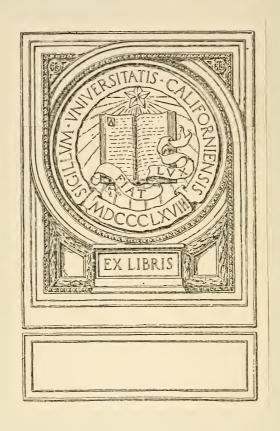
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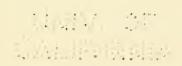
THE STATE RAILWAY MUDDLE IN AUSTRALIA



THE STATE RAILWAY MUDDLE IN AUSTRALIA

BY EDWIN A. PRATT

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PREFACE

An intimation given by Mr. Asquith to the trade union deputation which waited upon him on May 20, 1912, to urge the Government to take up at an early date the question of the nationalisation of railways, should invest with additional interest and importance the little work here presented as a "Question of the Day."

The intimation in question was to the effect that, while he did not think the burden of proof placed on those who are in favour of the nationalisation of railways had been satisfied, the Government might institute an inquiry as to the experiences of countries where "the experiment of the State working of

railways" had already been tried.

Among the countries whose experiences are thus to be inquired into Australia should certainly be included.

It is true there are great differences between Australia and the United Kingdom in regard to the needs for new lines of railway, those of Australia being still very great while those of the United Kingdom have practically all been met. In the important details, however, of management, operation, and State control of railways constructed, a comparison can fairly be drawn between actual experiences under Democratic Parliaments in Australia and the possible experiences—judging from these precedents—of nationalisation of railways under

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some no less Democratic Parliament in the United

Kingdom.

From these particular points of view—as I have sought to show in the pages that follow—Australian experiences are of closer concern for ourselves than the corresponding experiences of Germany, where the State railways can be operated with greater freedom

from undue political or labour influences.

Incidentally, also, I have dealt with the experiences of India, Holland, and Belgium, and have shown how the principle of public ownership in those countries has been supplemented (in Belgium as regards light railways) by company operation of lines constructed by State or local authorities—a significant fact which may be commended to public attention both in the United Kingdom and in Australia. These further countries should certainly be brought within the purview of Mr. Asquith's inquiry, while, assuming that Australia may still adhere firmly to State ownership of her railways, it is nevertheless open to consideration whether she, also, would not do wisely to follow the example of the three countries mentioned and combine with the theory of State ownership the practice of company operation.

The forthcoming Government inquiry is to be further directed to the experiences of traders and travellers in railway-owning States. Here, again, I afford to English readers the opportunity of judging for themselves whether or not State operation of railways in Australia offers any superior advantages in the matter of transport and travel over the company-owned railways of the United Kingdom.

EDWIN A. PRATT.

London, May 1912.

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THE STATE RAILWAY MUDDLE IN AUSTRALIA

CHAPTER I

SCOPE OF THE INQUIRY

THE deplorable condition of muddle and confusion into which the Government-owned railways on the mainland of Australia have drifted is, for various reasons, a matter of direct concern to the Mother

Country as well as to Australia herself.

In the first place, advocates of railway nationalisation for the United Kingdom are accustomed to point to the State ownership and operation of railways carried out in Australia and elsewhere as offering examples which we ourselves should follow in substituting "disinterested management" of our railway system, by Government and Government officials, for "interested management" by private companies alleged to be influenced only by a desire for dividends.

Australia and New Zealand were more especially commended from this point of view by certain of the witnesses examined before the recent Viceregal Commission on Irish Railways; and the fact might also be recalled that, when advocating State ownership of railways for the United Kingdom, at the autumn meeting of the Association of Chambers of Commerce at Liverpool, on September 19, 1907, Lord Brassey

said: "Perhaps we might begin with State ownership in Ireland. The financial operation would be on a limited scale." Four out of the seven members of the Viceregal Commission, it will be remembered, favoured nationalisation of the Irish railways, their recommendation being "That an Irish authority be instituted to acquire the Irish railways and work them as a single system," such authority constituting a Railway Board composed of sixteen elected and four nominated directors. The three other members of the Commission expressed, in their Minority Report, the opinion that "the principle of private ownership should be maintained," their belief being "not only that railways are better and more economically managed by directors responsible to their own shareholders than they would be under any form of State or popular control, but that their administration is the best in the public interest."

Whether or not the Irish railways would be "nationalised" if the Home Rule Bill introduced by Mr. Asquith should become law is a question the future must be left to decide; but the possibility of such a step being taken gives greater interest to the experiences of countries where the principle of public ownership and control of railways has already been adopted.

In regard to the railways of Australasia, it is especially noteworthy that the minority of the Viceregal Commission said, "No critic of the Australasian system appeared before us, though such critics notoriously exist." The lack of criticism here in question I propose to supply, in the pages that follow, by showing what Australian critics themselves—traders, travellers, public men, and representative journals—are saying about their railways; and, inasmuch as the members of the Viceregal Commission adopted, in regard to Continental State railways, the view I advanced in the evidence I was myself privileged to

offer to them—namely, that, owing to the differences in conditions on the Continent and in the United Kingdom respectively, the basis for a fair comparison between them in regard to matters of transport does not exist—I hope to be now no less successful in proving that the State railways of Australia offer, in turn, no encouragement whatever to any resort to public ownership and operation of railways either for Ireland—on which country the railway nationalisation party would fain try their "'prentice han'"—or for the United Kingdom in general.

There is the more reason for our looking into the subject from this point of view since railway nationalisation is a leading item on the Socialist programme; and, inasmuch as Socialism, whether one approves of it or not, is now to be reckoned among the most active forces of the day, we may well turn to Australia to see what kind of success State Socialism has achieved, in that "Paradise of the Worker," in the management and operation of what our American cousins call "public utilities." In the next place, although the Mother Country

In the next place, although the Mother Country naturally would not seek to dictate to her daughter States as to the management of their domestic concerns, it is a matter of interest to ourselves to see whether they are developing their resources in a way commensurate with the greatness and the possibilities thereof, and, if not, wherein lies the weakness of their position.

Australia, with her need for more population to people her vast expanses, is, also, now seeking to divert to her shores some of the abundant stream of emigration flowing from this country to Canada; but to these prospective emigrants it is of material importance they should know whether, apart from questions of land and crops, the railway facilities

which play so all-important a rôle in the opening

up of new country to settlement, in the making of provision for transport of produce to port or market, and hence, also, in ensuring the economic success of the settlers, are as efficient under the State system in Australia as they undoubtedly are under the

company system in Canada.

Australia further wishes to see brought about a substantial expansion in Europe of her trade in frozen meat; but here it is quite possible that when English householders learn of the way in which—as will be told later on—live stock travels on the State-owned railways of New South Wales, and the condition to which the unfortunate animals may be reduced on their arrival at the sale-yards, whence they pass to the slaughter-house and the freezing chamber, the consumption here of such meat will

be retarded rather than encouraged.

Then, also, Australia's position in regard to Imperial trade will form one of the many questions to be considered by the Royal Commission on Imperial Trade, appointed "to inquire into the natural resources, trade, and legislation of His Majesty's Dominions." In the case of Australia, at least, the attention of the Commission may well be directed, not alone to the extent of the natural resources of the Commonwealth, but, also, to the allegation that the actual development of these resources has been, and is still being, seriously hampered by the deficiencies of the State railways. When, for example, as reported in the Sydney Daily Telegraph for March 27, 1912, the representative of a leading firm of grain merchants in Sydney could tell a New South Wales Commission that if the railway facilities required in that State had kept pace with the progress of closer settlement another half-million or million acres of land would have been brought under wheat cultivation, it is obvious that transport questions must

needs form an important branch of the forthcoming inquiry by the Imperial Trade Commission; and from this point of view it is especially satisfactory to know that the Commission will be presided over by Lord Inchcape, who, as Sir James Mackay, was at the head of a committee appointed in 1908 by the Secretary of State for India to report, among other matters, as to "whether the amounts allotted in recent years for railway construction and equipment in India are sufficient for the needs of the country and for the development of its trade." A further guarantee that these all-important transport questions will receive due attention from the Commission is afforded by the fact that the members also include so distinguished an authority on railway operation as Sir Charles Owens, late general manager of the London and South Western Railway Company.

Finally there is the consideration whether, from the point of view of Imperial policy—and more especially from that of Imperial defence—the railway systems of the mainland of Australia offer a guarantee of being found equal to requirements in

case of need.

CHAPTER II

THE SHORTAGE OF TRUCKS

While it has been the fixed policy of successive Governments in Australia to secure greater settlement on the land; while agricultural research, under Government auspices, has been actively engaged in Australia in endeavours to bring about the production of better qualities and larger crops, and while settlers have been encouraged to face bravely every kind of difficulty in establishing themselves on the soil and raising the said crops, there would seem to have been no equivalent degree of enterprise and energy shown by the State railway authorities in affording adequate facilities for the transport of the crops to market when they have been raised.

The position in this respect is thus described in the *Town and Country Journal* (Sydney, New South Wales) of January 31, 1912:

The settler knows exactly the risks of droughts, floods, and bush fires, and if he is unable to resist these ravages he bears his losses with fortitude and bravely sets to work to repair the damage and to make what often amounts to a new start in life. If all his crops fail by reason of the absence of rain he sets to work cheerfully to get in another crop, and waits hopefully for better luck next year. Many of our out-back settlers who have had to contend with adverse seasons may truthfully be classed among the band of heroes to whom the V.C. is not awarded, and their women-folk are among the pluckiest in the world,

But when the farmer has successfully combated all the onslaughts of nature, against which human nature is almost helpless, when he has raised and garnered good, marketable crops, it is heartrending to find that his wheat cannot be sent to market when ripe, and must be left lying in stacks at a railway station because there are no trucks available to carry it to market.

This shortage of trucks grievance in Australia is one that for years past has been experienced with the regularity of the seasons themselves, the only real modification in the trouble being when a drought reduces the production. With the advent of each successive harvest the carrying powers of the State railways break down, leading to a condition of things bordering on chaos, while enormous losses are sustained by the traders in consequence.

Comparatively few of the country stations have, apparently, a sufficiency of sheds for the protection of grain awaiting transport, even when such sheds are provided at all; and the usual procedure would seem to be to stack the bags of wheat in the open at the railway stations, there to remain until trucks

for their transport are available.

Following on the heavy rainfall that prevailed during and subsequently to the harvest of 1910–1911, the results of this system—or lack of system—in the handling of wheat by the State railways were deplorable and disastrous. The harvest itself was a record one, and, as it happened, the greater part of it had been gathered in before the rains began. Stacked, however, in the open at the railway stations, the bags of wheat speedily got more or less saturated, and in some cases the lower bags in a stack stood in a pool of water, with the consequence that the

¹ During a debate in the Legislative Assembly of New South Wales on October 26, 1911, Mr. Thrower spoke to having seen, at Junee, 170,000 bags of wheat "stacked in what practically amounted to a mud hole."

wheat germinated and rotted before it could be carried away. At some stations a certain degree of protection was afforded by placing the bags—though still in the open—on sleepers or telegraph poles lying on the ground, when the regular "dumps" were not available.

Nor was the position always improved when

trucks did come to hand.

Many of the trucks used on the Australian State railways for the transport of wheat are open iron trucks normally employed for carrying coal. The bags of wheat placed in them ought, naturally, to be so covered with tarpaulins that rain cannot get to them; but on certain of the lines the shortage of tarpaulins is even more marked than the shortage of trucks. It may thus happen that there are either no tarpaulins at all available for many of the open, wheat-filled trucks, or not enough; and the rain that fell so heavily when much of the wheat from the harvest of 1910-1911 was on its way to the ports led to those open trucks being converted into open tanks in which the lower bags of grain stood in from six to twelve inches of water. Nor was the wheat damaged by the wet alone, for the coaldust in the trucks blackened the water, which, in turn, discoloured the wheat, rendering it unsaleable even if it might have been dried before it had germinated or rotted. In Victoria a suggestion that each grain-truck should be provided with a tarpaulin was met by the departmental objection that such tarpaulins would not be wanted for other goods. It was, apparently, thought unnecessary to supply them merely for the harvest. The Victorian officials further explained, in reply to complaints made, that the wheat in the trucks was being forwarded without covers "in the usual way," and they doubted if covers would, in any case, have been able to protect the wheat against such heavy rain.

What the consequences were are shown by a writer in the *Pastoralists' Review* of March 15, 1911. He estimates the amount of wheat destroyed, in one or other of the ways here indicated, at "millions of bushels"; while a later estimate, in the issue of the same journal for July 15, 1911, was that "fully one-third" of the harvest had been seriously injured by the inability of the railways to handle it properly. In addition to the grain actually spoiled, allowance has to be made for the further loss of markets, and for the extra expense incurred in discharging the wet wheat into sheds, with consequent re-handling, instead of direct into the ship's hold.

It might have been thought that, in view of what happened in 1910–1911, provision would have been made by the railway authorities against any repetition of like experiences in the 1911–1912 season. But already in the *Pastoralists' Review* of November 11, 1911, the Sydney correspondent of that journal, writing under date November 8, said: "The shortage of trucks trouble is as acute as ever, and the country producers are at their wits' end to get their produce to market." Subsequent reports showed that this

statement was abundantly warranted.

On January 24, 1912, the *Town and Country Journal* (Sydney) reported in regard to the harvest in the Barmedman district of New South Wales:

Wheat is pouring into the Barmedman railway station. Up to the present over 70,000 bags have been received, and out of this quantity only about 14,000 bags have been trucked away. Agents are loud in their denunciation of the Railway Department for not keeping up the supply of trucks. If an agent gets one truck per day during the week he considers himself lucky. On January 10, 3,900 bags were received into the yard, and not a single truck was available to take any of it away. At Yiddah, between here and Wyalong, about 5,000 bags of wheat are

stacked on a dump intended to hold about half that quantity. Farmers have had to cease drawing their wheat into the siding as there is no space handy to the line to stack it on.

From the Dubbo district it was reported:

The Eumungerie railway yard is becoming blocked with the quantities of wheat which are being daily drawn in. There are fully 4,000 bags awaiting the arrival of trucks. The wool bank, from where the wool is loaded on the trucks drawn up alongside, is crowded with stacks of wheat, and the bags are now being piled up on Government sleepers wherever the latter are available. One farmer has drawn up a quantity of old telegraph poles on which he has built up his bags. As soon as a truck is left on the siding it has a dozen claimants, and the fortunate man is he who succeeds in first getting a bag of wheat on it, which means the claim is successfully established.

Further striking examples of the experiences of individual traders are recorded in the issue of the *Town and Country Journal* for January 31, 1912.

In the Maitland district one firm had a consignment of produce standing in the goods yard for one week before despatch, and then the firm's men had

to do the loading themselves.

A later report from the Dubbo district said that growers were stacking in the open, and teams with chaff had been kept over a day waiting for trucks to unload. One of the best-known local buyers stated that during his twenty-six years' experience of the Dubbo railway yard he had never seen more chaos, disappointment, and shortage of trucks. He declared that the business of the district was practically paralysed, and that the loss to producers and wheat-buyers, the latter especially, was "some-

¹ The practice followed in New South Wales is for the wheat merchants to buy the grain from the growers, and pay them for it on delivery at the railway stations or sidings. The direct loss from

thing appalling." Although he was in the habit of buying thousands of bags weekly, he had only been able to obtain two trucks within ten days.

At Narromine there were from 60,000 to 70,000 bags of wheat stacked at the railway yards, and of these about 15,000 were in the open. At the sidings connected with Narromine there were about 30,000 bags awaiting transit.

From Wellington it was reported that one firm had 27,000 bags of wheat stacked awaiting trucks, and they stated that in that district they had only sent away about 10,000 bags of 40,000 bought since the end of November.

Out of an order for 150 tons of chaff another local firm had managed to despatch 40 tons. "We could not get any more away," they said, "so we had to ask to have the balance of 110 cancelled."

At Spring Hill the shortage of trucks was very pronounced. Stacked in the railway yard awaiting trucks were thousands of bags of chaff, unprotected from the weather. The owner of two travelling chaff-cutting plants stated that 30 trucks were ordered by various consignees on the same day for loading at Millthorpe, but only one truck was supplied. On another day 31 trucks were ordered, but only four arrived. Two of his machines were idle for want of sufficient rolling stock to take the chaff away, and this meant that fourteen men were not working, in addition to two teams. "The shortage of trucks," he added, "is fairly paralysing the whole trade."

At Molong a firm of grain dealers stated that during the course of a fortnight they had received

the defective railway arrangements thus falls on the dealers rather than on the farmers; but indirectly the latter also suffer, because the losses made by the dealers, or the risks they have to run, must needs affect the prices they can afford to pay for the wheat.

only three trucks. They had between 2,000 and 3,000 bags stacked at the station. Another firm had ordered four trucks daily for three weeks, and had received a total of twenty. They had 1,500 bags of wheat waiting to be forwarded.

From Koorawatha to Grenfell there were immense stacks of wheat at every siding, Grenfell station alone having 200,000. The quantity already des-

patched was relatively small.

Reefton reported "thousands of bags" stacked in the station yard. The stations on the Ariah Park—Barellan line were each getting from 3,000 to 4,000 bags of wheat a day, and if, it was declared, railway trucks did not come soon, there would be no more space available on the sidings even for stacking. Ganmain had required since the beginning of the year at least 40 trucks a day, but was getting, on an average, only eight or nine. At the rate at which chaff was then being trucked from Ganmain it was calculated that the shifting of the available yield would take at least two years. At Henty 90,000 bags of wheat had been brought into the station yard, and the daily addition was between 3,000 and 4,000; but the railway could not deal with more than 300 or 400 a day. The Henty farmers and settlers were getting impatient, and proposed to hold a meeting. Besides, they did not always approve of the trucks when these could be got. "Anything on wheels," it was said, "seems good enough for wheat from here. Cattle trucks in filthy condition are allotted to wheatbuvers."

The Sydney Sun of February 12, 1912, in pointing out that the area under cereals in New South Wales was being increased, and might be fifty per cent. more in five or six years, declared that, "in view of the chaos already existing," it was "awful to CHAOS 13

contemplate" what might happen then if a vigorous and bold move were not made to increase the railway facilities. "The lassitude of the Railway Department, with such a prospect confronting it, is intolerable. Its apparent contemptuous regard of the country's needs is viewed with alarm. As each harvest comes round the position is more intensified. The trade is actually paralysed, and the future is viewed with dismay."

In order to obtain definite facts as to what the position really was, the *Sun* had sent a representative to Temora, "one of the most prolific wheat centres in the State," and situate 291 miles south of Sydney, to interview various authorities, and the results are given in the issue of the paper for the date

mentioned.

Mr. C. B. Trefle, who represents Dalgety & Co. at Temora, told his interviewer that the way in which the railway traffic was managed was an absolute puzzle. While there was a palpable dearth of trucks, the Railway Department did not even make the best use of those they had. On January 31 two 15-ton trucks were sent to Temora, and each was loaded with 6 tons 2 cwt. 3 qr. of chaff. As each would carry 15 tons of wheat there was practically a loss of 18 tons in freight. A 24-ton truck was loaded with 14½ tons of chaff, and another loss of nearly 10 tons incurred. Trucks sent to Temora laden with merchandise were immediately sent back to the truck depot at Cootamundra (39 miles), although the railway officials knew they were required to be loaded at Temora. A standing order for trucks was not recognised by the Department. The order had to be renewed every day.

order for trucks was not recognised by the Department. The order had to be renewed every day.

From Temora railway station 300,000 bags of wheat were sent—or supposed to be sent—every year. Of this quantity Mr. Trefle's company were

responsible for 125,000 bags. The whole output of wheat for these districts, served by the railway,

was estimated at 1,250,000 bags.

