475</td>
<td>757,034</td>
<td>476,233</td>
<td>2,099,763</td>
<td>1,530,114</td>
</tr>
<tr>
<td>2.—Population per mile of Railway ...</td>
<td>393</td>
<td>132</td>
<td>204</td>
<td>618</td>
<td>339</td>
</tr>
<tr>
<td>3.—Capital Cost per head of population ...</td>
<td>£254/19/8</td>
<td>£57/9/10</td>
<td>£41/5/2</td>
<td>£209/4/0</td>
<td>£283/19/0</td>
</tr>
<tr>
<td>4.—Earnings per head of population ...</td>
<td>£5/4/7</td>
<td>£6/19/4</td>
<td>£5/3/7</td>
<td>£2/15/10</td>
<td>£5/6/10</td>
</tr>
<tr>
<td>5.—Working Expenses per head of population ...</td>
<td>£7/6/7</td>
<td>£8/13/3</td>
<td>£5/11/6</td>
<td>£5/5/1</td>
<td>£5/2/5</td>
</tr>
</tbody>
</table>

The following quotation from my Quarterly Report of 31st March, 1922, further illustrates the position:

Year ended 30th June, 1921:
Railway Working Expenses ... £2,422,094
Interest ... 719,298
Total ... £3,141,392

Mean Population of State—330,475.
Working Expenses and Interest per head of Population—£9 9s. 11d.

To make the Railways pay under conditions existing in 1920/21, it would therefore have been necessary for an average family of five persons (man, wife, and three children) to contribute to the Railway revenue, either directly or indirectly, a sum of £27 9s. 7d.

The Royal Commissioner refers to this difficulty at paragraph 1 of his report, but seems to consistently ignore it throughout the remainder and to exclude consideration of it altogether from his findings.

To raise our population per mile of Government Railway to that of the next lowest State, viz., Queensland, 122 per mile, would require on the present mileage that the population should be increased from 330,475 as above to 467,148. To put Western Australia on an equality with the highest, viz., New South Wales, 416 to the mile, it would be necessary that the population of this State should be increased to 1,472,224. This, without an additional mile being added to the 3,530 miles of Government Railway now in operation.

Financial Results.

2. The Royal Commissioner states that percentage of working expenses to revenue for year ended 30th June, 1920, was, with one exception of the State systems, the highest in the Commonwealth. Exactly why the Royal Commissioner went back two years is not clear, seeing that the figures for the year ended 30th June, 1921, were available. Moreover, the present Administration only took control from 1st September, 1919 (two months after the commencement of the year ended 30th June, 1920—during which two months the loss had been £105,815 and the working expenses £99,65 per cent. of the earnings). Further, as a matter of actual fact, the results for this State for the year in question (1919-20) were the worst of any State (without any exception)—the figures being:

<table>
<thead>
<tr>
<th>Region</th>
<th>Ratio of Working Expenses to Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Australia</td>
<td>87.29 per cent.</td>
</tr>
<tr>
<td>Queensland</td>
<td>87.16</td>
</tr>
<tr>
<td>South Australia</td>
<td>73.62</td>
</tr>
<tr>
<td>New South Wales</td>
<td>73.15</td>
</tr>
<tr>
<td>Victoria</td>
<td>73.35</td>
</tr>
</tbody>
</table>
For the following year (during which the present administration exercised control for the whole twelve months), the respective results, compared with those of the preceding year, were:

<table>
<thead>
<tr>
<th></th>
<th>Increase 1920-21</th>
<th>1920-21</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1919-20</td>
<td>1919-20</td>
</tr>
</tbody>
</table>
| Western Australia        | 80-04           | 87-29   | 1-75
| Queensland               | 95-63           | 95-63   | 0
| South Australia          | 90-26           | 73-62   | 8-64
| New South Wales          | 77-35           | 73-15   | 4-18
| Victoria                 | 79-09           | 73-35   | 5-74

The year 1920-21 was one in which all the Railway systems of Australia were up against it with increased wages, enhanced cost of coal and stores, advanced rate of interest, etc. This State, in addition, had the locomotive engine-drivers' strike in January, 1921, involving a loss of £10,000 and was compelled to find £20,500 arrears in respect of Arbitration Court award of September, 1920, which was given retroactive effect to 19th May, 1920. No other State was faced with similar difficulties to those brought about by these special incidents which, in the aggregate, made our loss £194,500 greater than otherwise it would have been.

Despite this, however, a reference to the foregoing table will show that, comparing 1920-21 with 1919-20, we went less to the bad financially than any other State—the net increased ratio of working expenses to earnings being 1-75 per cent. only, whilst other systems for various reasons ranged from a worse result of 3-15 per cent. in New South Wales to 8-64 per cent. in South Australia.

With the operating results obtained in the more densely populated States of New South Wales and Victoria, our figures cannot reasonably be expected to stand comparison, but it is submitted that an analogy can be made with States like South Australia and Queensland where the conditions as regards sparse population, long stretches of line through undeveloped country more closely approach our own—although in both these States they are more favourably situated than we are, i.e., population per mile of railway—Western Australia 93, Queensland 132, South Australia 204.

Yet, even with the disabilities under which we labour, our percentage of operating expenses to earnings last year showed better than either Queensland or South Australia, viz.:

<table>
<thead>
<tr>
<th></th>
<th>1920-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Australia</td>
<td>80-04 per cent.</td>
</tr>
<tr>
<td>Queensland</td>
<td>95-63</td>
</tr>
<tr>
<td>South Australia</td>
<td>90-26</td>
</tr>
</tbody>
</table>

Expressed in terms of cash the losses on the working of the Railways of the five mainland States during the years ended 30th June, 1921, and 30th June, 1920, were:

<table>
<thead>
<tr>
<th></th>
<th>1920-21</th>
<th>1919-20</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Increase 1920-21</td>
<td>1920-21</td>
</tr>
<tr>
<td></td>
<td>1919-20</td>
<td></td>
</tr>
</tbody>
</table>
| Western Australia        | 418,370         | 399,215         | 19,155
| Queensland               | 1,438,475       | 1,299,570       | 19,998
| South Australia          | 561,394         | 339,182         | 122,212
| New South Wales          | 577,032         | 129,125         | 447,907
| Victoria                 | 651,235         | 212,804         | 458,491

Repetition is justified of the fact that our 1920-21 loss included items of £35,500 retrospective award pay, and of £101,000 loss by loco, strike—items which were peculiar to Western Australia.

The loss in working the Western Australian Railways for 1919-20 was, next to the Queensland loss, the highest of any State railway deficit in Australia. In 1920-21—the first full year of the present administration—Western Australia showed the smallest loss of any State.

3. The figures quoted by the Royal Commissioner have been taken almost from page 123 of the Queensland annual report (1920-21), Table No. 14. What Mr. Stead has overlooked in this instance is the fact that the figures he quotes refer to different years and are so shown in the report. For example, the figures given for Western Australia, Queensland, and New South Wales refer to year ended 30th June, 1921; those for Victoria and South Australia are for year ended 30th June, 1920; whilst the New Zealand data covers twelve months from 1st April, 1919, to 31st March, 1920.

The actual figures for the year ended 30th June, 1921, for Australian States, and for the year ended 31st March, 1921, for New Zealand, are:

<table>
<thead>
<tr>
<th>State</th>
<th>Capital Cost.</th>
<th>Per Average Mile.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Australia</td>
<td>18,169,980</td>
<td>5,134</td>
</tr>
<tr>
<td>Queensland</td>
<td>43,557,078</td>
<td>7,573</td>
</tr>
<tr>
<td>South Australia</td>
<td>19,936,426</td>
<td>8,465</td>
</tr>
<tr>
<td>New South Wales</td>
<td>82,304,104</td>
<td>16,321</td>
</tr>
<tr>
<td>Victoria</td>
<td>59,072,628</td>
<td>14,065</td>
</tr>
<tr>
<td>New Zealand</td>
<td>37,436,534</td>
<td>12,337</td>
</tr>
</tbody>
</table>

Percentage of Net Earnings to Capital:

<table>
<thead>
<tr>
<th>State</th>
<th>Royal Commission Figures.</th>
<th>Actual Figures (1920-21).</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Australia</td>
<td>£ 1,12 d.</td>
<td>£ 1,10 d.</td>
</tr>
<tr>
<td>Queensland</td>
<td>0 0 10 91</td>
<td>0 10 91 6</td>
</tr>
<tr>
<td>South Australia</td>
<td>4 0 3 2</td>
<td>4 0 3 2</td>
</tr>
<tr>
<td>New South Wales</td>
<td>3 14 1</td>
<td>3 5 5</td>
</tr>
<tr>
<td>Victoria</td>
<td>4 10 7</td>
<td>3 8 5</td>
</tr>
</tbody>
</table>

The Royal Commissioner goes on to say that: "If the average cost of the W.A. Railways has been similar to Queensland, the percentage of net earnings to capital expended on open lines would have been only 13s. 8d."

Although average cost is referred to, the Royal Commissioner has arrived at the incorrect and misleading result of 13s. 8d. by taking the ratio of the total cost of the 6,762 miles of Queensland lines (£43,557,078) to the total cost of the 3,530 miles of W.A. lines (£18,169,980) and by dividing the result into £1 12s. 10d. Patent the correct method of computation was to take the ratio of the average cost per mile of the Queensland Railways to that of the W.A. Railways—the calculation being $\frac{43,557,078}{18,169,980}$ of £1 12s. 10d. = £1 3s. 3d., which is over 60 per cent. better than the 13s. 8d., even on the Royal Commissioner's own
process of reasoning. It is also more than 100 per cent. better than the Queensland percentage return of 10s. 7½d.

Putting the sum in another way—if our 3,539 miles of railway had cost £7,573 per mile as Queensland mileage has done, then our capital would have been £26,806,847, on which our net earnings for 1920-21, viz., £208,628, would have given a return of £1 2s. 3d. per cent. But as our capital was only £18,109,930, the return was £1 12s. 10d. per cent., against Queensland's 10s. 7½d. per cent. The deceptive figure of 13s. 8d. per cent. instead of the proper figure would tend to appreciate Queensland and depreciate Western Australia. In view of this, and of the Royal Commissioner’s subsequent recommendation that we adopt for sale of economy and efficiency, Queensland’s system of organisation, it has appeared necessary for me to put the correct figure very clearly before you. Our return for 1921-22 will be a great deal better than that for 1920-21.

Another fact that is quite overlooked is that if the capital expenditure per mile opened in Western Australia had been higher, i.e., if more money had been expended in first place in locating, grading, andballasting our lines, they would be so much less expensive to work and maintain, and our net earnings would have been so much better. In fact, the report of the Royal Commissioner contains a series of recommendations for additional capital expenditure with the object of economising on working costs.

Confirming his conclusions on the matter, the Royal Commissioner says, “The Queensland rates are much lower than those obtaining in this State.” In support of this contention he proceeds to quote Live Stock Rates only, and those for 600 miles only. Admittedly our Live Stock Rates are, for long distances, higher than those of Queensland, but it should not be overlooked that New South Wales and Queensland are competing for the back country and border live stock traffic, and that, as a consequence, their long distance rates are low. As no comparison is quoted with live stock rates of other States, the omission is repaired hereunder, and so that the rates may be on a uniform basis, they are given as for 100 square feet of floor space, viz.:—

<table>
<thead>
<tr>
<th>Miles.</th>
<th>Western Australia</th>
<th>South Australia</th>
<th>New South Wales</th>
<th>Victoria</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>s. d.</td>
<td>s. d.</td>
<td>s. d.</td>
<td>s. d.</td>
</tr>
<tr>
<td>50</td>
<td>40 1</td>
<td>43 2</td>
<td>42 8</td>
<td>40 9</td>
</tr>
<tr>
<td>100</td>
<td>72 1</td>
<td>86 6</td>
<td>79 6</td>
<td>78 9</td>
</tr>
<tr>
<td>200</td>
<td>120 2</td>
<td>154 5</td>
<td>124 3</td>
<td>121 3</td>
</tr>
<tr>
<td>300</td>
<td>165 3</td>
<td>203 10</td>
<td>156 10</td>
<td>180 2</td>
</tr>
<tr>
<td>400</td>
<td>216 4</td>
<td>253 3</td>
<td>187 0</td>
<td>240 1</td>
</tr>
<tr>
<td>500</td>
<td>264 5</td>
<td>295 5</td>
<td>217 3</td>
<td>268 13</td>
</tr>
<tr>
<td>600</td>
<td>312 6</td>
<td>352 1</td>
<td>222 4</td>
<td>358 6</td>
</tr>
</tbody>
</table>

**HORSES AND CATTLE.**

<table>
<thead>
<tr>
<th></th>
<th>s. d.</th>
<th>s. d.</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>50</td>
<td>20 9</td>
<td>14 0</td>
<td>21 4</td>
</tr>
<tr>
<td>100</td>
<td>37 4</td>
<td>29 6</td>
<td>39 9</td>
</tr>
<tr>
<td>200</td>
<td>62 2</td>
<td>52 9</td>
<td>62 1</td>
</tr>
<tr>
<td>300</td>
<td>87 1</td>
<td>69 7</td>
<td>78 5</td>
</tr>
<tr>
<td>400</td>
<td>111 11</td>
<td>86 5</td>
<td>111 9</td>
</tr>
<tr>
<td>500</td>
<td>136 10</td>
<td>103 4</td>
<td>108 7</td>
</tr>
<tr>
<td>600</td>
<td>161 8</td>
<td>120 2</td>
<td>116 2</td>
</tr>
</tbody>
</table>

**SHEEP.**

<table>
<thead>
<tr>
<th></th>
<th>s. d.</th>
</tr>
</thead>
<tbody>
<tr>
<td>50</td>
<td>19 0</td>
</tr>
<tr>
<td>100</td>
<td>36 8</td>
</tr>
<tr>
<td>200</td>
<td>56 5</td>
</tr>
<tr>
<td>300</td>
<td>63 10</td>
</tr>
<tr>
<td>400</td>
<td>111 9</td>
</tr>
<tr>
<td>500</td>
<td>139 1</td>
</tr>
<tr>
<td>600</td>
<td>168 10</td>
</tr>
</tbody>
</table>

After making the definite assertion that the Queensland rates are much lower than those of Western Australia, one would have thought that some comparison of, or reference to, goods rates—from which source the bulk of our revenue comes—would have followed. Again, filling the gap, the general scale of rates for the carriage over varying distances in Western Australia and Queensland is supplied hereunder:

**GENERAL SCALE OF GOODS RATES.**

**Comparison—Western Australia with Queensland.**

<table>
<thead>
<tr>
<th>Miles.</th>
<th>State.</th>
<th>s. d.</th>
<th>s. d.</th>
<th>s. d.</th>
<th>s. d.</th>
<th>s. d.</th>
<th>s. d.</th>
<th>s. d.</th>
<th>s. d.</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>Western Australia</td>
<td>10 4</td>
<td>16 0</td>
<td>22 4</td>
<td>31 6</td>
<td>50 5</td>
<td>63 5</td>
<td>77 1</td>
<td></td>
</tr>
<tr>
<td>200</td>
<td>Western Australia</td>
<td>16 2</td>
<td>25 3</td>
<td>34 11</td>
<td>50 4</td>
<td>83 9</td>
<td>108 9</td>
<td>131 10</td>
<td></td>
</tr>
<tr>
<td>300</td>
<td>Western Australia</td>
<td>26 0</td>
<td>45 9</td>
<td>89 2</td>
<td>75 1</td>
<td>116 11</td>
<td>139 8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>400</td>
<td>Western Australia</td>
<td>26 0</td>
<td>45 5</td>
<td>66 1</td>
<td>112 0</td>
<td>145 2</td>
<td>177 9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>500</td>
<td>Western Australia</td>
<td>26 0</td>
<td>45 5</td>
<td>66 1</td>
<td>112 0</td>
<td>145 2</td>
<td>177 9</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Only in nine instances of the above haphazard 70 quotations is Western Australia higher than Queensland, a fact which hardly supports the contention of the Royal Commissioner quoted above, viz., that Queensland rates are much lower than ours.

Whilst on the question of our charges to the Department's customers for services performed, it may be mentioned that a fairly general impression seems to prevail that we have, of late years increased our fares and freights to such an extent as to make them oppressive. It is, therefore, somewhat interesting to know that the actual increase of railway earnings per head of population since 1913-14 is £1 3s. 7d. only, e.g.—

<table>
<thead>
<tr>
<th></th>
<th>Mean Population</th>
<th>Total Earnings</th>
<th>Earnings per head of population.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1920-21</td>
<td>339,475</td>
<td>£2,729,632</td>
<td>£ s. d.</td>
</tr>
<tr>
<td>1913-14</td>
<td>326,120</td>
<td>2,637,011</td>
<td>8 4 7</td>
</tr>
</tbody>
</table>

or a total increase per head of population of 16.73 per cent.
In the same period our costs, to mention a few main items, have gone up as under—

<table>
<thead>
<tr>
<th></th>
<th>1920-21</th>
<th>1913-14</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average salary</td>
<td>£ 6 s. d.</td>
<td>£ 5 s. d.</td>
<td>6%</td>
</tr>
<tr>
<td>Average wage</td>
<td>285 0 9</td>
<td>189 8 4</td>
<td>41-73</td>
</tr>
<tr>
<td>Average price of Col-</td>
<td>229 10 5</td>
<td>157 9 1</td>
<td>46-90</td>
</tr>
<tr>
<td>lie Coal per ton</td>
<td>0 17 7</td>
<td>0 10 9</td>
<td>68-44</td>
</tr>
<tr>
<td>Average price of New South Wales Coal per ton</td>
<td>2 7 6</td>
<td>1 3 10</td>
<td>98-95</td>
</tr>
</tbody>
</table>

Over none of these increases had the Department control—the salaries and wages being governed by Awards of the Arbitration Courts, and the price of coal by Awards of the Coal Board.

The rate of interest had similarly increased from 3.5735 per cent to 3.96 per cent, the total interest figures being:

<table>
<thead>
<tr>
<th></th>
<th>1920-21</th>
<th>1913-14</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>£176,398</td>
<td>£556,843</td>
<td>%</td>
</tr>
<tr>
<td>Per head of popula-</td>
<td>£2 3s. 4d.</td>
<td>£1 14s. 9d.</td>
<td>24-70</td>
</tr>
</tbody>
</table>

Rate of interest likewise is a factor which the Department does not govern. Had our rate of interest been that of 1913-14 our interest bill for 1920-21 would have been £69,088, i.e., £65,410 less than it was.

Way and Works Branch—Working and Management.

4. The Royal Commissioner's opening references as regards this Branch to the mileages of the Railways operated in the different States are again incorrect. For example, he states that in New South Wales 4 District Engineers are required to maintain 5,494 miles of railway, and 4 in Victoria for 5,507 miles. The lack of accuracy in this statement is patent in view of the fact that the mileage opened on 30th June, 1921—the latest date to which figures are available—in the two States referred to is—

New South Wales . . . . 5,943
Victoria . . . . 4,367

a difference in the case of New South Wales of 451 miles and of Victoria of 1,240 miles—a variation, in the latter case, of 30 per cent from accuracy. Here, as in previous instances, it is remarkable that all the errors in Mr. Stead's figures operate to the dis-paragraph of this administration.

The only sound comparison, so far as the Way and Works Branch is concerned, is that of Cost of Maintenance per mile open. For the year 1920-21 this was as follows:

<table>
<thead>
<tr>
<th>State</th>
<th>Average mileage worked throughout the year</th>
<th>Way and Works Total.</th>
<th>Expenditure per average mile worked</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Australia</td>
<td>3,220</td>
<td>561,545</td>
<td>158</td>
</tr>
<tr>
<td>Queensland</td>
<td>5,723</td>
<td>1,183,085</td>
<td>201</td>
</tr>
<tr>
<td>South Australia</td>
<td>2,530</td>
<td>736,120</td>
<td>286</td>
</tr>
<tr>
<td>New South Wales</td>
<td>2,019</td>
<td>1,507,037</td>
<td>372</td>
</tr>
</tbody>
</table>

Seeing that our cost of maintenance per mile of line is the lowest in Australia, it would appear that the Royal Commissioner's general charge that the working and management of this branch is not economical is quite unjustified.

The Way and Works Branch of practically every railway system is administered by a Chief Engineer, assisted by other engineers and numerous officials of various designations. In nearly all British railways decentralisation by district control is and has always been the practice. As to the mileage for which each District Engineer is responsible, that is purely a question of opinion, and, at all events, the staff of the District Engineer is necessarily proportionate to the mileage for which he is responsible.

The former four districts with headquarters at Perth, Geraldton, Kalgoorlie, and Narrogin have been re-arranged with additional district headquarters at Northam and Bunbury on an actual reduction of the professional staff by three, viz., Messrs. Light and Pidgeon, deceased, and Mr. Oliver, surveyor, transferred to Public Works Department, none of whom were replaced.

If the Royal Commissioner is criticising our system of decentralisation in six districts as compared with New South Wales and Victoria, which each have only four districts, then I submit, as an altogether sufficient reply, the following costs for year ended 30th June, 1921, for the Salaries, Office Expenses and General Superintendence of the Way and Works Branch in those States, and in South Australia (including Electrical and Signalling, which in this State has been reduced by £6,000 per annum as a result of the amalgamation of these two sub-branches from 1st July, 1921):

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Average miles worked throughout year</th>
<th>Cost per Average mile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Australia</td>
<td>66,907</td>
<td>3,339</td>
<td>14 8 2</td>
</tr>
<tr>
<td>South Australia</td>
<td>44,583</td>
<td>2,993</td>
<td>19 1 8</td>
</tr>
<tr>
<td>New South Wales</td>
<td>149,170</td>
<td>5,619</td>
<td>29 14 5</td>
</tr>
<tr>
<td>Victoria</td>
<td>139,009</td>
<td>4,537</td>
<td>32 19 0</td>
</tr>
</tbody>
</table>

These figures are taken from the Abstracts of Working Expenditure, which are all compiled on a uniform classification. Information on this basis cannot be obtained from the Queensland Annual Report, owing to their different organisation.

Re-sleepering.

6. I have already dealt at some length with this question at paragraphs 5, 8, and 52 of Preliminary Report of 21st July. Both I and the Chief Engineer Way and Works are free to admit that in the re-sleepering between Menzies and Butterfly, in that section towards the north which rested in diorite, the sleepers were found to be generally in much better condition than those further south in inferior ironstone ballast. Curtailment of the work of re-sleepering in a "pace" and limiting that method to curves and certain places on straights where sleepers were in a particularly bad condition was in no way associated with the Royal Commission, but was ordered after inspection by the Chief Engineer Way and Works. Re-sleepering to a face was a practice which had been followed for a period of over 20 years, which had been concurred in by successive administra-
tions during that period, and which had been questioned only during the past couple of years with a view to economy as indicated in my Preliminary Report above quoted. So far as the re-sleepering between Menzies and Butterfly is concerned, it had been reported as necessary and approved as long ago as July, 1919 (prior to my assuming control of the Department) in the light of the then standard practice of Australian Railway Engineering.

Such sleepers as have been taken out and which have further “life” are being used again in the district for “patching.”

The remarks by the Royal Commissioner regarding the substantial reduction in the number of sleepers actually required in the Gerjalton District as a revision of the original estimate might give the impression that this reduction was consequent upon the District Engineer’s own separate activities in the Northern District only. The fact is that it was consequent upon a general instruction issued by the Chief Engineer Way and Works to all District Engineers last year, as a result of which the re-sleepering method all over the Government Railways was put on a different footing to that of the old practice.

The practice of the present Chief Engineer Way and Works has for some time past been to treat each section requiring extensive renewals of sleepers on its merits, recognising that, generally speaking, individual renewals, or “patching,” is more economical than “re-sleepering to a face,” but at the same time realising that there are instances where the reverse is the case, and at all times putting the safety of the public before all other considerations.