Mr. Trefle further said that the limited business horizon of the railway management was exemplified even in such a matter as storage accommodation for grain at the railway station. Of the 300,000 bags brought to Temora station the Commissioners' grain sheds could house only 20,000. Mr. Trefle was further of opinion that "if a private company were the owners of the railways, and conducted them in a similar manner to that of the State, the producers and people generally would rise in revolt. No business company with any claim to business acumen would run a large freight-carrying concern like the railway system of this State in a manner such as prevails in New South Wales."

Mr. A. Pardey, of the firm of Gillespie & Pardey, millers and grain merchants, Temora, asked the correspondent, "What is the use of manufacturing when we cannot get the stuff we manufacture to the customers only a comparatively short distance away?" His firm had orders in plenty, but could not fulfil them. In regard to flour, the country bakers declared that it was no use giving orders for flour which had to pass over branch railway lines, because they did not know when they would get it. To carry on the business properly his firm required about three trucks per day. They sometimes did not get any trucks at all for three or four days. Six trucks would then be sent along, and no more for another day or two. It seemed impossible to get a regular supply. The whole of the business was sometimes at a standstill. The orders could keep the mill and staff fully employed, but if the supply of trucks were not increased shortly, Mr. Pardey said, they would be reluctantly compelled

to discontinue two shifts in the mill because the premises became choked with the manufactured products. The shortage of trucks was in connection with all stations to Sydney. The country bakers had to carry enormous stocks of flour to allow for these delays. The firm bought wheat from the local farmers, both for milling on the spot and for millers in other parts of the State; but when wheat had to be sent away they were not allowed to have trucks for both wheat and flour at the same time. They had to cease trucking flour when they desired to send wheat. So the business again suffered through a disorganisation thrust upon the firm by the Railway Department. Mr. Pardey added:

I have 15,000 bags of wheat sold for prompt delivery at stations other than Sydney during February and March. Not a single truck of this order has yet been forwarded, and I see no immediate hope of doing so. We had sixteen trucks allowed us in ten days. These trucks were delivered at ten different sidings. This distribution is the rule of the Department. We have to send gangs of men, at 12s. per day per man, to load these trucks. The effect on any industry loaded with these unnecessary expenses and other attendant losses, through the lamentable failure of the Railway Department to maintain even a semblance of regularity in the supply of trucks and the conveyance of the products to market, must end in commercial disaster.

Mr. J. J. Donnelley (J. J. Donnelley & Co., grain merchants, Temora) said it was becoming more manifest each year that the laxity of the Railway Department in regard to trucks was making the wheat-buyers' position almost untenable. The risk would soon become too great, owing to the uncertainty of getting the wheat to the seaboard.

Mr. A. D. Ness (A. D. Ness & Co., grain merchants, Temora) was equally emphatic as regards the ruin

that might be wrought in a very important State industry through the shortage of trucks and general all-round mismanagement of the railway service. He further said:

I had 27,000 bags of wheat to deliver in January. I only got away 7,000 bags, and this number from no less than ten sidings. I had, also, 20,000 bags to send away, . . . but I had not the hope of getting these away in time. . . . At some of the sidings there are no railway officials at all. The wheat-stacks are left to the mercy of vermin or to any one inclined to cart away a few bags. Sometimes men sent to a siding to load trucks will find that the trucks have not arrived. Frequently when the trucks do arrive they are loaded with implements and manure. This has to be unloaded at the expense of the wheat merchant before he can load the wheat.

These allegations as to the possibility of the wheatstacks becoming the haunt of vermin are confirmed by the evidence given on March 26, 1912, by Mr. George Walker, of the firm of Lindley, Walker & Co., grain merchants, before a Commission sitting at Sydney to inquire into the questions of grain-handling and goods congestion on the railways of New South Wales. Mr. Walker said it was no uncommon thing, when going through the country at that particular time of the year, to find the wheat-stacks infested with mice and rats. "There are instances," he said, "where millions of mice have been found in a stack of wheat that goes into human consumption." On the same authority we get the picturesque detail that the wheat-stacks may remain standing so long at the railway stations, awaiting trucks, that birds build their nests in the crevices between the bags. Mr. Walker's suggested remedy for these conditions was a resort to bulk handling of the wheat—a system which would be cheaper, would encourage a further

expansion in wheat production, and would, also, lead to the wheat being kept cleaner. Of course, he said, mill machinery would probably clean the wheat stacked under the conditions described; "but it stands to reason," he added, "that wheat stored for months in clean bins must be more desirable than wheat allowed to be traversed by mice for months."

The immediate outcome of these complaints at Temora has been that at a meeting of producers and traders in the wheat industry held there on February 9, 1912, it was decided to request the assistance of others associated in the industry in all the principal wheat centres along the southern railway and the branches thereto, and to form a strong representative organisation, to be called the Southern Districts Grain and Produce and Traders' Association. It was further resolved that a deputation from the meeting should confer with traders in Sydney, and then seek an interview with the

Premier, who was duly seen on April 11.

On March 30, 1912, a Royal Commission appointed to inquire into the congestion at Darling Harbour visited Temora, and examined various witnesses on the subject of the local rail-transport conditions. The evidence taken fully confirmed the earlier reports as already here recorded. It was further stated that the New South Wales Railway Commissioners would not allow grain-buyers to erect permanent sheds on the railway sidings, and would very seldom allot them the same site, for stacking, two years in succession, while the "improvised" sheds which were raised did not afford sufficient protection against rain. Mr. A. D. Ness told the Commission that the loss he sustained in 1911 through damage done by rain to his unprotected stacks on the railway premises amounted to nearly £800. He was, he added, only then (March 30) getting away some wheat he had

contracted to deliver in Sydney in January, and he had "many thousands of bags" still waiting at the

different sidings and stations.

Writing under date February 10, 1912, the Sydney correspondent of the Pastoralists' Review said that the hardships experienced by stock-owners in a severely dry season like the one then prevalent were greatly accentuated by what he described as the chaotic condition of the railways. "Business from a farmer's point of view, in many districts," he continued, "is practically paralysed. Teams loaded with wheat travel through the night so as to be the first into the railway yards when the gates are opened. Wagons loaded with chaff have had to wait from 6 a.m., when the gates open, until night, and then go away without untrucking their load. There are numerous instances where this sort of thing has gone on day after day, piling up a ruinous cost to the farmer."

Still further examples are afforded by the Sydney Mail of February 14, 1912. At Geurie, we are told, chaff and wheat were stacked all over the station yard, awaiting trucks, and "in one or two instances chaff has been on the loading bank since Christmas"—that is to say, for seven weeks. Then, at a meeting of the Moonbi Farmers and Settlers' Association, when the "casual methods" of the railway authorities in the despatch of trucks was strongly denounced, it was said that the previous week a number of trucks at the local station were loaded up with hay intended to feed starving stock; but some of them were delayed no less a time than five days before they were sent on to their destination.

In the week ending March 16, 1912, the number of bags of wheat still stacked at stations on the New South Wales railways, awaiting transport, was (as recorded in the *Town and Country Journal* for March 27), 2,705,587. The total number despatched by rail during that same week was 223,991. The position of certain representative stations is shown by the following figures:

Station.		Bags stacked.	Bags railed during week.
Temora		93,551	2,006
Old Junee		118,550	3,380
Narrar		97,604	3,150
The Rock		72,982	2,547
Greenfell		128,835	15,187
Geurie		100,004	10,854

A simple sum in arithmetic will show how many weeks it would take in each instance, at the rate of transport indicated, for the remainder of the harvest (which began in New South Wales early in December

1911) to be cleared off the railway premises.

In Victoria the truck shortage which hampered traders in distributing the harvest of 1910–1911 was accounted for as due, in part, to the determination of the Government to exploit a coal-mining property, this rendering necessary the withdrawal of 900 trucks from the usual traffic. The assurance was given that a large number of additional trucks had been ordered, and would be ready for the 1911–1912 season; yet, on January 3, 1912, the Australian Field (Sydney) announced that the shortage of trucks had already commenced in the wheat districts of Victoria, adding: "So far as the efficiency of the railway system is concerned, the country people of the southern State seem to be as unfortunate as New South Wales"; while the Melbourne correspondent of the Pastoralists' Review, writing under date January 10, 1912, told afresh the old story of bags of wheat being stored in the open at country stations without any protection whatever,

and stated that the complaints of lack either of trucks or of coverings had again been numerous.

Happily the acute congestion once more threatened in Victoria was somewhat relieved through the arrival of about twenty new engines from England and the United States—part of a total consignment of forty to be imported—so that on March 11, 1912, The Age (Melbourne) was able to say:

The transport of grain from the country stations to the seaboard is now proceeding fairly steadily. In about another month the worst rush will be over, and the Railway Department should be able to withdraw a sufficiency of stock to meet the firewood traffic in view of the necessity for laying up a supply of winter fuel for Metropolitan requirements. The Baldwin locomotives are running, and are effecting an appreciable relief in the position, although earlier in the season an absolute block was threatened. The quantity of wheat at railway stations is small as compared with last year, and there has been none of the disastrous waste such as reduced enormously the results of last year's record harvest.

The total number of bags of wheat still stacked at country stations in Victoria at the end of March 1912 (according to figures published in the Australasian for March 30) was 1,371,777. This figure compares with 3,143,260 bags for the corresponding week of 1911, and is suggestive of improvement. On the other hand, the wheat yield of the State for 1911–1912 was considerably below that of the previous season. The total quantity of wheat loaded at country stations in Victoria between the middle of December 1911, when the harvest in that State began, and the end of March 1912, was 3,526,473 bags, equivalent to 10,579,419 bushels, as against 13,944,491 bushels loaded in the corresponding period of 1910–1911.

In the Melbourne Argus for April 1, 1912, there

was given a table showing the number of bags of wheat then remaining stacked at certain railway stations in Victoria. At two stations the number was between 50,000 and 60,000; at one, 45,000; at eight, between 30,000 and 40,000; at nine, between 20,000 and 30,000; and at twenty between 12,000 and 20,000. The approximate weight of each bag of wheat in the season 1911-1912 was 180 lb.

Although the examples of rolling stock shortage already given have been drawn from New South Wales and Victoria, the Pastoralists' Review of January 15, 1912, declared that like conditions, and attended by serious damage to the interests of traders, were to be found, "not only in the southern States, but throughout the Commonwealth." They are certainly to be found in Western Aus-

tralia.

Much activity has been shown in that State of late years in the promotion of settlement, and in securing extensions of the State railway system; but there has been no equivalent enterprise or foresight in providing a sufficiency of rolling stock for the larger quantities of commodities to which the wider settlement and the increased length of line might naturally have been expected to lead. So, on March 20, 1912, a deputation from the Perth and Fremantle Chambers of Commerce waited upon the Minister for Railways, Mr. Collier, to represent to him the serious nature of the inconvenience and loss which these conditions were causing alike to farmers and to traders. The statements made brought out, in fact, very clearly the interdependence of agriculture and trade and the way in which prejudice done to the interests of the one may affect the interests of the other.

The spokesman of the deputation told, among other things, how 750 tons of superphosphates had been imported into Fremantle on the assumption by the merchants that they would be able to tranship direct from the boat to the railway trucks, prices having been fixed on this basis; but, owing to the inadequate supply of trucks, about half the total quantity had to be wharfed, at an additional cost of 2s. 9d. per ton. The transaction thus became a dead loss to the merchants, and on the next occasion they would have to charge the farmers more for the superphosphates, so as to cover the extra risk.

Another member of the deputation, who was also a dealer in artificial manures, said his firm were so behind in effecting deliveries, owing to the truck shortage, that there were then 500 farmers in different parts of the State waiting for the fertilisers which the railway was unable to take to them. The Minister was further told how stacks of wheat and chaff from the harvest still remained in the open at the railway stations, and, also, how the farmers, delayed in getting their produce to market, had had to renew their bills with the traders, and pay an additional interest thereon, being thus greatly impeded and inconvenienced in their operations.

In reply, the Minister advanced what appears to be a stock excuse of Australian Railway Ministers, that it was not the present Government, but their predecessors, who were to blame for the conditions in question; though this method of evading responsibility would seem to reflect still further on State ownership of railways as compared with company ownership, the latter being unaffected by changes of Government, and always responsible for its own shortcomings. The deputation were, however, further told that 1,000 additional trucks had been ordered, half to be made in the State workshops and half by a private firm. The Minister also hoped

to duplicate this order, and so provide a second 1000; but all the available space in the workshops was, he said, being utilised, there had been delays owing to strikes, and he did not think it probable that more than 1,000 of the additional trucks would be ready for the next season.

Commenting upon the general conditions, as here indicated, the Western Australian (Perth, W.A.), of

March 25, 1912, said:

It would be a misuse of terms to describe the comparative failure of the last wheat harvest as a blessing; but had the extension of land settlement been accompanied by a correlative increase in production, the Railway Department would have been in a condition of chaos. . . . The stock-in-trade of the State transport business should not have been permitted to fall so far short of requirements. Western Australia's agricultural activity did not spring into being like a mushroom growth, nor is it an unforeseen result of obscure causes. The State embarked deliberately upon an agricultural development policy in which light railways were an essential item. Obviously locomotives and waggons are as necessary as rails, and it was obvious that a successful issue of the agricultural policy, with the immense annual addition of railway mileage, would inevitably impose a heavy demand for locomotives and rolling stock. . . . A system in which the provision of new lines is not nearly balanced by an increase in rolling stock is manifestly incomplete.

Remarking that the Railway Minister was unable, even now, to promise a sufficient number of trucks for the next harvest, the Western Australian added:

If the hopes of a normal rainfall in the ensuing winter and a consequent bounteous harvest are fully realised, there is a grave possibility of agriculturists and merchants having next season to endure at least a partial repetition of the present difficulty. In the issue for March 3, 1912, of the Western Mail (also published at Perth, W.A.), I find the following:

Farmers in some districts are forced to suffer pecuniary loss owing to the deterioration of the stacks of wheat and chaff lodged months ago at the railway sidings, and their inability to realise on last season's crop is a serious embarrassment in retarding the development of their holdings. The great majority of settlers are still in the struggling period, dependent upon the proceeds of one year's work to carry them through the ensuing season, and, unavoidably, their disabilities react on the metropolitan firms who act as their agents and financial backers. The position reflects discredit upon State enterprise. . . . There has been a signal neglect to make due provision for requirements that were inevitable.

The shortage also affected the transport of commodities in general, as suggested by the following example, taken from the *Sydney Morning Herald* of February 22, 1912:

Corowa.—One result of the truck shortage in this State has been the issuing of instructions by the Victorian Railway Commissioner not to take delivery of any bulk consignments for Riverina border towns. As a result agriculturists are in the position of not being able to get fertilisers delivered. At one stage 200 tons of this commodity were stacked in the open at Wahgunyah. Agents were unable to get trucks to send it from Corowa station.

The same journal published the following further item on April 2, 1912:

Casino.—Considerable inconvenience has been experienced owing to the shortage of timber trucks, and it has been impossible for some time past to get timber trucked with anything like despatch. As a result the timber industry is greatly hampered. During the week there were 200 bags [of wheat] lying at Kyogle station awaiting trucks.

The official view in regard to the truck-shortage trouble is given in the *Town and Country Journal* (Sydney) of January 31, 1912, as follows:

Every season the Railway Commissioners admit that the complaints are justified; but they plead that the rush of wool, followed by a flood of wheat, is more than the Department can meet within a short space of time with the rolling stock at present available. When the suggestion is made that more rolling stock should have been provided in anticipation of a big rush of business, the Commissioners reply that the extra trucks might not be required if there were a partial failure of the crops, and, in any case, to build more trucks than the average traffic warrants would cause serious loss of interest, because a great deal of the rolling stock would lie idle for nine months in the year.

An alternative remedy suggested by the Minister for Agriculture in New South Wales is that storage sheds should be provided in the country districts, so that the haulage of wheat could be carried on all the year round instead of being limited to a short period, as at present. The idea is that under this new system the wheat would be forwarded to Sydney throughout the year, as return-loading for trucks sent into the country districts with ordinary merchandise. There would then be no necessity, the Minister has declared, for thousands of empty trucks to be dragged from Sydney to fetch the wheat, while it might, also, then be possible for the Railway Department to do the haulage at lower rates.

The reply to these official excuses and proposed remedies for conditions which may well be regarded by the suffering traders as intolerable would seem

to be:

(1) That railway companies, conducted on ordinary commercial principles, invariably think it necessary to make provision, not only for "average,"

but for maximum traffic, even although their doing so may lead to some of their rolling stock lying idle

at certain periods of the year;

(2) That although more wheat-sheds would be of undoubted advantage to the traders, both as a means of shelter and to allow of the wheat being held back, if necessary, for a better market, the fundamental duty of a railway is to adapt itself to the actual conditions of trade, and not expect trade to adapt itself to the inefficiencies of the railway:

(3) That the transport of Australian wheat to the seaboard must needs take place according to local conditions and the requirements both of shipping and of the markets of the world, rather than under conditions that will fit in with a truck-shortage and a convenient provision of remunerative back-

loading on the railway itself; and

(4) That storage sheds, designed to meet the deficiencies of transport and of terminal facilities rather than to serve actual trading conditions, would be less necessary if these said deficiencies were themselves remedied by the railways being made equal to requirements.

CHAPTER III

FRUIT-GROWERS' GRIEVANCES

ONE hundred and forty-five miles from Sydney, and situate on the south bank of the Macquarie River, at an elevation of over 2,000 feet above the sealevel, is the town of Bathurst, which ranks as the principal city in the western district of New South Wales, and the third largest town in the State. It forms the centre of a considerable expanse of plains, devoted to agricultural and pastoral industries, very productive, and described as especially suited for the growth of wheat, maize, barley, oats, potatoes, and rye. These various crops have also been supplemented by much fruit-growing, for the encouragement of which the Government have set up at Bathurst some experimental farm orchards, where excellent work has been done.

All this looks very satisfactory; but the growers in the district have had to suffer—and in some instances suffer severely—from the shortcomings

of the railway service.

A telegram, for instance, from Bathurst, published in the Sydney Morning Herald of August 8, 1911, stated that the local railway officials had "again" received orders not to accept produce, the instructions sent to them being that, "in consequence of further accumulation of produce for Sydney," they were to "stop loading, absolutely, at all stations and sidings" on the following Monday,

Tuesday, and Wednesday. The three days' stoppage may not have been of great consequence in regard to consignments of cereals; but the position may well have been regarded as serious by the growers of delicate and perishable fruit, the market value of which would be greatly depreciated by a three days' delay in reaching Sydney.

In calling attention to the telegram in question the Sydney Morning Herald indulged in some severe, though perfectly justifiable, criticisms of the State

railways, saying, among other things:

It is a brief message, but its brevity is in inverse proportion to its eloquence. It cries aloud of a state of things that would hardly be believed possible, but which in reality is not only possible but is actually in occurrence now, as no new thing, but as a condition well understood and not at all unexpected. The produce of the west country is held up, that is, at its various sources, because the railway arrangements are not equal to handling it. Some of these goods are perishable, and depend for their profitable exchange upon quick transit and undelayed passage to the consumer. All of them, whether perishable or not, are due for the market under the agricultural law of supply which, being a natural law, is automatic and takes no note of railway inefficiency. None of these goods, however, will have their due. If they are perishable they will perish. If they are not perishable they will take their chance when the Railway Department and opportunity allow. The fact that they are the objective of our agricultural industry, and all the laws concerned with agriculture, and all the sentiments regarding the products of the soil, is of no account. other fact, that these goods represent the work and the wealth of an agricultural community, is also of no account. The only thing that is of account is the fact that these goods must be held up because the Railway Department cannot accommodate them.

The deduction is, therefore, that only the Railway Department's wretchedly inadequate arrangements are

of any account, and that the personal interests of the farmers, the interests of the agricultural industry, and the interests of the public are quite secondary matters. It is obvious that such a system is of no use to this State. It is of no use to any State whose wealth is at all concerned with agriculture. But in the case of a State such as our own, with agriculture its foundation virtue, and agricultural development its greatest hope for the future, it is far worse than useless. The fact is that we are faced once again in this matter with the woful discrepancy that exists between our boast of prosperity and the capability of our representative institutions. Of what good is it to possess a soil capable of anything, and a farming community energetic in work upon it, if both are stultified by deficient means of utilising them? If other facts did not already proclaim it, this fact of truck-loads of agricultural produce held up on country railway stations would reveal both our railway system and our railway storage provision as hopelessly inadequate. They belong, indeed, not to a thriving and rapidly-growing agricultural community, but to a stagnation. The agricultural industry grows in leaps and bounds, but our railway system straggles across the country in a single track, as it did years and years ago, while our storage arrangements are still those of a day long past. These facts are painfully clear to any one caring to make a comparison of our own methods with the railway enterprise of the really progressive countries of the world. In any one of these countries railways leap out in anticipation of the harvests that are expected, and that never fail that energy of enterprise. The farming community is regarded as the breath of the country's life, and the resources of the railway and the store, the freight car and the wheat elevator, are built up to grapple with whatever strain upon them. In our own case a slight increase of produce breaks down the storage capacity; our meagre railway transit reveals its poverty of resource.

These vigorous protests—made on August 8, 1911—were of so little effect in bringing about any improvement of the rail transport conditions that

in February, 1912, the fruit-growers of the Bathurst district held an indignation meeting at which they exchanged experiences and consulted as to what they should do. One speaker told how some fruit he had sent to Sydney had been eight days doing the 145-mile journey, and when it arrived it was rotten. Another speaker, Mr. R. G. Edgell, a leading grower, said:

We neither know when stuff will reach its destination nor its condition when it does. Such a state of things is intolerable. My experience is that I have lost more than 25 per cent. of the market value of my consignments of perishables. Railway delays have, also, destroyed the condition of goods by keeping them in hot iron trucks until they were hardly fit for human consumption, and this although I paid the highest rates of freight for rapid carriage. At present we might as well launch our produce in a rudderless ship as put it on a railway truck, because about the only thing we can be tolerably sure of is that it will not be delivered within days of when it should. The railways seem just a happy-go-lucky muddle. Not until compensation is paid for any losses will there be any improvement. We certainly ought to be able to count on a truck of perishables being made available in Sydney within twenty-four hours of the time of trucking. The fastest time made by any truck with my produce this year was about half the pace at which a man would walk, while some of the trucks have been more than twice as slow. We might with better advantage have left the ground uncultivated, or pitched the produce into the river, than have gone to the expense of growing and marketing it.

Another speaker, Mr. J. J. Sullivan, declared that a bullock drag could take produce to Sydney quicker than the railways. "Thousands of pounds had been lost to the Bathurst district owing to the scandalous railway system, and many a farmer had been driven into the Bankruptcy Court." Mr.

L. J. Mockler (Mockler Bros.) estimated at "thousands of pounds" the losses sustained by his own firm alone owing to delays on the railway of their perish-

able goods.

Further complaints of a like character were made at a meeting of the executive of the Fruit-growers' Union of New South Wales, held on February 5, 1912, and reported in the Sydney Mail of February 7. The chairman, Mr. John Neill, stated that a truckload of grapes he had consigned to Darling Harbour did not arrive there until three hours after the departure of the steamer to which they were consigned, while another speaker said he had experienced similar trouble in the matter of manure and other commodities. "Things had," he declared, "got so bad that it was impossible to make any arrangements with any degree of certainty that the trains would run to time."

The Australian Field of February 8, 1912, in supporting the grievances of the fruit-growers, said that a difference in price of 1s. or 2s. per case might very easily result from the confining of fruit in a closed truck for twenty-four hours, and very frequently the loss through deterioration was much greater than this; but, putting the average loss at 1s. per case, a man sending 400 or 500 cases per week would suffer thereon to the extent of from £20 to £25.

According, however, to the same authority, the possibilities of deterioration do not end with the arrival of the fruit at Sydney, whatever the length of time it may have been on the journey. There is the further consideration of the altogether inadequate facilities or, rather, lack of facilities, at Darling Harbour.

The fruit-trucks, we are told, arrive there in the early morning, and are shunted on to what is known

as the "fruit siding." This fruit siding is, in effect, a siding only. There is no roof or shelter for protection against rain and sun, and there is no platform on which the cases of fruit can be placed when they are removed from the trucks. Nor is the unloading done by the railway servants. A carter arriving at the yard to fetch a particular consignment is given the number of the truck in which it will be found. He proceeds to the truck, and takes out the consignment for himself. Should it be at the back of the truck, he may first have to remove fifty or sixty cases, consigned to other dealers, before he can get his particular lot. Having no concern in regard to fruit not intended for his own employer, he may not be particularly careful how he places or throws down-these obstructive cases on the ground alongside. In wet weather the position is even worse, as then "the whole yard speedily becomes a sea of mud." The Australian Field adds:

What is urgently needed is the erection of large covered sheds with the necessary platforms, alongside which the trucks could be run. There should, also, be a large increase in the present staff, and it should be the duty of the railway employees to unload the trucks and stock the cases according to their different brands, and give delivery to the carters.

The great trouble at Darling Harbour is, of course, the fact that the area available is totally inadequate to deal with the requirements of the present traffic. The railways have altogether failed to keep pace with the rapid development of the country. It is absolutely essential that steps be at once taken to greatly enlarge the area

at present available.

As the outcome of the growers' indignation meeting at Bathurst a remarkable theory in railway economics was advanced by the Chief Railway Commissioner for New South Wales. A deputation from the meeting waited upon him to ask for the more speedy transit of perishable produce consigned to Sydney goods station for sale, and, in reply, he first explained that quick transit was given as far as Clyde marshalling station, but trucks had there to be kept back because there was not enough accommodation for them at Sydney goods station. He promised improvement, however, and then went on to say (as reported in the *Town and Country Journal*, March 6, 1912):

Even if there was sufficient accommodation at the Sydney goods station, experience had shown over and over again that the Sydney market could not absorb more than a certain number (about 125) of truck-loads of produce daily. The growers in the country, however, rushed in the trucks in such numbers, to catch a favourable market, that at times there were more than 350 (nearly three days' supply) accumulated at Clyde, whence they were sent in the order of arrival. He was quite certain that if the whole of the trucks received on days when there was an over-supply were brought into the station for sale the result would not be in the interests of the growers.

It may be to the interest of some of the growers that the fruit forwarded by their competitors should be delayed, or should arrive in a rotten condition; but the business of a railway is, surely, to carry and deliver as promptly as possible all commodities, and especially all perishable produce, given to it to carry, and not concern itself in the slightest degree as to the state of the market and the further interests of the traders thereon. If there should be a glut on the market, that is the business exclusively of the traders.

Deficiencies in rail transport cannot be excused by any suggestion that, even if the produce had arrived on the market in good time, it could not have been sold to advantage. It is inconceivable that such an excuse would ever be offered by a responsible manager on a company-owned railway in England; but in the case of State-owned railways in Australia matters must, apparently, be looked at from a different standpoint.

All the same, the situation is sufficiently grotesque when a Government first sets up experimental farm orchards in a district to teach growers how best to raise fruit, and then, when they have raised fruit, fails to provide them with adequate facilities on the State railway for getting that fruit to market, while the State's Chief Railway Commissioner scolds them for wanting to forward it at all in quantities that are in excess both of the railway's carrying powers and of what he himself considers the requirements of the market.

Nor is it in New South Wales alone that one hears of these grievances of the fruit-growers. The Age (Melbourne) of March 27, 1912, publishes a despatch from Mildura, Victoria, saying that consignments of grapes from that place are subject to "frequent and vexatious delays." Under the most favourable conditions the transit of fruit by rail from Mildura to Victoria, a distance of 350 miles, takes about thirty-six hours, while during the last fortnight some fruit sent off by train on Monday did not reach Melbourne until Thursday morning. There are only two trains a week from Mildura that fit in with the Victoria fresh-fruit market. With the use of refrigerator cars on the railway the consignments of grapes to Victoria might, the despatch added, be increased each season by hundreds of tons.

CHAPTER IV

TREATMENT OF LIVE STOCK

Worse by far than anything that has yet been told are the complaints continually being made as to the treatment of live stock on the railways of New South Wales.

The needs of the large population in the State capital and the conditions both of the railway system and of the meat export trade have led to a concentration of the general stock markets at Sydney, and live stock is conveyed there in very considerable numbers by rail from up-country places, some of which may be between 400 and 500 miles distant.

The proportions of the live stock traffic on the New South Wales State railways as a whole may be judged from the following figures, giving the numbers conveyed during the year ending June 30, 1911: Horses, 53,590; cattle, 377,415; calves, 57,928;

sheep, 6,874,901; pigs, 118,332.

One might suppose that on a State railway, even more than on a company-owned railway, efficient precautions would be taken for the merciful treatment of animals sent on such long journeys. How the traffic is actually conducted, under the auspices of the Government of New South Wales, will be gathered from the following account thereof, taken from the Pastoralists' Review for November 15, 1911, where it is given on the authority of the Sydney correspondent of that journal:

No industry in the State suffers more than the meat trade from the crude management of the Government railways. For years attempts have been made to obtain better and more humane treatment of the live stock carried on the railways, but so far no improvement has been made. Stock continues to arrive either dead or in a state of collapse owing to rough treatment received during railway travelling. An instance of what the animals are subjected to has just been made public. A stock-owner, consigning some cattle and sheep to Homebush 1 for sale, loaded sixteen trucks at Carrathool, and was in charge of them the whole of the way. This was his experience. The train did not start until seven hours after the last truck was loaded. At Cootamundra a delay of an hour occurred; then, after leaving that station, there was a succession of jolts and bumps which threw the cattle down in the trucks. Getting them up again at the next stopping, it was not long before they were again thrown down. This sort of thing was repeated over and over again. Delays occurred during the whole of the way. When the stock arrived at Homebush they had been in the trucks for forty-five hours, and during that period they had been without food or water.

In another instance, recorded by the same journal (May 15, 1911), a man at Tenterfield, New South Wales, had his cattle ready to send away on a Monday, but was told he could not have the trucks until the following day. When he got them he found that three of the trucks had fully eight inches of straw, dust, and manure on the floor, and he had to clean them out himself before loading his cattle. They left at 2.30 p.m. on the Tuesday, and were forty-five hours on a journey of about 474 miles, during which period the animals did not have a bite to eat or a drop to drink.

Under date February 10, 1912, the Sydney cor-

¹ The Homebush cattle and sheep sale-yards, situate about eight miles from Sydney. Also known as the Flemington sale-yards.

respondent of the *Pastoralists' Review* says in the issue of that journal for February 15:

The treatment of stock on our railways is a byword, and it called forth strong comment from a District Court judge 1 the other day. He was hearing a case referring to cattle travelling from Jerilderie to Campbelltown, a distance of 450 miles, which took from Friday till Sunday, during which time the cattle were without food or water. His Honour said: "It is becoming a public scandal. It ought to be within the ingenuity of man to either unload the cattle half way along their journey or supply them with water. The Railway Commissioners disclaim the responsibility for the cruelty, but they ought to refuse to carry cattle under circumstances which are opposed to the principles of common humanity."

Even, too, when they reach the end of their rail journey, made, possibly, in the excessive heat of an Australian summer, the unfortunate animals may experience a prolonged delay before they are unloaded from the trucks. On this point the Australian Field of January 10, 1912, says:

Time after time it has been pointed out that the railway traffic of the Flemington sale-yards is hopelessly congested. One day last week stock trains were delayed seven hours between the time they reached Strathfield and the unloading at Flemington. The treatment to which the stock are subjected during the journey to Sydney is, surely, bad enough without this additional wait of seven hours at the dead end of the journey. The case might be better understood when we point out that the live stock trains in this State are only about half the speed of those running in Queensland and Victoria, while they are subjected to much greater delays here at the sidings than is the case in the other States, owing to heavier general traffic on the New South Wales lines.

In regard to the speed at which the stock trains travel, as mentioned in this paragraph, some further

¹ Judge Docker, Parramatta District Court.

details are given in the following references thereto in the Pastoralists' Review for January 15, 1912:

It was stated at a meeting of the Rockhampton Chamber of Commerce recently, that while the speed of the New South Wales stock trains was only 11:03 miles per hour, they ran in Queensland at the rate of 16.4 miles per hour, and in Victoria, 17 miles. Surely when a new arrival to Australia reads this he must consider we are a very go-ahead nation. The same figures could, with safety, be applied to a number of our passenger trains, but that is another story. A large portion of Australia is capable of producing in summer a shade temperature ranging between 100 deg. and 120 deg., and the visitor abovementioned would be excused for wondering why we call ourselves a progressive country as long as we allow stock to travel hundreds of miles at the rate of 11.03 miles per hour under such conditions. Stock loaded at Bourke, 500 miles from Homebush yards, would be entrained for practically forty-eight hours, calculating on the basis of the given speed of New South Wales stock trains, and during the greater part of that time they would be jolted and jerked along mile after mile under a pitiless sun, tortured with thirst, and many of them, having once fallen, too helpless to rise, gradually have the life trampled out of them. The stranger, perhaps, might think that this is fanciful or at least exceptional, but let him make a trip to Homebush yards and watch a stock train come in. There is no want of proof there. Overcrowded trucks, each with a quota of dead or dying sheep or cattle, furnish it in plenty, and provide still further food for thought as to why such inhuman treatment should entitle any country to call its railways progressive, although, of course, 11.03 miles per hour is progress—of a sort.

Released, sooner or later, from the trucks, the animals are taken to the sale-yards (owned by the Sydney City Council), and the nature of the scenes witnessed there may be judged from an account taken from the *Pastoralists' Review* for March 15, 1911:

No more terrible example of the defects of the present system could be imagined than the state of affairs which existed at the Homebush yards on one day at the beginning of this month. The stock, after being for long periods largely without food and water in the trains, were turned out into stone-paved pens-sometimes twenty of them in pens intended for ten-which have no shelter from the sun, and this is what an eye-witness reports as to their condition: "It was pitiful to watch them gasping for breath. In a short time their tongues became swollen, and would hang far out of their mouths. It was dangerous to go near them; they would stagger to the water-troughs, horning each other; but when there they could not drink. Their struggling breath would not allow of them taking a drink. A dip of the mouth and nostrils to the water was all the poor animals could manage. Then the end would gradually come. They would plant their feet as far apart as possible, and stand with streaming nostrils, swollen tongues hanging out, and gasping for breath. It was a relief to see them at last sink to the ground."

One would have thought that the bare recital of such facts as these should have sufficed to prevent the possibility of their repetition; yet nothing, apparently, was done either to water the animals on the rail journey or to improve the deplorably defective conditions of the sale-yards. On January 25, 1912, ten months after the publication of the report I have just quoted, the Australian Field wrote:

The scenes at the Flemington sale-yards last week during the heat one day ought to have been sufficient to soften the humanitarian soul of the City Council, even if that body's mercenary spirit remained adamant. The sight of dumb animals dying from the heat was a spectacle which evoked many a strong comment from the bystanders. Both sheep and horned stock perished in numbers, as there was a lack of proper accommodation for them while they were herded in the pens awaiting their fate at the hands of the buyers and sellers. This is not

the first time that this sort of thing has happened. More than likely it will not be the last, for the evil results of the lack of suitable shade provision have failed before to move the City Council and its staff to action.

Here, too, is a still later account of "Sydney Meat Horrors," published under that heading, in the *Pastoralists' Review* for March 15, 1912:

Twice a week at the Homebush sale-yards in Sydney, during six months of the year, a terrible condition of things is to be witnessed. Stock are detrained, wounded, bruised, and all more or less mad from want of drink. Then they are hurried into pens, sold, and driven frantically to the abattoirs to be killed for human consumption. It is a race against death; if they die before they reach their destination the buyer suffers the loss. A few years ago the papers expatiated at length on the Chicago "revelations," and nothing was too bad that could be said about the meat firms there. But what do they say about the beam in our own eye? On February 22, a scene occurred at the yards which it might have been thought would have caused the whole population to rise en masse. In this instance the temperature was most oppressive; the sheep had been days in the trucks, some of them from Monday night to Thursday morning without water. On arrival they were taken to the pens, sold, and driven to the slaughter yards eight miles away. In the language of the reporter of one morning paper, "their nostrils were covered with dust, their tongues were protruding; they were in a high state of fever; several of them were mad." This was the meat that the people had to eat during the following few days. Letters were sent to all the daily papers by a leading firm of stock-agents and by others. One paper inserted a letter in small type, but absolutely no reference was made in the editorial columns of a single Sydney newspaper. Even the papers which voice stock matters barely noticed the subject. Yet on the three following days the papers spread themselves on matters such as the cricket dispute, whole columns being given up to sport. What is the matter with the people? God's

dumb creatures are treated in a manner that would not be tolerated in any other civilised country in the world, and not the least attempt at improvement is made. If private firms were to blame, they would be rightly hounded out of the business, but because the Government own the railways, and the Sydney Council own the yards, nothing is done. Just imagine an exposure of our methods in British or foreign newspapers. The description could be made just as bad, or even worse, than the Chicago scandals. which related only to the manipulation of dead meat. We do worse by manipulating the live meat, and supplying it to the people of Sydney and Britain in such a condition that it is dangerous to eat it. For years past the stock-owners and farmers have protested, but the pleasure-loving Sydney folk do nothing to force the hand of the Government.

In the same issue of the *Pastoralists' Review*, "Sheepowner" writes concerning "the fearful state of affairs" at the Homebush sale-yards:

Year after year goes by, and the grossest cruelty to our live stock is allowed to continue. Were the railways or stockyards owned by private companies they would be fined heavily, and would be made to remedy matters. But because the railways are State-owned, and the sale-yards municipal-owned, nothing is done. One would think that the proverbial apathy of the people would be touched when they are told by their morning papers that the meat they are eating is the flesh of mad bullocks and sheep, and such it is. Such meat is injurious to human beings, and all scientific men agree in this. In the interests of the poor creatures, the sheep and cattle, in the interests of the consumer, and of the frozen meat trade, it is to be hoped that you won't let this matter rest.

Still further testimony is afforded by Mr. W. Young, who, in his letter to the *Sydney Morning Herald* of February 24, 1912, said:

We live in a humanitarian age; but let any one visit the Flemington yards when stock trains from the back country are being unloaded. The sight is enough to shock the feelings of the most hardened criminal.

There are other considerations, beyond the appeal to "principles of common humanity," that are concerned in this inhuman treatment of live stock on the New South Wales State railways and in

the Sydney municipal sale-yards.

In the speech he delivered at the indignation meeting of the Bathurst fruit-growers in February, 1912, Mr. R. G. Edgell followed up his general condemnation of the State railways, from the point of view of the orchardists, by alluding to the "poor beasts which, after being half killed in railway trucks, are delivered in the Sydney sale-yards in a dying condition, hardly fit for cat's meat."

If the "pleasure-loving Sydney folk" are willing to eat such meat, that is their look-out; but the question may well arise whether the British public should not decline to eat New South Wales frozen meat at all, so long as the conditions here spoken of

continue.

In November, 1911, the Pastoralists' Review said, concerning the treatment the stock received immediately preceding slaughter: "It is this which causes the deterioration of our meat and the consequent low prices for much of our frozen meat in London." But even low prices for the flesh of bullocks and sheep driven mad by the barbarities carried on under the auspices of State and municipal authorities may be unduly high, and especially so if such meat is not simply deteriorated in quality but, in effect, unfit for human food at all.