Ashing and Boring.

6. The criticism of the Royal Commissioner in this matter is based upon a blunder in arithmetic similar to that which he made in his first report regarding the mileage of the South Australian Locomotive, both of which errors should have been apparent at first glance to anyone knowing the business. Obviously one can no more adze and bore sleepers for 2s. 10d. to 8s. per hundred than the South Australian locomotive could average 23,703 miles per annum. In reply to his letter of inquiry as to costs, dated 22nd May, the Royal Commissioner was advised that the cost of ashing and boring sleepers by machine at Pinjarra, and the cost of handling, was as follows:

<table>
<thead>
<tr>
<th></th>
<th>Cost (d.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ashing and Boring</td>
<td>137.88</td>
</tr>
<tr>
<td>Cost of Handlrb.</td>
<td>1.92</td>
</tr>
<tr>
<td>Cost of Maintenance</td>
<td>0.155</td>
</tr>
<tr>
<td>Cost of Conditioning</td>
<td>0.075</td>
</tr>
<tr>
<td>Total</td>
<td>3.405</td>
</tr>
</tbody>
</table>

He states in his report to His Excellency “by machinery it would have been done for, approximately, 2s. 10d. to 3s. per hundred.”

It is obvious that he has multiplied the 3.405d. by 10 instead of by 100, and that instead of “2s. 10d. to 3s.” he should have stated £1 8s. 4d. per hundred—which puts the matter in an entirely different light to that represented by the Royal Commissioner.

Kurri Sleepers.

7. The jarrah sleepers seen in the Jarrandup district by Mr. Stead were privately owned sleepers awaiting export—not the Railway Department’s sleepers at all. Certain kurri sleepers obtained from the Wilgarup Kurri & Jarrah Co., or from other suppliers would have necessarily been sent to Bunbury for powelling, and had been sent back for very urgent work on the Jarmandup section. The case was one of emergency, following two derailments due to faulty sleepers, and the course adopted was the best suited to meet that emergency.

Powelling Plant.

8. I can only say that the Department has, as mentioned at para. 6 of my preliminary report of 21st July, for some time past been seeking a purchaser for the Bunbury Powelling Plant—having been influenced by the obvious reasoning which has influenced Mr. Stead, viz., that there could be no economy in the Government owning two of these plants.

Manjimup and Jarmandup Houses.

9. Regarding the Manjimup house, the position was brought about by two facts—

(a) This house is one of 47 which are to a standard design for erection throughout the System, and the material is cut at the Railway mill in large and uniform quantities, and

(b) The State Sawmills is an ordinary trading institution imposing upon the Railways the usual commercial conditions as to prices, which during the period of abnormal export activity were much higher than our own costs, even with haulage added. It would hardly cut timber to the standard sizes for one house only to the same advantage as we have for 47 of them.

An analysis of the prices from the respective mills establishes the fact that if the timber had been obtained from the State Sawmills, the cost of the material for the Manjimup house would have been £5 higher after allowing for freight on the haulage of the timber from the Railway mill at Dwellingup.

The position regarding the Jarmandup house was practically similar.

Waste Wood of Sleepers.

10. The only goods train to which the Royal Commissioner’s car was attached from Kalgoorlie to Southern Cross was No. 99 Goods ex Kalgoorlie 7th May. To this train were also attached nine trucks containing second-hand sleepers removed from the Coolgardie-Kalgoorlie duplicate road, which was taken up in order to supply material for the construction of the Busselton extension. These sleepers formed part of that material. Three of these trucks (Nos. 819, 5553 and 8359) were taken off the train in question at Southern Cross.

It is quite true that a few trucks of powelled kurri sleepers which were in transit from Bunbury to the Leonora railway were re-sleepering and which, when that work was completed, were stopped at Kalgoorlie and were sent back to a “patch” in the road requiring urgent attention near Southern Cross. This course saved the haulage of other sleepers from Bunbury to Southern Cross.

Other Way and Works matters.

11. It appears to me that other matters relating to this Branch on which the Royal Commissioner
has expressed himself are really too trivial to trouble you with. The question of combining the duties of Storeman for Way and Works and Loco. Branches has been given up on several occasions. The proposition is unworkable and the present system is not economical. Clerks for Permanent Way Inspectors are employed only where necessary. A number have been weeded out during the last couple of years and the question is always open. The controlling consideration is whether it is better to employ a non-clerical Inspector of Permanent Way in writing in an office or to give him the best facility for putting in the greatest proportion of his time on the track. As to plans and estimates, how can matters properly be considered and decided without these? What would be said of a Department which settled matters without a complete knowledge of what they involved? Regarding the staff generally of this Branch, I can only assure you that, as the costs precisely quoted (see para. 4) will bear out, the cost of supervision is already on a very low scale. With regard to Sandstone Stockyards, kindly refer to para. 7 of my preliminary report of 21st July. As to the statement that material for these yards was hauled into Sandstone yard and unloaded, then re-loaded again and re-loaded at the site of the stockyards, the fact is that out of a number of trams of material put into Sandstone goods yard, a member of the public desiring to load a tram took the material out of one of these, without authority, and put his own consignment in it, the result being that this tram had to be re-loaded to take the material to site of yards. None of the other trams were interfered with—but all were unloaded at the stockyard site. Regarding the statements of Mr. John Brown, a conductor employed in the Traffic Branch, the Chief Engineer Way and Works has gone into the alleged errors brought to notice, which this witness might well have put to the Suggestions and Economies Board. The removal of the W.C. at the Kalgoolie barracks was rendered necessary by an alteration in the rearrangement of the sleeping rooms when the District Engineer's Office was moved into portion of that building. The demolition of the house at West Perth cost £19 (not £50 to £70 as stated). This building was removed some eight months afterwards in connection with the extension of the Goods Yard subsequently decided upon. The alterations to the drainage at the house occupied by Brown were necessary in connection with the sewerage of the property by the Water Supply Department and to comply with the sewerage regulations. The work was not done by the Railway Department. The removal of water columns at Golden Gate was necessary in carrying out alterations of the station yard in connection with the removal of the duplicate Boulder line. The other allegations of waste made by Mr. Brown were based admittedly on something told him by some unnamed person at unspecified times, and are quite untrue. As to excessive number of supervisors he criticised as labouring on certain work at Mullewa, evidently under the impression that the work was being done by Departmental labour, where, as a matter of fact, it was being done by contract! Concerning powers of District Officers to dispose of surplus material, kindly see paras. 46 and 47 of my preliminary report of 21st July. Repairs to Hopetoun jetty, incuring the payment of expenses, were carried out by our own man from Albany who had special skill and experience of our requirements not possessed by any local resident. Two local labourers were employed, but the skilled carpenter had, for the sake of ultimate economy and efficiency, to be sent from Albany. The Royal Commissioner was written on 17th July and given full particulars, in response to a question he had put to me on this last subject.

In regard to those points on which the Royal Commissioner has so stringently and sweepingly condemned the Administration, especially in regard to re-sleepering, on which he lays so much stress—the Royal Commissioner hardly put an inquiry to the Chief Engineer Way and Works, the Head of the Branch concerned, when he was giving evidence.

Traffic Branch Administration.

12. The Head of the Branch—Mr. W. Lord, Chief Traffic Manager—told me he was not asked a single question on this subject during his examination by the Royal Commissioner, who seems to have had a preconceived idea that everything in the branch had gone to the dogs since he had left it in 1912.

The cost of administering this Branch is not, as stated, out of all proportion, when the volume of traffic is considered. Obviously, the overhead charges in a small business such as ours must necessarily be higher in proportion than in a very much larger business. The administrative organisation could, without addition, carry a very much larger business if that business were growing. For instance, to compare with New South Wales, the only State beside ourselves which publishes particulars of its goods ton mileage, in 1920-21 they carried 1,418,000,000 paying goods ton miles. Our goods traffic was 200,000,000, that is to say, roughly, one-seventh. Our passenger journeys amounted to 15,000,000 against New South Wales 121,000,000—again, roughly, one-seventh. The total administrative costs of our Traffic Branch were £47,094, compared with New South Wales £165,854; that is to say, our overhead charges were between a third and a fourth of New South Wales on a business just about one-seventh of its volume. Certainly we could carry a volume of traffic seven times greater than we have now with an administrative cost certainly not three times greater than our present cost.

The £47,094 quoted above includes Chief Traffic Manager and office staff, together with District Superintendents and office staffs, because New South Wales shows the whole expenditure under these headings in one line, and it is therefore impossible to obtain any other comparison. It must also be borne in mind that our traffic fluctuation is considerable—our ton mileage during January-March being almost double in volume that of June-August—and necessarily we have to deal with the peak traffic as well as with its opposite.

Taking the gross expenditure of our Traffic Branch per cent. of earnings during 1920-21, the comparative figures are:—

<table>
<thead>
<tr>
<th>State</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Australia</td>
<td>25-30%</td>
</tr>
<tr>
<td>Queensland</td>
<td>27-05%</td>
</tr>
<tr>
<td>South Australia</td>
<td>22-29%</td>
</tr>
<tr>
<td>New South Wales</td>
<td>21-23%</td>
</tr>
<tr>
<td>Victoria</td>
<td>23-35%</td>
</tr>
</tbody>
</table>

Showing that Queensland and Victoria are higher, while South Australia and New South Wales are lower than Western Australia.
Correspondence.

13. From the earliest periods of established Governments, probably, and certainly from the days of Thackeray and Dickens, Government correspondence has formed a subject of facetious sarcasm. The one fact clear about it, however, is that nobody—including your Royal Commissioner—has ever found a method of replacing the system. The Royal Commissioner condemns two thick files, and at the same time complains that they are insufficient, in that neither file explains reasons for or advantages of certain works (which presumably were obvious). In the prices of these two files, which he holds up as horrible examples of unbusinesslike methods, the correspondence started in 1914, and entirely owing to difficulties connected with decreased traffic, scarcity of material, and the authorisation of capital expenditure during and since the conclusion of the War, one of the works dealt with was not carried out until the end of 1923 and the other was not started until 1922. To my mind the files display the great care shown by the officers concerned to defer any avoidable expenditure; and except for the correspondence, the officers would have been condemned for insufficient consideration and co-ordination as I am myself condemned because I ordered the construction of the Sandstone stockyard and took the responsibility of accepting the only offer we ever had for the Hoe printing machine, without similar correspondence.

Time Tables.

14. The connection of the Narrogin Branch with Narrogin is certainly awkward, the vexed question on which this has arisen being whether the passengers should be got to Narrogin in time to connect with the through passenger train or whether stock should be brought to Narrogin in time to connect with trains for Wednesday’s Midland Junction sales. It is quite true that the waiting room accommodation at Narrogin is deficient, and this probably has led to complaint to the Royal Commissioner. Another difficultly connected with this service lies in the practical veto which the Arbitration Court indicated it would put on booking crews off at out stations over week-ends unless it could be clearly shown that such booking off was absolutely necessary, which in this instance it is not.

At all events, the shortcomings mentioned by the Royal Commissioner will be carefully considered, and, where necessary, action will be taken. The motor coaches which will be running from Merredin, Narrogin, and Albany will, no doubt, be helpful in this respect.


Regarding the Boulder Line Service, please see paragraph 15 of my Preliminary Report of 21st July.

Geraldton Signals.


Dining and Buffet Cars.

16. These are leased until 30th June, 1923, and in the meantime the general policy for the whole of our refreshment arrangements will have to be dealt with, all refreshment room leases expiring on the same date. The report of the Royal Commission on Licensing will require to be taken into consideration as well as that at present under notice.

Again, with regard to the estimated loss on the hankage of the Yalgoo-Caron car, the Royal Commissioner’s arithmetic is wrong. His calculation of the “Total loss £2,126 10s.” per annum, includes £597 10s. saving in coal from doing away with hankage of the car and consequent reduction in the weight of the train. He also takes credit for £1,683, being the freight on 2½ bogie wagons of live stock put on to the train to make up the weight removed by the removal of the buffet car! Obviously if, as set forth by the Royal Commissioner, it be merely a matter of the alteration of the composition of the train by the substitution of live stock trucks weighing 40 tons for the buffet car, etc., weighing 40 tons, it follows that the weight of the train is unaltered and that the saving in coal, estimated by the Royal Commissioner to be £597 10s. per annum, is non-existent.

Railing Days.

17. The limitation of days for reception of goods is one of a nicety of balance as between the requirements of our customers and the most economical working of the train service. In my opinion our present conditions fairly well achieve this proposition.

Narrogin Improvements.

18. Those were approved on 9th June, together with other work which had been held over pending provision of funds.

Allanson Coal Traffic.

19. The Royal Commissioner’s remarks apply to Locomotive coal only; not to bunker coal. Improvements required at Allanson are purely a question of money.

Ticket Collection and Inspection.

20. It is submitted that the distribution of the Ticket Collecting Staff is a matter best judged by those responsible for the expenditure of the branch and the collection of revenue. The Chief Traffic Manager has shown me the distribution of the men and their rosters, with which I am quite satisfied.

York—Detention of Train.

21. The reason for this detention is to avoid running by night ex York.

Supply of Trucks at Unattended Sidings.

22. One instance only has come to notice, which has been dealt with. Any complaints, made to myself or the Chief Traffic Manager receive immediate attention.

SHEETING OF SUPERPHOSPHATES.

23. The course recommended by the Royal Commissioner is that in vogue at the present time.

Perth Goods Yard.

24. Works at Perth Goods Yard are dependent upon the Mount Eliza regrading, from which will come the sand for raising the level of the yard. The Melbourne Road Bridge would be particularly desirable, but it would cost up to £50,000.
Demurrage Charges and Delays to Wagons.

23. Our method of working the Hotham Valley Railway is to run all empty wagons up into the district when available. The train load upward from Pinjarra is 140 tons for a Garrett locomotive, which on the return trip brings down 550 tons. Occasionally this system involves delays to wagons, but the balance is of advantage to the Department.

Kalgoorlie Signal Cabin.

26. Extensive alterations have been in progress at Kalgoorlie for some months, which will enable two of the six signalmen to be withdrawn and a third to be regressed.

Traffic Foreman.

27. At Collie the Foreman is carrying out the duties of Checker as well as his own. At Northam the Foreman was withdrawn last May and will remain off until the busy season returns—the same arrangement as obtained last year.

Locomotive Branch.

28. For the reasons expressed at para. 18 of my Preliminary Report of 21st July, which are supported also by the Chief Mechanical Engineer, I consider that our existing organisation of the Locomotive Branch should not be altered to that of Queensland. I think this view is supported by the fact that, while the Queensland 1,000. Branch cost for 1920-21 is 53.05d. per train mile against our 53.45d., their cost per cent. of earnings is 44.98 per cent. against our 49.36 per cent. The average tractive effort of locomotives in Queensland is less by 15 per cent. than ours (i.e., ours is 17.7 per cent. greater than theirs), and consequently our operating costs might well be higher than theirs, because the more powerful engine costs more to maintain and consumes more coal.

Traffic Foreman.

As illustrating the efficiency of our present system of maintenance, the following comparative figures are given:

<table>
<thead>
<tr>
<th>Item</th>
<th>Western Australia</th>
<th>Queensland</th>
<th>South Australia</th>
<th>New South Wales</th>
<th>Victoria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loco. Repairs</td>
<td>£ s. d.</td>
<td>£ s. d.</td>
<td>£ s. d.</td>
<td>£ s. d.</td>
<td>£ s. d.</td>
</tr>
<tr>
<td>1914</td>
<td>317 13 0</td>
<td>298 3 1</td>
<td>453 2 4</td>
<td>576 4 4</td>
<td>285 7 1</td>
</tr>
<tr>
<td>1920</td>
<td>455 4 4</td>
<td>600 12 0</td>
<td>487 1 1</td>
<td>971 18 8</td>
<td>528 5 9</td>
</tr>
<tr>
<td>1921</td>
<td>496 13 7</td>
<td>711 8 3</td>
<td>475 5 2</td>
<td>1,245 4 2</td>
<td>470 16 5</td>
</tr>
<tr>
<td>Car Repairs</td>
<td>£ s. d.</td>
<td>£ s. d.</td>
<td>£ s. d.</td>
<td>£ s. d.</td>
<td>£ s. d.</td>
</tr>
<tr>
<td>1914</td>
<td>71 13 3</td>
<td>94 17 1</td>
<td>95 17 8</td>
<td>104 11 2</td>
<td>97 8 0</td>
</tr>
<tr>
<td>1920</td>
<td>115 14 0</td>
<td>101 12 5</td>
<td>111 10 5</td>
<td>154 12 3</td>
<td>129 8 6</td>
</tr>
<tr>
<td>1921</td>
<td>109 6 6</td>
<td>90 3 10</td>
<td>113 0 9</td>
<td>290 3 5</td>
<td>144 0 5</td>
</tr>
<tr>
<td>Wagon Repairs</td>
<td>£ s. d.</td>
<td>£ s. d.</td>
<td>£ s. d.</td>
<td>£ s. d.</td>
<td>£ s. d.</td>
</tr>
<tr>
<td>1914</td>
<td>10 4 9</td>
<td>6 10 5</td>
<td>8 6 2</td>
<td>16 13 5</td>
<td>6 2 10</td>
</tr>
<tr>
<td>1920</td>
<td>8 1 2</td>
<td>13 13 4</td>
<td>9 7 3</td>
<td>23 8 2</td>
<td>14 4 8</td>
</tr>
<tr>
<td>1921</td>
<td>8 6 8</td>
<td>16 5 9</td>
<td>9 10 5</td>
<td>23 0 7</td>
<td>12 1 11</td>
</tr>
</tbody>
</table>

In locomotive repairs our costs are the lowest of all. In car repairs, Queensland only is lower than we are. In wagon repairs we are the lowest of all. The costs have been obtained by dividing itemised expenditure by total number of vehicles in each case, as shown in the respective Annual Reports.

Time paid, but not worked.

29. This is due to the conditions of the Arbitration Court Award, the limited train services in outer districts, and the necessity for studying public convenience. Efforts have been made for years past, and are being continued, with the object of reducing the "incredible amount" referred to by the Royal Commissioner. The by-law constituting the Suggestions and Economics Board mentions the subject particularly, and suggestions have been given for suggestions on this subject. A special committee has been appointed in connection with this particular question, as mentioned at para. 12 of my Preliminary Report. So far as the payment for time not worked by drivers and firemen is concerned, the Locomotive Branch is represented in compiling time-tables, but its voice therein is necessarily controlled by requirements of public convenience as represented by the Traffic Branch.

Mileage per Driver's Day of 8 Hours.

30. This is dealt with at para. 19 of my Preliminary Report. The diagram illustrating the subject appended to the New South Wales Report for 1920-21 indicates that in no month at all has 69 miles per day per driver been reached. Their system of calculation is on a basis giving a larger mileage per driver than ours.

The Royal Commissioner reported that the mileage run per driver's day of 8 hours was, in the three States mentioned—

- Queensland . . . . 88 miles.
- New South Wales . . . 69
- Western Australia . . . 52

These figures are quoted by him as on the one basis, and deductions unfavourable to Western Australia are drawn therefrom. It might have been expected that the difference between the New South Wales and the Queensland figures would alone have caused the Royal Commissioner to make certain that the bases were similar in all respects in view of the higher average speed run on the broader gauge. This plain warning was apparently disregarded, and the conclusion that Western Australia's performance was 41 per cent. worse than Queensland's was accepted by the Royal Commissioner without question.

The fact is that the figure asked for by the Royal Commissioner from the Queensland railway authorities was "the average mileage per engine hour," the calculation of which gives no comparative value whatever in connection with the figures quoted for New South Wales and Western Australia.
Carrying Capacity and Tare, etc.

31. The Chief Mechanical Engineer reports as follows:

The latest "Va" vans referred to as carrying 16 tons for 12 tons tare, carry 18 tons, and the Royal Commissioner was so advised about 15.3-28; this was again conveyed by me on 26-5-28. When I was about to employ 100 "Va" vans last year, instead of keeping to the old design I increased the length by three feet and the width by 5½ inches, and so increased the carrying capacity.

"Va" van, as built prior to the present administration, has tare of 10.85 tons, and carries 13 tons.

I have also constructed a number of sheep and cattle wagons, utilising existing timber frames, and here again I altered the design and increased the carrying capacity. The old 4-wheel sheep van had 150 square feet floor area; the new one has 250 square feet floor area.

Box wagons such as these "Va" vans cannot be compared for tare with open trucks; the former are sheeted outside, and lined inside, and are rooted for the special purpose of carrying fruit in the summer season without undue heating it.

South Africa has a wagon, class "GS," in most respects very similar to our "Va" vans but 2ft. 6in. longer, which has a tare of 14.55 tons and carries 29 tons, cubic capacity 1,600 feet, and has a tare of 12 tons and carries 18 tons, cubic capacity 1,332 c.f. Here again the heavier rails in South Africa permit of a larger axle and consequently better carrying capacity.

Comparisons between Victorian and Western Australian rolling stock are unfair to the latter. The increased size of the body permissible on a 5ft. 6in. gauge (Victoria can build up to a width of 10ft. 6in.) as compared with our 3ft. 6in. gauge (maximum width permissible 9ft.) makes everything favourable to the wide gauge, with heavier rails and a greater axle carrying capacity.

The coal box wagons "M" and "TM" referred to are supplied to the coal companies at their request to foster the coal bunkering trade by enabling them to readily bunker steamers at the ports when the coal could be handled on the railways in 25 ton wagons and in train loads. This question has been under consideration for some time.

The small class "D" wagons are very old stock. Some were taken over from the Great Southern Land Company, and have small axles, which will not carry a greater load. We are gradually eliminating these small axles so as to get a bigger load. Prior to the war it was arranged to renew them at the rate of 250 axles per annum, but war conditions stopped all that work.

Before the war, a pair of wheels and axles were bought for £12 to £14; quotations received only a few weeks back were for £41 per pair, and a few months before that £35 per pair. This is work chargable to working expenses, and the reasons for deferring some are obvious.

The statement attributed to me by the Royal Commissioner that I was not in favour of reducing the tare is not according to fact, nor does my evidence, as written in the Report of the Royal Commissioner, correctly report my views. As far as I am aware, and always have been, desirous of getting the tare weight to an absolute minimum, and in the designs for which I am responsible this has been brought about.

The policy of this State has always been to utilise our local timbers for the construction of wagon stock, and such construction is necessarily heavy. I could not reduce the sizes of the scantlings of these trucks to reduce the tare, as if I did, the maintenance would become excessive, whereas it is very small.

I gave the Royal Commissioner a return showing that the steel underframe wagon costs—Class "Ge" £2 15s. 3d., Class "Ga" £2 1s. 6d. per annum to maintain, against 11s. 3d. for our timber wagon Class "Ge," and that average was spread over large numbers of trucks, and for 12 years.

The steel underframe wagon "Ga" cost £179 each to build and the timber underframe wagon "Ge" cost £199 on the average, and we have built some as low as £105 each.

When large numbers of new wagons were required these facts, and especially first cost, no doubt determined which should be built. Perhaps it was for the same reason that Mr. Stead placed orders for the same design of timber-framed wagon for all the new stock he purchased while manager of the Midland Railway Co.

It is of interest to note that the W.A. Goldfields Firewood Company (Kurrawang) own a large number of wagons entirely constructed with local timber, and similar in design to our own.

I am unable to comment on the figures attributed to Mr. Lucy of New South Wales. I have no doubt they are "definite" figures as far as Mr. Lucy is concerned, which showed net a difference of 20 per cent, in favour of the all steel wagon, but a difference of 32 per cent. in favour of the timber against the compacts or partly steel wagon.

The timber-framed wagons referred to were all built between the years 1905-16.