The theorists who—rightly or wrongly—attribute the increased ravages of cancer to the increased consumption of meat will, possibly, feel strengthened in their convictions by these stories from Sydney; but the matter is, in any case, one deserving the attention of our medical officers of health, with a view to their saying whether meat that is "hardly fit for cat's meat"—if this be actually so—should be allowed even to come into the country. Some such step as this would, also, probably be the most effectual means of ending a scandal against which, it would seem, all protests have hitherto been in vain.

As regards the sale-yards, there should be some prospect of better conditions when the new yards projected by the State Government are ready; but the provision of these would still leave the hopelessly defective system of live-stock transport on the railways. So defective, in fact, is the system, that it applies not only to cattle and sheep carried for the traders, but even to horses intended for the service of the State itself. This further fact may be gathered from the following news item, published recently in a Sydney daily paper:

BLACKTOWN, Wednesday.—A consignment of horses from Wellington for the military authorities arrived on Monday, totalling, with two small local mobs, 130. Like those on Friday, the horses were several days without water. Fortunately a resident volunteered to procure water.

It may be of interest to the reader if I supplement the foregoing statements by a few details concerning the transport of live stock on the company-owned railways of the United Kingdom, where this branch of traffic brought in receipts for the year 1910 amounting to £1,556,000.

The transit of animals by rail has long been the subject of legislative and administrative action in the United Kingdom, with a view to protecting them from unnecessary suffering. Various powers, to this end, have been successively conferred, at various periods, on the Board of Trade, the Privy Council,

and the Board of Agriculture, while in 1897 a Departmental Committee of the Board of Agriculture made an exhaustive inquiry into the whole subject of the inland transit of cattle. The railway companies of the United Kingdom have, also, issued from time to time additional regulations on their own account, the latest series of "Supplementary Instructions in regard to the loading, feeding and watering of live stock, milking of dairy cows, etc., in transit on goods trains" having been drawn up as the outcome of a conference held at the Railway Clearing House in London in February 1912. Among the instructions given in this supplementary series are the following:

In dealing with live stock, including horses, cattle, sheep, pigs, and goats, care and patience must be shown not only in loading and unloading, but also in their treatment during transit, and in and about the yards, pens, sheds, and stations, in order to avoid fright or injury, and

consequent suffering on the part of the animals.

When live stock by goods train is to be conveyed long distances, or from any cause is detained at an intermediate or receiving station, such stock must, where necessary, be supplied with water as well as food, and any expense incurred be charged forward to destination and collected from the consignee. The stock must be frequently examined, and no longer period of time than twenty-four consecutive hours should elapse during any portion of the transit without watering.

A new form of label is being adopted by all railway companies, showing the time of loading, and also when and where the watering and feeding have taken place on the journey. Foremen, shunters, brakesmen, and others concerned should closely examine the labels, and when it is clear that the animals are due to be fed, watered, or milked, the waggons should be detached and put in the cattle dock, and the goods department advised, or other suitable arrangements made for the necessary attention to be given to the animals.

Waggons containing live stock should be examined as frequently as possible in transit, and, should any of the animals have fallen down, arrangements must be made for them to be got on their feet, even if this necessitates the waggon being taken off the train and put in the cattle dock. When an animal is obviously seriously injured, arrangements must be made in conjunction with the goods department to call in the services of a veterinary surgeon, and the injured animal must not be sent on without his authority.

With a view to ensuring the quickest possible service being given to live stock, it is desirable that the departure of the trucks should be wired forward so that the staff at the next junction may be able to make the best possible

arrangements for forward transit.

Care must be taken to see that trucks containing live stock are placed on the trains in such a position as to avoid as much shunting as possible, and when two or more such waggons are on the same train the couplings should be screwed up. Waggons containing live stock must not be marshalled between waggons with springless buffers.

As regards the arrangements for watering, I might add that under the authority of Clause 23 of the Diseases of Animals Act, 1894, the Board of Agriculture issued, in 1895, a "Water Supply on Railways Order," scheduling a list of 1,039 railway stations in Great Britain and 381 in Ireland at which the railway companies were to make provision of water for live stock to the satisfaction of the Board.

In two of the instances I have given as to the transport of live stock on the New South Wales railways it is stated that animals taken to Sydney from places distant therefrom 420 and 474 miles respectively were 45 hours on the journey. Live stock despatched by rail from the Aberdeenshire district to London, a distance of about 500 miles,

generally reach their destination within twenty-four hours. It is hardly necessary to add that, under the regulations in force here, there are no such painful scenes on the arrival of the animals in London as those that are witnessed in Sydney.

CHAPTER V

SHORTAGE OF TRACK

WHILE so many traders in Australia have been complaining bitterly about shortage of trucks, other critics are disposed to think that the main factor in the situation is, rather, a shortage of track.

Not alone are there on the Australian continent only about 15,000 miles of railway to serve a total area of (excluding Tasmania) 2,954,000 square miles, but the greater part of this railway mileage consists of single track, additional tracks being found, as a rule, only in the immediate neighbourhood of the cities or large towns where the traffic is exceptionally large. The actual position in the different States, so far as can be gathered from the official reports (the available figures in regard to this important matter of detail not being absolutely complete), is as follows:

State.	Single Track.	Double Track.	Three Tracks.	Four Tracks.	Six Tracks.
New South Wales Victoria Queensland South Australia . Western Australia	Miles. $3,476$ $3,202\frac{1}{2}$ $3,703\frac{1}{2}$ $1,652\frac{1}{4}$ $2,269\frac{1}{2}$	Miles. 276 313 46 24 106	Miles. — — — — — — — — — — — — — — — — — — —	Miles. 834 214 —	Miles
Totals	14,3033	765	21/2	11	3

In most of the States there has been an expansion of railway traffic of late years, owing to the bringing of more land under cultivation, greater production, and other causes; but there has been no commensurate widening of existing lines to meet the increasing demands, single lines thus being taxed far beyond their actual carrying capacity, with the consequent result of congestion, confusion, and delay in every direction.

Even if the much-desired trucks could always be obtained when they are wanted, it does not follow that the present single track would be able to

accommodate any more of them.

The railway officials at Cootamundra, an important wheat-raising centre on the New South Wales southern railway, 257 miles from Sydney, are reported to have declared that "they could send away 5,000 tons more produce weekly, but the line would not take it." On this same question the *Town and Country Journal* published, in January 1912, a despatch saying:

At Murrumburrah . . . it is contended that the real cause of the trouble is, not the shortage of trucks, but the inability of the main southern line to carry the traffic, as it is now taxed to the utmost limit of its capacity. The only real solution of the difficulty is the duplication of the main southern line to Harden.

So the delays experienced by farmers and traders at the outset in getting trucks, because of the shortage thereof, may be followed, when at last trucks have been obtained, by serious delays on the line because of the shortage of track—in other words, because there is, generally speaking, only a single line on which both passenger and goods traffic can be moved in both directions. It is mainly these conditions, coupled with the inadequate terminal facilities at

the ports, that account for the length of time taken

in the transport of goods.

Any undue detention of trucks on the line owing to traffic hindrances would, in turn, naturally lead to a shortage of trucks, even assuming that there really might be sufficient to meet ordinary requirements if the now frequent congestion could be avoided. It is further argued that, unless and until the lines are given a greater carrying capacity, by mean's of duplication, any material increase in the number of trucks would only make the congestion on the existing inadequate track greater than before.

Like results would certainly follow from increasing the number of branch lines or "feeders," unless the main lines to which the traffic therefrom would be brought were widened sufficiently to meet these further requirements. There is in all the States an ever-increasing demand for new lines of railway, and in some of the official reports credit is taken for "extensions" of the State railway system, while the Melbourne correspondent of the Pastoralists' Review wrote to that journal on March 11, 1912, with an evident desire to give credit to the State railways where credit was due:

Victoria is becoming fairly well tapped by railways, with the exception of Gippsland, and, being a small State, she has more advantages in this direction than the other members of the Commonwealth. During the last three years $255\frac{1}{4}$ miles of railway, costing about £740,000, have been built, while there are now under construction 262 miles of new lines, which will involve an expenditure of about £1,116,000. At the end of last year Parliament authorised the construction of $53\frac{1}{4}$ miles of new lines, to cost over £300,000. The Railway Standing Committee have, moreover, recommended generally construction schemes involving 212 more miles, requiring an expendi-

ture of nearly £900,000. The Railway Committee have also under consideration ten additional projects, which, if decided upon, will mean about 350 miles of lines, costing something like £1,200,000.

The Sydney Mail, on the other hand, is of opinion that in New South Wales the real need of the situation is for widenings of existing lines rather than for the making of new lines. Writing on this subject on February 14, 1912, it said:

What is wanted is that the duplication of the existing lines should be pushed on with. The construction of new lines in existing circumstances would simply add to the congestion. The capacity of the railways to move produce is controlled, not by the volume of their present or potential business, nor by the number of trucks at the disposal of the authorities, but by the capacity of the main lines. This work of duplication is proceeding, but it is being carried on at snail's pace, and the whole country is up in arms at the delays that are consequent thereon. The weak point about the country cry is that they are clamouring for more trucks, whereas they should be demanding more vigorous duplication.

On February 22, 1912, the Australian Field reported that the Riverina farmers had started a campaign with a view to urging the New South Wales Government to "hurry along" with the duplication of the southern main line. It added:

A strong effort is to be made to get this work carried out at an early date. But it will not be a short job. By the time the project passes through the customary routine of the Department and Parliament, and is constructed, two or three wheat seasons will have passed over our heads—unless, of course, there is more expedition displayed than we have been accustomed to see in connection with railway schemes. The benefit of the duplication is best judged by the fact that the line will then carry six times as much traffic as it will while single.

The Australian Field was further of opinion that

the losses during the past eight or ten years, through the actual lack of efficiency in the present service, would have probably covered the cost of the desired

duplication.

It will be seen, again, that the inability of the railways to carry all the traffic that is offered, together with the fact that much rolling stock which ought to be kept running and earning revenue is often standing idle, by reason of blocks or delays, must involve very serious loss for the Railway Departments concerned. No definite figures are available to show what this loss may actually amount to. Mr. W. W. Young, in a letter to the Sydney Morning Herald of February 24, 1912, puts the loss of revenue in the case of New South Wales alone at "some hundreds of thousands a year"; but this would seem to be an estimate only, the questions on the subject which Mr. Young says he has been putting to the Railway Department during a period of two years still remaining unanswered.

The final outcome of truck shortage plus track shortage was thus summed up by the Sydney correspondent of *The Times* in an article from his pen published in that journal on August 27, 1910:

The local press is constantly full of complaints against the existing order; stock are injured, fruit is wasted, markets are lost, because transit is so slow; if by some lucky chance the produce is carried with reasonable speed, it comes to such a hopelessly congested terminus that agents and shippers cannot get at it; if it is being carried from the terminus for up-country delivery, or between country stations, its fate seems no better. When melons take eight days in transit between two stations on a main line (the passenger train takes eleven hours); when trucks for fat lambs cannot be had within six weeks of application; when you get fruit into Sydney from Hobart (650 miles away) and Brisbane (500 miles away) by steamer sooner than from country stations within 200

miles of the capital (I quote statements publicly made this year by known authorities), no one can feel very proud of the system under which these things are possible.

As for the progress made in providing for the all-important duplication of track, it has hitherto

been exceedingly slow.

In New South Wales, for example, notwithstanding the fact that the trouble caused has been especially acute, the report of the Chief Commissioner for 1910-1911 shows that during the year only thirty-one miles of line had been duplicated. In the Sydney Morning Herald for February 16, 1912, there is a statement by Mr. Trefle, Minister for Agriculture, to the effect that the length of duplication carried out in New South Wales by Mr. Wade during his last four years of office was forty-two miles, whereas the M'Gowen Government duplicated thirty-five miles in a year and a half. This was said to show that the M'Gowen Government was an improvement on the Wade Government; but it will be seen that the sum total of duplication carried out by the two Governments during a period of five and a half years was only seventy-seven miles.

In the Sydney Daily Telegraph of March 7, 1912, there was published a letter from Mr. Edmund Lonsdale, M.L.A., who sought to defend the New South Wales railways and their present Chief Commissioner against the flood of criticism to which they have been subjected. He especially pointed to the great increase in traffic since the present Chief Commissioner took charge of the railways in April 1907, giving a series of figures which may be tabulated

thus:

Year.			Tons.	Mileage.	Passengers.
1911			8,131,099	595,785,003	60,919,628
1907		•	6,962,734	391,509,400	41,413,084
Increas	е		1,168,365	204,275,603	19,506,544

"This extra traffic, it must be remembered," said Mr. Lonsdale, "has had to be carried upon a single line." But if the traffic were really increasing at the rate suggested by these figures, why was not greater energy shown in the work of duplication, so that the extra traffic could be accommodated? Mr. Lonsdale himself says: "If a double line had been in existence this traffic would not have caused any trouble." He further seeks to meet the complaints as to deficiency in rolling stock by pointing to the actual increase thereof in the same period, as shown by the following further figures:

Year.		Engines.	Goods Vehicles.	Coaching Vehicles.
1911		. 247	3,976	3 66
1907		. 97	220	72
Increase		. 150	3,756	294

Here we certainly do get evidence of substantial additions to the remarkably small amount of rolling stock that alone seems to have been available in 1907. Yet the effect of putting all these further engines, trucks, and carriages on a single line of railway, without making proportionate provision for duplication, may well have been to produce congestion, and it is of this congestion, and of the serious delays resulting therefrom, that the traders are complaining.

Replying to Mr. Lonsdale in the Sydney Morning Herald of March 29, 1912, Mr. W. W. Young (who mentions incidentally that he had spent twenty years of his life in the railway service) reiterates his contention that the source of trouble was a shortage of track rather than a shortage of trucks, and goes

on to say:

It is all very well to point to the great increase of traffic handled; but ask the farmers and traders whether

they have got a better service or more relief. They will without a doubt answer "No."... The complaints, loud and long, amply prove that the railway service at the present time is hopelessly incapable of coping with the wants of the people... Duplication of the main lines for 150 miles is the only remedy. Then we can have rapid transit and carry five times the traffic we are doing now, with the engines and rolling stock we have at present.

Nor does the blame necessarily lie with the New South Wales Railway Department or its chief Commissioner. This fact is very clearly pointed to in a leading article published in the Sydney Daily Telegraph of March 8, 1912, where it is said:

The pivotal duplication of the main trunk lines has not been dealt with in the vigorous fashion demanded by the situation, but that is an omission chargeable, not to the Railway Department, but to successive Governments which, in the first place, failed to realise its pressing necessity, and then either adopted a very timorous policy or, as the present one appears to be doing, so spread the available labour on various other works as to leave the essential work quite inadequately manned. On his advent to office the Chief Commissioner dwelt on the urgent necessity for duplications and for radical alterations and improvements at the railway termini which are to-day the glaringly weak points in the system.

The Victorian report for 1910–1911 says that the Railway Commissioners had strongly recommended the duplication of certain lines, but the Parliamentary Standing Committees expressed the opinion that duplication could be obviated by the adoption of electric traction—a conclusion which the Commissioners regarded as "erroneous."

The Queensland report states that the increase of traffic on the older lines of that State in 1910-1911

had been "enormous," yet on the subject of duplica-tion it can only say, "To meet the ever-expanding traffic it will be necessary in the near future to face a large expenditure for improving the facilities, and this will involve the duplication of several sections of the lines in addition to those already undertaken. These large works cannot all be done at once, but the necessity for them is with us, and they must be dealt with as soon as the money is available."

If commercial companies controlled the railways they might be expected to raise the capital necessary for carrying out the duplications, and so provide adequately, not only for traffic already available, but for that which might be expected to follow. When, however, the controlling power is a Government, the financial position is naturally more complicated.

It is to be feared, also, that, in regard to the Australian railways in general, the concession of improved labour conditions to the staffs and of reduced rates to the traders has been favoured as being more "popular" than the spending of money on converting single into double track. Whilst, in the case of New South Wales, only thirty-one miles of line, as already mentioned, were duplicated in 1910-1911, concessions and advances made to the staff amounted to £186,881 for the year, and reductions were made in goods and live-stock rates to the extent of £60,000 per annum, and in passenger fares to £70,000.

On the other hand a subsidiary result of the serious delays that occur in working the traffic, owing either to shortage of track or to shortage of engines, is that hardship may, as the *Leader* (Melbourne) of February 17, 1912, points out, fall upon the railway workers, with danger, also, to the public: Trains have to be made up beyond the capacity of the locomotive. The trips of heavily-laden goods trains take a long while to accomplish, with the result that engine drivers and guards are worked unduly long hours, involving, not only hardship to the men themselves, but a danger to the public and to railway property by forcing tired, jaded officials to do work that requires the alertness of the best physical and mental tone. Services have had to be abandoned because the exhausted gangs requisitioned to work them have declined to go aboard owing to sheer exhaustion.

CHAPTER VI

TRAFFIC CONCENTRATION ON CAPITALS

In New South Wales the disadvantages of the situation brought about by the shortage alike of trucks and of track are increased by the concentration of export traffic on Sydney. "More or less," wrote the Sydney correspondent of *The Times*, in his communication to that journal of August 27, 1910, "the same transformation is going on in other States; but in none has the capital's predominance been so unnatural" as in New South Wales, and in none other, he further said, has it been so "pressed to the utmost."

Just as all roads in Europe are said to lead to Rome, so has almost the entire railway system of New South Wales been designed to lead to and foster the special interests of Sydney. There are other points on the seaboard—such as Coff's Harbour, Jervis Bay, and Twofold Bay—which might also have been utilised as outlets for produce from the interior; but to have done this would have prejudiced the interests of Sydney, whose traders seem to have been sufficiently powerful to secure a veto of all lines in New South Wales that might divert traffic from Sydney itself. Thus, although there are State railway lines that come within a comparatively short distance of each of the three places just mentioned, they have not been carried to what would appear to be their natural terminus, namely, the

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seaboard; and State-protected Sydney and its traders are advantaged accordingly, regardless of the interests of traders elsewhere.

There are, again, New South Wales lines on the Victoria border, and others on the Queensland border, which stop short of those borders for the express purpose of keeping to the State of New South Wales the traffic that arises therein. This further development of State railway policy also acts in the interests of Sydney, in addition to giving the State lines a longer haul; though it deprives the traders in the localities in question of their shorter and "natural" route to the seaboard, either via Victoria or via Queensland.

In the south-west of New South Wales there is a line of railway which stops twelve miles short of the Victorian lines at Tocumwal, on the Murray River. If a link were established between the two systems the wheat-growers of Southern Riverina would have a 150-mile route to the sea, instead of a 450-mile route: vet The Times Sydney correspondent, in the communication published in that journal on August 27, 1910, told how, when it was asked that the junction should be made, the request was refused on the ground that "this link would enable the traffic to go away from lines that were constructed to enable the producers to reach the Sydney market," while the Sydney Morning Herald summed up the position by saying of the Minister, "He reiterated that he was going to do his best to maintain Sydney's grip on the Riverina trade."

The correspondent told, also, how when the traders of Murwillumbah, situate over 600 miles from Sydney and only 100 miles from Brisbane, asked that an existing line of the New South Wales State railway, between Grafton and Murwillumbah, should be continued to the Queensland border, so that they

could forward their produce via Brisbane, they were told that this extension would not be made until after a considerable gap between Grafton and Taree, giving a through line from Murwillumbah to Sydney, had been made.