The latest wagon made here of new design, but not referred to by Mr. Stead, is our Class "Ga" all steel, with a tare of 13 tons and a carrying capacity of 27 tons, which varies very favourably with the Victorian wagon, and more especially when the greater gauge of the latter is allowed for.

I am altogether at a loss as to how the Royal Commissioner could have arrived at the conclusion he has come to. As far as I know, I only repeat that I, as a railway economist, have always been desirous of keeping down tare.

"Xa" Hopper Wagons.

These 10 hopper wagons are at Midland Junction as stated; they were not dismantled there, but at Hope or. The underframes and running gear only were shipped from Hope or, as the hopper bodies were so deteriorated that they were cut off and left there as useless.

The situation is that, during the past six months, about 24,000 tons of Collie small coal has been delivered to the East Perth Power House, 5,000 tons of which was carried in "Xa" hopper wagons. Of the 19,000 tons remaining, 15,000 tons came from the Co-operative Mine, at which the "Xa" wagon cannot be loaded because it will not go under their chute. It is obvious that the 40 "Xa" trucks in traffic were quite sufficient for handling this traffic, and that the 10 which, for very good reasons, have not yet been rebuilt, have no bearing on the question.

Tarpaulins.

Sheets are received from Traffic from two to three times a week in varying quantities, stacked in large bags at the sidings till examined and passed into shop for repairs, or condemned.

Numbers and particulars are then taken, repairs effected, and sheet re-issued.

Some years ago it was found advisable to store all sheets waiting repairs outside the shop, owing to heat being quickly generated in such sheets when stacked indoors and creating liability to spontaneous combustion.

For this purpose a floor, composed of old water tank sides, was laid down on which sheets are stored and covered with condensed tarps for protection.

On 1st March, when stocktaking, it was noticed that white ants had attacked the floor, and at one spot eaten through it. These had not damaged the sheets in any way.

The information supplied to the Royal Commissioner on this point is a gross exaggeration and misstatement of facts.

The fact of white ants being in the floor was reported by the Leading Hand in charge of Tarpaulin shop to Foreman Car and Wagon Builder, who took immediate steps to obviate any possibility of damage from this source.

Equally exaggerated is the report that sheets were stock together in such a manner as to cause fire.

In summer months it is frequently the case that the various layers, even in single sheets, when folded up, adhere closely together owing to the moisture in the fabric, but there is not one instance of any damage having been done in this way.
The number of sheets waiting repairs at the time was above normal, but efforts were being made to reduce this, owing to the approach of winter, and additional men had been engaged for the purpose.

It must be borne in mind that the canvas used in the manufacture of sheets for some years past is very inferior to that used in pre-war days, and the repairs list is heavy in consequence.

Vacuum Testing Plants.

32. These plants are in operation at Fremantle, Perth, Midland Junction, Northam, Kalgoorlie, and Bunbury. In view of the Royal Commissioner's report, the question whether any of them could economically be closed and testing carried out by shunting engines will have consideration. They were originally put in because the last mentioned system had been found to lead to excessive delays in getting goods trains away.

Wongan Hills Telephone.

33. This does not require comment.

Loco. Records and Correspondence.

34. The Chief Mechanical Engineer's remarks on this subject are as follows:—

The Superintendent of Loco. Running Office transferred to Perth has, in some respects, caused a little duplication of information and an increase in staff, but there is no gain saying the fact that it has reduced correspondence respecting delays very considerably. Undoubtedly the place for the Superintendent of Loco. Running is adjacent to the Transport Office.

The transfer of the Chief Mechanical Engineer to Perth would eliminate the duplication referred to, although this was put before the Royal Commission, but not seriously regarded.

It has been recognised since 1905 that the place for the Chief Mechanical Engineer and his running staff is in central railway offices adjoining the other running branch—the Traffic. I have never considered that the records of this branch should be maintained by another office. This was emphasised before the Royal Commission, and a saving claimed if the system was abolished, but the Royal Commissioner has passed no comment on this.

Workshop Practice.

35. The Chief Mechanical Engineer reports as follows:—

The question of getting costs to a minimum is constantly before us, and we have full knowledge of the New South Wales system. They have a total Shops staff of 3,300 men, 220 of whom are operating on the bonus system but only 187 are earning a bonus. To inaugurate this bonus system the State had to go through a period of "strike" of a very severe nature. I have obtained these figures only this week, and as the strike was settled some four years ago, the results are totally insufficient for the cost of getting them. In 1920-21 the average cost to repair an engine in New South Wales was £2,815 4s. 2d., while our cost was £436 13s. 7d., and, although their engines are much larger than ours, their costs, as compared with ours are excessive—notwithstanding their bonus system. Cost is obtained by dividing total cost of upkeep by total engines.

The amount of repetition work—only upon which can the bonus system be adopted—is strictly limited in a shop devoted to repair work. Most repetition work is done on the machine, i.e., in all such cases we require a stated output daily.

The Unions are strongly averse to this or any other bonus system, and we could only introduce it through the Arbitration Court who have, in May of this year, prescribed a daily wage rate. We endeavoured to get the Court to grant us a small measure of this, when we offered to pay a bonus for one man operating two automatic machines; this was opposed and was not granted by the Court last May. The Unions have refused to operate this system here for many years past.

Shunting Engines.

36. This requires no comment.

Out-depot Expenses.

37. This paragraph is hardly understood, as all Officers in Charge must be in a position to know the costs for various duties.

Cooling of Engines.

38. The improvement of facilities for cooling engines is largely a matter of capital expenditure. For instance, a scheme for mechanical handling at East Perth Depôt has been prepared, the estimated cost of which is about £20,000.

Snow View Tunnel.

39. This paragraph hardly requires comment. Constant inquiry has been made with the object indicated by the Royal Commissioner and much expense has been incurred, but so far no practical means of overcoming the objections of the men have been found. If in 1896 the tunnel had been built large enough there would have been no difficulty, but it was large enough for the small locomotives of that time.

Transfer of Engines.

40. This paragraph is almost too paltry to discuss. A trifling expenditure was certainly involved, but the ultimate result aimed at has justified the action taken many times over.

Bunbury Shed Administration.

41. There is a check through traffic times of booking off. If special supervision had been supplied to check the very small number of men booking off between 4 a.m. and 6 a.m., the Royal Commissioner would probably have condemned it as gross extravagance. There is not staff available for the purpose.

Bunbury Loco. Depôt.

42. There is no doubt that the entire Loco. outfit at Bunbury requires remodelling. It is purely a question of expenditure.

Shunting Engines.

43. The Royal Commissioner has been asked for particulars as to the localities "of the very great waste in many places where engines are brought on unnecessarily long hours."

Coal Consumption.

44. The Chief Mechanical Engineer reports as follows:—

Although such a suggestion might offer inducements to many men to save coal with the object of obtaining a monetary benefit, I am of opinion it would not be in this State supply the result it is anticipated. To introduce the system would mean radical changes here. At our larger depots we have spent much capital in providing coal stokers with reasonably cheap handling methods, but have not provided for the accurate measurement of coal; statistics, therefore, under such circumstances would not be accurate enough to operate a bonus system.

The further fact that we obtain coal from five different mines of varying quality, also varying periods of deter-
iration, means that no reasonable comparison could be made in the consumption.

We are not in a position to operate a bonus system even at depots, because the regularity of supply and distribution from mines cannot be relied upon. Further, the one man one engine principle is necessary; also we should have the same service for at least weekly periods, whereas with our roster system of working engine men nearly all the services worked vary from day to day, except it may be our expressers.

Under all the phases enumerated, I cannot subscribe to the recommendation of the Royal Commissioner.

**Weight of Trains.**

47. To generally apply the system recommended would be costly and inconvenient. Our aim has been to reduce our service so that standard sets may be reasonably filled. On the Armadale service we have one three-coach set which works through a full shift and requires no alteration.

**Kalgoorlie Depot Management.**

48. One officer has been removed from this depot, viz., the Car and Wagon Inspector. The reduction was under consideration for a considerable time but it was deferred as it was anticipated that, with the new miners’ award, the traffic would recover and justify the retention of the officer.

The Train Electric Light Examiner is fully employed in maintaining the cars. An examination of his time check shows the work performed, and there could be no economy in handing this work over to an electrical fitter, whose rate of pay is much higher, and to do so would set up a very serious precedent of a fitter doing Train Electric Light Examiner’s work.

**Cubic Capacity of “R” Wagons.**

49. These wagons carry the full 16 tons of both timber and wheat for which they are largely used. In fact, Collicoe coal is about the only commodity that they will not handle to full load capacity. When these wagons require re-building this question will have due consideration.

When the door of a class “R” wagon is let down, it is two or three inches above rail level, loaded or empty. If twelve inches be added, the door would be 10 to 6 inches below rail level, when down. It would not be possible to maintain this condition. The proposition would add about 7 cts. to the tare and would cost £20 per wagon. There are 934 wagons of this class and the total cost would be £18,680.

**New Coaching Stock.**

50. The following statement shows the proposals for new coaching stock for the suburban lines, and shows comparative coaches in both Victoria and South Africa. The proposed coach seats 70 first class passengers or 82 second class and, in addition, standing room is provided without inconvenience to the seated passengers:

| COACHING STOCK—COMPARATIVE DATA.
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Australia.</td>
<td></td>
<td>South Africa.</td>
<td>Victoria.</td>
</tr>
<tr>
<td><strong>First Class Carts—</strong></td>
<td><strong>Old Type.</strong></td>
<td><strong>Proposed Type.</strong></td>
<td></td>
</tr>
<tr>
<td>Length</td>
<td>59ft.</td>
<td>30ft.</td>
<td></td>
</tr>
<tr>
<td>Weight</td>
<td>29 1/2 tons</td>
<td>28 1/2 tons</td>
<td></td>
</tr>
<tr>
<td>Number Seats</td>
<td>56</td>
<td>56 plus standing room</td>
<td></td>
</tr>
<tr>
<td>Weight per seat</td>
<td>8 tons 9cwt.</td>
<td>6 tons 9cwt.</td>
<td></td>
</tr>
<tr>
<td>Class</td>
<td>1st (&quot;AW&quot;)</td>
<td>First</td>
<td></td>
</tr>
<tr>
<td>Type, Compartment Coach</td>
<td></td>
<td>Cross seats, open saloon</td>
<td></td>
</tr>
<tr>
<td><strong>Second Class Carts—</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Length</td>
<td>59ft.</td>
<td>30ft.</td>
<td></td>
</tr>
<tr>
<td>Weight</td>
<td>22 tons</td>
<td>22 tons</td>
<td></td>
</tr>
<tr>
<td>Seats</td>
<td>50</td>
<td>82 plus standing room</td>
<td></td>
</tr>
<tr>
<td>Weight per seat</td>
<td>6 tons 3cwt.</td>
<td>5 tons, 4cwt.</td>
<td></td>
</tr>
<tr>
<td>Class</td>
<td>Second</td>
<td>Second</td>
<td></td>
</tr>
</tbody>
</table>

For narrow gauge stock, the comparison with the Victorian coach is good.

**Passenger Accommodation.**

51. In the design of new brake vans the recommendation to provide greater passenger accommodation will be given full consideration.

**Premier Coal Mine.**

52. Please see paragraph 23 of my preliminary report of 21st July.

**State-owned Mines.**

53. This is a question of Government policy.

**Geraldton Workshops.**

54. All work done at Geraldton is performed with due regard to economy. Nothing is done there that can be more economically dealt with at Midland Junction.

**Kalgoorlie Workshops.**

55. The foregoing remarks apply equally to Kalgoorlie.

**Accounts Branch.**

54. Please see paragraph 25 of my preliminary report of 21st July.

**Stores Branch.**

55. Please see also the same paragraph of my preliminary report. I submit also the following remarks of the Deputy Comptroller of Stores on the subject:

I submit that such a sweeping assertion as "Your Commissioner is fully convinced that the expenditure of
this branch is excessive," is not borne out by figures. During the year ended the 30th June last, the value of the issues was £1,001,504, the work being handled at a total cost of £21,341, representing the low administration charge of 2.14 per cent.

I do not know the relative charge in the Eastern States railways but, in the recent report on the Southern Pacific Railway, U.S.A., selected as a model for store-keeping purposes by the Australian delegation, this is shown as between 5 and 7 per cent.

He (the Royal Commissioner) "considers that the work now carried out by senior clerks could be done much cheaper by employing female clerks, and any further vacancies should be so filled."

By senior clerks, I take it adult clerks are meant. The only positions where such female labour could be considered would be on the typing and ledger posting machines, approximately four positions.

The Royal Commissioner's remarks with reference to purchases are misleading, and may convey the impression that all purchases are made by means of local quotations. This is not so and is far from the actual facts as, where the value warrants it, tenders are called not only locally and in the Eastern States but also by the Agent General in London.

Such tenders are advertised locally in the "Government Gazette," also in "Tenders" published in Melbourne, and in the "Australian Manufacturer," published in Sydney. In addition, notices are posted.—

<table>
<thead>
<tr>
<th>Section and Size</th>
<th>Rate per 100 super. feet.</th>
<th>Additional Charge per 100 super. feet.</th>
<th>Increase per cent.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Railway Department issue rate for Sawn Jarrah.</td>
<td>Rate charged by State Sawmills for sawn Karri.</td>
<td></td>
</tr>
<tr>
<td>4in. x 3in. x 11ft. ... ...</td>
<td>a. d.</td>
<td>a. d.</td>
<td>a. d.</td>
</tr>
<tr>
<td>6in. x 6in. x 22ft. ... ...</td>
<td>9 0</td>
<td>17 0</td>
<td>8 0</td>
</tr>
<tr>
<td>6in. x 6in. x 35ft. ... ...</td>
<td>11 3</td>
<td>22 0</td>
<td>10 9</td>
</tr>
<tr>
<td>8in. x 6in. x 5ft. ... ...</td>
<td>12 10</td>
<td>28 4</td>
<td>15 6</td>
</tr>
<tr>
<td>12in. x 6in. x 25ft. ... ...</td>
<td>12 0</td>
<td>22 0</td>
<td>12 0</td>
</tr>
</tbody>
</table>

I consider that to obtain our jarrah from the State Sawmills would be a retrograde move, resulting in increased expenditure and insecure delivery. The objects of the two mills are dissimilar, as the State Sawmills are a trading concern while the Railway Mill was established to ensure adequate and prompt supplies for railway purposes, and the pronounced success attending its activities since the inception has fully justified its existence.

I fully concur in these views and remarks.

Mr. Shilling’s Charges.

56. (a) Loco. Picnic.—I approved of this picnic being held at Pinjarra at the request of the committee and on the recommendation of the Deputy Chief Mechanical Engineer. Attention was drawn by a Mr. Ridley, Transit Clerk, to the mileage involved, and this was represented to my office. The Deputy Secretary referred the papers to the Chief Mechanical Engineer, and the committee, on reconsideration, favoured Coogee, which ultimately was adopted. The suggestion originated entirely from Mr. Ridley. This was apparent from the file on the subject which was for some time in the possession of the Royal Commissioner.

(b) Shower Baths, Karlee and Yalco.—These were an experiment for offering a convenience to the public, and as an attempt to emulate in some degree the baths which are provided in the Trans-Australian train. Apparently they have not been appreciated as was expected.

(c) Hostlering Locomotives.—The suggestion to which Mr. Shilling refers was embodied in Clause 30 of the Loco. Drivers’ Award issued 29th July, 1921. When the draft claim was in course of preparation I myself directly included the clause in question without suggestion from anybody.

(d) Mr. Shilling’s complaint that he did not get consideration when he applied for the position of Secretary for Railways is answered by the simple fact that, although applications were invited through the “Weekly Notice,” Mr. Shilling never applied for this position.

Other matters under this heading require no comment.

Sale of Printing Machine.

57. The file regarding this sale, which was approved by you on 25th June, 1920, has been before Parliament from 14th September, 1920, until the end of that session. The fact is that in 1920 I, on my own responsibility, mapped the only offer which had been made for the machine, and I am satisfied that if I had not done so we should have had the machine on our hands until broken up for scrap.
Commissioner's Outdoor Inspector.

58. The reasons which actuated me in making this appointment, and, from a large number of candidates, selecting Mr. Backshall to fill it, are definitely shown on the file.

Construction of Lines.

59. This is purely a question of Government policy.

Re-laying of Light Lines.

60. It would be a good thing to relay the Bridge-town-Jnaradup railway with 60lb. material.

North Fremantle Railway Bridge.

61. So far as I am aware, no proposal for a steel structure on the site of the present bridge has been considered, because such would block the expansion of the harbour. That being so, the proposed new bridge at Preston Point, involving deviation of the railway, is probably referred to, the estimated cost of which, as stated in the report of the Royal Commission on Uniform Railway Gauge, is between £531,078 (State) and £235,000 (Federal), according to the class and extent of bridge decided upon. It is recognised that the present North Fremantle timber bridge is extremely expensive to maintain.

Regrading and Deviation of Lines.

62. The question of profitable regrading is still under consideration and will be submitted in connection with the Loan Estimates.

Geraldton-Moelkatharra Section.

63. Bridges between Nannine and Moelkatharra are strong enough; the deficiency is in the ballast, of which there is none under the sleepers.

Water Supplies.

64. This paragraph follows a recommendation submitted by a Board of Officers who inquired as to details. It is proposed to submit provision on Loan Estimates.

Unimproved Land.

65. This is a question of Government policy.

Shipping Timber.

66. The concessions suggested by the Royal Commissioner were submitted in 1929 to timber shippers but were not accepted. They will be tried again.

Study of up-to-date Methods.

67. This practice is largely in vogue in Victoria and New South Wales. You are aware of the action taken in connection therewith shortly after my first appointment.

Retrenchment.

68. When a lad, however promising and with whatever brilliant credentials and certificates, becomes 21 years of age, he becomes an adult worker, and consequently cannot continue as a junior worker. But there is no vacancy for him as an adult worker—in fact, many adult workers who have been retrenched are waiting to be re-employed in any vacancy as such. The union will not—and they are quite within their rights under their award—allow me to continue to employ him as a junior worker. I cannot employ him as an adult worker, and our awards make no provision for supernumeraries.

Automatic Signalling.

69. Provision will be made in the Loan Estimates for automatic signalling between Freemantle and Lion Hill (including A.P.B. system between Swan View and Lion Hill), subject to surveys now being made showing that it will not be more economical to otherwise deal with the problem.

Signalling at Fremantle.

70. In the opinion of the Chief Traffic Manager, who has carefully gone into the matter at various times, the proposal of the Royal Commissioner has been found not practicable for working during busy periods. It would be all right at slack times, but would not meet heavier work.

Hopetown-Ravensthorpe Railway.

71. It is not considered desirable to alter the train service, which is run in conjunction with the boat service; nor would there be any saving of wages in doing so. I have under consideration the question whether the positions of District Station-master and Driver-in-Charge could be amalgamated. When motor trolleys are available for this line the strength of the gang will be reduced.

Mount Magnet-Sandstone Railway.

72. This is a matter of Government policy. If it be desired to carry out the recommendation of the Royal Commissioner it will be necessary for a Bill to be prepared. The regular service on the line is one train a fortnight.

Southern Cross-Ballajach.

73. The future of this line, i.e., whether it be pulled up or left to make a connection with Ben-cubbin, is a matter of Government policy.

Kangawa Railway.

74. A Bill is in course of preparation for authorising the removal of this line. Regular service has been discontinued, but goods are being hauled by special train when quantities warrant.

Port Heddland-Marble Bar Railway.

75. None of the present responsible officers of the department have had an opportunity for visiting this line, nor has my predecessor nor I been able to do so.

Rates and Fares and Excursions.

76. Any estimates of revenue for the current financial year are based on the current rate book. It will take some little time to ascertain reliably what the probable effect would be financially if the proposed reductions were brought into operation. On completion of inquiries now in hand, further report on this subject will be sent you.

Management.

77. The Royal Commissioner says he finds that there is "an entire lack of confidence in the management, which is neither economical nor efficient."
From reading the evidence from sources inside and outside the service I submit that this conclusion cannot be sustained. It apparently rests, therefore, upon the personal observation of the Royal Commissioner during his visit to this State, combined with various instances of extravagance, etc., and calculations and comparisons of costs as set forth in his reports. No doubt he has listened to such evidence as has been put forward in support of the "neither economical nor efficient" theory, but he has done so without hearing or considering the other side of the story as set forth herein, or taking any evidence on the subject from responsible officers.

The Royal Commissioner recommends a board of three Commissioners instead of control by one Commissioner. As to this, I feel it would be impertinent for me to offer an opinion, but I am compelled to say that, with your support and with the royal support of Heads of Branches, I may claim to have done as well as the next man through the period which has elapsed since my appointment on 1st September, 1919. I submit the results of the financial year just closed—on the first year I have had in any way approaching normal conditions—to bear witness to this statement, in addition to the matters mentioned at paragraphs 38 to 70 inclusive of my preliminary report of 21st July.

The three Commissioners are to abolish the present branch organisation of the department which is the same as in use almost universally throughout the railways of the British Empire, and substitute for it the American system of Divisional Management, operating, so far as Australia is concerned, solely in Queensland. They are to divide the system into four districts with head-quarters at Perth, Merredin, Narrogin, and Geraldton, instead of into the six districts with head-quarters at Perth, Northam, Kalgoorlie, Narrogin, Bunbury, and Geraldton, into which it is now divided.

Compare the respective facilities offered, the present allotment including the very important traffic centre at Northam, the junction with the Trans-Australian line at Kalgoorlie and the principal timber port at Bunbury. These three important railway centres the Royal Commissioner’s scheme ignores. In these days of necessity for economy the first necessity is effective supervision, and no matter what happens, I am certain some responsible officials will have to be maintained at these places as well as at Merredin and Narrogin, their proposed divisional headquarters. The geography of the country, if nothing else, will demand it.

I do not agree with the recommendation of the Royal Commissioner that divisional organisation be substituted for branch organisation; I outlined my reasons briefly in my preliminary report of 21st July, and quoted my authorities for those reasons, as follows—:

I have discussed the system with Mr. Davison—when field work on the Queensland Government Railways was £1,739,475 for the year 1929-30. I have discussed it with Mr. Clapp, Chairman of the Victorian Railways Commissioners, and with Mr. Fraser, Chief Commissioner of the New South Wales Railways. The former (Mr. Clapp) told me he could see no advantage in introducing the Divisional system into Victoria; that in the United States, where it had been in vogue since the inception of railways, it answered well; and that in Victoria, where the Branch organisation—the same, practically, as in Western Australia—had been in vogue, since the inception, he considered that system was better than the Divisional system of America, and he was not going to alter it. Mr. Fraser’s views as regards the New South Wales railways organisation are practically similar. These are gentlemen of the highest experience and reputation in Railway matters in Australia.

Royal Commissions have recently reported upon the Railways of Victoria (Mr. T. E. Johnson, formerly Chief Commissioner of the Government Railways of New South Wales), and upon the Railways of South Australia (Mr. P. A. Anthony, General Manager, Federated Malay States Railways). Neither of those authorities recommended any departure from the established form of railway organisation of the British Empire.

Your Royal Commissioner has given an estimate, but nothing else, to show that his proposal will have the merit even of economy. To my mind, his estimate shows lack of appreciation of the volume of work which the detailed conduct of a railway involves.

In this Department, which the Royal Commissioner describes as being overmanned, 547 salaried officers carry on the business of administration. Those Mr. Stead, by adopting the Queensland system, proposes to reduce by 103—i.e., he proposes that this work of administration be carried on under the Queensland system by 444 officers. But Queensland for this purpose finds no less than 1,204 officers to be necessary.

It is true that the route mileage of the Queensland system is 5,733 against our 3,539, and her train mileage 19,735,000 against our 9,013,000. Their tonnage handled was 3,807,000 compared with our 3,013,000; their passenger journeys were 27,735,000; ours 17,732,000. Although the business of the Queensland railways is larger than ours, that fact gives no ground for believing that our work can be done with 444 officers, as estimated by Mr. Stead, where Queensland requires the services of 1,204 officers—nor, in fact, for any other conclusion than that our 547 is a reasonable number.

The head offices of the Queensland system engage the services of 637 officers; our head offices, which would carry on the corresponding work of this Department, have 367 officers. In the divisional offices Queensland has 567 officers, whereas in our own six districts we have 100. I do not think we could dispense with 103 from our number on the adoption of the Queensland system recommended by the Royal Commissioner and at the same time carry on the business satisfactorily, and I do not recommend the adoption of that system.

It has been necessary for me to correct many inaccuracies of statement and calculation which have been put forward by your Royal Commissioner, and on which false premises he has based conclusions which have reflected altogether unfairly the officers of this Department. These reflections have been widely circulated through the Press. As a matter of justice, I submit that it is only due to those officers that any print made of the Royal Commissioner’s report should be accompanied by a print of this and of my preliminary reply, dated 21st July, to that report.

H. POPE, Commissioner of Railways.
Perth, 4th August, 1922.
<table>
<thead>
<tr>
<th>Reference No.</th>
<th>Particulars</th>
<th>1922</th>
<th>1931</th>
<th>1920</th>
<th>1919</th>
<th>1918</th>
<th>Increase, 1922 compared with 1921</th>
<th>Decrease.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Total amount debited to Capital Account</td>
<td>£18,025,503</td>
<td>£18,169,980</td>
<td>£18,698,354</td>
<td>£17,955,841</td>
<td>£17,705,668</td>
<td>£785,623</td>
<td>...</td>
</tr>
<tr>
<td>2</td>
<td>Average number of miles worked</td>
<td>5,339</td>
<td>5,339</td>
<td>5,339</td>
<td>5,339</td>
<td>5,339</td>
<td>5,339</td>
<td>5,339</td>
</tr>
<tr>
<td>3</td>
<td>Miles open for Traffic on 30th June</td>
<td>5,339</td>
<td>5,339</td>
<td>5,339</td>
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<tr>
<td>4</td>
<td>Average Total Cost per mile open</td>
<td>£5,051</td>
<td>£5,194</td>
<td>£5,14</td>
<td>£5,14</td>
<td>£5,14</td>
<td>£5,14</td>
<td>£5,14</td>
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<tr>
<td>5</td>
<td>Total amount debited for Interest</td>
<td>£178,757</td>
<td>£178,757</td>
<td>£178,757</td>
<td>£178,757</td>
<td>£178,757</td>
<td>£178,757</td>
<td>£178,757</td>
</tr>
<tr>
<td>6</td>
<td>Working Expenses</td>
<td>£2,528,433</td>
<td>£2,428,004</td>
<td>£2,391,789</td>
<td>£2,391,789</td>
<td>£2,391,789</td>
<td>£2,391,789</td>
<td>£2,391,789</td>
</tr>
<tr>
<td>7</td>
<td>Surplus Earnings Over Working Expenses</td>
<td>£499,913</td>
<td>£298,028</td>
<td>£291,403</td>
<td>£295,026</td>
<td>£295,026</td>
<td>£300,965</td>
<td>£300,965</td>
</tr>
<tr>
<td>8</td>
<td>Percentage of Total Revenue</td>
<td>10.4%</td>
<td>10.4%</td>
<td>10.4%</td>
<td>10.4%</td>
<td>10.4%</td>
<td>10.4%</td>
<td>10.4%</td>
</tr>
<tr>
<td>9</td>
<td>Percentage of Working Expenses to Earnings</td>
<td>3.2%</td>
<td>3.2%</td>
<td>3.2%</td>
<td>3.2%</td>
<td>3.2%</td>
<td>3.2%</td>
<td>3.2%</td>
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<tr>
<td>10</td>
<td>Working Expenses per average mile worked</td>
<td>£565</td>
<td>£565</td>
<td>£565</td>
<td>£565</td>
<td>£565</td>
<td>£565</td>
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<tr>
<td>11</td>
<td>Interest per average mile worked</td>
<td>£214</td>
<td>£214</td>
<td>£214</td>
<td>£214</td>
<td>£214</td>
<td>£214</td>
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<tr>
<td>12</td>
<td>Net Return per average mile worked</td>
<td>£372</td>
<td>£380</td>
<td>£370</td>
<td>£380</td>
<td>£380</td>
<td>£390</td>
<td>£390</td>
</tr>
<tr>
<td>13</td>
<td>Net Return per Train Mile, after paying Working Expenses</td>
<td>£141</td>
<td>£134</td>
<td>£127</td>
<td>£134</td>
<td>£134</td>
<td>£134</td>
<td>£134</td>
</tr>
<tr>
<td>14</td>
<td>Average mileage each train hauled</td>
<td>63.244</td>
<td>63.150</td>
<td>63.130</td>
<td>63.130</td>
<td>63.130</td>
<td>63.130</td>
<td>63.130</td>
</tr>
<tr>
<td>15</td>
<td>Average mileage each train hauled (including milk)</td>
<td>63.244</td>
<td>63.150</td>
<td>63.130</td>
<td>63.130</td>
<td>63.130</td>
<td>63.130</td>
<td>63.130</td>
</tr>
<tr>
<td>16</td>
<td>Goods Earnings (including Live Stock)</td>
<td>£68,482</td>
<td>£68,482</td>
<td>£68,482</td>
<td>£68,482</td>
<td>£68,482</td>
<td>£68,482</td>
<td>£68,482</td>
</tr>
<tr>
<td>17</td>
<td>Average earnings of Goods and Live Stock</td>
<td>63.244</td>
<td>63.150</td>
<td>63.130</td>
<td>63.130</td>
<td>63.130</td>
<td>63.130</td>
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<tr>
<td>18</td>
<td>Total Revenue on 30th June</td>
<td>£298,028</td>
<td>£291,403</td>
<td>£291,403</td>
<td>£291,403</td>
<td>£291,403</td>
<td>£291,403</td>
<td>£291,403</td>
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<tr>
<td>19</td>
<td>Total Number of Persons employed</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
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<tr>
<td>20</td>
<td>Average number of persons employed during Year</td>
<td>7,856</td>
<td>7,856</td>
<td>7,856</td>
<td>7,856</td>
<td>7,856</td>
<td>7,856</td>
<td>7,856</td>
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</table>

*† Includes £3,005,464 Flotation charges on Loan Capital—see para. d.*
4.—Comments by the Royal Commissioner on the Reply of the Commissioner of Railways to the Second and Final Report of the former.

When I accepted the position of Royal Commissioner to inquire into the working and management of the Western Australian railways, I recognised, from my knowledge of the system, that my report to the Government would need to be of sufficient strength to justify them in carrying out any reforms considered essential. In doing this I also realised that it would be necessary for me to severely criticise the management if the evidence and the information which I obtained justified such an action; and there was no doubt whatever that it did so. I, therefore, expected that I should probably be subject to some personal abuse, and have not been disappointed, especially considering the number of officers engaged, and the time taken, in formulating the defence.

The reference made to my management of the Midland Railway, in connection with the appointment of an Engineer and two Inspectors, which is incorrect; the reference to the defalcations of the Accountant, which is also incorrect as far as I am concerned, and other matters touched upon, do not affect the position, for the outstanding fact remains that my management gave satisfaction to my Board of Directors and to the general public using the railway. It is, therefore, quite unnecessary for me to make any further comment on a subject upon which the Commissioner is not qualified to express a personal opinion.

My report was framed to show:—
1. The necessity for rigid economy.
2. The favourable position as regards capital cost.
3. The economical manner in which the railways are at present conducted; and
4. My conclusions and recommendations for improvement.

Nothing has been put forward by the Commissioner of Railways to vary the conclusions, and any correction of figures does not affect the essential points in any way.

WAY AND WORKS BRANCH.

In this connection I pointed out:—
1. The expenditure incurred in this branch by the number of District Engineers, Assistants, Inspectors, etc., who are in excess of requirements.
2. The unnecessary removal of sleepers from the road before their term of life had expired; and
3. The practice of re-sleepering to a face, which was not justified.

4. The fact that barri sleepers had been hauled from stations on the Jardanup Branch to Bumbury to be powellised and returned again to that district, where sleepers could and should have been obtained without this unnecessary waste of labour.

5. The position in regard to the powellising plant at Bumbury, which evidence was conclusive that there was practically no supervision exercised and that a considerable amount of money had been wasted owing to the want of supervision and the shortage of timber to keep the works profitably employed.

6. That sleepers had been hauled to Kalgoorlie and returned to Southern Cross.

7. That at Merredin, Albany and Southern Cross, where there is only one Inspector, a permanent clerk is employed.

8. That there were Assistant Engineers in all of the six Districts and this expenditure was not necessary.

9. That unnecessary plans and estimates had been prepared, and to prove this one need only refer to the plans that were prepared in connection with the Spencer's Brook alterations. A bigger muddle it would be almost impossible to picture. The very fact of these plans having been prepared unnecessarily proves beyond doubt that the office was and is overman."
17. The unnecessarily heavy cost of Ticket Collection and Inspection.
18. The cost of retaining an engine in steam at York for three hours.
19. Delay to waggons in private sidings on Dwenda line.
Not one of these items has been adequately answered.

LOCOMOTIVE BRANCH.
1. The necessity for reorganisation of the Locomotive Branch.
2. The exceedingly high wages paid for time not worked.
3. The low rate of mileage per day of eight hours.
4. The very high rate of rolling stock.
5. "Xa" Hopper Wagons lying dismantled in Midland yard, whilst Tramways are paying high rates for unloading coal out of high-sided trucks.
6. Insufficient care of tarpsulins and delay in repairing at Midland Junction.
8. Expense in keeping a driver in charge at Wongan Hills, which could have been avoided by provision of telephone connection with Northam.
9. Unnecessary records and correspondence, and duplication thereof.
10. Unnecessary number of engineers employed on Perth goods shunting engines.
11. Heavy expense in cooling engines at Northam, Kalgoorlie, Bunbury and Mullawa.
12. Unnecessary transfer of engines from Fremantle to Perth.
13. Unsatisfactory check on men's times at Bunbury depot.
14. Expensive working of Bunbury depot.
15. Shunting engines unnecessarily.
16. Expensive Supervising Staff at Kalgoorlie.
17. Insufficient cubic capacity of class "B" wagon.

Mr. STILLINGTON'S CHARGES.
1. Approval for picnic trains without consideration of cost.
2. Waste of money by provision of baths at Karratha and Yalgoo.
3. Unnecessary Boulder passenger service.
5. Delays to trains between Spencer's Brook and Midland Junction, particularly between Lion Mill and Bellerive.

GENERAL.
1. Unnecessary expense in providing fresh engines at Cue to run to Meckatharra.
2. Unnecessary expense in signalling at Fremantle.
3. Unnecessary expense in working Hopetoun-Ravensthorpe line.

I wish the following remarks in connection with the replies of the Commissioner to be thoroughly examined, as the use of a mass of figures is liable to blind the real issue which is disclosed in the paragraphs submitted in my reports.

(Index figures correspond with those used in the Railway Commissioner's Report.)

Population per mile
1. My figures on this point were used to show how vital it was to observe rigid economy in managing the railways. The further figures only give greater emphasis to this fact.

The Railway Commissioner complains that I excluded the population and contingent figures from my findings. I can only report that these were not necessary, but I kept the necessity for rigid economy constantly before me, that is to say, I took to heart the lesson to be derived from a study of the figures, which the Railway Commissioner ought also to have done, and practised economy.

Financial Results.
2. My reason for going back to the year 1920 was the stress laid upon the difficulties of the finances of 1921 by the Commissioner, who kept harping on the loss sustained by the railway strike (a mythical £101,000) and awards.

The figures put forward by the Railway Commissioner, showing ratio of working expenses to earnings may be accepted, and only substantiate my claim that the working expenses in relation to the revenue are very high.

It has been recognised that, owing to causes beyond the control of the Railway Commissioner in Queensland, the working expenses are very high, whilst in South Australia, which has been referred to by the Commissioner, the labour conditions at Broken Hill and the general decrease of business there, resulted in a loss of £770,000 between May, 1919, and 30th June, 1921, and it is estimated that the net loss was £423,720, therefore it is quite unfair to compare the results of this State with South Australia.

Results in Relation to Capital Costs.
3. My report should have quoted capital instead of average cost.

Further figures relative to the rates in Western Australia, South Australia, New South Wales, and Victoria are quoted, but as these do not affect the subsequent matters (except to note the great difference in long distance live stock freights in Western Australia as against New South Wales), they may be passed over.

As explained in my previous report, I did not have sufficient time to thoroughly go into the question of rates.

The general scale of goods rates, as quoted, are also misleading as no general comparison can be effective without a general summary of the classification and breadth of hauls.

The figures relating to earnings per head of population, increased costs and interest are very instructive and again emphasise the necessity for economy.

Way and Works Branch—Working and Management.
4. The figures relating to the Engineers' Districts in Victoria and New South Wales are quite correct and are from information supplied by the respective Engineers in Chief. However, I failed to note that they had been calculated on the track mileage, and comparative figures for Western Australia are:

| Western Australia | 637 miles per Engineer. |
| New South Wales   | 1,200 miles per Engineer. |
| Victoria          | 1,105 miles per Engineer. |

Again the Railway Commissioner resorts to comparisons with other States, but I can only reiterate that comparisons prove nothing because the conditions are not similar, therefore the figures are misleading.
In this connection it is interesting to note that on 31 per cent, of the railways of this State the service is confined during the greater portion of the year to two trains each way per week or less (10½ per cent, to one train each way per week or less). Such small services affect the supervision requirements considerably and consequently must decrease the expenditure per mile.

As regards the four engineers controlling the system, it need only be mentioned that for the years 1911 to 1916 the train mileage was approximately one quarter to three quarters of a million more than in 1921, yet the then management considered only four engineers necessary. This heavy train mileage was run on a less number of miles at that present, therefore the maintenance works and requirements were heavier under those conditions.

Although the New South Wales and Victorian engineers have better train facilities for travelling, the Western Australian engineers have motors to enable them to work independently of the trains, and, after all, the motor is the best vehicle for line inspection. There is no reason whatever why the Western Australian engineers should not do as much as in the other States, and no evidence has been produced to show that it cannot be done.

In the Commissioner’s evidence, after stating that the District Engineers should go over their districts once a month, and in reply to a question as to how often the Inspector of Permanent Way inspected his section, he stated “That is a manner on which the District Engineer might give evidence.” Although the Commissioner has made a strong point of the supervision instituted by him, he did not actually know what inspections were made by the first officer concerned.

Reference has been made by the Railway Commissioner to the supervision of the Way and Works on the Midland Railway Company’s line. Instead of there being an Engineer and two Inspectors, as quoted, only one Inspector is employed, with the Engineer. This costs £940 per annum, for 277 miles of line. Were the Government lines maintained as economically, the maintenance costs would not exceed £15,000 per annum, whereas the Way and Works District Officers and Inspectors now cost about £36,000, in addition to which there are Head Office charges.

Re-sleepering.

5. In the third paragraph appears the statement that—

Consequent upon a general instruction issued by the Chief Engineer all District Engineers last year, as a result of which the re-sleepering method all over the Government Railways was put on a different footing to that of the old practice.

In evidence the Commissioner, referring to the waste on the Moncrieff-Butterfly section, stated—

About that Kookynie re-sleepering, I left word for Mr. Creswell to go up and have a look at it after his return from Victoria, where I particularly asked him to go through some of the re-sleepering being done in Victoria, and to see what was the actual condition of the sleepers they were pulling out. He had done that, got back to Kalgoorlie, went up to Kookynie and stopped the work.

This was, however, subsequent to my inspection and examination of officers concerned.

Again, after my observation that I felt very “sore” to think that there was so much money unnecessarily expended on that particular line, the Railway Commissioner said:—

It is abominable; but that is not the only one, that is the unfortunate part of it.

His evidence clearly shows that he was aware of the extravagant method in vogue, and I am unable to reconcile his written reply with the evidence.

Although the work of re-sleepering on the Moncrieff-Butterfly section was authorised in 1910, it was carried out this year and the Commissioner must accept responsibility for the waste.

In the sworn evidence given by Mr. Brown, Inspector of Way and Works, he stated that the sleepers had been laid out to the 628 mile and were put in to the 501½ mile, i.e., were laid out 36½ miles ahead of the work. This shows unnecessary haulage of 51,304 sleepers.

It is stated that sleepers taken out and having further life are used again for patching. This may be what is understood but, nevertheless, there are so many sleepers of this class available that considerable patching will have to be done to absorb them. Many are being put in stacks and fired. This may be considered economical management, but it does not appeal to me as being other than wasteful.

Aiding and Dazing.

6. The concluding portion of the Commissioner’s letter of 23rd May last reads as follows:—

This machine has only recently been put into operation and as a matter of course there has been a good deal of “dead work” and preliminary expense before the plant is properly going, which increases the cost of the first lot of sleepers turned out. Now that the plant is in good working order it is anticipated that the costs will be reduced considerably.

In addition, the Chief Engineer gave me to understand that the sleepers would be worked from track to track, instead of which huge stacks have been accumulated. For these reasons the figures quoted in the letter were ignored and an approximate figure quoted by me.

If the work can be done by hand for approximately 17½ per hundred, as stated by one of the witnesses, why provide expensive machinery to perform the same work at an increased cost of 11s. 4d. per hundred?

Korri Sleepers.

7. If the case was one of emergency there was all the more reason for using sleepers close at hand, instead of waiting the forwarding, polishing, and return of sleepers from Bunbury. The excuse tendered is, in my opinion, not acceptable.

Polishing Plant.

8. The evidence in regard to the polishing plant at Bunbury was conclusive that there was practically no supervision exercised and that a considerable amount of money had been wasted owing to the want of supervision and the shortage of timber to keep the works profitably employed.

Manjimup and Jarradup House.

9. Had proper co-ordination existed between the two Departments the unnecessary haulage would have been avoided.

Unnecessary Haulage of Sleepers.

10. It is of course obvious that if the haulage of sleepers from Bunbury to Kalgoorlie and Kalgoorlie
to Southern Cross prevented sleepers being forwarded from Bunbury to Southern Cross, it was at the expense of 276 miles of unnecessary mileage.

Other Works and Matters:

11. The "triple" as the Commissioner terms them, are examples of the manner in which the Department is conducted, and demonstrate that the expenditure is not properly controlled.

Way and Works Stores.—A careful examination of the business at once shows that the Storekeepers have very little to do. It is ridiculous to say that the amalgamation cannot be effected, and this is also the opinion of some of the officers examined in connection therewith.

Clerks to Permanent Way Inspectors.—In some cases the inspectos' clerical work is performed by the District Engineer's office; in others, clerks are working in inspectos' office full time. Sometimes one clerk for one inspector; sometimes a clerk for two inspectors. Others are on the work half time. Most of the work should be done in the Engineer's office, and there is no necessity for the employment of a clerk where there is only one inspector.

Preparation of Plans.—In evidence the Commissioner stated:—"The system of preparing plans is not, to my mind, a good one. We have too much staff on that job." I cannot reconcile his reply with the evidence. Despite this opinion the large staff still exists, and the Commissioner insists there is no overmanning. Also, in view of the difficulty he quotes, in regard to obtaining money, why prepare plans for so much work that is not carried out?

Sandstone Stock Yards.—A small yard would have been sufficient, and some notice should have been taken of the District Superintendent's recommendation. There was no justification for the expenditure of such a large sum of money on the work.

Repairs to Harpeth Jetty.—So far as I can learn, no steps were taken to ascertain whether suitable local labour was available, and the excessive expenses incurred in carrying out this work were not justified.

Evidence.—My inquiries in connection with the re-sleepering were directed to the Railway Commissioner.

Traffic Branch Administration:

12. Although Mr. Lord was not specifically questioned on this point, his deputy (Mr. Gallagher) was, and no satisfactory explanation of the reason for the large expenditure could be given.

Correspondence:

13. The Commissioner is probably intimate with the systems of the days of Thackeray and Dickens, but it would be better if he were more conversant with those of the present time. The system of Divisional control recommended will largely reduce the circumscription now existing.

Time Tables and Connections:

14. It is ridiculous to state that the withdrawal of one officer would necessitate the discontinuance of inquiries by any Departmental Committee. In regard to the Narembeen service, it is noted from the time table issued for the motor, that there are no direct connections provided.

Perth-Kalgoorlie Express:

The financial statement issued by the Railway Commissioner for the year just closed shows the average cost per train mile as 10s. 2½d., and, knowing that the cost of running an express passenger train is so much higher than any other, the figure adopted—12s. is legitimate. The Commissioner's quotation of 2s. 6d. per mile is ridiculous and, needless to say, is not observed when quoting for special trains.

With previous winter's experience to guide them, the Railway authorities should have seized the opportunity to reduce the expenditure, even if it were by only £50 a week. No doubt the matter will have had due consideration, and a decision arrived at after the winter season is over.

Regarding the Boulder service, the really serious part of this business was that the unprofitable passenger service was added to and continued for such a length of time after parting with the profitable firewood business. It did not require much investigation to decide what trains should be cut out.

Dining and Buffet Cars:

16. My arithmetic is correct. The Commissioner has lost sight of the fact that the second train is relieved of 40 tons.

These cars are run at a considerable loss, and should never have been introduced.

Railway Days:

17. To reduce the number of running days for receiving goods and to concentrate the loading of both Fremantle and Perth would enable Perth, in many cases, to complete a direct trunk to the different stations. This would prevent all the handling and the delays that are caused to goods trains en route, and I am surprised that a man holding the position of Commissioner of Railways should attempt to justify the continuation of a system which is obsolete.

Narrandera—Improvements:

18. I notice by the Commissioner's report that, after two years' consideration it has been finally decided to carry out this very necessary work, which should have been done immediately it became known that the business of the depot could not be economically carried out with the conveniences then existing. This is another instance of the delays and unnecessary work caused by dilatoriness in dealing with such important subjects.

Adams Coal Traffic:

19. My remarks also apply to bunker coal.

Ticket Collection and Inspection:

20. I considered that the concentration of the whole of these ticket collectors and examiners at Perth was a very expensive arrangement and, indeed, the evidence elicited from the ticket inspector justified the conclusion I have arrived at, that the waste incurred should have been stopped long ago.

York—Detention of Trains:

21. It is noticed that the Commissioner states that this train is held up on account of the dark and, therefore, does not proceed until daylight. This appears to me a most appalling state of affairs, and it is very hard to understand why any officer, knowing his position, should attempt to justify the unnecessary expenditure of keeping this engine in steam from the time it arrives, till daylight.
Supply of Trucks to Unattended Sidings:
22. The fact remains that several instances were given to me, and the attention given to one case by the Railway Department had not satisfied its customer.

Sequestering Superphosphates:
23. This statement is not borne out by the evidence tendered by farmers and settlers.

Demurrage Charges and Delays to Wagons:
25. Beyond the bald statement that the delays to these wagons were to suit the convenience of the Department, no explanation is given as to this very serious matter, and I might further point out that these delays occurred during the busy wheat season, showing, as I have already pointed out, that there were too many wagons in use for the business offering. This is also further evidence to show that there was no necessity for the construction of the 100 "Va" vans referred to.

The reference to the load of a Garratt engine is not understood, as a down load of empties weighing 140 tons is equal to a fully loaded up train of 350 tons.

Kalgoorlie Signal Cabin:
26. On the Railway Commissioner's own admission, the work has been in hand for some months. It should have been completed long ago, and that is the reason attention was drawn to the waste.

Traffic Foreman:
27. If the man at Collie is paid a Foreman's pay to perform a Checkers' work, then it appears that money is being thrown away.