A change in Government policy was, however, indicated in a statement made by the New South Wales Minister for Railways to a deputation which more recently asked for the construction of a railway from Barraba direct to Queensland. The Minister (as reported in the Pastoralists' Review for November 1911) said "the policy in the past was to delay railways where they would detract from Sydney"; but it was necessary, in settling the largest number of people on the land with a prospect of their getting a decent living, to encourage them, by means of railway communication and cheap transport to market, to improve their land and grow crops, and he would give instructions for the making of a survey for a line right through to the Queensland border.

A Bill for the construction of the now missing link between Finley and Tocumwal was passed by the New South Wales Parliament during the session which closed on March 28, 1912, while in a speech he delivered at Corinda, also on March 28, the Premier of Queensland, Mr. D. F. Denham, announced that he had been in communication with the Premier of New South Wales with a view to arranging for a continuation of the coastal line in that State across the present gap (of about twenty miles) from Murwillumbah to the Queensland frontier. There are, apparently, now good prospects that this extension will be made, and when the New South Wales Government have filled in the further gap between Grafton and Taree, a shorter and alternative route between Sydney and Brisbane will be available.

Then, on April 26, 1912, the Standard of Empire published a telegram from its Sydney correspondent stating that:

The Government is inviting Victoria to extend her railways to the north up to the State border, and will not compete with them in any way—that is to say, no inducement in the way of cut-price fares will be offered to attract settlers to send their products to Sydney where Melbourne is the nearest and most convenient port for the district. Settlers have received the announcement with great enthusiasm, as it will mean more rapid development in this part of the State.

A later despatch from the same correspondent, published on May 3, 1912, says:

The Government's policy in inviting Victoria to extend her railways up to the southern border of this State, and so bring settlers in the Riverina district into touch with their natural trade outlet—Melbourne—has received widespread support. It is hailed by many persons as a notable step towards the suppression of inter-State rivalries and jealousies.

It is certainly time there should be an abandonment of rivalries and jealousies which would not have been tolerated by the British Parliament under our company-system of railway ownership and operation, even if the different companies, whatever the nature of their mutual competition, had not found it to their own advantage as well as to that of traders and travellers to establish physical connections with one another's systems, and to make agreements in regard to the running of trains over one another's lines.

In addition to the serious prejudice done to the economic interests of settlers deprived of the advantage of their shortest route to the seaboard, and forced to pay what is, in the circumstances,

an excessive amount for transport, a further effect of the concentration of traffic on the port of Sydney is to increase the congestion on single lines already inadequate to carry the produce of the districts through which they pass. If, therefore, the traffic from distant parts of the State were enabled and encouraged to find its natural outlet by crossing the border and going to the nearest port in the adjoining State, the need for a duplication of lines in the State in which the traffic originated would

be at least proportionately modified.

Congestion of the single lines, due to the policy in question, is supplemented, also, by an undue congestion of traffic at Sydney, where the wharfage accommodation and the terminal facilities in general are wholly inadequate for dealing with the great masses of produce consigned there, while the blocks at Sydney themselves increase the congestion on the railway lines for many a mile back into the country districts. "The trouble is," said the *Town and Country Journal* of April 3, 1912, in commenting upon a public inquiry which has been held concerning transport conditions at Sydney, "that we have only one port for all the produce which comes from the south and west of the State, and, through want of foresight on the part of the authorities, the shipping facilities of the port have not kept pace with the enormous increase of production."

The position in South Australia was thus described—and condemned—in the issue of the Melbourne journal, Liberty and Progress, for February 25, 1910:

There are other ways in which the State monopoly in railway building plays havoc with the interests of portions of the community. Its destructive selfishness, by means of which the few are enslaved to serve the many, is fully demonstrated in the way the trade of the remotest part of any State is dragged to the capital of that particular

State, and every obstacle put in the way of following natural outlets should those outlets lead into other States. For instance, Portland, in Victoria, is the natural port of Mount Gambier, a rich agricultural district in South Australia, some 70 miles away. Victoria wishes to connect the two places by rail, twelve miles of which would be in South Australia. But the Premier of the latter State will not hear of the proposal. "Very large issues," he says, "are involved in the question." In one sense they are large, but in another sense they are very smallthat is to say, mean. They simply amount to this, that not a pound of the trade of Mount Gambier must be lost to the port of Adelaide, though it is over 300 miles away. The farmers of that district must, therefore, continue to suffer the infliction of heavy freight charges on their produce, and see their land permanently depreciated in value, through being shut out of the adjacent port, simply that Adelaide may make a little money out of them. In some quarters Mr. Peake is held up to opprobrium for his selfishness; but he is neither worse nor better than his fellow Premiers would be under similar conditions. If it were a case of Victoria making some railway connection which would benefit Adelaide, or New South Wales building a line that would help trade to get to Melbourne, it is a guinea to a gooseberry that the thing would never be done. The fault does not lie with the "selfishness" of the Premiers concerned; they cannot help themselves, but must protect in every particular the interests of the monopoly that they serve. What horrid things monopolies are we all know from reading the speeches of Labour members. And we must say that the working out of the State railway monopoly, particularly in the way it is used to impose what is practically a ruinous tax upon certain localities, justifies every word they say. We know of no other monopoly that does.

Concerning Melbourne *The Times* Sydney correspondent says it is already the natural centre of most of Victoria, although the western districts of the State, which are rather outside the radius, were,

at the time he wrote, crying out for direct communication with the sea at Portland. In Queensland, he adds, the position of Brisbane, hopelessly isolated in the southern corner, prevents it from even trying to be the port of more than its natural western area, while Rockhampton, Townsville, and Cairns tap separate inland districts.

Another means by which it has been sought to retain for each State the traffic arising therein is in the resort both to differential rates and to export taxes on commodities sent across the frontier for transport on the railways of an adjoining State. This policy may be sufficiently indicated by a reference to the Queensland Railway Border Act, 1893, which set forth that:

Whereas large sums of money have been expended by the Government in extending railway communication with the southern and western districts of the colony for the purpose of promoting agricultural and pastoral settlements in those districts; and whereas large sums of money have at various times been expended by the Government in harbour and river improvements for the purpose of increasing the shipping facilities of the colony; and whereas a large sum of money has been and is being annually paid by the Government in subsidising direct steam communication with Europe, primarily with the object of facilitating the speedy and direct shipment of goods therefrom and thereto; and whereas it has been ascertained that differential rates on the railway lines

¹ Such demands are still being actively made. Following its remarks, already quoted on page 61, as to the situation at Sydney,

the Town and Country Journal proceeds:

[&]quot;The same difficulty of the concentration of all export business in one port is experienced in Victoria, but with less excuse. All the railways of the southern State branch out from Melbourne, and produce has to be carried many miles past good ports to reach the central depot. In a letter to the local Press, Mr. J. Ensor, of Portland, makes a very good point where he says that the produce of the Wimmera, which is increasing very fast, should be shipped to Portland."

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of the neighbouring colonies have been promulgated and otherwise arranged for, which have had and are continuing to have the effect of diverting the traffic which ought legitimately to be conveyed over the railway lines of this colony, thereby entailing a considerable loss of railway revenue; and whereas it is considered desirable to prevent as far as practicable this diversion of traffic—

therefore it was enacted that every ton of station produce crossing the border should pay a railway tax of £2 10s.; and any person who attempted to evade the tax should be liable to a penalty of £100, while everything concerned in such evasion—commodities and the vehicles used for them—should be forfeited.

Here, I believe, there have been important modifications since the creation of the Commonwealth; but such examples as this will, at least, further help to show how, in the building up of the State railways of Australia, the interests of the settlers creating the traffic the railways were to carry became a minor consideration as against those of (1) the railway revenue, (2) the individual State, and (3) the middleman trader in the State capital.

CHAPTER VII

DIFFERENCE OF GAUGE

As the natural effect of the various difficulties and impediments in inter-State communication, the railway system of each State in Australia has served mainly local purposes, instead of forming part of a network of railways promoting the welfare of Australia as a whole.

This tendency to localisation has been still more effectively shown in the differences of gauge—a factor in the general situation which is every day becoming of greater importance in view of the extreme desirability of linking up the whole of the railways on the Australian mainland so as to allow, not only of greater facilities for inter-State communication, but also of the running of the same rolling stock on the lines of the different State systems, as is the case on the railways of Great Britain and on the Continent of Europe.

How the difference of gauge was originally brought about in the case of New South Wales and Victoria is thus explained in the Official Year Book of the

Commonwealth of Australia:

In 1846 Mr. Gladstone, then Colonial Secretary, recommended that the 4 ft. $8\frac{1}{2}$ in. gauge ¹ should be adopted. In 1850, however, the engineer to the Sydney Railroad and Tramway Company strongly advocated the adoption of the 5 ft. 3 in. gauge, ² and in 1852 an Act was passed

¹ The standard gauge in Great Britain. ² Irish gauge.

making it compulsory that all railways in New South Wales should be constructed to the wider gauge, the Governors of Victoria and South Australia being duly advised of the step which had been taken. But in 1852 the company mentioned, having changed their engineer, also changed their views as to the gauge in question, and in the following year they succeeded in gaining the repeal of the Act of 1852 and in passing another, under the provisions of which the narrower gauge was made imperative. This step was taken without the concurrence of the other States concerned, and a considerable amount of ill-feeling arose, especially in Victoria, where two private companies had already placed large orders for rolling stock constructed on to the broad gauge originally chosen. The result was that it was decided in Victoria to adhere to the 5 ft. 3 in. gauge as the standard gauge for that State, while the Sydney Railroad and Tramway Company proceeded with the construction of their lines to the 4 ft. $8\frac{1}{2}$ in. gauge, and these two gauges have since been adhered to as the standard gauges of the respective States.

In the case of inter-State traffic between New South Wales and Victoria all goods must be discharged and reloaded on arrival at the border of the two States, and all through passengers must change carriages, on account of the difference in gauge. The same is the case, also, as regards traffic between New South Wales and Queensland, which latter State adopted a 3 ft. 6 in. gauge as the one it thought best suited to its own conditions.

On the other hand, South Australia began by adopting the same gauge as Victoria, and the line right through from Adelaide to Melbourne is uniform; though for lines of more recent construction in South Australia, as well as for those in the Northern Territory, a gauge of 3 ft. 6 in. was adopted. Western Australia and Tasmania also adopted the 3 ft. 6 in. gauge, while in Victoria light railways have been constructed in recent years to a gauge of 2 ft. 6 in.

In the Year Book of Australia it is explained that the narrow gauge (3 ft. 6 in.) was adopted in Queensland and Western Australia for reasons of economy. Railways were absolutely necessary for the development of the interior, but as the financial resources of these States would not permit of heavy initial expenditure in connection with railway construction, the narrow gauge was resorted to. Queensland was also strongly influenced by the fact that all the railways there had to cross high coastal ranges before reaching the interior, numerous viaducts, etc., thus being rendered necessary.

The actual position in regard to the gauge of the Government lines on the Australian mainland is

shown by the following table:

7.1	1	0.61.01		
State or Line.	2 ft. 6 n.	3 1t. 6 in.	4 ft. 8½ in.	5 ft. 3 in.
	Miles.	Miles.	Miles.	Miles.
New South Wales	-		3,760	
Victoria	122 1	_		3,401
Queensland		4,287 2	-	-
South Australia		835		622
Western Australia	_	2,375		_
Northern Territory	-	145		_
Port Augusta-Oodnadatta 3		478	-	-
Totals	122	8,120	3,760	4,023

¹ Light railways. ² Including private lines. ³ Transferred by South Australia to the Commonwealth for the proposed transcontinental line to the Northern Territory.

So long as the railways in the different States were required to serve purely local purposes only, these differences of gauge were a matter of no very material concern; but in proportion as the lines were extended to the borders and the possibilities of a substantial development of inter-State trade, travel, and transport became manifest, the magnitude

of the blunder which had been made became more

and more apparent.

Apart from the inconvenience to travellers in having to change carriages when they come to a State boundary, the transfer of all consignments of produce and merchandise from one set of trucks to another increases the cost of transport. According to the Year Book of Australia the junction charges on the inter-State traffic between New South Wales and Victoria are: General merchandise, first to third class, 2s. 6d. per ton; vehicles for which the rate per mile operates, 1s. 6d. each; live stock, 3s. per truck; empty returns, 1s. per ton; other goods (except wool, on which no junction charge is made), 1s. 6d. per These charges are, of course, added to the ordinary rates, and they represent the penalty which Australian traders must pay for the shortsightedness of those responsible for the building of their railways.

Then the break of gauge causes delay and increases the congestion on the single-track lines of the State railways. When the inter-State traffic is passing mainly in one direction, full trucks taken to the border may have to return as empties because they cannot run on to a different gauge; and a train of empty trucks may have had to be brought to the border from the other side in order to fetch the produce or the merchandise the first train has conveyed there. Even if one or other of these trains should fail to cause extra congestion on the main lines along which it travels, there may well be congestion on the border itself, caused by the processes of unloading and reloading. In the matter, again, of trucks, the need for two trains to do between them an inter-State journey which a single train should accomplish may increase the truck shortage in one State or another; while it might very well happen that trucks were standing idle in one State at a time when, owing to an exceptional demand,

there was shortage in a neighbouring State.

Uniformity of gauge would have allowed of an interchange of trucks according to the requirements of traffic in one State or another. An arrangement of this kind would, in turn, not only have greatly facilitated operation, but have reduced working expenses. It would, also, have effected a saving in the aggregate capital expenditure on rolling stock, since under a system of interchange of waggons there would no longer be the same necessity for each separate State to provide fully for times of abnormal pressure.

The need for uniformity of gauge is now being further emphasised by the schemes for the construction

of transcontinental lines.

In respect to one of these transcontinental lines, that between Kalgoorlie and Port Augusta, tenders for materials are now being invited, and it is anticipated that the line itself will be completed in about three years. Starting from Kalgoorlie, 380 miles from Perth, and one of the eastern limits of the Western Australian railway system, it will connect, at a distance of 1,060 miles from Kalgoorlie. with Port Augusta, the most westerly point of the South Australian system. In this way a passenger landing at Perth, Western Australia, would be able to travel thence by rail through South Australia, Victoria, and New South Wales to Queensland, a total distance of about 4,000 miles. But in accomplishing this journey he might have to change carriages at least five times owing to the differences of gauge in the various States through which he passed; and all luggage, mails, and merchandise would have to undergo similar transfers from one train to another

Troublesome as these conditions would be even in ordinary circumstances, the position becomes

graver still from a military point of view.

It is conceivable that contingencies might arise at some future time when it would be necessary to move troops and armaments from one State to another, if not, by means of the existing and the proposed new railways, across the Australian continent itself. The Year Book of Australia says, concerning the Kalgoorlie-Port Augusta line: "It is claimed that the line would be of immense benefit in the expedition of European mails to the southern and eastern parts of the continent, and, if occasion should arise, in the transport of troops." But if, whenever they came to the boundary of a new State, the troops and their armaments had to change carriages, or undergo transfer, from one set of trains to another—involving delay and the use of various dimensions of rolling stock—the consequences might be grave indeed. Hence the military officers have asserted that, from a military point of view, at least, and apart altogether from other considerations. an abolition of the present mixture of gauges is imperative. This view is understood to have been endorsed by Lord Kitchener, on the occasion of his visit to Australia, and a War Council, consisting of military and railway officers, has been appointed to look into this and other questions.

Admitting the extreme desirability of uniformity of gauge being adopted, there still remains the important matter of detail as to which of the various gauges already in use in Australia should be accepted as the standard one. The new Kalgoorlie-Port Augusta line is to be 4 ft. $8\frac{1}{2}$ in., and the experiences of railway operation in general favour this decision.

 $^{^1}$ About 65.58 per cent. of the world's railway mileage has been constructed on the British gauge of 4 ft. $8\frac{1}{2}$ in.

At present, as the table given on page 67 shows, the only one of the Australian States which has adopted this gauge is New South Wales. But the transcontinental line, at least, will not be effectively complete unless it has the same gauge right through from Perth to Brisbane.

Uniformity should most assuredly be secured to this extent, whatever may eventually be done with the remaining lines in Western Australia, South Australia, Victoria, and Queensland. A further question that arises, however, is, At whose expense should the alteration of existing gauges, in the interests of transcontinental traffic, be carried out? Should the States concerned each pay the cost in regard to the length of line within its own boundary, or should the Commonwealth contribute, and, if so, in what proportion?

Even after these problems had been solved, and a through transcontinental line of uniform gauge provided, the rolling stock of the New South Wales Government railways would alone be adapted for running thereon, so that, except in New South Wales, change of truck or carriage would still be necessary in the case of all traffic passing on or off the transcontinental line within these other States themselves.

The complications of the present position would, therefore, not be set aside until the States in general had, where necessary, converted all their trunk and main lines, if not their entire systems, to a gauge uniform with that of the transcontinental line, namely, 4 ft. 8½ in.

It is true that temporary expedients, such as the lifting of the bodies of goods waggons from one set of bogie trucks and the placing of them on another set of different gauge, might be adopted in Australia, as was done in the United States before uniformity of

gauge was established there; but an arrangement of this kind would hardly be practicable in the case of heavy goods traffic; and it would, also, afford no relief to the inter-State traveller, concerning whose trials the Agent-General for Queensland, Sir Thomas Robinson, says in a communication to *The Times* of May 11, 1912, on "Railway Problems in Australia":

It is a well-known fact that the demand for a uniform railway gauge in Australia emanates, to a very large extent, from the passengers accustomed to travelling frequently between the several capital cities, and there is no gainsaying the fact that it is extremely inconvenient and disagreeable for passengers to have to exchange from one train to another in the middle of the night or in the early morning, as they have to, for instance, between Melbourne and Sydney, because of the break in the gauge.

Queensland has already given an assurance that, if New South Wales will extend her line from Murwillumbah to the border, she herself will lay a line of corresponding gauge (4 ft. $8\frac{1}{2}$ in.) from the point of connection to Brisbane, so that, on the completion of the new coastal lines sanctioned or under construction in New South Wales, through carriages or waggons would be able to run on the same gauge from Brisbane to Sydney, and thence to Albury on the New South Wales-Victoria border. This is obviously an undertaking in the right direction, and Queensland is setting a wise example thereby to the other States.

The real position in regard to the gauge problem as a whole was well defined in the issue of the *Colonial Office Journal* for April 1912, where, in reference to the adoption of the 4 ft. $8\frac{1}{2}$ in. gauge for the Kalgoorlie-Port Augusta line, it was said:

This now becomes the standard of the continent, and the States other than New South Wales will have to undertake conversion to it.

CHAPTER VIII

PASSENGER SERVICES

THE conditions of the passenger services on Australian railways are to be looked at from two points of view.

On certain of the inter-State lines it is possible to travel with some approach to luxury, comfort, and express speed—subject to change of carriage on arrival at the border and to occasional detention owing to blocks of traffic on the single line. The Victorian State railways could take credit in the official report for 1910–1911 for having five dining-cars on inter-State service, and the New South Wales system added nine sleeping-cars to its rolling stock in the same year.

Apart from inter-State travel, and notably in the case of up-country journeys, the conditions are very different; and this may explain why the impressions of British travellers who mainly use the trunk lines, and report favourably of them when they return home, may differ from the daily experiences of Australians who are well acquainted with the country and suburban lines in addition. The *Pastoralists' Review* for March 15, 1912, sums up the general position by saying: "Only a small proportion of the country is served, the travelling is slow, the jolting is awful . . . and the first-class passenger accommodation, excepting on the one

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show line, Sydney to Adelaide, is worse than the third-class in Great Britain."