I was at Northam during March; the Foreman was not then necessary, and Mr. Wright, relief station-master at Collie, who had had experience at Northam during the busy season, in giving evidence stated that the Foreman was not wanted at any time.

Locomotive Branch—Administration:
28. Mr. Clapp has not had an opportunity of investigating the Western Australian Railway System, and it does not necessarily follow that his opinion in regard to the Victorian System would coincide with his opinion in regard to the Western Australian System.

What is wanted in Western Australia is economy, and the locomotive working must conform to the general scheme to effect that result, which is so desired.

The figures quoted, showing the comparison of costs for loco, repairs, car and wagon repairs, etc., cannot be accepted as evidence of economical working in Western Australia.

It is well known that the average mileage per engine in Western Australia is low; also that the track mileage is extremely low, and these low mileages are reflected in the cost of maintenance. In some States the proportion of superheated engines is much higher than in Western Australia, entailing a higher rate of maintenance.

The question of costs in each State is influenced by local conditions.

The Secretary of the Engine-Drivers, Firemen, and Cleaners' Union, in giving evidence, stated that better working would be obtained if the workshops were separated from the Running Branch. This was due to the fact that, in his opinion, the Chief Mechanical Engineer had not the knowledge of running that was necessary and, in my recommendation for the reorganisation of the Department, this was provided for.

Time paid but not Worked:
29. I consider that this is a sufficient proof in itself that the present system of management has failed because, had it not been done, the payment of approximately £12,000 per year to the staff for time not worked, would never have occurred.

Mileage per Driver's Day of Eight Hours:
30. Admitting that there is a considerable difference in the speed maintained, between Western Australia and New South Wales, the computations are on the same basis; and there is no justification for the difference between 52 and 69 miles. Although the computations of Queensland may not be the same as in Western Australia and New South Wales, the figures are those supplied to me by the Secretary of that State, consequently I am prepared to accept them. I unhesitatingly say that 52 miles is not a fair average, and with a proper arrangement of the time table and close supervision, the mileage should be increased considerably.

Carrying Capacity and Rate of Rolling Stock:
31. When I examined the Chief Mechanical Engineer in connection with the construction of the new "Va" vans, there had been several turned out, and the carrying capacity of the wagons was, as stated in my report, 16 tons. However, shortly after the Chief Mechanical Engineer was examined in connection with the excessive rate of his wagons and the low carrying capacity, I noticed that instructions were issued, per medium of "Weekly Notice," that the carrying capacity had been increased to 18 tons.

If this could be done after my having drawn attention to the matter, why was it not done when the wagons were originally placed on traffic?

Another important matter in connection with the rate and carrying capacity of the "Ra" wagons is that, after my examination of the Chief Mechanical Engineer, the carrying capacity of these wagons was increased from 18 to 20 tons. As these are 310 of these wagons in use it will be seen that a very considerable loss has been incurred for years by reason of these wagons having been loaded up to 18 tons, whereas now, after my examination, the Chief Mechanical Engineer suddenly discovers that they can carry 20 tons. Comment is needless.

Since making my report I find that last year New Zealand obtained 2,500 steel wagons with a tare of 4 tons 1 cwt., and a loading capacity of 12 tons. Compared with the Western Australian wagons of 5 tons tare for a load of 9 tons 10 cwt., the New Zealand wagons shone a decided advantage.

Assuming that the 9,051 vehicles in the Western Australian service were constructed with one ton less tare each (per 4 wheels) the saving in coal alone (on a basis of 17 miles per track per day) would amount to £2,000 per year.

I have again perused the Chief Mechanical Engineer's evidence regarding reduction of tare, and cannot arrive at any other conclusion than that shown in my previous report.

"Xa" Wagons.—It does appear to me to be a peculiar business proposition to engage specially a private steamer to haul surplus rolling stock from Hopton...
to Fremantle, as far back as 1921, and then to have a portion of that rolling stock remaining idle during the whole of that period, when it could and should have been in use, thereby preventing the unnecessary expense incurred in the unloading of coal at the East Perth Tramway Depot. Is this not another evidence of the fact that there are too many wagons for the business offering in this State?

Tarponline.—I made an inspection of the floor on which the tarponlines were stacked and, in my opinion, there can be no doubt that the ants had been working above the wood, therefore in the tarponlines. It was a most foolish thing to put down softwood flooring for the purpose.

The officer who reported the matter is a responsible Traffic Inspector, and I am quite prepared to accept his statement. Of course all evidence of the damage had been obliterated before my visit.

Vacuum Testing Plant:
32. It should not have been left for me to point out the waste which occurred in connection with these plants.

Wongan Hills Telephone:
33. The facts are as stated by me and the saving has been effected, which would not have been done had it not been for my drawing attention to it.

Loco. Records and Correspondence:
34. There is no question but that there is a considerable amount of unnecessary correspondence which could and would be obviated by the introduction of Divisional management.

The Chief Mechanical Engineer states:—

The Superintendent of Loco. Running Office transferred to Perth has, in some respects, caused a little duplication of information and an increase in staff, but there is no gainsaying the fact that it has reduced correspondence respecting delays very considerably.

Less work—more staff.

Workshops Practice:
35. I have no further comments to offer in connection with this, excepting to point out that it is necessary that some better system of supervision be exercised in the Workshops at Midland Junction.

Perth Goods Shunting Engine:
36. This was not considered of sufficient importance by the Commissioner for comment, although it showed great waste, and should never have been introduced.

Coding of Engines:
37. The statement made in connection with the coding of engines is in accordance with fact, and it is undeniable that great expense has been incurred in the handling of coal from Mullahwa to Geraldton, which could and should have been obviated long ago. The excuse that money was not available does not appear to me to be of sufficient ground for not effecting the economy if the whole of the facts had been placed in the hands of those controlling the finances.

Swan View Tunnel:
38. If the engines using the Parkerville line were superheated, the full load could be hauled and a saving in coal bill also effected.

Transfer of Engines:
40. It is also admitted that an unnecessary expense, although trifling, had been incurred in connection with this, showing, of course, that the matter had not been fully considered before the transfers were effected in the first instance.

Bunbury Shed Administration:
41. It is stated that, with the present staff, there is really no one on duty from 4 to 6 a.m., but it must not be forgotten that there are three officers in charge of the sheds at Bunbury, and there is no reason, so far as I am able to see, why these three officers should not maintain continuous supervision over this shed.

Shunting Engines:
43. It is suggested that I should be written to, requesting me to report on the stations at which shunting engines are not fully employed. It is not my intention to do anything of the kind. This is a matter that the Commissioner and his officers will have to discover for themselves, and they have probably done so before this. If not, then it shows very clearly that the business is not being supervised as it should be.

Coal Consumption:
44. It is noticed that the Commissioner does not approve of a coal bonus owing, as is stated, to several drivers being employed on the same engine. It should not be very difficult to overcome this matter and the excuse put up is, in my opinion, no reason why some effort should not be made to induce all engineers to exercise the greatest economy in the use of coal.

Kalgoorlie Depot Management:
46. It is noted that since my report on this matter, the carriage and wagon inspector has been removed, proving, of course, that there was no necessity for him previously or, at any rate, since the whole of the wood traffic from Karawung has passed direct to Golden Gate without going through Kalgoorlie Yard. It is hard to realise where the expected increase of traffic was coming from, seeing that the private company's railway conveyed the whole of the wood over their own line.

Cubic Capacity of "R" Wagons:
49. Contrary to the statement made, these trucks do not carry the full 16 tons of timber, except in certain conditions. Many instances occur where 14 tons minimum charge has to be enforced on fully loaded trucks.

Many trucks have sides one board higher than the "R," and their doors rest on the ground when let down, therefore there is no reason why the sides of class "R" trucks should not also be made one board higher, as there would be no more difficulty in dealing with the "R" trucks than with the "Ge" or "Ga" wagons.

Mr. Shillingston's Charges:
56. Loco. Picnic.—A decision was given without thought of expense or practicality of the proposal.

Shower Baths, Karoolee and Yaloo.—Waste of money.

The remainder of Mr. Shillingston's charges, which comprise items of waste such as the unnecessary Bollier service: riding at 139 miles 13 chains, S.W.R.: delay to trains between Speinger's Brook and Midland Junction, require no comment from the Commissioner, the unnecessary expense and waste being obvious.

Geraldton-Meekatharra Section:
63. Reference to the evidence given by the District Engineer, Geraldton, shows that the carrying capacity of the bridges was the only factor against the use of the heavier engines between Gus and Meekatharra.
Signalling at Fremantle:

70. In my opinion there is nothing whatever to prevent the closing of the Goods Junction Signal Cabin. From my own personal knowledge I am satisfied that the scheme is practicable, and in the interests of economy this should be insisted on.

Hoptonaw-Ravensthorpe Railway:

71. The Commissioner’s attitude on this subject is absurd. The saving in wages can be effected. There is no need to wait for the provision of a motor trolley to reduce the gang. Compare it with the Sandstone line, where a gang of five maintains 93 miles of line, as against the Hoptonaw line gang—six for 33 miles 62 chains. On both lines the train service is very light.

New Fruit Wagons:

As in the case of the Sandstone Stockyards, the views of outside people have been accepted without due consideration, with the result that the railways have to bear, approximately, £70,000 capital, unnecessarily, and pay interest thereon annually.

These wagons cannot be profitably used throughout the year, and at present many of them are lying idle.

Oversarning:

The amount of staff required must be judged by the work necessary to be performed. Although the staff generally has decreased by 578, there has been very little reduction of the managing office staff. Surely if business has decreased to such an extent as to permit of 578 being turned off, there should be a perceptible decrease in the office staff. Comparison with any other country will not assist in arriving at the number required in Western Australia; indeed it only tends to cloud the issue.

One factor, however, that cannot be overlooked, is that since my appointment and following my inspections, considerable retrenchment has been effected with feverish haste. As to whether this was contemplated before my appointment or subsequent to it there is not much room for doubt.

Financial Results for Year ending 30th June, 1922:

When examined in June last the Commissioner stated that for the 11 months ending May, 1922, the decrease in expenditure on Traffic, Loco., and Way and Works approximated £74,000, and took credit for obtaining that result. If the information given by one of the witnesses is to be relied upon, and I have no reason to doubt its truth, no serious steps were taken to reduce the expenditure until the Hon. Premier took action in May, 1921.

It should have been obvious to any mean intelligence that, with a serious slump in revenue such as occurred previous to this, every avenue should have been investigated to detect where economies could be effected.

If the results obtained during the past year were the best that could be done with the present system, what would have been the result if the waste mentioned in my report had been eliminated?

It is a fact, and this must be read in conjunction with the alleged saving effected, that the goods and live stock tonnage for the past year showed a decrease of 55,273 tons compared with the previous year, and that the receipts from same were £50,360 more. Coaching earnings show £22,316 more, but the number of passenger journeys show an increase of 102,938 only. Clearly these results were obtained from the excessive rates charged. It is a most regrettable feature to find that, although the population at the end of the year just closed shows an increase of 8,225 persons, yet the goods tonnage has recorded over 55,000 tons.

Management:

One vital principle suggested is the introduction of a Divisional instead of a Branch system of Management, under which I estimated a saving of £27,000 a year in the cost of administration.

In his reply on the proposal the Railway Commissioner stated—

"I have discussed the system with Mr. Davidson, whose defect on the Queensland Government Railways was £3,200,475 for the year 1920-1921. I have discussed it with Mr. Clapp, Chairman of the Victorian Railway Commissioners, and with Mr. Fraser, Chief Commissioner of the New South Wales Railways. The former, Mr. Clapp, told me he could see no advantage in introducing the Divisional System in Victoria; that in the United States, where it had been in vogue since the inception of the Railways it answered well; but that in Victoria, where the Branch organisation—the same, practically, as in Western Australia, had been in vogue since the inception, he considered that system was better than the Divisional System of America, and he was not going to alter it. Mr. Fraser’s views as regards the New South Wales Railways’ organisation were practically similar."

Now let us consider this statement. Firstly it is stated he consulted Mr. Davidson, but what he advised is not quoted, though he inferentially attributes the heavy deficit to the Divisional system. The fact that reduction of between 70 and 80 was made in the staff by the introduction of the Divisional system is ignored.

Then, on the 16th page of the Railway Commissioner’s evidence of 28 June, 1922, after his last visit to the Eastern States to attend the Commissioners’ Conference, the following appears:

"Mr. Stead: That is the enormous amount of correspondence that goes on between the Head of a Branch and the District Officers. The District Officer simply passes it on to the station-master and becomes a sort of clearing house officer.

Colonel Pope: It is a bad thing.

Mr. Stead: Do you not think it should be possible to get over a lot of that trouble?

Colonel Pope: It wants a lot of thinking out. It is a thing I have not taken up seriously. There is the Queensland system of organisation: that I have gone into a good deal, and Mr. Davidson was telling me it is working well in Queensland. . . . . . ."

Secondly, the opinions of Messrs. Clapp and Fraser are quoted, in regard to the introduction of the system into Victoria and New South Wales. They, however, are not in a position to express an opinion as to what is necessary in this State.

As to whether the Railways are economically and efficiently managed is for the public to decide. In my efforts to place the position clearly and without ambiguity, I have endeavoured to the best of my ability to get both sides of the case and there is, in my opinion, no question as to the answer. If the number of letters, telegrams, and personal congratulations I have received can be taken as a guide, then my object has been achieved.
The numerous cases of unnecessary expenditure, inconvenient train services, delays to stock, high rates, want of initiative, and other matters referred to, justify my findings.

If the present system had been reasonably economical, I should have made no recommendation for alteration; indeed, it would have given me great pleasure to have endorsed the present management but, as stated in my final report, I consider the present system is neither economical nor efficient, and it was to remedy those defects that I recommended Divisional control. It is not my intention to argue as to whether I have studied the question or otherwise. The fact remains that I am prepared to prove that it can be carried out with the staff I have proposed.

In conclusion I would draw attention to the proposal to lease 15 miles of line to a private company for £2,000 per annum, out of which the Commissioner had to maintain the line.

Estimating the capital value of the material referred to at £30,000, the annual charges would be—

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<th>£</th>
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<tr>
<td>Interest at 6 per cent.</td>
<td>2,160</td>
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<tr>
<td>Depreciation at 4 per cent.</td>
<td>1,440</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£3,600</strong></td>
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Thus leaving a deficit of £1,000 to be borne by the general taxpayers.

Further comment is needless.

(Sgd.) GEO. W. STEAD,
Commissioner.

18th August, 1922.

The Hon. Sir James Mitchell, K.C.M.G., Premier of Western Australia.

In accordance with instructions issued by the Hon. Premier, I have the honour to report having visited Port Hedland and Marble Bar to inquire into the working of the railway.

From figures supplied by the Railway Department, the loss on this railway since opening amounts to £122,653, and for the year ending 30th June, 1921, the loss was £16,196.

So far as can be seen at present there is no prospect of any appreciable increase in the revenue for some years, if at all. The whole question hinges upon the development of the Mining Industry which, at the present time, is in a very depressed condition owing to the high costs, and in my opinion there is not much likelihood of sufficient development to make the railway a paying proposition.

The question of using rail motors to replace steam has received consideration, but owing to the heavy traffic during the wool season and the amount of shunting required on the jetty it would not, in my opinion, be advisable to introduce rail motors for the working of this line.

STAFF.

The Staff consists of—

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<tr>
<th>Officer-in-Charge</th>
<th>Fireman</th>
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<tr>
<td>Goods Clerk</td>
<td>Cleaner</td>
</tr>
<tr>
<td>Checker</td>
<td>4 Gangers</td>
</tr>
<tr>
<td>Guard</td>
<td>10 Pettlers</td>
</tr>
<tr>
<td>Driver-in-Charge</td>
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RECOMMENDATIONS FOR REDUCTION IN WORKING COSTS.

There is no justification for 14 Permanent Way employees, with the infrequent train service and the low rate of speed. With two reliable motor trolleys, two ganger and seven fettlers would be sufficient.

There is no necessity for three loco. employees; the cleaner could easily be dispensed with. It will no doubt be argued that there must be three men in case of sickness, but with the fireman holding a Driver’s Certificate, there should be no reason why, in case of emergency, one of the Fettlers could not be utilised as Fireman.

One Manager with a general knowledge of railway business, including station accounts, and a Junior Clerk, only are necessary. The Checker should be withdrawn and the combined duties of Guard and Checker should be carried out by one man.

The train service should be reduced to once a fortnight only, instead of weekly; the train to leave Port Hedland at 7.0 a.m. arrive at Marble Bar at 2.0 p.m., and leave there the following day at 11.30 a.m. instead of 8.30 a.m. This would allow sufficient time to discharge the wagons and would prevent the expenses now paid to the men for being away from their home station for such long periods.

The price of coal landed at Port Hedland amounts to £3 18s. 3d. per ton, and as it is stated that it requires five tons to run a train between Port Hedland and Marble Bar, and return, the saving to be effected by curtailing the train service to once a fortnight would amount to, approximately, £775 per annum.

I estimate that if my recommendations are carried out it should result in a saving of, approximately, £2,500 per annum.

I also consider that the rates should be increased to 1s. 3d. per ton per mile for distances up to 20 miles and 9d. per ton per mile for distances exceeding 20 miles. With the present traffic this would amount to, approximately, £2,490 per annum.

The passenger fares should also be increased 1d. per mile, irrespective of class, which it is estimated would give an increase in revenue of £930, or a total of (for goods and passenger) £2,060 per annum. This, together with the decrease of £2,500 in operating expenses, would, on present figures, reduce the loss on this line from £16,196 to £11,638.

I am of the opinion that it would be advantageous to hand the working and management of this railway over to the Commissioner for the North-West who has, I understand, Engineers on his staff who could supervise this line better than is being done by the Railway Department.

This railway cannot be run economically so long as it is administered by the Railway Department because there, as well as elsewhere, there are more men than are necessary, in addition to which large sums of money are being paid for line not worked.

At the present time there are employed at Port Hedland—

1. Boiler Inspector
2. Fitters
3. Boiler Makers, and
4. Several Labourers.

The Inspector, Fitters, and Boiler Makers are receiving their ordinary wages, Tropical Allowance, and Away from Home Expenses, in addition to which their fares, first class, have to be paid both to and from Port Hedland.

These men have been employed since June and up to the time of my leaving there, on August 5th, had not completed repairs, the figures for which are not available, but there can be no doubt that the sum expended will be very high.

On completion of the work the figures should be analysed to see if it would not be possible to make a considerable saving by having all work done in the shops at Midland Junction, where machinery is provided for the purpose, instead of doing it by hand.

I am also of the opinion that the Tropical Allowance is excessive and that the holidays allowed are in excess of what any private firm or person would allow.

GEO. W. STEAD,
Commissioner.

18th August, 1922.

The Honourable Sir JAMES MITCHELL, K.C.M.G.,
Premier of Western Australia.
Mr. Stead: I just want to ask you a few questions about this business proposition you have here. In the first place—what is your revenue here now?

Mr. Brown: I cannot say exactly.

Mr. Stead: How much do you say it is?

Mr. Brown: I have no idea what it is. Campbell would be able to give you that.

Mr. Stead: Is it the local repair business being done here?

Mr. Stead: No.

Mr. Brown: About £1000 a month—that is in wages alone.

Mr. Stead: Do you know the number of men you have altogether?

Mr. Brown: I have a Clerk-in-Charge; checker; guard; driver-in-charge; fireman; cleaner; four gangerers, and 14 men.

Mr. Stead: Where are those men stationed?

Mr. Brown: At Clayfield and at the Bar on Wednesday and back on Thursday.

Mr. Stead: Is there anyone at the Bar at all?

Mr. Brown: No. In the summer time they live at the Bar; there is a new gang, and it goes up there, then the other station is Gorge Creek; there is a cottage there and they work both ways—mostly out in tents in the summer time.

Mr. Stead: The train service goes up on Wednesday and back on Friday?

Mr. Brown: Yes. Provided the steamer does not interfere. They have given me a rather free hand. If a steamer wants coming in Tuesday I would get the train off on Thursday and come back on Friday. I never come back on Saturday because it means overtime.

Mr. Stead: Is there any reason why you cannot come back on Thursday?

Mr. Brown: I am short of trucks. It is impossible to load the trucks with either asbestos or wool and get ready to leave in time to inspect the line, and it costs me 9d. per mile to run. If I run out there with one passenger it would be a loss of 25 shillings, and that is under 1s. per mile, and the greatest speed they have got out of the motor truck is 12 miles.

Mr. Stead: That is a Cassino-Jones, is it not?

Mr. Brown: Yes. The Doctor's motor truck is better, but her cylinders are more. If they put on a decent one I am quite satisfied that this line could be run with a couple of gauges.

Mr. Stead: You simply want a truck to run the men about; I suppose they have a Doctor's motor truck.

Mr. Brown: Yes, and when we have these winds off the sea it is a day's work to get back. They must get to their home station because I never know what time the steamer is coming in and I have to fall back on my gang for my truck, and that is a very slight difference between revenue and cost of working.

Mr. Stead: I mean to say, the revenue is swallowed up in expenses, is it not?

Mr. Brown: Yes. The whole trouble is that when you come to work a little "one home" place like this you are up against the union. I have a driver, but he cannot put him on clearing; the union will not permit it. He gets eight hours at clearing the engine and if there is a spare engine he is out of work. When he is not there he is in and out clearing the engine, and the cleaners are more expensive—really it does not take eight hours to clean the engine. Then he does the housework and that is four hours. He has an easy two days' work for a week's wages. There is no steamer this week. The driver does not come for three days and the cleaner is doing nothing; he has only to keep the shed clean and he has to do that. He has a couple of gauges and a couple of motor trucks, and when the washaways come the trouble is the faulty construction of the line in the first place. If they had spent a little bit on gauges and a couple of motor trucks, with clearances, the trouble would be less.
Mr. Stead: Supposing this were your own concern, Mr. Brown, what would you do with it?

Mr. Brown: I would begin with houses. I would cut out all the silly Regulations and one thing or another, and I would run probably up to the Bar twice a week instead of once. I would make excursion fares if I could get a guaranteed load, because they would always come to the coast from Saturday to Monday, and by doing that I think we could get extra revenue, but with the wages of the engine drivers, firemen, cleaners, and guards, it is simply running the thing for the benefit of the man running it.

Mr. Stead: What does the driver get?

Mr. Brown: 21s. a day.

Mr. Stead: And how much in addition?

Mr. Brown: 7s. a day.

Mr. Stead: That is 28s. 6d.

Mr. Brown: Yes, and the guard gets 16s. and expenses. Then there is the Chief Accountant’s Regulation that I, personally, must go up and pay wages, or another salaried officer. I cannot see what reason there is for me to go up when there is no necessity. My driver in charge can take the pay up and sign a receipt that he has it.

Mr. Stead: Who goes up now?

Mr. Brown: I go up every fortnight but of course men will vary; some of them are in the Bar when they come down. I know I am, but there is no necessity for me to go to the Bar so frequently so I simply break the Regulations. I put the pays into separate packets and get a receipt from the driver and hold him personally responsible.

Mr. Stead: But the Accountant rules that you should go?

Mr. Brown: Yes; either that, or Campbell has to go, and if he goes the Goods Shed has to be shut because the Tally Clerk cannot run it.

Mr. Stead: That is, you really have to go up there for the sake of paying 13 men?

Mr. Brown: Yes.

Mr. Stead: That means you are on expenses?

Mr. Brown: Yes. I have gone up twice this month and my expenses are £2 12s. 6d.

Mr. Stead: How often would you go up if you did not have to do that?