The slowness of the ordinary train service in Victoria is a matter to which The Age (Melbourne) has been calling the attention both of its readers and of the State authorities for many years. started on this self-imposed mission as far back as 1892, and its latest denunciations were indulged in on March 6, 1912; but in this period of twenty years it appears to have shared the experiences of the farmer with the claret, and to have got "no forrader." The slow speed of the country trains, said The Age on the last-mentioned date, remains as a legacy from the pioneer days of railway enterprise in Victoria. "Certain speeds were established forty years ago as the average that could be accomplished by the Department, having regard to the exigencies of traffic and the combination of goods and passengers in the same train," and these speeds—as well as the "mixed" trains—still represent the conditions of travel to-day. There have been "frequent and fervent promises of reform"; but nothing, The Age declares, is ever done. "So far from trains travelling at a faster pace, instances could be given in which the times to-day are even slower than they were a quarter of a century ago." Some vague hope existed in the Railway Department that faster trains would be put on when the summer was over, and engines then engaged in wheat haulage could be set free for other work; but, the journal proceeded-

No faith can be placed in any anticipation formed by the Commissioners, nor will the public believe that any serious attempt is being made to grapple with the nuisance of slow trains until the system of mixed traffic is abolished. The worst delays occur on trains that carry both passengers and goods. . . . Our trains are among the slowest in the world, and they continue so because the railway authorities have not the capacity of initiative to make them any faster.

As regards the vehicles in which Victorians may have to travel when they go by rail, an editorial in the issue of the *Pastoralists' Review* of January 15, 1912, in reference to the shortage in trucks required for wheat transport in Victoria, says:

The shortage of trucks is stated to be due to the transference of 450 from goods to passenger traffic for the Christmas and New Year holidays. It is hardly a good advertisement for Government ownership of railways when, on their own showing, the Government have to carry passengers in trucks, especially when it is considered that the use of these trucks out of their proper sphere is having a detrimental effect on the wheat trade.

In respect to the railway refreshment rooms which are of material importance for travellers on long journeys who depend on them for their meals

—the complaints are especially bitter.

Writing on this subject to the Pastoralists' Review of August 15, 1911, from Walgett, New South Wales, a correspondent who signs himself "Warrigal" declares that "the old order of filth, vile food and vile service, and general neglect is allowed to continue from year to year." There are a few places, he admits, where clean, good food and fair service can be got; but in nearly every case these are at small, out-of-the-way stations, while his experience in regard to the refreshment rooms at most of the big junctions and important towns is that "the conditions are generally vile in the extreme." Going into some very unsavoury details he continues:

I have had personal experience of soup served full of blowflies, bread with cockroaches carved upon it, cockroaches running over the food on the tables, stale meats and fish, tea and coffee that have had leaves and grounds reboiled many times and of the lowest quality. . . . If a sixpenny eating house in the city were to serve its patrons as badly it would fail, for it would lose its custom and patronage; but the lessees of these railway refreshment rooms are so kindly protected by the Department from any opposition that the travelling public must accept what is offered, or go hungry.

Even for such food as this there may be a scramble in which the women passengers are at a special disadvantage. On the arrival at a refreshmentroom station of any train one may travel by there can be seen, he says, "women waiting behind a crowd of men, who get to the counter first, and the women are kept standing at the back, unable to force their way through." As a typical example of what happens, he says that the night train from Sydney to Inverell arrives at Moree at 7.10 a.m., with passengers for stations beyond Moree all wanting food. At the railway station, however, there is no refreshment room, and neither food nor drink "A few men race over to an hotel is obtainable. some distance away, and scramble through a meal with a fear of missing their train, but the women and children must remain on the station and starve until Warialda is reached at 10.55 a.m., which place," he adds, "is one of the few and pleasant exceptions to the matter of this letter." The train from Inverell to Sydney reaches Moree at 2.15 p.m., making a further demand for a refreshment room; yet though the need for such room has been felt for years, none has yet been provided.

Concerning Queensland, "A. W. P." writes in the *Pastoralists' Review* for October 16, 1911:

The railway train from the border is now greatly improved, but the refreshment arrangements are just as bad

as ever they were. After having struggled at Glen Innes for breakfast (on the New South Wales side), and seeing more than half the passengers hopelessly shut out, one naturally looks for something at luncheon time; but no, if you don't take what is offered you at 11 a.m. at the border, you get little else until you reach Toowoomba, about 5 p.m. Stanthorpe should have the luncheon room, but Queensland railways are hopeless in respect of decent feeding arrangements. From end to end of the system they are absolutely scandalous. Why do the people put up with it? Is it because the majority know nothing better?

Without dwelling on the arrangements made by English railway companies for supplying third- as well as first-class passengers with breakfasts, luncheons, and dinners en route, it might be suggested to the Australian Railway Departments that they should study—and imitate—the admirable methods adopted on the Swedish State railways for supplying long-distance passengers with meals or refreshments at appointed places where stoppages are made, and that, too, at convenient times. The food is abundant in quantity, appetising in quality, reasonable in price, and so distributed—together with plates, knives and forks, cups and saucers, etc.—over a number of different tables between which the passengers can wander freely, helping themselves, that every one can obtain what he or she requires, and that, too, without the slightest rush or confusion.

Of the suburban service at Melbourne the correspondent in that city of the *Pastoralists' Review* wrote on October 12, 1911, that "the suburban trains are a scandal. It is rarely one can obtain a seat during the busy hours of the day." But crowded trains are not unknown in London, and Melbourne has, besides, the advantage of a cable

tramway on which one can travel with reasonable hope of arriving safely at one's destination. The sister metropolis of Sydney would thus appear to be an easy first in the matter of suburban transport deficiencies.

The suburban railway service at Sydney is not only slow but hopelessly inadequate. The "central" station is situated about a mile and a half from the real centre of the city, so that business men in Sydney have to supplement their suburban journey on the State railway by an urban journey on Sydney's State electric tramway, and the open, single-deck tram-cars, with a footboard on each side, get so densely packed with struggling humanity that in the "rush" hours of the day it would appear to be dangerous to life even to attempt to ride on them at all. Accidents are more especially caused through persons falling from the footboards when trying either to enter or to alight from a moving car, or by their being swept off it when riding on the footboards because of the car being already so overcrowded that no more passengers can possibly squeeze in. According to the Sydney Sun, which has been carrying on an especially active compaign against what it calls the "Juggernauts" of Sydney, the tram-caused death rate of the city is nearly one a fortnight-without counting the large number of passengers injured. There are regulations against overcrowding of the cars, but to attempt to enforce them would, it is said, cause a riot.

There has been much vigorous writing on this subject in the Sydney Press, but for a sober statement of facts and a calm review of the situation by an acknowledged authority I cannot do better than quote the following, from a communication addressed to the *Sydney Morning Herald* of March 7, 1912, by Sir Joseph Carruthers, K.C.M.G.:

The state of the traffic on the streets of Sydney has become a problem that must be faced in a determined fashion. Every day the danger is becoming intensified, and, apparently, the control is diminished. At certain hours of the day tram-riding can only be attained after a desperate scramble for a seat, or even for a footing on the platforms or steps. The risk to human life thereby is far too serious to be ignored by the authorities. loss of fares alone must represent a good annual sum, which, if capitalised, would cover a large outlay. It is not more cars that we require, since more of them would add to the congestion of the traffic. Double-deckers are unpopular and unsightly, and Sydney has done well not to tolerate them. The time has come when we must have railways-underground, overhead, or on the level, I care not which—to carry the vast and increasing volume of traffic now forced on the streets.

Referring to the fact that the Government were considering the question of completing the Sydney central railway station, "at a huge cost," Sir Joseph proceeded:

I have never hesitated to express my opinion that the fixing of our suburban railways at Redfern has been a colossal blunder. It means that we turn out scores of thousands of people from commodious railway trains, and expect a few cars on our tram-line to carry them through our main streets to their places of work or to their business. Far better will it be for the Government to hold their hand in regard to spending more money on the central station, and to devote their attention to completing the railway through the city. . . . No tram system can be devised to carry the traffic on our streets. . . . Only a railway system will meet the case. No railways in Australia will pay so well as those which are advocated for Sydney and its suburbs. If private capital were invited to undertake the work there would be an immediate rush for the concession to build these railways, and take the risk of profit or loss.

Is the State ownership of railways to be always handi-

capped by the want of sufficient capital to construct urgent and profitable public railways necessary for the safety and convenience of over half a million of people?

In commenting upon this letter the Sydney Morning Herald declares that the only practicable solution of the transport problem in Sydney will be found in the construction of an underground circular railway, tapping a wide suburban area, and com-

municating directly with the city.

In London, New York, or any other capital where private enterprise has the chance of showing what it can do, the trouble now being experienced in Sydney would be speedily overcome; but in Sydney it is State enterprise that controls the situation, and the suburban residents suffer accordingly.

CHAPTER IX

STATE RAILWAYS AND INDUSTRIAL DEVELOPMENT

THE construction of Australia's pioneer railways was begun in New South Wales in 1850 by private enterprise; but the navvies caught the gold-fever then prevalent, left the railway works for the Bathurst diggings, and placed the companies in such a position that, coupled with financial difficulties as well, they came to grief. The Colonial Government took over the railway schemes, and the conclusion was formed that private enterprise in the construction of railways in Australia was not to be depended on. It was especially believed that commercial companies would not build railways in advance of settlement, and that the only railways they would undertake were lines certain to bring in—and that speedily—the dividends supposed to be a railway company's only concern. In these circumstances it was thought both desirable and necessary that in each Colony the railways should be constructed by its own Government, which would despise mercenary motives, open up new country regardless of profits, and think only of the best interests of the settlers and of the colony in general.

These ideas, strengthened by some later failures of company enterprise, were entertained honestly enough at first, Government ownership and operation for Socialistic reasons being a later theory, and one that did not arise in Australia until the fundamental principle had already been established for the

economic reasons here stated. Yet the results have been very different from the assumptions.

Private enterprise in railway construction thus received an early check in Australia, and State policy, alike in the earlier economic and in the later Socialistic phase, gave it no adequate opportunity, subsequently, of showing whether or not it would really have constructed lines in advance of settlement.

If, however, we look to the examples of Canada, the United States, Brazil, and Argentina, we get splendid examples of what private enterprise has done there in the way of pushing out lines of railway through virgin forests, across vast stretches of uninhabited plains, and over formidable mountain ranges, in the interests of the settlement that would follow and of the traffic which the opening up of means of communication would itself create; and, looking at these examples, one may fairly assume that, if it had had an equivalent chance in Australia, private enterprise would have shown, notwithstanding the initial difficulties and shortcomings, that it was equally deserving of confidence there.

In what way has State enterprise, taking the place of private enterprise, and monopolising the railway situation in Australia, acquitted itself of the task which it has been thought inexpedient to

entrust to commercial companies?

The fact cannot be denied that some of the earlier Australian railways were, indeed, lines that no commercial company would have taken in hand at all. They certainly were lines from which all idea of mercenary motives in the way of profits was rigidly excluded. Some of them, in fact, yielded so poor a return in the way of traffic that they were subsequently abandoned and even taken up again. The Victorian Railway Report for 1910–1911 makes

mention of a continued charge of interest in respect to eight lines, having a total length of 48 miles, which had been constructed at a cost of £392,741, but are now closed for traffic, and three of which, including one with a length of 16 miles, have been "dismantled."

Such lines as these were mostly built by the Government of the day for political reasons; but the early ideas on Australian policy in railway building have now so far advanced that railways, it is held, should no longer *precede* settlement, but *follow* it—and that, possibly, not for a long time after.

The general principle in vogue to-day will be found in the concluding words of the following statement, taken from the Official Year Book of the Common-

wealth of Australia, 1901-1910:

In spite of the great extension of State railways which has taken place since the year 1875 throughout the Commonwealth, there are still, in some of the States, tracts of country of immense area which are as yet practically undeveloped, and in which little in the nature of permanent settlement has been accomplished; the general policy in the States is to extend the existing lines inland, in the form of light railways, as settlement increases, and, although it is true that lines which were not likely to be commercially successful in the immediate future have been constructed from time to time for the purpose of encouraging settlement, the general principle that the railways should be self-supporting is kept in view.

Even if the Railway Minister should be disposed to depart from this general principle, that the lines must be self-supporting, he is not necessarily free to act on his own judgment. In regard to the position in Victoria, the Melbourne correspondent of the *Pastoralists' Review* wrote on February 10, 1911:

The Minister for Railways, Mr. A. A. Billson, has recently reiterated his statement that he favours the construction of railways to precede settlement in the less developed parts of the State. The point is, however, that no matter how much the responsible Minister may favour a line, nothing can be done until its construction is recommended by the Railway Standing Committee. This Committee, as a rule, will not recommend a work unless it sees a reasonable chance of its paying right away, which, of course, in opening up new country is not likely. Under the circumstances Mr. Billson wants the law altered, something which is not likely to eventuate just yet awhile.

In a letter dated Melbourne, June 9, 1911, the same correspondent wrote:

In reply to deputations which waited on him re providing railway facilities in Eastern Gippsland, the Minister for Railways—Mr. A. A. Billson—indicated that if he had any say in the matter the Government would soon adopt a new policy regarding the building of new lines. The procedure at present is to submit any proposals to the Railways Standing Committee, who recommend construction only if there is a reasonable prospect of the line paying immediately. Mr. Billson's idea is, rather, to thrust lines out into undeveloped country, provided it is worth it, and rely on settlement to follow. Of course this is the method followed in all other progressive countries, and has always been found to answer.

In effect there would seem to have been a clear reversal of the original policy. The successors of Governments which would not entrust railway undertakings to private companies unlikely, it was held, to build in advance of population, have now themselves adopted the "general principle" that State railways must be "self-supporting," or in other words, "offer a reasonable prospect of paying immediately."

What has been the actual outcome of these con-

ditions? Is the practical undevelopment of the immense areas spoken of in the first part of the extract given above from the *Official Year Book* attributable in any degree to the adoption of the said "general principle" in State railway construction?

For evidence on this interesting point I turn to the *Pastoralists' Review* for March 15, 1911, where I find that "Ensilage" writes as follows:

Railways are as essential in modern agriculture as ploughs or harrows, and good farming is futile where railways are bad. In the Australian States agricultural settlement and agricultural development have from the outset been prevented and retarded by an astonishingly unenlightened and inefficient railway policy. While railways in all other new countries have preceded settlement, and freight charges have been low enough to encourage agricultural productions, settlement in all of the Australian States has been obliged to go on ahead, and cry loud and long for Government railways to follow. The railways have often followed so slowly that the settler has been compelled to evolve some means of living without their assistance before they have arrived, and freight charges have been too high to encourage the cultivation of the soil.

In the State of Victoria this scandalous system of starving out agricultural settlements by withholding railways led to the reactionary course of making settlement wait for the snail-like progress of railway construction, with the result that the spectacle was presented of districts remaining for years in a deadlock. The Lands Department refused to open up Crown lands because there was no railway, and the railway authorities refused extensions, because there were too few producing settlers. Throughout the whole group of Government railways a similar benighted system has been maintained in regard to the charges on agricultural produce. Every demand for a reduction has been met by the obsolete argument that the existing volume of traffic must pay what it costs present

methods of management to handle a restricted output, instead of adopting the established business principle of all profit-making railways, that "the rates on primary products must be low enough to encourage production."

The Australian Field (Sydney), in an article published in its issue of February 1, 1912, under the heading, "Characteristic of the State Government to Procrastinate," says in regard to New South Wales:

Had it been some old second-rate, worn-out bankrupt land, the hesitation and slowness in building necessary railways and providing railway facilities could be understood. But in a young, undeveloped country, what excuse is there, excepting this fatal paralysis of procrastination that seems to kill out the healthy progressive blood in our politicians? Railway development for years has been cramped and starved and crushed. Take the map of this State to-day, and there is hardly a district or a locality where a railway is not a good proposition, and where there is no modern method of transport in existence, and where stagnation to all intents and purposes reigns, instead of humming, bustling prosperity. It is a shocking condition. It means loss of money and menloss of homes and hopes. And it is going on. There is talk and more talk, but what a paltry little is being done!

In further reference to the position in New South Wales, the *Sydney Stock and Station Journal* of March 22, 1912, said:

In oversea countries, such as America and Canada, the railways have preceded settlement; but in New South Wales the pioneer settler has blazed the track and has had to squat for years before the slow-moving policy of this State gave him a chance to market his productions.

It would seem, also, that in Australia State enterprise in railways may not only be averse to constructing lines in undeveloped country, in advance of settlement—as private enterprise is doing elsewhere—but it may, also, be extremely difficult to move in respect even to country already developed more or less, possessing vast stores of natural resources and offering splendid prospects of immediate traffic, apart from any question as to the relief that should be afforded to the crying needs of settlers now on the land.

One example of these further conditions is to be found in an account of "The King River Valley" (Victoria), published in the Australasian (Melbourne) of January 12, 1912. It was in the King River Valley district that one of the earliest closer-settlement schemes was carried into effect, and the interests of the settlers in the valley itself are already served by a light railway. There is, however, an adjoining district, known as the tableland of Tolmie, where a hard-working body of selectors has been suffering great hardship for many years by reason of a lack of adequate means of communication with the markets of the State, and urgent demands have been made that the light railway in King River Valley shall be extended to Tolmie. The writer of the article describes Tolmie as-

A district containing thousands of acres of splendid land, eminently suitable for growing fruit, potatoes and other root crops, and for dairying, with 15,000 of blue gum and messmate, averaging 11,000 cubic feet to the acre, close to the proposed line, ready to supply the requirements of the whole of the north-east, and an ample rainfall of 40 inches, practically shut off from all the markets by the want of decent roads. At the present time the stuff grown must be carted to Mansfield, a distance of 18 miles, over break-neck roads, at a cost of 25s. per ton. The district was settled some twenty-five years ago by a fine body of pioneers who say they were definitely promised roads and a railway—promises which have never been redeemed.

Many of the settlers, after years of struggling and of hope deferred, have abandoned their holdings. Now, however, a survey for the desired railway extension has been promised, and engineers have been over the proposed route and have reported favourably, so that, the correspondent adds, "it looks as if, at last, the rich tableland will be thrown open to the world's markets."

Another example is afforded by the shire of Omeo, Gippsland, Victoria. A deputation from the shire council and local residents waited on the Victorian Minister for Railways in the autumn of 1911, and the case they presented to him in favour of a branch line to connect with the Victorian railway system was, as reported in the *Pastoralists' Review* of Sep-

tember 15, 1911, certainly a strong one.

"Rich in agricultural and grazing land, rich in timber and rich in mineral deposits, the progress of this fertile country," we are told, "is retarded for the want of a good system of railway communication." At present the district has practically no railway system at all, and the deputation are said to have drawn some graphic pictures of coach rides along terrible roads and through seas of mud. The shire contains 65,000 acres of excellent agricultural land; 189,670 acres of grazing land (exclusive of pastoral runs); 1,500,000 acres of unalienated Crown lands; huge forests of valuable timber; deposits of coloured marble, and large belts of gold-bearing country; yet "the population of this fine, fertile district (one-fourth of the whole area of the State) is less than 5,000, and decreasing." The deputation were sure that a railway would bring settlement and prosperity to the district; but the Minister could do no more than promise to make representations that the Railway Standing Committee should be asked to consider the proposed construction of a line.

From Adelaide, South Australia, it was reported in January, 1912, that increased attention was being paid to the construction of the good roads and railways essential in a country of such great distances, and that "several new railways were authorised during the last session of Parliament, the question of railway extension having been raised above party politics and tactics. . . . After thirty years of agitation," it was added, "a line is to be

built connecting Willunga with Adelaide."

Very different from all this is the position brought about by private enterprise in railways in the Dominion of Canada, which can quite justly be compared with the Commonwealth of Australia. Canada had the advantage of Australia in having facilities for inland navigation, but there was the same need to provide land transport over great distances and to take advantage of natural resources in an interior which only effective railway communication could properly develop. There was a corresponding variety of Governments, while the engineering proposition of the Rocky Mountains in Canada was a far more serious one than that of the coastal range of mountains in eastern Australia.

In Canada early attempts to provide railways through State enterprise were attended by so many difficulties and complications that the work was, happily, left to private enterprise, supplemented by State aid in the form of land grants or otherwise. In this way Canada was speedily provided by the Canadian Pacific Railway Company with a transcontinental line vastly superior to the one now only about to be begun in Australia, since the traveller in Canada can go from Montreal to Vancouver, on the Pacific coast, a distance of 2,898 miles, in a through carriage on lines having the same gauge, without the inconvenience that must needs result from

the differences of gauge in the various States of Australia.

The C.P.R., again, offers the great advantage of a uniform system of transportation, so that the passing of the train from one Province into another concerns the traveller in Canada no more than does the passing, in England, from one county into another. In the same way the C.P.R. represents a settled railway policy unaffected by changes of Government, and having ample opportunities of raising fresh capital, in case of need, without concerning itself about the condition of the Dominion or Provincial exchequers. As for the wide range of its activities and the extent to which the C.P.R. -since followed by other no less energetic representatives of private enterprise in railways-enters into the movement and expansion of Canadian life, these details were well described in a paper read by Mr. Ellis T. Powell, LL.B., B.Sc., before the Royal Colonial Institute, in London, on February 14, 1911, and reported in United Empire for March 1911. Mr. Powell said, among other things:

No sooner are we in the eastern provinces, with our faces towards the west, than we are forcibly reminded that the firstfruit of British capital at work in Canada was the Canadian Pacific, the most powerful of all the factors in Canada's industrial development. . . . A traveller may leave the Mersey and go all the way to Japan without being for a moment out of the hands of the C.P.R. His steamers, berths, food, trains, and hotels are all C.P.R. The steamers, whether ocean or lake boats, rank among the best, and when he is on the C.P.R. itself the traveller will be whirled along behind locomotives which look like Dreadnoughts on wheels, in cars which dwarf into insignificance the finest corridor coaches of the British lines. ... The idea in Great Britain is that the C.P.R. is a railway company, whereas the construction and management of railways are only items in a programme which

extends to hotels, steamboats (transatlantic, transpacific, coastwise, lake, and river), grain elevators, land sales and development, irrigation, timber, immigration, the building of rolling stock and fifty other elements, each of which is a business in itself.¹ . . .

Only close inquiry suffices to reveal the immensity of the influence upon Canadian industrial development wielded by the C.P.R. and the other great Canadian lines. Where, for instance, the C.P.R. can encourage the raising of peaches by the building of special stores for the product and by the provision of elaborately designed means of transit for this most delicate of fruits, the capital is at once provided, and the whole scheme carried out on scientific lines.2 The C.P.R., in plain English, is the great driving force of the Canadian West. The Dominion Government at Ottawa hardly looms so large amid the national mechanism as the giant force which Sir Thomas Shaughnessy, aided by a unique group of vice-presidents, controls from the C.P.R. centre at Montreal. In saying so much, it would be obviously unfair to ignore the other Canadian roads, like the Grand Trunk Pacific and the Canadian Northern. Each of these, in its own special sphere, is developing fast along the lines which the C.P.R. has shown to be safe and suited to the country. But neither is, as yet, a transcontinental line, though the Grand Trunk Pacific is moving rapidly in that direction, and is opening up a country of immense fertility and promise.

¹ Another especially interesting item in connection with the activities of the C.P.R. is mentioned by Mr. Robert McMillan in an article on "Canada through Australian Spectacles" which appears in the Sydney Stock and Station Journal for February 27, 1912. At Strathmore, Southern Alberta, the C.P.R. has set up a series of experimental farms, covering altogether 4,000 acres, to test the seeds, fruits, trees, and potatoes likely to grow best in that particular district, now undergoing rapid settlement. The farms are in charge of Professor Elliott, of whom Mr. McMillan says: "His business is to teach by example, to show the farmers what can be done with this prairie land, and to prove that, in spite of snow, and winter, and wind, and insects, and drought, the farmer can win wealth from the soil."

² Let the reader compare this statement with the account given in Chapter III. of the handling of fruit on the Government lines of New South Wales!

Here we have the story simply of what private enterprise in railways has done in Canada. For a more direct comparison with the results attained by the State system in Australia, I turn once more to the *Pastoralists' Review* for March 1912, where it is stated:

We have received from the Canadian Government a huge map, on a scale of 2½ miles to the inch, of the provinces of Manitoba, Saskatchewan, and Alberta. It is an object lesson for Australia. The area of the map extends from 95 deg. to 115 deg. west longitude, and from 49 deg. to 55 deg. north latitude, being equal in Australia from the coastline of N.S.W. to the Western Australian boundary, with a uniform width of 360 milesa vast area indeed. Almost the whole of this is surveyed into 6-mile square blocks, each block being called a township. Each township contains thirty-six sections of 640 acres each, or 1 mile square. Every quarter section of 160 acres is the Government homestead grant. As an example of how private enterprise in railway ownership is superior to State ownership, in Canada there is already a network of lines running in all directions through the vast plains and wheatfields, with Winnipeg as the centre. Every year sees new areas put under wheat and an enormous extension of the lines. In Australia we see scarcely any expansion of agriculture, owing largely to the inadequacy of the State system of railway ownership. In the matter of immigration, in railways, and in almost every line of business the Canadians are thorough, but the socialistic teachings in Australasia are not favourable to a similar condition of affairs. In fact, the more socialistic a country, the slacker the people invariably become. A conspicuous illustration is furnished by the hide-bound railway systems of the Commonwealth and New Zealand—systems that have blocked material progress for years, and will ever be millstones round the necks of the people.

Fundamental differences between Canada and Australia, primarily due to differences in railway conditions, are especially shown in the matter of wheat transport, the system in the Dominion being vastly superior to the lack of system in the Commonwealth.

The position in Australia has been told in Chapter II. In Canada there is no need whatever for the farmer to stack his wheat in bags on the railway sidings, there to await, in the open, the arrival of trucks. The Canadian method is to have at practically every station in the wheat-growing districts of Manitoba, Saskatchewan, and Alberta one or more grain elevators in which the grain can be temporarily stored, and, also, from which it can be more conveniently loaded into the railway cars.

These "country elevators," as they are called, are supplemented by "terminal elevators" at the lake ports to which the wheat is taken by train. The former are owned mainly by elevator companies, grain dealers, milling companies, or associated farmers, while the latter are put up by the railway companies.

The standard capacity of a country elevator is 25,000 bushels. When 25,000 bushels would be in excess of the requirements of a particular district the elevator may be little more than a shed holding a few thousand bushels. In larger wheat-growing centres a number of elevators are put up at the railway stations by the various interests. Some of the wheat-purchasing companies may have elevators at scores of different stations.

Land for the elevators is leased alongside the railway sidings from the railway companies in return for a purely nominal rental. The farmer can either sell his wheat for each to the dealers owning the elevators or have it stored there at a fixed charge. In order to protect the interests of the farmers, the Government require the railway companies to post

up every day at each station the current market prices for the various grades of wheat and, also, the rates for haulage from that station to the railway termini at Fort William and Port Arthur on Lake Superior. Wheat taken to the railway station by the farmer goes straight into an elevator. Any dispute as to grade—and, therefore, as to price—is settled by the taking of samples which are forwarded to the Government experts. The length of time the wheat may remain in the elevators depends on market conditions, supplies being consigned as needed. In some instances the products of one harvest will be kept in store until that of the next is ready.

The following table, in regard to the country elevators at a few typical places, large and small, I have compiled from information given in a hand-

book on Opportunities in Canada, 1912:

Place.	Province.	Population.	Number of Elevators.	Storage Capacity.
Alexander Brandon Crystal City Holland Ninga Virden Winkler Abernethy Arcola Carrievale Elfros Indian Head Moose Jaw Sintaluta Yorkton	Manitoba ,, ,, ,, ,, ,, Saskatchewan ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,,	500 13,837 630 500 400 1,550 458 252 794 188 103 1,285 13,823 500 2,302	5 6 5 5 5 6 6 5 6 4 3 10 5 7	Bushels. 159,000 530,000 171,000 330,000 127,000 190,000 148,000 93,000 90,000 356,000 293,000 224,000 270,000

One special advantage of the railway station grainelevators in Canada lies in the fact that, although the existing railway facilities even there may not

yet be equal to the immediate removal of the vast wheat crop, the grain does not have to be stacked in the open, awaiting trucks, as in Australia, while the railway facilities themselves are being increased in Canada at a rate that far surpasses Australia's efforts in the same direction. In addition to the 25,000 miles of railway in operation west of Lake Superior in 1911, no fewer than 4,200 miles were then in course of construction. Within the last seven years Canada has borrowed in London more than £72,000,000 for railway development.

In view of what I have said concerning the singletrack lines in Australia, I might also mention that the Grand Trunk Railway of Canada has double track from Montreal to Chicago, a distance of 840 miles, and claimed to be the greatest length of continuous double track of any railway in the world. The Canadian Pacific Railway has double track from Montreal to Ottawa (115 miles) and from Fort William through Winnipeg to Brandon (556 miles), while by the end of 1913 or the middle of 1914 the Canadian Pacific Railway will have been doubletracked for the whole of its length west of the great lakes to Vancouver.

The completion, by about the same date—and coinciding with the opening of the Panama Canal of extension works now being carried out by the other great companies will lead to the provision of seven outlets for the Canadian grain trade instead of one, and even that one will have doubled its efficiency. Three of the seven outlets—those on the Pacific coast—will be able to provide economical transportation throughout the year.1

A map issued by the Department of the Interior shows every railway station in the three Provinces

¹ Monthly Notes in United Empire: the Royal Colonial Institut Journal, for May 1912.

at which elevators are provided. The total number of these stations is close on 900. In some instances the elevator capacity, as indicated on the map, is as low as 6,000, 5,000, or even 4,000 bushels. At Winnipeg the total capacity is 1,405,000 bushels, and there is a wide range of intermediate figures. Additional elevators are put up at the stations as

the requirements increase.

The total number of wheat-elevators is thus greatly in excess of the total number of stations. Along the C.P.R. lines west of Port Arthur, without including the lines of other companies, there are no fewer than 1,200. The number of elevators is, also, steadily increasing year by year. Comparing figures given on the map, which is dated 1910, with others contained in a pamphlet on Canada West issued by direction of the Minister of the Interior in 1911, one gets the following table, showing alike the present great proportions of the elevator storage capacity and the expansion thereof even in a single year:

	1910. Bushels.	1911. Bushels.	Increase. Bushels.
	21,752,000	21,813,800	61,800
	24,423,500	26,465,000	2,041,500
	8,107,400	8,763,500	656,100
	54,282,900	57,042,300	2,759,400
		Bushels 21,752,000 . 24,423,500 . 8,107,400	Bushels. Bushels

Compared with the corresponding figures for 1908, the total for 1911 shows an increased storage capacity of over 13,500,000 bushels in three years.

According to a pamphlet entitled Saskatchewan, Canada:

Nearly all the grain in Saskatchewan is handled through the interior elevators. . . . A farmer may deliver his wheat to the elevator and receive cash for it; or, if he prefers to hold his wheat for a time with a prospect of obtaining a better price, he may store it in the elevator and secure a storage ticket setting forth that he is entitled to a stated number of bushels of wheat of a certain grade; or, if he prefers to load his grain into a car without dealing with the elevator, he may do so. Loading platforms on which the farmer may drive with a load of wheat and load directly into the car have been erected at nearly all shipping points in order to facilitate the handling of grain and give any farmer having even a few hundreds of bushels of grain to sell the privilege of an alternative method of shipping.

To meet complaints made by some of the farmers in Manitoba that they were not being treated fairly by the elevator companies, more especially in regard to "dockage" for dirty grain, the Manitoba Government started in the business on its own account in 1910, and either bought or built a total of 172 elevators which were to be run by State officials instead of by mercenary-minded business men; but in view of the results of State enterprise in other directions, the following telegram from the Toronto correspondent of *The Times*, published in that journal under date April 5, 1912, does not fill one with astonishment:

Manitoba having lost \$100,000 (£20,000) in working the Government-owned elevators, Mr. Roblin, the Premier, has announced in the Legislature that the Province would neither acquire nor build any more grain-elevators.

Later details supplied by the same correspondent, and published in *The Times* of May 18, 1912, are to the effect that the Manitoba Government had devoted \$1,000,000 to the purchase or construction of the elevators; that they embarked upon the experiment as the result of a popular agitation, in regard to which the Premier has said, "I took the voice of the demagogue as the voice of the public, and I consequently made a mistake"; that the Govern-

ment were negotiating with a company for the latter to take over the "nationalised" elevators, and that, if an agreement with the company could be effected, the Government would cease to operate elevators altogether. By the Opposition in the Legislature it is alleged that the management of the Government elevators has been unsatisfactory, that there has been a lack of business capacity, and that the Government elevators were not wisely or eco-

nomically constructed or purchased.

The Canadian railway companies, at least, have not lost faith either in wheat-elevators or in their own power of operating them successfully. For a time the Canadian Northern Railway was able to boast of having at Port Arthur the biggest wheat-elevator "on earth." The said elevator has a storage capacity of 7,250,000 bushels; and in one of those "folders" in which railway companies on the other side of the Atlantic are never unduly modest concerning their own achievements or prospects one may read, as told on the authority of the Canadian Northern:

To-day Port Arthur is just bubbling and surging with life; every citizen is aglow with hope, and dull indeed must the visitor be who does not get infected with the enthusiasm.

Here may be found the pride and glory of the elevator world, the Canadian Northern, holding 7,250,000 bushels, and the largest yet constructed. It is so huge that a 5,000-ton steamship moored alongside of it is dwarfed to insignificance; and, as one walks along the giddy platforms bridging the mouths of its huge wells full of grain, it needs no great exercise of the imagination to picture the broad acres whose produce must have gone to fill them.

But in its next edition the folder will have to be revised. The seven-and-a-quarter-million elevator

of the Canadian Northern is no longer the pride and glory of the elevator world. The Grand Trunk Pacific Railway Company have now got one at Fort William which has a storage capacity of ten million bushels.

Then for the actual transit of wheat the Canadian railway companies provide, not open coal trucks, as may happen on the State-owned railways of Australia, but "box cars," specially built for the conveyance of grain (of which each will hold about 1,000 bushels), and not only affording complete protection against the weather, but having an internal lining of hard and well-seasoned wood, so as both to avoid the possibility of crack or crevice in the car itself and to ensure still further the transport of the wheat without deterioration. Yet on the Australian continent State railway authorities excuse the paucity even of tarpaulins for open trucks conveying wheat on the ground that they would be of service "only" for the harvest!

In face of such facts as these, can it be doubted which country has, through its railways, had the greater chance of undergoing industrial development

-Canada or Australia?

Nor is a comparison of private enterprise in railways in the Dominion of Canada with State enterprise in Australia less favourable for the former from an Imperial point of view.

"Behind all these great roads," Mr. Powell further said, concerning the Canadian railways, in his Royal Colonial Institute paper, "there is a political in-

spiration"; and he proceeded:

¹ The length of time taken to transfer the contents of a 1,000-bushel wheat-car to a terminal elevator, by means of suction spouts, is about twenty minutes. The saving in time and labour effected by this automatic process, as compared with stacking, loading, or unloading an equivalent quantity of wheat in 180-lb. bags, is sufficiently obvious.

I do not mean for a moment that they busy themselves with Canadian party politics. It is the Imperial, not the national or the local sentiment which ultimately (and now and then, perhaps, unconsciously) inspires their policy. . . . The railways have brought Canada into being. Without them the vast domain which we are proud to call the Canadian Empire would have remained a mere loose aggregate of scattered agricultural communities. . . . A few thousand miles of steel rail, spiked to the endless succession of "ties," have saved Canada for the Empire. Not only have they done so much, but every year they draw the Dominion into closer cohesion as a self-governing unit, while at the same time they cement it more firmly into the Imperial fabric. . . . The railways, which began by tying rail to rail, will end by tying Province to Province, people to people, in bonds which no power on earth can rive asunder.

In Australia the prevailing sentiment in regard to railway construction has been local rather than—until quite recent years—Imperial; and though Imperial sentiment is now, certainly, inspiring a broader policy, that policy is still greatly handicapped by the results which the purely local interests

had already brought about.

In the very States which looked with disapproval on private enterprise in railway building on the ground that railway companies would not be likely to have sufficient regard for the public interests (though we have just seen what were the experiences of Canada in this respect), the Government railways set up instead became so speedily the prey of politicians—whether individuals seeking to advance their own interests or representatives of particular parties—that gross scandals and shameless abuses arose, and the whole system of administration had to be reorganised in order to free it from political influences. Victoria set the example, in 1883, by passing a new Railway Act which, "in consequence," as stated in

the Official Year Book of the Commonwealth of Australia, "of the general dissatisfaction in regard to the management of the railways by political heads," placed the future management and control of the lines in the hands of three Railway Commissioners to be appointed for that purpose. A like policy, for a like reason, was subsequently followed (with variations then or after in the number of Commissioners) by New South Wales, Queensland, and South Australia in 1888, and by Western Australia in 1902, so that the whole of the State railways on the Continent of Australia had been found subject to the blighting effect of "political influences," and found themselves forced to take remedial measures accordingly.

Granting that these influences were greatly reduced, as the result of the said changes in administration, it is doubtful if they have even yet wholly disappeared; and it is certainly significant that so recently as January 1912, South Australia should be congratulating herself on the fact that (as already mentioned on page 89) the question of railway extension had been "raised above party politics and tactics." The average person would probably think it was about time this result was really

achieved!

Then the differences of gauge, the stopping of lines short of the State border, the making of differential rates to keep traffic within the States, and the attempts to favour a particular port and its traders, apart from considerations of geography or economical transport, all showed that the States in question were influenced far more by purely local considerations than by the broad Imperial policy which has characterised the makers of Canada's transcontinental lines. In the one case there were Governments, and in the other there were commercial

companies; yet it was the commercial companies that showed the greater enterprise, wisdom, foresight, public spirit, and practical statesmanship, apart altogether from any question of commercial instinct and business management.

CHAPTER X

STATE V. COMPANY MANAGEMENT

REVERTING to the question of the injury caused to the interests of Australian traders by the present conditions of transport on their railways, a significant paragraph in the report of the Parramatta (New South Wales) Progress Association, presented at the annual meeting of that body on February 14, 1912, was to the following effect: "The Railway Commissioners have been the least ready to meet the wishes of the Association; they have been urged to grant many facilities that public convenience has for years demanded, but no amount of urging appears to move them" (Sydney Sun, February 15, 1912). The Pastoralists' Review for November 1911 had already declared, in reference to the State railways of New South Wales:

The feeling is very bitter, for the producers realise how hopeless they are when trying to get reasonable treatment from a Government-owned monopoly. It seems that experience never teaches those controlling the State's railways. With uniform consistency during the past fifteen or twenty years the Department has signally failed to grasp the importance of keeping pace with the growth of country requirements. Any commercial undertaking exhibiting such colossal inability to cope with expansion and development would have an ignominious ending in the Insolvency Court; but the Railway Department, by reason of its political existence, is able to play at business, retard development, and yet continue to exist, instead of being relegated to the commercial scrap-heap.

Whatever may be the prejudices in Australia, or elsewhere, in favour—more especially from a theoretical standpoint—of State over company ownership of railways, the fact cannot be denied that, under company ownership in the United Kingdom, traders have a much better chance of securing facilities and reasonable treatment than would seem to be the case in Australia.