Mr. Brown: I might take one trip a month if the gags reported they wanted me to inspect the road, otherwise, I would not go at all. When we get no rains there is no necessity for me to go up. I inspect the roads and if the weather remains the same I get telephone messages that the road is in good condition; also, the driver comes back and reports. I get in at all hours and it simply means throwing all the work back. There is a terrible amount of unnecessary correspondence here; they should give a man more power.

Mr. Stead: You have the same old trouble up here?

Mr. Brown: Yes. You see the line has been starved; it has been allowed to run down and charges have mounted up. When you repair a thing that is practically rotten it takes more to repair it than in the first instance. They wrote up and asked the number of sleepers I wanted; I said I wanted a lot. There is a lot of unnecessary timber used in culverts whereas if they were to send up some of the large pipes they would be there for all time; there would be no decay. They want to put in narrow culverts; it would be easy to slip three pipes through there. We are constantly repairing timber. On the river beds they have a lot of sleepers; the flood comes down perhaps for two or three days, then it goes down and in three more days they are red hot and split from end to end. I wrote and pointed out that they should send more of the iron sleepers for the river beds. The line is becoming together and you have only got to get your supports; but there is no notice taken. I pointed out that there are thousands of sleepers they are selling for 3d. and 9d. a time down there that would be useful to me. I could use them for big culverts.

Mr. Stead: Is it powdered jarrah they send you up?

Mr. Brown: Yes.

Mr. Stead: What is your experience of powdered sleepers?

Mr. Brown: I reckon every sleeper I put in costs 10s. 6d. I have a file there on the powdered sleeper; I will let you see it.

Mr. Stead: What is your opinion of them?

Mr. Brown: I do not care for them.

Mr. Stead: Why do the white one get at them?

Mr. Brown: Unless the wood is absolutely dry when you powder, the arsenic does not go through; it will only penetrate into the wood a certain distance. The sleeper is put into the road; there is a shower of rain. The water saturates it where it can get in; it soaks through a little after and the sand gets into the cracks; then the ants get in. If I have sleepers that you would think were perfectly sound but when you hit them you find that they are gone. I think tarring would be better and you would always do it. The reason then when the best got on to it the tar would melt and run into the cracks, and there would be no sand. The Powelling might preserve the wood longer but it does prevent it cracking and it does not safeguard it when it is cracked.

Mr. Stead: Do you think steel sleepers would be better here?

Mr. Brown: In places. A lot of second-hand sleepers from the South could be used to support the road, but to trace the road between you could have those sleepers.

Mr. Stead: That is an awful expense.

Mr. Brown: Yes, it is. They were costing 4s. 6d. before I left Perth, at the mills at Manjimup; then they have to be handled to Perth; then the shipping freight has to be paid on them and they have to be handled here. I consider every sleeper that goes into the road costs 10s. 6d.

Mr. Stead: There would need to be a wonderful traffic to pay for it, would there not?

Mr. Brown: Yes. The first time I had a lot of passengers was when the sleepers went up, and that occurs again when they come down. When I know I am, but there is no necessity for me to go to the Bar so frequently so I simply break the Regulations. I put the pays into separate packets and get a receipt from the driver and hold him personally responsible.

Mr. Stead: What do you pay for coal here?

Mr. Brown: I do not know; that is Trust Account.

Mr. Stead: Do you know your wages here?

Mr. Brown: Yes; for every trip to the Bar we use five tons of coal; that takes us there and back.

Mr. Stead: That would be at least 50s. up here for freight, I suppose?

Mr. Brown: Yes. Easily.

Mr. Stead: Do they not advise you of that?

Mr. Brown: No. I am simply supposed to give them a return of the amount of coal used. They issue 20 tons. I sign for that, and say how much coal is used every fortnight.

Mr. Stead: Do they send it up in the “Rambo” in bags?

Mr. Brown: Yes.

Mr. Stead: Can you make any suggestion in any direction to help me out of this trouble. It is a very difficult proposition.

Mr. Brown: You see with a line like this you must either have a first class Inspector or it is going to cost as much as my salary. You must either have an Engineer or an Inspector. I know that Campbell was under the impression he could run it but when a watchman was appointed a person a traffic man could not deal with it. There must either be a first class inspector to attend to it or an Engineer. They are paying £70 to me—£100 allowance and house, and it won’t run it.

Mr. Stead: What does Campbell get?

Mr. Brown: £280 plus £100.

Mr. Stead: The money is too big for the business?

Mr. Brown: Yes. It is not too big for the job but the railway will not carry it. I can assure you the passenger traffic is not worth catering for outside of the goods traffic, the line might just as well not be there. The Doctor goes up every fortnight; he is a “deadhead”; I go up every fortnight. I am a “deadhead.” The Magistrate comes down from the Bar, perhaps; he is a “deadhead.” In these centres there is only one in a dozen who will travel first class; they all come second class. Their wives might travel first but they seldom travel and mostly they cannot. There is no second class too. There is not the community. The casuals in Hedland are living on the railway. If the station people are anywhere near they ride on in the goods. There are very few using the railway unless a man comes in to go away. If there is a boom we might get a few prospectors.

You have seen the buildings and you have seen the state they are in, and the state they have been asked to get to; it would not pay to pull them down and send them South. The line should never have been built here. The railway has come up here in competition with repairs, and I will show you the wages (produced). Added to that, there are five casuals at £1 per day.

Mr. Stead: I quite agree, there is no possibility of any railway being able to pay under these conditions.

Mr. Brown: £149 odd for a fortnight. Then we had a haphazard one than that. You see there is a casual there, £70 odd in one week for labour in the shed and on the jetty. It is impossible to work under those conditions.
Mr. Stead: £49 for a fortnight—how long have they been here?
Mr. Brown: Six weeks.
Mr. Stead: That is £300. What addition would there be for them, because they have had some men from here; I just want it roughly?
Mr. Brown: There are five casuals.
Mr. Stead: What would they pay for the fortnight?
Mr. Brown: They would get 1s. 6d. plus 5s. district allowance, plus dirt money. That would be about 21s. a day.
Mr. Stead: That is £70 on the top of the other, and they have been here six weeks; that would be approximately £637.
Mr. Brown: Absolutely unnecessary.
Mr. Stead: That is what I say.
Mr. Brown: Would you like to see my report South about that?
Mr. Stead: Yes; I would, please.
Mr. Brown: The expenditure up to June was £6,019—that is list of staff they sent up there. There is another thing—£700 for repairs to the jetty.
There is a report on the Powellised sleepers.
(Copy of letter from Chief Engineer of existing lines to Office, 42 Chandos Place, London, 26th November, 1919. E.L. 35907/91 and P.H. 163/12.)
"Years of 18th ultimo. Sale of sleepers to Public Works Department Supervisor is approved in this instance for the amount quoted, but in future please arrange to obtain my approval for the expenditure with any material other than to other departments or outsiders. If urgent, such approval may be sought by wire, applicant to pay for the reply paid telegram. Since this letter was written there should have been added to the Stores Issue Rate, this being the practice when material is disposed of to another department. (Sgl.) E.E. Lightly.
Mr. Stead: You were going to say something about the big expense in connection with the repairs to the engines.
Mr. Brown: I should think you do not point out only a few light repairs were necessary and instead of that they send up a new boiler and new wheels. Of course the bogie table was broken during the Premium visit. That was really the outlay of the repairs. They sent up a new boiler and all the rivets, and I say it was unnecessary, because with the amount of work we have we could have done without this for a few years, and I have been saddled with wages and the new boiler, which would amount to more than if they built a new "G" down below. I have written to the Chief; I cannot give you the number of the existing lines to Office.
Mr. Stead: Can you give me his file number?
Mr. Brown: No, because I have had no reply. That is the trouble. When I write below and complain, I get no reply. The number is 45/22—repairs and renewals. That is my number.
Mr. Stead: I suppose you cannot tell me how much the freight they sent up cost them?
Mr. Brown: No, but Mr. A. W. Wilson, the Agent, could tell you. I suppose it would be booked up free freight—only a book entry between the States Engineers and the railways. Yes, but they would have to say the amount.
Even if the repairs had been necessary it seems to me it would have been cheaper to have sent the engine below.
Mr. Brown: Yes, they could have freighted me up an engine from below and take this one back.
Mr. Stead: I should say it will cost £1,400 by the time this is finished, for wages alone.
Mr. Brown: Probably that. You see what the boiler has cost—£300. Well, you put new link motions and other things in and they were not necessary. I could have run them for another six years. It is not necessary to run at excessive speed. I only have to do it in ordinary working hours and there are no heavy grades. She was only a standing engine, and the 105 "G" and 118 "G".
Mr. Stead: Which one is it they have now down?
Mr. Brown: 108, 118 is the one they put the new boiler in and new link motions.
Mr. Stead: You mentioned yesterday that you wished to say something. Is there anything else?
Mr. Brown: Only about those District Engineers. I was a senior engineer and although I applied for one of those District Engineers' positions, I said they were not necessary or warranted. I knew for a fact that the trouble between Cochran, Peuge and Mr. Light, and that was the reason Mr. Light left the service. In my opinion if it had not been for the creation of those additional engineers, Mr. Light would have been alive in the service to-day. He considered that as the revenue was falling away, four engineers were absolutely sufficient to do the work. They had been quite effective in the good old days when there was plenty of freight. I certainly applied for one of the positions, but I pointed out that I was only applying on account of my seniority. I said they were neither necessary nor warranted.
Regarding the Draughting Office, there were two rooms there for years and they were unnecessary. They have an Architectural Branch there and there is no necessity for that. They have standard cottages that anybody can put up. The place has been overmanilled and exploited for years past. I have told them that, but they take no notice of that. They have a Resumption Office and said it was necessary. To a certain extent it was a safeguard against the Public Works Department, but there was no necessity for it. Regarding the resumption done at East Perth I wrote at one time to Mr. Light and pointed out that "somebody's paunch was being gnawed." At the time Zeb. Lane held the property that was resuming the business. He said in Parliament he knew nothing about it, and I took strong exception to it. I said it was absolute rot, because I teached it through his office—the whole transaction. I put it on the filth, but I got a rap over the knuckles if you buckled up against certain individuals you got sat on, so I got disheartened. It is the same right through the whole trouble is there certain men in the service, like myself, who have been there for years; they have been retained for some specific work or another, and they have not been considered for the department. There have been a lot of men retained in the Service who have been unnecessary, but when it comes to dispensing with them the question arises—what is it going to cost to get rid of them? For instance, I have been there and they recognise I have given them good service. I am 63 next January, and if they can utilise my services right up till the time I need them or until they are compelled to retire me, it is more profitable to them. They are also keeping other men practically my age. There is a man down there named L. who was occupying before I came up here, acting next to the Chief Draughtsman. He is 60. I do not want to mention it as a personal matter, but it would cost the Government nothing to get rid of them because he does not come in under pension rights. If the Government wish to get rid of men, they should get rid of the ones that will cost them least, if the other men are as valuable to them. That is where the whole trouble is. There are men now acting as district engineers who have been in the service 20 years. Now that they have to retire, that was really the last straw because it is going to cost so much to get rid of them.
Mr. Stead: I suppose you were quite satisfied, from your own view, that those engineers were not required for the service they were dealing with.
Mr. Brown: Absolutely. I was working in the Resumption Office and I was supervising one of the branch draughting rooms. I had a smart man under me; that is the present engineer at Geraldton. That man was under me and working as a specialist on water supply. He made it a study and a hobby. The Water Supply people wanted him, and because they wanted him he was put over to me to retain him in the service; but to the country as a whole that man could be worth twice what he is getting as a district engineer. He is one of the smartest men on water supplies in the Commonwealth. That is wasted by making him a maintenance engineer.
Mr. Stead: I quite agree; I suppose views and mine agree in that respect. I consider he is a valuable man.
Mr. Brown: Yes; he is a valuable man to the State. If there is a good man in the service who is required to be a better man somewhere else, the other department should have him. He should not be used as a buffer to block other people's advancement. He is one of the most capable men in the service at present in maintenance, construction and water supply.
Mr. Stead: If there is anything else before I go away on Wednesday morning, you might let me know.
Mr. Brown: I would like you to have a look at the river on the way to the Bar. I will tell the driver if you want to stop at any of them, he is to pull up and if you want to tell the gusy to tell you about the drum division at the 82-mile. They put the drum on this side when they should have cut across with a revetment to the other side, and that endangers the telegraph line.
Mr. Stead: By the way—who maintains your telegraph lines?
Mr. Brown: They are leased to the Postal Department.
Mr. Stead: You incur no expense there?
Mr. Brown: Only when they attend to our telephones, and then they put in a voucher and send them out on the trolley.

Evidence closed.

Notes.—When motor sent out to the Bar, Regulations provide that there must be two men aboard. House occupied by Mr. Brown cost £450.
Evidence given by Mr. J. N. Campbell, Clerk in Charge.
Port Heildel, 31st July, 1922.

Mr. Stead: How long have you been here, Mr. Campbell?
Mr. Campbell: Since June, 1912, when the railway was taken over by the Government.
Mr. Stead: Of course you know the railway is not paying, do you not?
Mr. Campbell: Not the capital cost. It is paying more than working expenses.
Mr. Stead: Not much. Have you any suggestions to offer in connection with any economies that might be effected in the working of it?
Mr. Campbell: Yes. I have already suggested to the Department the taking away of the engineer from here and placing the engineer on the charge of the engine.
Mr. Stead: Would one man be able to do the lot?
Mr. Campbell: One man with a clock could do the lot far more easily than it is done at present.
Mr. Stead: Of course there is only one man and a clock here now.
Mr. Campbell: Yes, but they are being paid different rates.
Mr. Stead: What would they have to pay you, according to the classification, suppose you were in charge here?
Mr. Campbell: I am 19s. 6d. per ton. I believe the value of an engineer here is such that a ganger of common sense and a little ability could take charge of any washaways. That is quite sufficient on this line in regard to engineering work, and as far as I have seen, the ganger has shown more about it than any engineer who has been here.
Mr. Stead: At any rate that is one direction in which you think there could be a reduction. Is there anything else?
Mr. Campbell: The employment of casual labour here. If the men in No. 1 gang were amalgamated and we employed them for doing our loading and unloading work, we would know we were getting competent men. As it is we have to take good, bad and indifferent.
Mr. Stead: What is your casual labour costing you here?
Mr. Campbell: A certain amount of the casual payment is paid by the shipping company. Outside of that I suppose it would amount to about £30 a week.
Mr. Stead: Do you know the cost per ton for handling?
Mr. Campbell: I have not been able to handle it under 3s. per ton. Where we get a special lot of handling, such as unloading a lot of wool by our own first-class men, we might get it done at 2s. 6d.
Mr. Stead: What wharfage do you get?
Mr. Campbell: General wharfage is 3s. 6d. per cent., plus 20 per cent., plus 3s. 6d. Those rates cover fully 90 per cent. of all the cargo landing here, yet we have to show four separate columns for it, whereas one general rate of 3s. or 10s. per ton would cover the whole lot. They pointed out that in some particular cases they lost a penny, and we have to go through the whole thing to save a penny. Perhaps it would amount to 6d. in a ship. I pointed out to them that if they put sheep skins at their actual measurement they would save more money than by enforcing the 20 per cent. I will bring you over one instance that occurred in connection with the stuff off the boat you arrived in (papers produced). That is the inwards manifest. That rate is 5s.; that is 20 per cent.; that is 3s. 6d. handling, and that is the total. At 9s. 6d. per ton one entry would make a lot more of saving in work. It would also make a lot of saving in merely accounts. They will not even print the form with the headings on it, though I have been 300 a month. I have to write them myself. Going through the thing from there, that one you will see is timber—a different rate. That is one. There there is half a ton—20 feet, at the increased rate of 6d. on the only handling only. Here there is half a ton—20 feet, at the increased rate of 6d. on the handling only, while all the rest of the invoice is 6s. 6d., but you yet have all that work to do in connection with it. Before we used to work out the rate at 6s., then I was compelled to work it out at 5s. and add 1s.
Mr. Stead: Can you tell me what it cost to bring all things off for cargo?
Mr. Campbell: I can get you the rates from the office.
Mr. Stead: I will be able to get it from Mr. Wilson. I quite agree with you, it is an absurd state of affairs about that manifest. You would make a flat rate of 10s. per ton?
Mr. Campbell: Of course there are some things that would have to be outside of it. We will say, wool for instance.
Mr. Stead: But on ordinary goods?

Mr. Campbell: Yes. General goods. A flat rate of 10s. would cover everything and be more acceptable to the public, because now they do not understand them. Of course the jetty charges are about £20 a month and we also collect, between our overtime and other jetty charges, about 60 per cent. of jetty earnings—over £100 a month, as a rule.
Mr. Stead: If you work overtime at night, do you collect from the shipping company?
Mr. Campbell: Everything over and above the actual daily rate. We pay them the same as if they were working in the day time. The other charges are collected from the shipping company. There is no debit on the Railway Department.
Mr. Stead: Do you have much Sunday work here?
Mr. Campbell: In connection with shipping we get a fair amount of both Saturday afternoon and Sunday evening, because as a rule the high waters are at that time. Nearly always the boats leave Fremantle Sunday or Monday, and that means they arrive here Saturday afternoon, Sunday or Monday.
Mr. Stead: Do you sometimes have to go up the line paying?
Mr. Campbell: I did, previous to the arrival of Mr. Brown, but I have practically refused to go since his arrival, because my work is such in the office that I do not care to let an incapable man have charge of it. He has had no experience, and he is too old to learn. My other clerk knew just about as much about the work as I did, but he has gone, and they sent another man from Perth. He has not had enough experience to deal with the work.
Mr. Stead: Is there any possibility, in your opinion, of increasing the rates?
Mr. Campbell: I am quite satisfied that if it is a case of doing away with the railway, a rate of 6d. per ton would be very much better for us than the present rate. It would give us more money and everybody would be agreeable. Rather than see things go otherwise, I am quite satisfied they would be agreeable to pay 1s. per ton in bulk, with the exception of one or two articles such as timber and shaff, bulky articles that are for the purpose of furthering the interests of home life. Shaff is a necessity at times of drought, and timber is necessary for building. Of course, stone and things of that sort do not necessitate a high rate, but we have very little of that.
Mr. Stead: You use a fair amount of water here, do you not?
Mr. Campbell: Yes, we haul a fair amount, but our sale is not adequate to the cost of water in connection with it. The class of tank used is the box tank which, though it holds 1,300 gallons on the outside, will not carry more than 1,000 to be taken out. We have to haul those tanks empty 20 miles at the shortest, and 20 miles back, then we sell it at 3s., earning 30s. for the truck, all told. In an ordinary day there would be no charges for the men, only for the engine. All Sunday time for men and engine is incurred by the shipping company. There is no debit on the Railway Department.
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Mr. Stead: Do they come in by motor in preference to train?
Mr. Campbell: No; they mostly come in by train.

For instance, a man coming overland to Storley Siding would send word to have the motor car trucked at Marble Bar, so it would pay him better than to cross the Coongan and Show rivers.

The other way they mostly take their car and go up. The way they come is, you take your car and go up.

Mr. Stead: You promised yesterday to get me the figures in connection with that wool. Have you got them out yet?
Mr. Campbell: No, but I will get them for you. You mean the station, and the number of bales?

Mr. Stead: For 12 months, that is all.

Mr. Campbell: Yes; I will take it for last season.

Mr. Stead: I want to find out where the wool comes from, and the distance it is carted. If you will give me the tonnage I do not care about the bales. I do not care if it is approximative.

Mr. Stead: Have you any more suggestions?
Mr. Campbell: It is hard to think of anything on the moment.

Mr. Stead: You might think it over. I will be here till Wednesday morning.

Mr. Campbell: If anything comes to my mind I will bring it under your notice. You will notice the tarpanils in this district. I think it is the heat that rots them.

Mr. Stead: The dressed tarpanils?

Mr. Campbell: They are all dressed.

Mr. Stead: Are they black?

Mr. Campbell: No; they are the white ones but they are hard material. It seems that very little tears them. Even the sewing rotts.

Mr. Stead: If you think of anything else you might let me know, please, Mr. Campbell.

(Evidence closed.)

Evidence given by T. GREEN, Driver-in-Charge, Port Headland, 1st August, 1862.

Mr. Stead: You have been here, how long, Mr. Green?
Mr. Green: Three years on the 18th of last July.

Mr. Stead: You get 21s. a day, do you not?

Mr. Green: 23s. a day, as driver in charge.

Mr. Stead: What do you get for district allowance?

Mr. Green: £1 15s. per week. We all have the same.

Mr. Stead: Do you make any overtime here?

Mr. Green: Very little. The only overtime we make is when we run up to the Bar and back and have to work probably 16 or 17 hours on a boat at a stretch. However, general working there is no overtime.

Mr. Stead: Have you a fireman; what does he get?

Mr. Green: 16s. 4d. a day.

Mr. Stead: Plus 3s.?

Mr. Green: Yes.

Mr. Stead: And the cleaner?

Mr. Green: 13s. 1d. per day and the 3s.

Mr. Stead: In that cleaner fully employed? You cannot suggest any way by which he could get more work in?

Mr. Green: You just want our ordinary work; I suppose; not times like these, because this overhauling only takes place once every three years. Of course the cleaner is not fully employed. He has one "G" class engine a week to clean and he has the engine to do, and the shed working; the shed to keep clean, the workshops to tidy up when I require it, and the mechanical store to tidy up when I require it. He also does the lighting up on the Wednesday morning and the cleaning of my fireman on the Friday for two hours. That, of course, cuts two hours off my fireman's time at the penalty rate. The fireman has to light up at Marble Bar, which means he is on duty at five o'clock, and if I work him here till I finish at six o'clock it means 13 hours, therefore, I believe him on arrival, by the cleaner.

Mr. Stead: Who does the oiling?

Mr. Green: That is portion of the fireman's work. I have to keep everything in order. The whole of the rolling stock is under me—hot boxes, plumbing, carpentering, blacksmithing; I have to do the whole of that. I do all my own repairs. I allot the examining to the fireman. The fireman and I wash out on Monday morning; then he has his work about the engine for two days. Then on that day, in the afternoon, he attends to his carriage and van. On the Tuesday he has the full day in the yard to attend to the rolling stock; gets the numbers of the trees, oils them, and attends to them before we run them out.

Mr. Stead: Those engines that are under repairs; what is wrong with them?

Mr. Green: They have been running for three years, and it has been the usual practice every three years to have a general overhaul. We run one train a week and we overhaul the engine for the three years, between the two engines.

I will run 118 for three months and then run 108 for three months, to overhaul the engine. When you total that up you will find that each engine runs about 15,000 miles, because there is the smoking. It is 114 miles to my running shed, which is a mileage of 125 to 130, that is taking smoking at the starting and terminal points. On going through you will find that a great portion of this line is not ballasted except with sand. The weather is very severe on a locomotive here, what with winds, heat and grit, and I think they do pretty well to do that mileage.

Mr. Stead: Mr. Brown said yesterday that he did not consider there was any necessity for the engines to have been repaired at the present time.

Mr. Green: In what respect?

Mr. Stead: Generally, I take it. He considers they were good enough for some considerable time.

Mr. Green: That is a matter of opinion. As driver in charge I am asked for a report by my chief before the men are sent up. I sent in my report and said what I considered should be done. In that report certainly I did not requisition for a new boiler and I did not requisition for new tenders, but I can only see the thing from the outside. I would not pit my knowledge against Mr. Lewis with the experience he has. As far as driving is concerned I can take my stand, but when it comes to a boiler inspector with the standing of Mr. Lewis, who knows exactly every rivet and strain, and knows how long the boiler has been in use, I cannot pit my knowledge against him. The tender is not only made last and they may not. However, they have only removed the tops of the tenders. They have practically taken the inside of the tank and the top of the tank and they have put new plates in. Those tenders now are absolutely as good as new. They may have run for another term and they may not; it is only a matter of speculation, but now, so far as those repairs are concerned, they will not require to be done again for some considerable time. I know Mr. Brown has been having something to say about the boiler, but Mr. Lewis is the better judge in connection with that, and I do not think it is for me to say he did wrong.

Mr. Stead: How did you lift that boiler when you got her back. You sent one down and got one back. Did you do it with ship's gear.

Mr. Green: We have a crane that will lift her out; a traversing crane on the body of a truck. It is capable of lifting anything like that.

Mr. Stead: There would be no difficulty then?

Mr. Green: No difficulty at all. We simply lift the boiler up and put her in the frame. There was no extra expense in connection with that.

Mr. Stead: Admitting that those repairs were necessary, would it not have been cheaper to have got a "G" direct from Midland?

Mr. Green: And erected it here?

Mr. Stead: Yes.

Mr. Green: I do not know that it would have. The engine with the new boiler is absolutely new now. She has a new boiler, a new set of wheels, new rods, new link motions; she is practically a new engine.

Mr. Stead: I do not think you quite follow what I mean. Supposing, for instance, it was necessary to have repaired one of the engines, would it not have been cheaper to have done it at Midland and had another engine sent up here?

Mr. Green: It would be necessary to have someone here to erect it.

Mr. Stead: How long would that take?
Mr. Green: It would be a question of how many men were on it. All this work is done at Midland.

Mr. Stead: What work?

Mr. Green: All the new work.

Mr. Stead: Do you know that. Do you know what the wages are going to cost?

Mr. Green: Yes, close on £2,000.

Mr. Stead: In my opinion, you could have got that engine repaired in Midland, where they have the appliances, cheaper than by having the men up here?

Mr. Green: Most of the work is done in Midland. The coming round was all done at Midland.

Mr. Stead: Yes; but you have done a lot up here.

Mr. Green: The same amount of work would have to be done there. They would shift without taking her to pieces. She would have to be taken to pieces at Midland; put into the boat, unslipped again, taken to loco. and put together. It would be necessary to incur the expense just the same.

Mr. Stead: Probably it would not be quite the same because there is the district allowance; but the expenses would be debited to the thing just the same.

Mr. Green: I do not think there would be much saving, because the handling would be the same. When the engine is put over the pit here, everything is taken asunder, and they simply put the new stuff they have brought from Midland in place of the old stuff they have taken out. If a new engine were brought up it would be necessary to take the old one to pieces just the same. The same fitting is there, and the same fitting is put in. They would shift her, and when the men came up to erect her they would simply take the other one to pieces and send her back.

Mr. Green: Of course it does not take very long to take an engine to pieces or put her up, providing the repairs are done.

Mr. Green: Of course they have better facilities at Midland than here, but I do not care how neat they make the job at Midland, when you come to put her in here you would find it necessary to do certain file work. We have no lathes here, you know.

Mr. Stead: That is an argument in favour of doing the work here. I do not quite follow that, because where you have concentration of work, as at Midland, you have all the appliances. There would be no trouble repairing a "G" class engine there.

Mr. Green: They would shift her, and when the men came up to erect her they would simply take the other one to pieces and send her back.

Mr. Green: That would save something.

Mr. Green: There is 4d. an hour over and above 30 hours. That would save, I suppose, something like 22 a week in expenses.

Mr. Stead: I suppose you would sooner be back here than at the Bar?

Mr. Green: Naturally a man would sooner be in his home. Of course some men like the long shiftings, but I would rather be back here.

Mr. Stead: You have been here some time. Can you make any suggestion for reducing the expenditure? I want you to take a general view of the matter. You are losing £16,000 a year.

Mr. Green: I know, but of course it is not for me to criticise those administering. They are receiving large salaries to administer the railways. I am simply a workman and if they are not competent to deal with the large salaries, I am not going to have anything to say on the subject. They are my officers and I do not see that I should attempt to criticise them.

Mr. Stead: I am not asking you to criticise anyone. I am asking whether, from your point of view, there could be any reduction?

Mr. Green: You have the work that the cleaner does. There is not full employment for him in the ordinary cleaning, but what are we to do? There are only three of us here. There is the liability of one of the men being sick. I have been fortunate; I have not lost a day since we have been here, nor has the fireman, but supposing one of us were sick, what would we do? The fireman must be in possession of a driver's ticket and the cleaner in possession of a fireman's ticket. When boats come in it is necessary to leave the fireman here to work the boat. Perhaps I can see ways and means, and perhaps you can, of working this system, but there are the hard and fast rules. The train has to run Wednesdays and Fridays, and while that exists we must have three men here.

(Evidence closed.)

Evidence given by Mr. J. H. LEWIS, Engineer-in-Charge of Engine Repairs, Port Holland, 1st August, 1922.

Mr. Stead: There are only one or two questions I would like to ask you, because certain things have been said and I would like to have your views. What was the condition of the two "G" class engines?

Mr. Lewis: One was in moderately bad condition. For instance, 115 wanted a new boiler tail plate, and all kinds of things like dust; then a man would have to work about two days on each bar, so we
bring up new parts. The others are taken back. We can take them down and put them up in, say, four hours on one engine. We send them down below, costing about 3s. or 4s. for freight, less being done in about half an hour, being a better job than we could do here.

Mr. Stead: The other engine, 106, what was her condition?

Mr. Lewis: For 106 I really should have sent for another set of wheels, but on discussing the matter with Green, I said—"If you will knock the most you can out of this engine, the wheels can wait till next time." He anticipated, however, that they will be able to get two years out of the one I put the new wheels on. The wheels went down on the tender 13 months will bring them down to nearly seven-sixteenths, that will be bad. If you run an engine with wheels like that it knocks the road about. I do not know whether you noticed those wheels when you were up there?

Mr. Stead: No, I did not.

Mr. Lewis: The tenders here the original tenders, 25 years old. We are renewing all those down below, so I spoke to Mr. Evans about them; we patched them up last time we were here. Of course, in a place like this, I feel about a patch here the old boiler is not somewhere else, and by putting on a couple of dozen little patches you can fix up the tenders, but it is only a patched job and possibly some place might also; it costs almost as much to patch as it is to renew, excepting in material. As a matter of fact, when you stand on the brake plate you can bend it; it is corroded through. My experience leads me to think that three years of running on this line is sufficient to let the engines go. Next time, we will want two sets of engine wheels, two sets of bogie wheels, besides other stuff I am taking note of.

Mr. Stead: What is it going to cost to carry out these repairs—in wages?

Mr. Lewis: About £900.

Mr. Stead: How much longer do you expect to be here?

Mr. Lewis: We expect to leave here on the 10th August.

Mr. Stead: You will have been up here, how long then?

Mr. Lewis: We were here five weeks yesterday.

Mr. Stead: That will be another 14 days?

Mr. Lewis: I have not run our expenses out up to date.

Mr. Stead: Have you got the bill?

Mr. Lewis: I have the wages bill for the men.

Mr. Stead: How much is that?

Mr. Lewis: £337 10s. 6d.

Mr. Stead: That is up here. That includes their time coming up. That being so, you can halve that again.

Mr. Stead: Then there are the fares up and down.

Mr. Lewis: I run it out to about £900, fares and all; expenses and everything.

Mr. Stead: You are what?

Mr. Lewis: £500.

Mr. Stead: What expenses?

Mr. Lewis: I draw £10 0s. 6d. a month. I am out of pocket on this job.

Mr. Stead: I should think you would be.

Mr. Lewis: No. I have not been. I work the same hours as the men.

Mr. Stead: Roughly speaking, you would think £900 would cover it?

Mr. Lewis: About that. Mr. Evans asked me to run out an estimate, and I said it would be between £800 and £900. That was for freight and everything. As regards engine parts, the same parts I bring up I take back again in kind, so all that has to be charged against these repairs is that amount. The engine wheels I take back are filled up against the old ones of the same value as the new ones, that is all depreciation.

Mr. Stead: What time do you consider it would take you to erect a "G" class engine sent up in parts, all complete?

Mr. Lewis: A fortnight.

Mr. Stead: How many men?

Mr. Lewis: The same number as I have now, that would be—two fitters, one boilermaker, and three labourers.

Mr. Stead: That would be all that would be required?

Mr. Lewis: Yes.

Mr. Stead: And how long would it take to dismantle one here?

Mr. Lewis: Two and a half days.

Mr. Stead: Say, three days?

Mr. Lewis: Yes.

Mr. Stead: This is simply a business proposition. Would it not be cheaper to send the engines to Midland and send others to replace them?

Mr. Lewis: No. For instance, we will take a tender. The parts that came up were all packed and bent to shape and packed in such a fashion that they came as dead weight—20 tons at 50s. a ton. If I had riveted that tender up it would have measured 36 tons. I ran that out for Mr. Evans. The freight on the tenders complete would be more than the amount for which I can repair these two tenders, in wages.

Mr. Stead: You made inquiries about the tender did you?

Mr. Lewis: I went into all that before I left.

Mr. Stead: What did you estimate it was going to cost you to replace these engines by engines already repaired fit for the road?

Mr. Lewis: I did not go into the whole part of the engines.

Mr. Stead: You know what I mean—you put an engine through a general overhaul at Midland?

Mr. Lewis: I load this engine up, send it down to Freemantle and we bring one up. First of all, to do that you have to get your engine overhaul in the shop and all parts fitted. It has to be taken to pieces, packed, then it comes up. On the road you have to run the risk of the weather you will get. For instance, I had one case of side rods on this trip. They were loaded up and stacked up to Saturday and Sunday at Freemantle. When they got there they were rusty. Two labourers were sorting them up for a day and a half; there is the chance of dropping things and bending them. Assuming everything got here all right, to bring it up would cost about £400 an engine, for freight alone.

Mr. Stead: To bring one engine up here? I do not agree with you.

Mr. Lewis: To that is to bring two engines up.

Mr. Stead: Of course I entirely disagree with you as to the freight.

Mr. Lewis: That is it.

Mr. Stead: How many tons do you allow for the boiler?

Mr. Lewis: 12 tons 10 cwt.

Mr. Stead: As a matter of fact they only charged 5 tons.

Mr. Lewis: I saw it on the manifest. The whole freight came to 78 tons.

Mr. Stead: That bears out what I said. Mr. Stead.

Mr. Stead: That is, with boiler coming down and everything else.

Mr. Lewis: They have probably fixed that up, but we have always been charged measurement tonnage before. They all have to be measured up.

Mr. Stead: What did you say the total tonnage was?

Mr. Lewis: Tender, 36 tons; boiler, 12 tons 10 cwt. (measurement) 24 tons; miscellaneous, 34 tons—106 tons.

Mr. Stead: This was 78 tons.

Mr. Lewis: Well, I am under the estimate, because I have not got half an engine with me now. There are two boilers to come up you know.

Mr. Stead: What is she dead weight? 45 tons in working trim, is she not?

Mr. Lewis: 48, I think.

Mr. Stead: How much do you allow for water?

Mr. Lewis: 2,000 gallons.

Mr. Stead: And about 5 tons for coal?

Mr. Lewis: Under four tons on the "G," piled up. We allow for 3 tons.

Mr. Stead: That is it, about 37 tons. All right, Mr. Lewis, that is about all I want to know.

Mr. Lewis: I wrote up to please you, but it is a hard place to get any information from, because we have an Officer in Charge who knows very little of mechanical work, and he had to get his information from the driver. I wrote to the driver personally and asked him the condition of things. I wired up about what sort of laborers I could get, and they wired back and said I could get two laborers. But really they would have paid me to have brought another laborer and a rivet boy. However, being here, we have to put up with them. They are good for scraping a few days and doing all kinds of odd jobs, but they cannot even do the tending. Three years on the running they are doing now is about the limit for these engines. We might get 31 years, but that would bring us on to summer time for overhauling, and we do as much as we can in this kind of weather in one day as we would in three days at Christmas time.

(Evidence closed.)
Mr. Stead: Well, gentlemen, I understand you have something to say in connection with the railway here; is that so?

Mr. Muir: That is so. We have come along to meet you and find out what is going on.

Mr. Stead: I am afraid I cannot tell you that because I have not yet completed my inquiries.

Mr. Muir: No, but you will accept some information from us. We have a preliminary meeting and have appointed one member as spokesman, to give you a few facts as to why the railway has not come.

Mr. Jacoby: We understand that your visit has to do with whether this line has to be closed down or otherwise. Naturally, as old residents, we do not want to lose the railway. I think I am the latest comer in the district, but I have been here 15 years and the rest for longer periods. We cannot give you any figures; I presume you are already in possession of them. Our figures would be valuable—perhaps also our opinions.

Mr. Stead: I cannot agree with you there. The railway would be of no use without your support, and I am sure our Government has not been practically stopped. We cannot send our stock from this district down South (sheep in particular) because it does not pay. Our only markets for livestock are Singapore and Java. Of course, these industries being stopped has caused a big difference in the revenue of the railways. When you compare the population of the district and the revenue and taxes derived, you have a big difference.

We have recently had a commission for the North-West appointed, and our present Government has announced an active development policy for the North. Our papers tell us that a big concern in England is spending five millions in the Kimberley. We learn that there is an Imagination Scheme in hand in which we will participate to a great extent. They intend to settle a lot of immigrants here with something like six millions of British money, and it would certainly be a bad advertisement for Western Australia and the North-West in particular, if the Mitchell Government, after getting all this money and these immigrants, were to close down practically the only railway in the North-West.

It would show very little confidence in the future of this place. We cannot give any figures or promises that the benefit of the railway is likely to increase without some development policy on the part of the Government. The pastoral industry cannot keep a railway going. You must have a railway grant, and we cannot do this without something out of this Imagination Scheme.

The closing of this railway line has some bearing, too, on the recent re-ascertainment of the land rents here. The pastoralists have been assessed a good deal on the basis of their proximity to the railway, and their ground rents have increased. Those close to the railway are up more than those in the back country. In the back country land has been taken up and improvements entered into which would not have been done had they not had the facilities of transport the railway gives. We would have teams eating anything up to 250 miles if this railway were discontinued, and as you must be aware, it would practically stop all settlement back in that good country unless we had the facilities of the railway.

Of course there are many things. We have no intention of attempting to point out economies in the method of working; it is not our business, but there are many things that even an ordinary business man can see, that would economise in the working. For instance, we have the classification of goods here. Under the new classification scheme it is a common thing to see men load perhaps three or four cwt. of one class of goods. They take that to the weighbridge and then the goods are divided among the men. It is a common thing to see men load three or four cwt. and then throw the goods at the men.

Mr. Stead: But you have the Singapore boats. You have the Singapore boats calling. I saw some sheep loaded on Sunday. They did not come by railway.

Mr. Jacoby: They came from DeGrey. That does not connect up with the railway.

Mr. McPherson: Last year the Manager of Warragul station asked for the freight from Waterloo to Heidelberg and he was informed it was 2s. 6d. per head.

Mr. Jacoby: I might say that the year before last 15,000 sheep were sold here at 2s. 6d. per head, showing the state of our markets.
Mr. Stead: I am also told that the railway is not patronised by the squatters, is that so?

Mr. Richardson: I think there is only one station that does not use the railway extensively and that is the DeGrey. They are only a few miles from Coolin on the sea coast. There is another property belonging to the DeGrey Pastoral Company. Before the railway was built it belonged to Darlots and was only running cattle; now they have between twenty and thirty thousand sheep there. If this railway were closed for a year it is more than probable that those people would revert back to the old rate of 10s. a thousand, and let their lease expire in 1928, whereas now, with the railway, they would be stopped by an expert who insists a big farm in their lease would expire in 1943. Then further back there is another place that has started to run sheep lately, and which used to run only cattle, that is Moreena Downs. They have only been going in for sheep for three or four years. They are building up their flock and have now fifteen or twenty thousand sheep. If the railway did close I doubt whether they would be able to make it pay, having to cart their wool down so far.

Mr. Stead: They have lost £122,000 on this line up to the year's close last year.

Mr. Jacoby: Most of us are practical men who understand what work is, and we consider it is considerably overstaffed. When we see examples of how some of the money goes, such as a gang of navvies at a pound per day digging grass that would burn up with the Easterly winds in a month's time, we can see there are a lot of leakages.

Mr. Jacoby: If you tell me, Mr. Jacoby, whether there is any possibility of improvement in the mining district generally, through this railway?

Mr. Jacoby: There certainly is. We have recently, through the Press, been told that there is a new field discovered. It has not been opened up yet because it is too young, but it is just outside Cooliglen. I refer to the find made by Mr. Oldford. It is too new for us to be able to state whether it will be of any material value to the district, although it is spoken of very highly. Lalla Reoch is being searched throughout the whole district by the big firm in Melbourne and Perth. It is being handled by a few soldiers, but, owing to injuries, etc., received in the war, they cannot carry on. That would employ a big number of men if those people took it over.

Mr. Stead: How far is it from the railway?

Mr. Jacoby: 25 miles.

Mr. Stead: What station would serve it?

Mr. Jacoby: Carnindil. There is no doubt about the enormous possibilities we have in this district. There has been very little attempt to develop the mining industry of late years. Of course years ago the fields were very rich and, as I have said, latterly, the last 10 years, owing to the high cost of mining and footstools in this back country, most of our mining population has had to leave the district.

Mr. Jacoby: I will probably get some information about that from Marble Bar to-morrow.

Mr. Stead: Far more than from us because they are in the centre of the mining.

Mr. Stead: Supposing the Marble Bar and Port Hedland Road Boards could combine in some way, would you be prepared to take the railway over and work it yourselves?

Mr. Jacoby: All along our coast we have jetties and the custom of the Government has been, where a jetty has not paid, to lease it. I think it was a good system. In each case the jetties that have been leased have been made to pay handomely by private people. I speak of Derby, Onslow, etc., but in this case the Government had had to lease the railway. Mr. Stead: I will probably get some information about that from Marble Bar to-morrow.

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Mr. Stead: I will probably get some information about that from Marble Bar to-morrow.

Mr. Jacoby: Of course a private concern going in for the leasing of this railway would have to go into the figures a little. It would not simply take it up from a patriotic standpoint. We stand on a different footing from a Government. A private concern has to make ends meet or go to the wall. That does not always apply to the Government. The Government, to keep people in a district or a country, must have certain losses.

Mr. Stead: But if the people can be kept in the district without incurring any losses, that should be the duty of any Government. As members of the Road Board you would not incur a lot of expenditure without seeing some possibility of a return.

I thank you very much for your views in connection with this matter. You will see what I have to say about it when I finish with it. I merely put the suggestion that you might think it worth while to consider the proposition of leasing it. I feel sure that you, as business men, could run this railway cheaper than the Government, for very many reasons that I know of.

(Evidence closed.)
Representations made to the Royal Commissioner by Members of the Marble Bar and Nullagine Road Boards, Marble Bar, 3rd August, 1925.

Mr. Hackworthy: We had hoped for, possibly, a more representative meeting here of the members of the two Boards, and to be able to supply you with the information you deem advisable, but there are at the present time four members of the Marble Bar Board and three members of the Nullagine Board, and we are quite ready to go right away. Also...

The Port Hedland-Marble Bar line has been the means of providing improved facilities for the handling of the produce of an immense area, and has allowed more economic transport for goods to bring about such production. In the pastoral areas improvements have been effected, made possible, doubtless, by this type of transport. The method of tramway to the railway was by camel team, coasting up to £10 per ton from Hedland to Marble Bar, with a slight reduction for back loading. Since the line opened, the cost has been reduced to £10 per ton for carriage to the railhead, that is Marble Bar, and rainfall at the ordinary rate—325 in., with certain other small charges. With the cost of goods taken from the Nullagine centre, amounting to approximately £25, the cost per ton has amount to £19 2s. 6d. per ton at least to land it at Hedland, under the existing arrangement. Should the old order of things return it would cost more to market than would be obtained for it. Full use has not been made of the improved transport facilities, but we do anticipate in the near future, as a result of improved methods of treating at Gleedon, which is in the Nullagine District, a much greater tonnage of abnormally large marble than has gone through in the past. A considerable amount has been exported at Marble Bar by Mr. Barnett, running, I believe, in the neighborhood of £8,000, and it is only lately that the improved plant has been completed.

Regarding tin, owing to the low price prevailing it means decreased production, and with an improvement in the transport facilities, a material increase in the amount exported. The North-West suffers from a lack of economic transport. What is wanted in this particular district is not that the railway facilities be taken away, but that further extension of the convenience be given. There are large deposits of copper at what is called the North Pole, and there is a large lead in big quantities at Bronsede, simply waiting reasonable cost of transport. We were hoping that you were going overland to Meekatharra, as you would pass through splendid country which is supplied by the Marble Bar Port Hedland line, to a distance of, taking one station, 200 miles from Marble Bar.

Develop the North is the cry, and this railway is one of the best facilities at the convenience of the settlers. This railway is needed for the development of this district and it is vital that it should remain. It is anticipated in the Cooglearoo District, with present indications, that a considerable number of men will shortly be employed. As it is, some twenty odd leases have been pegged. This will mean further traffic for the railway, which will enable us to pay.

Mr. McLeod: I only want to put the Cooglearoo side to you at present. You can see here the asbestos belt. We have one show here—the Clan McLeod reward lease was to be brought within 10 miles of the proposed extension. According to the Government Inspectors report on June 30th, the asbestos deposit in the vicinity of 3,000 tons of short asbestos at 50 feet, but at the present time we cannot land that at Fremantle profitably, at £30 a ton, owing to the cost of mining that in the near future the price will be reduced to £25.

We propose to get the extension recommended. It will open up a 60 mile length of stretch to the North Pole, and there would be a payable deposit short of 1,000 miles—speaking generally. At the same time we would be opening up the copper industry at the North Pole.

At the present time at 30 per cent, on a copper load which by a sample sent away a little while ago, went 121 per cent., and concentrator would raise the ore to 70 per cent, by the time that we would be able to open up the market. There should be 6,000 tons of concentrates developed about 30 feet.

Following along from the North Pole, as shown by this line, we would re-cross the Shaver River up here and take it on to where we are pegging at the present time, and we hope at an early date to have a lot of capital in that.

Lessees discussed.

We have gold over two miles in length on one line. We have a 275 shaft giving 27 weights. Another sample taken from 10 feet went 35 weights, and another one 150 feet from 100 feet distance. In fact we are quite sure that we will find another Golden Mile. We then come to the asbestos mines further along where we intend to open up another section. We have the best long fibre show in the world there. There were 55 tons sent away last year, and it dropped the price from £600 down to £15. The troublesome time that we would have to take a decision as to whether the deposit would be worth producing at the line suggested, which would reduce by one-third the distance from Hedland as soon as we get the railway through, and I hope you will recommend it. It would be able to cut down the cost of production from 2,000 tons of 20 per cent, short asbestos ton to the west of the town.

If we can get this railway we will be able to make this portion of the line pay. We have 20 tons from the North Pole and 10 tons from Scownesville.

Mr. Stead: Is that the best you can do?

Captain McLeod: We could supply 10 tons of concentrates from the North Pole and back loading; and 10 tons per day of asbestos from Scownesville, with back loading.

Mr. Stead: What would that be?

Captain McLeod: Supplies for the town and the North Pole and the people working on that asbestos line there. That does not count at all what would be coming in from there, according to the Inspector's report, we have something in the vicinity of 3,000 tons of asbestos.

Mr. Stead: Where do you propose the railway should branch off?

Mr. McLeod: At Miralga.

Mr. Stead: What is the proposed length of the railway?

Mr. McLeod: About 45 miles. The proposed extension is capable of producing 30 tons of ore a day. That only includes the North Pole and Scownesville, not the gold shown at all, and not including what is going to come in from the 60 miles.

Mr. Stead: What is the distance across here (map); what is the scale of this plan?

Mr. McLeod: I do not know the exact scale, but I think it is about an inch to the mile. That is the position as far as we are concerned; we are quite prepared to have it changed. What we want is to extend to a qualified geologist to report and to have our confidence in the country. I feel quite sure if a report were to be given by the Royal Commissioner to the effect that the line should be pulled up, it would affect the capital which is assured at the present time.

Mr. Stead: What about the copper. You were talking about the percentages.
Mr. McLeod: The copper percentage is 13½ per cent. bulky, and could be raised by concentrates into about 70 per cent. payment at this point, we could get the railway. It is estimated that at about 36 feet we have about 5,000 tons of payable concentrates.

Mr. McLeod: You know that at Rathoferthe at the present time they have copper at about 78 per cent. to 79 per cent, and they cannot compete successfully with American copper. They have a railway into their works, which includes the smelter.

Mr. McLeod: The value of the concentrates would be about £33 per ton, and there is a market at the present time at about £30 per ton. There must be something else to affect Rathoferthe.

Mr. Stead: Do you propose to have smelters here?

Mr. McLeod: Yes. We have started on a new process.

Mr. Stead: Has that been successful?

Mr. McLeod: It has been successful on a small scale.

In fact it reduces the cost to a minimum.

There is no railway out from here. I presume there would be no objection to the railway up from Mungla to Marble Bar?

Mr. McLeod: I do not think that would be a good thing to do, because this is the capital of Pilbara. We are certain we could make the railway from Mungla to Port Hedland pay.

Mr. Stead: Yes, but you want something else to make this part pay.

Mr. Brockman: The difference that this line would make to the pastoralists would be 120 miles more in cattle. I can see that if we can produce wool and produce from the pastoral areas that would go over the line, but it would make a big difference to the pastoralists immediately. They would not have to pay 30s. 6d. for these 120 miles over a rough and dry road at a cost of about 2s. per ton per mile. I am a new-comer to the district, but I know that since the railway was opened a lot of small holdings have started up and that has increased the population so far as the pastoral area is concerned. As Mr. Hackworthly has said, the key is to populate the North, and I think the best way is to have a railway here even if it is not quite pay, because if this one particular branch did not pay and the other branches were more than paying, it would help the other one along.

Mr. Stead: Do the mining men have their roads in this pastoral area?

Mr. McLeod: I am sorry there are not some of the older pastoralists here today. I have not gone into the matter and I cannot give you the exact list to the pastoralists. I do not know the townships.

Mr. Stead: 937 tons last year, Mr. Brockman.

Mr. Brockman: Thank you, I think it would be a large movement if we were to lose any portion of the railway, especially as we want population in the North. There are quite a number of very well developed stations here. I have not seen very many of them, but the stations are very large, with thousands of miles of fencing and 40 windmills all equipped with tanks and troughs. Before it was taken up there was hardly any surface water at all. It was just open country where the first time they took up and the staff had to be taken out under great difficulties. Then, of course, those people were not like people from the Old Country. I think if they came out and found no railway they would leave the district alone. They are coming out in boats and I think the best thing to do is to give them railways to induce them to come up here. It all means miles, tracks, fencing, troughing, and the railway is the biggest help that can be given.

Mr. Stead: Might I ask you a question. How do you send your sheep away from here— to Java, say, or Singapore?

Mr. Brockman: I cannot say. None have gone, to my knowledge, since I have been here. I am only a new-comer, but I think the usual method is to truck them here for the bost at Hedland. That is just south of Marble Bar. Lower down they go to Meekatharra and pick the railway up there.

Mr. Stead: Most of the stuff from this district is driven across to Meekatharra, is it not?

Mr. Brockman: I cannot say. It would depend on the season. I suppose when there is a lot of water it would be better to use the railway, perhaps, and if it were good it might be better to let them walk over.

Mr. Stead: Is the reason I asked was I noticed, on going through the returns, very little stock was handled, in fact, practically nothing, and I was wondering the reason.

Mr. Stead: I suppose all the wool goes over it. A number of small holdings have been taken up and there is room for a lot more. There is vacant country about.

Mr. Stead: There is vacant country.

Mr. Brockman: Further out, of course. It would mean further carriage for the new men and with the facilities at present it takes us all our time to make it pay.

Mr. Stead: Do you think you could afford to pay a little more freight on the wool, supposing the railway were left here?

Mr. Brockman: It is a pretty big freight now. It comes to about 10s. a bale.

Mr. Stead: You say it costs 2s. 6d. per ton to cart it in. Could you afford to pay half of that?

Mr. Brockman: I suppose we could, sooner than lose the railway. All I have is about 15,000 tons in the hold. Mr. Hope (Nullagine): Further to Mr. Brockman's statement as to the pastoral position I want to say that there are a lot of stations in our district and a large number are taking off cattle and putting on sheep. It is practically the life of the wool trade that we are fighting for in the pastoral industries and it would be a terrible blow if anything happened to cut away this railway from our feet because we can mention that from Marble Bar to Port Hedland I do not suppose there is a worse road in Australia. It is fearfully heavy work.

At the least asbestos mines there are 20 leases and holdings and they are all working. Baranett Bros. have just installed a plant that is coming into full operation. It will be complete this week or next and one day all they will be able to treat 10 tons. However, they propose to work three shifts. They have already spent over £200,000 over and above what they have received from the mines and they are just about to get returns.

This railway was originally intended to go to Nullagine. It was always spoken of as the Nullagine railway, but some how it was at 19s. 6d. and brought and brought along a number of big propositions that were working them. There are rich shows out beyond Nullagine for 30 miles and these mines would be working to-day if they had better facilities.

At Roy Hill Station they are just putting on 20,000 sheep and cutting out cattle from portions of it. Bamboos Springs, 15,000; Morena, 15,000; Coooma Downs, 20,000, and another station 20,000. One station is just advertising the sale of cattle to put on more sheep.

Mr. Stead: What is the distance from here to Nullagine?

Mr. Hope: 65 miles.

Mr. Martin: I do not know that I can add much. For 27 years I have been here, and never out of there. There are some things I would like to store, and some circumstances that have helped to destroy the profitability of this railway. The high cost of living, as we know, precludes production. A few years ago the Nullagine population was between four and five hundred men, and to-day they could be mustered inside of forty. The high cost of mining has driven them out. When they were getting dynamos in Kalgoorlie for 25s., we used to pay £5 10s., 12s. 6d. for detonators, and 15s. for fuse. I want to show you why Nullagine has not gone forward as much as it should have. Before the line was started there were 20,000 tons of Nullagine mined for £20 per ton. The railway was to bring about cheaper living and cheaper mining requisites, but this did not eventuate for the reason that the men on the line had to be paid more. That is why you should recommend the further extension from here to Nullagine. The benefit would be all along the line. A disaster on this line is disaster to us all. It is the lifeline and should eventually be connected up with Meekatharra, but that would be in the future, of course. Starting eight miles South of Nullagine for practically 20 or 60 miles West, there is a belt of country with a width of from 12 to 15 miles. I have spent 27 years in that country. Years ago, flour was 25s. for fifty, and everything else correspondingly dear. In that belt of country there is an abundance of the high cost of requisites, and transport facilities. None of the mines are very deep. One of them was carrying once anything from 40 to 50 men, but that has now been abandoned on account of the high cost of requisites, and transport facilities. None of the mines are very deep. One of them was carrying once anything from 40 to 50 men, but that has now been abandoned. Further along we come to another show. None of them exceed 50 feet in depth. A little bit further West we come to the Mountain Maid and the State Battery. The Government spent a lot of money in deepening, and that show has produced from ten to twelve ounces to the ton. Out of the last crushing they got two or three ounces. That is within three miles of the battery. The ordinary prospector with his camp along-side his show must have some local means of getting his supplies easily, but at the present this is impossible. I would suggest the ordinary prospector with his camp along-side his show must have some local means of getting his supplies easily, but at the present this is impossible. I would suggest the Grand Farms scheme, and Mr. Stead: Do you think you would be better to use the railway, perhaps, and if it were good it might be better to let them walk over.

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by cheap transport and cheap living. At Mosquito there are
shows round there that cannot be treated owing to the high
cost of living and requisites. Then we come to another show
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bodies of men there. She had a battery installed and they got
14 weights. If that were in Laveron district that would be
payable, but up there, to give all the live hemp, the
Government should be treated differently from other employees.
The Government is competition with private enterprise, and
how they can treat public enterprise to produce if they
were all of impossible conditions on the private employee by
a tremendous lot of district pay and expenses. Why
should Government men be put in “cotton wool”? It is
not fair to the outside man. At the time I worked for the
Government and I was absolutely ashamed to draw my
wages. I think that is about all. I do not know that I can
tell you any more.

Mr. Stead: I thank you, gentlemen, for the information
you have given me this afternoon. It has been a pleasure to
me. I do not know that there was any question of getting
the line away. It is simply a matter of seeing whether we
can make it pay. It has cost £325,000 up to the end of June,
1920. That is a pretty good record of nine years, and that is
the object for which I am here. I have to thank you for
placing your views before me and, so far as the extension of
the railway is concerned, I think, Mr. Martin, you will have to
see your member about that. You have a lot of members
representing this district.

Mr. McLeod: We would be very glad if we could obviate
you giving an advance report until we can get the geologist’s
report.

Mr. Hackworthey: I have much pleasure in moving a vote
of thanks to the Commissioner for the kind consideration he
has given us in coming here in order that we might put our
views before him.

(Evidence closed.)
races; you know how far it is. They quoted some absurd charge that it would be quite impossible for the Race Club to pay, and it was on the basis of four carriages, whereas they only have one carriage there.

Mr. Underwood: Some shears wanted to get out to Warnong. They asked what the charge would be to have the motor really put on, and when they were told 1s. 3d. per mile, they said they would walk and they did walk. I tried to get a car there and eventually we got the one that they have there now, so that the Manager could look after his men, or run out anywhere. If they work on the railway regulations there they must be at a disadvantage.

Mr. Stead: The man up there appears to me to have no power at all.

Mr. Underwood: Of course your suggestion is correct, that the engineer for the North-West should be stationed at Horsham to run that railway, with a Wharfinger like Campbell. He could do his other work from there, that could be his home station.

Mr. Stead: There are some piles on the jetty there, for repair work.

Mr. Underwood: That is railway work.

Mr. Stead: No; it is under the Commissioner for the North-West; he has his own engineer there. It is a railway job, but the Public Works are carrying it out.

Mr. Underwood: You may not have looked at this point, and that is, that if the railway is taken up the land wants post Marble Bar will not be at the rate they are at present. That railway has sent the sheep 130 miles further back; they were cattle stations previously; that makes an enormous difference.

Mr. Stead: Of course it is a big item, I know; but they could not take that railway up.

Mr. Underwood: What I do not want you to do is what we have done with the wool; I think we made it £1 a ton, because we used to get stuff carried to Marble Bar for £5 a ton.

Mr. Stead: But you could not do it now, because I made inquiries.

Mr. Underwood: You cannot tell what you could get it done for until the teams get there.

Mr. Stead: Suppose it was made 9d. per ton per mile?

Mr. Underwood: I would not be altogether opposed to that if every other railway in the State were paying.

Mr. Stead: Of course they are not paying, but there is a big loss on that one in particular. They have lost £120,000 according to railway returns, up to the present. They lost £16,196 last year.

Mr. Underwood: What is the interest?

Mr. Stead: I will look up the figures.

Mr. Underwood: That railway should pay a lot over working expenses.

Mr. Stead: It should, but it does not.

Mr. Underwood: It is the costly working expenses.

Mr. Stead: Interest £4,000, Working Expenses, £12,951, Earnings, £11,072.

Mr. Underwood: That is a loss of £3,900 on working expenses; they should be able to cut that out easily. We cannot pay the interest and never will; but the working expenses should be well cleared.

Mr. Stead: If my recommendations are carried out they can, but this year the working expenses are higher than for years. They have a couple of boiler makers, fitters, labourers and an inspector there repairing the engines and they have been there for some considerable time. There was no probability of the company doing anything for some time. You can understand what that runs into can you not?

Mr. Underwood: Once they get under those Awards the thing is impossible. For instance, when I first spoke about a motor, Mr. Short said: "We have no man who could drive; but that seems almost impossible with all the drivers they have. It is easy to understand why they say they cannot drive it, because if they could they might be called out at some time and would not earn any extra money because they do not get in their 48 hours.

They are paying £3 19s. 3d. per ton for coal up there. It takes five tons of coal to run the trip to Marble Bar, and these men are on expenses from 8-30 a.m. on Wednesday till 3-42 p.m. on Friday; the guard, driver and fireman. The business is not there to justify the expenditure.

Mr. Underwood: All the business in the world does not justify those men getting those wages. They do not work 20 hours a week. I am speaking for those who are producing up there, and why should we be penalised because of those people? The beauty of it is that if Tommy Green finished it to the line finished I would not mind, but they all slip back into their jobs here.

It wants taking away from the Railway Department altogether. If we could get a good engineer, of course it is a big item, I know; but they could not take that railway up.

Mr. Stead: There were 937 tons of wool over that line last year.

Mr. Underwood: Of course the wool will increase and the mining will increase.

Mr. Stead: To any appreciable extent, do you think?

Mr. Underwood: No; not to any appreciable extent, but it will increase.

Mr. Stead: They are all small shows now, according to what I hear.

Mr. Underwood: Yes. There might be a good show found. I had a letter from McLeod and he said he has reasonably good prospects and if he said that to me I know it would be right. Of course that show of Barmera will produce a fair amount of asbestos.

Generally speaking there will be an increase in mining I feel certain, but I do not know whether it will be in any way big. Of course a man cannot say there will be no increase, but you cannot put it into calculations.

Mr. Stead: I am very thankful to you, Mr. Underwood. Your views and mine agree. I am quite satisfied that the expenses could be reduced, and reduced considerably. If my recommendations are not carried out it is not my business.

If the railway were handed over to me—I do not want the job—but I would be quite prepared to reduce them.

(Evidence closed.)
6.—Comments by the Commissioner of Railways on the Report of the Royal Commissioner on the Port Hedland-Marble Bar Railway.

N.W.
W.R. 1385.

29th August, 1922.

Port Hedland-Marble Bar Railway.

The Hon. Mr. Scaddan.

The first and best thing to do in connection with this line would be to hand it over to the Commissioner for the North-West, who, in my opinion, could work it to better advantage than can be done by this Department.

2. For example, the proposal to withdraw the cleaner would be a distinct contravention of Award No. 2 of 1921, of the Arbitration Court, as also would the proposition for one of the settlers to act as fireman.

3. Similarly the combination of the duties of guard and checker would be opposed to Award No. 8 of 1921, of the Arbitration Court.

4. Both propositions are quite reasonable, but any attempt to give them effect under present conditions would simply lead to enforcement cases by the Union in the Arbitration Court, in which the Court would have no option but to uphold its own Awards.

5. The allowances to the boiler inspector are as prescribed by the Board under the Railways Classification Act, 1920. Those to the fitters, boilermakers and labourers are as prescribed by Awards of the Arbitration Court relating respectively to their employment. All these are simply what I am compelled by law to pay—no more, no less.

6. The Tropical Allowances, similarly, are those prescribed in like manner by the legal tribunals established by Parliament for that purpose.

7. So far as the reduction of train service is concerned, I made a similar recommendation to that of your Royal Commissioner on 4th November, 1919. It was submitted to Cabinet, who decided on 9th December, 1919, that the weekly service was to be continued. An alternative suggestion that the regular train table be cancelled and a service run to fit in with the movement of the boats was negatived by the same Cabinet decision.

8. The draft of the Rates Books, which were finally approved and issued on 1st December, 1921, contained provision for increasing fares and freight on this line. It was then decided that they should not be increased.

9. Fares on this Railway are as under:

<table>
<thead>
<tr>
<th>Class</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Class</td>
<td>3d. per mile</td>
</tr>
<tr>
<td>Second Class</td>
<td>2d.</td>
</tr>
</tbody>
</table>

These fares are higher than those charged in the South, to the extent of:

<table>
<thead>
<tr>
<th>Class</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Class</td>
<td>1d. per mile</td>
</tr>
<tr>
<td>Second Class</td>
<td>1d.</td>
</tr>
</tbody>
</table>

Double parcels rates are charged, except for fruit and vegetables. Goods rates are as per attached extract from p. 123 of the Goods Rates Book.

10. In the event of recommendation first above-mentioned being agreed to—which would free the line from the obligations of the Classification Board Act, 1920, and of the Arbitration Court Awards referred to—I suggest that the reduction of the Permanent Way men and increase of charges should be left for a recommendation by the Commissioner of the North-West.

11. A short Act of Parliament, vesting the line in the Hon. Minister for the North-West, and conferring on him the powers given the Commissioner of Railways by the Government Railways Act, 1994, would be required to give effect to this proposal. The enclosed draft of Bill (prepared by Solicitor General) is submitted as being a suitable medium for making the transfer of the line to the Hon. Minister for the North-West.

(Sgd.) H. POPE,
Commissioner of Railways.

[Extract Goods Rates Book.]
(Page 123.)

PORT HEDLAND AND MARBLE BAR RAILWAY.

The following special rates and conditions apply on the above Railway:

(a) Ore—3d. per ton per mile; minimum 5 tons.
(b) Empty Boats, Firewood—3d. per ton per mile; minimum 3 tons.
(c) Tin (Scrap tins in truck loads, Marble Bar to Port Hedland)—6d. 6d. per ton.
(d) Explosives in Portable Magazines—6d. per ton per mile; minimum 10s. per consignment.
(e) All other Goods—6d. per ton per mile, or Third Class rates if higher; minimum charge as for 5cwt. and 10 miles.

Loading and unloading, if done by Department—1s. 6d. per ton each operation, or actual cost, at Department's option. Minimum charge, up to 5cwt., 1s.; over 5cwt., 1s. 6d. When the loading or unloading of goods is performed by the Department's servants and a crane is used for the Department's convenience, no charge will be made for the use of the crane for lifts up to one ton, unless the actual cost is more than the 1s. 6d. per ton per operation. In the case of lifts of over one ton, when the use of the crane is absolutely necessary, the ordinary crane hire charge (as per p. 199) will be levied in addition to the loading and unloading charge.

Live Stock—Double ordinary rates.

Vehicles—Double ordinary rates.

All goods are carried under platform and siding conditions and freight must be prepaid.

Engine hire at Port Hedland Jetty will be charged at 25s. per hour; minimum 15s.

When a horse is used in the place of an engine for shunting purposes during overtime working, a charge of 2s. per hour will be levied.

Stock Yards.—The charge for use of yards by stock or railway property, or transport by rail, will be as follows:

First 24 hours, free.

For every subsequent 24 hours or part thereof—2s. 6d. Local stock will be charged 2s. 6d. for every 24 hours or part thereof.

* Subject to surcharge of 4s. per ton. † Subject to surcharge of 6s. per ton.
LEGISLATIVE ASSEMBLY.

A BILL

FOR

AN ACT relating to the Port Hedland-Marble Bar Railway.

Be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of Western Australia, in this present Parliament assembled, and by the authority of the same, as follows:—

Short title.

1. This Act may be cited as the Port Hedland-Marble Bar Railway Act, 1922.

Railway vested in Minister for the North-West.

2. (1.) The Port Hedland-Marble Bar Railway is hereby vested in the responsible Minister of the Crown for the time being holding the office of Minister for the North-West.

(2.) All the powers conferred by the Government Railways Act, 1904, on the Commissioner of Railways may, in relation to the Port Hedland-Marble Bar Railway, be exercised by the Minister for the North-West.

The Hon. Premier, Perth.

Supreme Court, Perth,
18th August, 1922.

Dear Sir,

During my absence in the North I deputed my Secretary to enquire into certain matters in the South-West. Amongst others, was the question of the establishment of a central yard at Bunbury for the stacking of export timber to enable supplies to be brought forward regularly instead of having the rushes now experienced.

I now enclose his report for your information, and the views expressed coincide with my own.

It will be remembered that the Railway Commissioner stated he had tried to come to an agreement with the shippers, but failed.

Yours faithfully,

(Sgd.) GEO. W. STEAD,
Commissioner.

Mr. Jackson further suggested that the traffic be confined to sleepers only to commence with, and that only traffic from beyond Breakwater and off distant lines be dealt with.

Mr. Flannagan desires yards for scantling also—to be railed out and fitted with machinery for loading and unloading. He also suggests yards for the permanent men at a cost of about £180 each, and a charge of 3s. or 4s. per cent.

Mr. Logan says racking out not necessary.

Mr. Properjohn says it will mean thousands of pounds to the State Saw Mills Department, saving excessive house to his engineers and guards, shifting of timber and general management of yard. Frequently has to run a train on overtime rates to get a few empties, so that he can go on loading up.

I saw Mr. Templeton, General Manager of Miller's. He considers that this matter requires very careful consideration to avoid any defects in yard accommodation. He is obtaining figures to enable him to deal with the matter further. Miller's have 20,000 loads on shiels, but no orders.

So far as Bunbury is concerned, I think we would secure great relief if all sleepers were stacked at Bunbury, and scantling from Mills between Donnybrook and Jarradup, that being the most awkward section, also off Holyoke line.

A site is available at the 114-mile, but a very big yard would have to go in at South Bunbury.

The freight charges and revenue per mile for a train conveying a full load over all sections, Jarradup to Bunbury, are as follows:

<table>
<thead>
<tr>
<th>Miles</th>
<th>Section</th>
<th>Engine load</th>
<th>Less Brake</th>
<th>Trucks</th>
<th>Tons contents</th>
<th>Freight</th>
<th>Per ton mile</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Jarradup to Manjimup</td>
<td>380</td>
<td>28</td>
<td>224</td>
<td>£ 8 s. d.</td>
<td>£ 8 s. d.</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Manjimup to 176-Mile</td>
<td>650</td>
<td>40</td>
<td>362</td>
<td>5 11 5</td>
<td>1 17 2</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>176-Mile to Bridgetown</td>
<td>270</td>
<td>19</td>
<td>122</td>
<td>2 10 8</td>
<td>1 5 4-5</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Bridgetown to Greenbushes</td>
<td>235</td>
<td>17</td>
<td>136</td>
<td>16 18 3</td>
<td>2 6-6</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Greenbushes to Bunbury</td>
<td>380</td>
<td>28</td>
<td>224</td>
<td>13 0 2</td>
<td>1 17 2</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Balting to Kirup</td>
<td>235</td>
<td>17</td>
<td>136</td>
<td>9 0 5</td>
<td>1 2 6-6</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Kirup to Newlands</td>
<td>500</td>
<td>42</td>
<td>336</td>
<td>6 12 8</td>
<td>1 6 3-3</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Newlands to Brookhampton</td>
<td>250</td>
<td>20</td>
<td>160</td>
<td>11 2 10</td>
<td>2 15 8-5</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>Brookhampton to Donnybrook</td>
<td>500</td>
<td>42</td>
<td>336</td>
<td>6 12 8</td>
<td>1 6 3-3</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>780</td>
<td>60</td>
<td>480</td>
<td>99 0 7</td>
<td>3 19 7</td>
<td></td>
</tr>
</tbody>
</table>

* Includes doubles Palgump and Yornup.

In regard to Busselton the position is different. There is insufficient labour available to load trucks and ship at the one time.

Ample space for stacking is available. An improvement can be made if the Quillery bank is reduced, I saw Mr. Donovan, Forest Ranger, at Jarradup, and he advises that the location made by the surveyor is the best possible. Provided he is given a fortnight's notice, Mr. Donovan will arrange his duties to admit of his accompanying a surveyor over the best road.

Mr. Ryan, Manager of the Chaymure Mill, says you cannot get a better man.

No one seems to know why an "A" class engine cannot be used on this road.

18th August, 1922.
THOS. GELING.
The Royal Commissioner.

By Authority: FRED. W. SIMPSON, Government Printer, Perth.