While it is true that the railway companies here no longer compete with one another in the matter of rates and charges, they do still actively compete with one another in respect to services and facilities. Certain of the facilities thus conceded under the pressure of competition are to-day regarded by the companies as of a kind which ought never to have been granted by them at all; and the possibility of the withdrawal of some of these-from the railway standpoint-" unreasonable" facilities, as the result of working agreements, led to strong protests on the part of British traders before the Departmental Committee of the Board of Trade on Railway Agreements and Amalgamations, and to the insertion in the Railways Bill, introduced in April 1912 by the President of the Board of Trade, of a clause enacting that the withdrawal of any facility or service, or the imposition of a rate or charge in respect to a facility or service previously afforded or rendered by a railway company without charge, shall be deemed an increase of rate or charge, and be subjected to the laws relating thereto.

Even when the railway companies do not directly compete with one another in the same district, there is still an active competition between different districts or different ports; whereas in Australia, as I have already shown, there is no competition at all in States where the railways are a Government monopoly, and where, also, special precautions are

taken against the passing of traffic on to the lines

of a neighbouring State.

Not only, again, is it easier for traders to secure concessions or reasonable treatment from competing companies in the same or in competing districts than from a monopolist State railway, but British traders have, in the Board of Trade, in the Board of Agriculture, and, in Parliament also, courts of appeal likely to be much more responsive towards their grievances against railway companies than if the railways were operated by a department of the State itself. A strict and even a severe impartiality can be shown in the one case which could hardly be expected in the other.

In Australia the chief remedy open to traders is to send a deputation to the State Railway Commissioner, or Commissioners. In the United Kingdom the resources open to the traders are much more complete.

The initial stage here takes the form of friendly conferences between the traders and the railway officers. On this particular point Australian readers will be better able to compare railway-company practices in England with State-railway practices in the Commonwealth if I quote the following from the evidence given, on April 20, 1910, before the Departmental Committee of the Board of Trade on Railway Agreements and Amalgamations, by Mr. Frank Ree, general manager of the London and North Western Railway Company:

The chief officers and the district officers of the companies are continually meeting the traders in conference in London at the Railway Clearing House and other places, and I have never known railway companies to decline to meet the traders. In addition to this there is an army of representatives constantly in touch with the traders to study their requirements, and to meet them as far as they possibly can. . . . I have spent virtually

the whole of my commercial life in the closest touch with the traders. . . . I have had the pleasure of meeting hundreds and hundreds of deputations. . . . Our officers are always open to them. Not only that, but everybody has, in a district, not one, but several officers, who have, certainly on the North-Western, the fullest power that it is possible to give to a district officer.

If the English trader cannot get what he wants through these friendly conferences, and considers that he still has a legitimate grievance against the railway, he may apply for redress either to the Board of Trade or to the Railway and Canal Commissioners; while to meet complaints that proceedings before the latter body are too costly, a further clause inserted in the Railways Bill of 1912, on the suggestion of the railway companies themselves, provides that, when so agreed by the parties concerned, differences between the traders and the companies may be dealt with by the Registrar of the Railway and Canal Commission, instead of by the full Commission.

As for Departmental Committees dealing with various phases of railway operation, and notably with traders' interests or grievances, these have been of frequent occurrence in the United Kingdom, and the thoroughness with which the members of such committees conduct their inquiries is shown by the invariably exhaustive evidence they take and the reports they make thereon.

On the whole, therefore, it may be suggested that a company-system of railways, controlled by railway officers who are always closely in touch with commercial interests and are supplemented by public authorities themselves constituting courts of appeal apart from the High Court of Appeal in Parliament itself, offers a greater security for due regard being shown for the interests of traders than is afforded

by State-railway systems controlled, as in Australia, by State Departments whose relations with the traders appear to be much less intimate and far less cordial, and from whose decisions there may be practically no appeal whatever, since the State Parliaments abandoned much of their power of control when they agreed to the appointment of Railway Commissioners as a means of checking the evil results of "political influences."

Whatever the conclusions at which the reader may arrive on this question as to the respective merits or demerits of State management and company management, it can hardly be supposed that any one possessed of a due regard for the fitness of things in the matter of public life in general would care to run the risk of a repetition in this country of the friction that has arisen between the present New South Wales Government and their Chief Commissioner of Railways, Mr. Johnson, a former member of the staff of the Great Northern Railway in England.

On the one hand Mr. Johnson is held personally responsible for many of the notorious deficiencies and shortcomings of the State railways, and has himself been likened to a "Czar" or an "autocrat" in his method of controlling what must obviously be a very troublesome, difficult, and worrying business.

On the other hand it is alleged that a deliberate attempt is being made, not only to discredit Mr. Johnson, but to force him to resign his position, in order that the present Labour Parliament may have an opportunity of reverting to the political control of the railways which was in vogue prior to the passing of the Railway Act of 1888, and, also, of operating the lines with greater regard for the interests of the railway servants.

One of the charges brought against Mr. Johnson is

that he has failed to carry out certain "instructions" which, as stated by Mr. M'Gowen, the Premier, were given to him for the establishment of an eight hours' day for all grades of the service and a minimum wage of eight shillings a day for all adults, with other concessions, besides, to the railway servants. Mr. Johnson is said to have replied, in effect, that, although the Government had given him these "instructions," he had not been provided with the necessary funds for carrying them out. The Sydney Morning Herald of March 6, 1912, states that "the eight-hour demand of the Government is understood to have been met by the Chief Commissioner with a direct refusal, and as, on this matter, the Government is most insistent, the trouble is practically certain to be heard of further." From another quarter comes the report that the Premier has said the Government were doing all they could to secure the enforcement of the aforesaid "instructions"; though whether or not the Railway Act under which the system of Railway Commissioners was adopted allows the Government to give "instructions" at all in regard to labour conditions on the railways is a matter of controversy.

Another dispute which has arisen relates to the

supply of new locomotives.

At the end of February 1912, when the congestion of traffic caused by the movement—or non-movement—of wheat was especially acute, the Chief Commissioner sent in a demand that twenty locomotives should be called for from an English company. While, however, the Victorian Government, as I have already shown, imported locomotives about this time from England and the United States, and thus helped materially to relieve the congestion on the railways in Victoria, the New South Wales Government preferred to adhere

to a principle they had already laid down—in the interests of Labour—namely, that, as far as possible, all locomotives for the State railways should be made in the State. The Chief Commissioner's demand came before a meeting of the Cabinet, and, according to the Sydney Sun of March 6, 1912, "the Ministers refused to sanction the placing of the order, and required further information as to the need for the engines." The fact that the Chief Commissioner wanted to obtain the locomotives at all from England was further considered "a decided disregard of the declared policy of the Government."

disregard of the declared policy of the Government.'

To this charge the Chief Commissioner replied by telling the whole story in regard to the locomotives. He showed that in September 1910, and again in the following month, he warned the Government that the supply of locomotives was inadequate; that the engine-construction works in the State, both public and private, were already so overtaxed that they could do no more than supply main-line engines; that twenty lighter engines for suburban traffic were also needed, and that he strongly urged the obtaining of the latter engines, and these only, from England. On October 27, 1910, the Premier intimated that the policy of the Government was against the importation of railway engines and in favour of their being made in the State; though Mr. Johnson now declares that, had his first request, of September 1, 1910, been complied with, the suburban engines would have been delivered before the end of 1911, the local works, being less congested by not having to make suburban engines, would have been better able to produce main-line engines, and much of the transport trouble in the early part of 1912 would thus have been avoided.

The Sydney Morning Herald of March 15, 1912,

summed up the situation by saying:

When the whole business is boiled down, it is clear that, not Mr. Johnson personally, but Mr. Johnson's powers, as carefully and intentionally provided by Act of Parliament, are in the way. . . . The Government is reaching out in all directions for more power, and it will not be happy until it gets the railways under its thumb, with a return to the evil days of political influence and patronage. . . . The Chief Railway Commissioner shows conclusively that, had his request for more locomotives from abroad been granted, the present impasse would have been avoided. . . . The whole position has arisen because the Government set its idea of locally-constructed engines before the needs of the country.

Personally, I should be disposed to say that the Labour Government, having been returned to office through the Labour vote, felt obliged to safeguard the interests of its electoral supporters by ensuring them as much work as possible, whatever the resultant inconvenience and loss to the rest of the

community.

Some vigorously-written criticisms on the situation also appeared in the Sydney Mail of March 20, 1912. When, that journal declared, the Premier of the State and the Chief Railway Commissioner disputed in the public Press concerning their relative responsibility for a railway blockage, it was evident that the relations between them made for disorganisation of the service they controlled. "Time and energy which should be devoted to evolving some kind of order out of the chaos into which the railways are rapidly drifting are wasted in these quarrels." The Mail considered that—

Without doubt Mr. Johnson has the better of the controversy, and the Government stands convicted of having failed, either through wilfulness or neglect, to support the Chief Commissioner in his work of adequately increasing the locomotive strength of his department.

As regards traffic conditions on the railway itself, the *Sydney Mail* declared that the wheat block of 1912 on the New South Wales lines had been worse than in the previous season, although 50,000 tons less of wheat had been carried; and in commenting on this fact it observed:

The whole head and front of the offending—and it is a fault common to all Governments of democratic constitution—is an inherent timidity against providing sufficiently far ahead. A Government which has its being in the people provides for to-day only, never for the day after to-morrow. It cannot speculate, nor has it the imagination to see what the day after to-morrow will bring forth. Individually its members may speak largely of the future, but collectively it acts only for the present. So when the works which it sets in motion to cover the necessities of to-day are completed, too often the day after to-morrow has arrived, and the works from which great things were expected are found to be out of date.

It has further been alleged against the Chief Commissioner that when, in 1911, he was told his loan estimates would have to be cut down by a large amount, he declared that if this were done he would take the amount by which they were reduced from the railway revenue. The estimates were not reduced, but the Government strongly disapproved of Mr. Johnson's attitude.

There are other allegations and recriminations, besides; but the whole controversy seems to turn on the disputed question of control. The Sydney Daily Telegraph of March 6, 1912, says thereon:

Whether we are to have political or non-political management is a question on broad and clear lines. Every one who has knowledge of administrative history in this State is aware of what political control means in the railways or in any other public business department. Its effect is sufficiently indicated by the fact that the

politicians have been compelled, in spite of any open or concealed reluctance, to establish independent management. Equally well and unfortunately known is the hotch-potch system under which political and non-political administrations are mixed. Inevitably its result is political domination, with the bad consequences which have outcome from it here in the past and in other parts of Australasia. If there is to be non-political control, it must be administratively complete, and if that is not conceded, if the politicians are to have a finger in the pie, Mr. M'Gowen might as well be frank about it, and admit that his party hankers after political control.

On this same subject the *Town and Country Journal* (Sydney) of March 13, 1912, observed:

The only real difference between the Minister and the Commissioner is regarding mere matters of management which were purposely placed beyond political control by the framers of the Railway Act. As regards matters of policy the Government is still supreme, and the Commissioner has shown strict loyalty to the spirit of the Act under which he holds his position. It is clear, therefore, that the members of the Government want nothing short of entire political control of the railways, with the door opened for nepotism and patronage, which must lead to inefficiency and excessive cost.

I might, also, give the following extracts from a letter by Sir W. M'Millan, published in the *Sydney Morning Herald* of March 8, 1912:

The Railway Act, which was supposed to free for ever that great asset of the State from political control, was passed by the Parkes-Burns Government, and that Government ceased to exist in 1889, shortly after the arrival of Mr. Eddy in Sydney. I had the honour to be Treasurer and Minister for Railways in the last Parkes Administration, and was in close touch with Mr. Eddy during the greater part of his first three years as Chief Commissioner. The previous Parkes Government had a

two-thirds majority, but the Government of which I was a member had only a majority of four. The elements, therefore, which had always fought jobbery and favouritism had materially weakened. When, however, it was found that the firm hand of Mr. Eddy was strong enough to enforce the Act in its integrity, all the other elements began howling against the Act and the administrator. Mr. Eddy was a man of great courage, but also of great sensitiveness, the latter an unknown quantity in present-day Executives. The bitter, vicious, and unscrupulous opposition which he had to face during the first few years of his term of office undoubtedly laid the seeds of the disease to which he ultimately succumbed. However, in these years the neck of the opposition was broken. . . .

Now, by the gradual degeneration of our public life, the clements which were kept under are rampantly victorious, aided by the Liberals who call themselves independent The old game of bull-baiting has recommenced, and Mr. Johnson is the new victim. He is asked to be recreant to that charter, the Railway Act, which on accepting his present office he practically swore to maintain, the charter placed in his hands, not by a Government living on a fictitious majority, but by the people of New South Wales. . . . Mr. Johnson, if he values his own reputation, dare not run away. He must stick to his guns no matter how almost intolerable his treatment by men who evidently do not understand the simplest principles of courtesy or justice. The Chief Commissioner of our railways deserves the sympathy and support of the community. . . . How can any man satisfactorily perform his duties when he knows that the loyalty of the whole service which he commands is being undermined through a sordid bribe on the eve of a general election? . . .

The worst monopoly of all is a Government monopoly unless the public are strongly safeguarded against political influences, the fluctuations of parties, and the constant change of Ministries. Otherwise there can be no discipline in the service, no continuity of policy, and every man in high position, no matter how pure and honourable, is liable to suspicion and attack.

In the result the Government had to abandon their policy in the matter of not ordering locomotives from England; but, although they surrendered thus far to the Chief Railway Commissioner, they first sought to show that he was still in the wrong, and then proceeded to open a fresh attack

upon him in another direction.

The fact had become only too obvious that, unless more locomotives were obtained, the congestion on the lines would become worse than ever. During the two months ending March 14, 1912—as was stated in the New South Wales Legislative Assembly, on March 21, by the Treasurer, in answer to a question put—118 trains on the State railways had to be cancelled owing to there being no engines available for them at the time they were applied for. So, on this same day (March 21) the Premier announced that the Government had cabled an order to England for twenty locomotives.

On the other hand, the Premier made a double thrust at the Chief Commissioner. He first blamed him for not having warned the Government that the local works were so congested with orders that they could not themselves supply the locomotives (though here, surely, the evidence that Mr. Johnson had so warned the Government is irrefutable), and then sought to show that the Chief Commissioner would have paid too much for the locomotives, since the Government, by making their contract with another English company instead of the one proposed by Mr. Johnson, had saved £3,000 on the contract, besides being guaranteed delivery three weeks earlier.

Pointing out that, in thus ordering the locomotives from England, the Ministers had surrendered to an undoubted exigency, the *Sydney Morning Herald* of March 22, 1912, remarked:

It may be fairly said that no Government dare refuse to supply rolling stock when there is such pressure as is evident everywhere upon our railways, and not even Labour Ministers could fight against a demand which springs from every corner of the State. But at any rate Ministers have abandoned a prominent plank in their platform, and have recognised that they are beaten. . . .

What must be deprecated in this conflict between the Government and the Chief Railway Commissioner is the apparent desire on the part of Ministers to force an officer of the State holding a position of responsibility into an invidious position. It was evident that the Caucus was anxious to pick a quarrel, and was prepared to make trouble by any and every means. Labour members want to lay hands upon the greatest and most important Department of the State, and they were out to humiliate Mr. Johnson, if they could.

Ministers, however, were evidently disposed to show that, though they had had to surrender on one point, they were not quite so much beaten as the Sydney Morning Herald supposed. The campaign which had for its objective the humiliation of Mr. Johnson was to undergo another development.

Four days after the Government had, as was said, "climbed down" in the matter of the locomotives, the Minister for Works, Mr. Griffith, announced in the Legislative Assembly that a Bill would be brought in to amend the Railway Act in order to allow of the constitution of a board, consisting of the Minister for Railways, the Minister for Works, and the Chief Commissioner for Railways, to act as a statutory authority for the carrying out of certain railway duplications and deviations now undertaken by the Chief Railway Commissioner. The adoption of this course was necessary, Mr. Griffith said, on account of the present congestion of traffic and the probability of further congestion, to a more serious extent, as the result principally

principles of railway construction, and that is to make it a part of the general policy of the Government. It can only be done by having the whole powers of the Government behind it.

This, as the Sydney Daily Telegraph of March 27 points out, was a clear admission that the Government intended to take at least one very important part of railway administration out of the hands of the Commissioners and relegate it to the politicians, an alleged shortcoming of the men being made an excuse by the Government for attacking the non-political system. The Daily Telegraph continued:

But more than duplication is required to cope with the present railway congestion. Yardage accommodation is wanted. And the fact that the rolling stock is deficient is due to the same cause which has prevented the Commissioners from getting the necessary labour. The Trades Hall would not permit the Government to get from abroad the engines that the local railway works were unable to supply. And in the meantime, while preventing the Labour Government, both in the Commonwealth and the State, from entering on a vigorous immigration policy, it persistently misrepresented the state of the country abroad for the purpose of dissuading workmen from coming here of their own accord. That is how the hands of the Railway Commissioners were tied, and now, because they have not done all that, if not so hampered by the Labour Party, they might have done, the Government asks Parliament to censure them as incompetent, and as far as one branch of their business is concerned dismiss them and put a political board in their place. We may be quite sure that the spirit of aggrandisement now obsessing the Caucus Government would not be content to stop at that. . . . Nothing is more certain than that further excuses for whittling away the non-political principle would be found until none of it was left.

In its issue of March 28 the same journal said in regard to the Government proposal:

Should such a proceeding as this receive Parliamentary sanction we will have to face a very serious crisis in connection with railway control. If one part of the Act which establishes non-political administration may be suddenly wiped out in this manner, what security remains for any other part of it? Having secretly meditated this coup, and carried it out behind the Commissioner's back, the Government might plot the destruction of the whole Act in the same way. Nor is there any guarantee that this policy of political thuggery should stop even there. Why not treat other managers of non-politically controlled departments as Mr. Johnson has been treated? No public servant, whether his position is a statutory one or not, will be able to consider himself safe if this secretly-plotted assault on the Railway Commissioner is allowed to succeed. . . . The whole business is redolent of tyranny, unscrupulousness, and vulgar political greed, and the more light that is shed upon it the less lovely it looks.

On March 27 the Chief Railway Commissioner issued a statement in which he declared that the Government Bill went to the very foundation, not only of the Railways Act, but of the principle of independent control; while in regard to the delays in carrying out duplications authorised, he explained that such delays had been largely due to shortage of labour, which, in turn, had been intensified by the number of new lines in course of construction.

The Sydney Morning Herald of March 28 called attention to the fact that, as the proposed board was to consist of two Ministers and one Commissioner, there would always be a majority against the Commissioner in dealing with duplication and deviation works, the politician being thus established in the very citadel of the Chief Railway Commissioner. The Herald further thought that-

Nothing more crafty than the Government proposals has been seen in our Parliament for many a day. The intention is so clear that he who runs may read, and the history of recent controversies between the Cabinet and the Commissioner has reached a chapter which is the natural conclusion of those preceding it. There has been no open breach. The fighting has been carried on behind a screen, and the Government's action may otherwise be compared to the wriggling of a snake in the grass. . . . One can see in it all the calculation of the plotter who has been studying the ground, afraid to say what is in his mind, but in deadly earnest to bring down his quarry. "We want the railways under our thumb," says the Labour party; "and we are determined to get behind Mr. Johnson somehow," declares, in effect, the Bill now before Parliament. . . .

In no direction can the Government point without being met by crushing criticism of its incapacity as a controller of public works. Much of this is due, no doubt, to the lack of labour; but only now that a steam hammer has been created to crush Mr. Johnson have Ministers discovered that they may have to charter troop-ships to bring over help to push on with urgent duplication and deviation works. They have been throwing obstacles in the path of the Commissioner at every turn. . . . For the rest it is useless to claim that any change in the control of the Railway Department will help matters. To have Mr. Griffith and Mr. Dacey dominating the Commissioner will be the end of any further successful working of our railways.

The conclusion to be drawn from all these highly significant controversies-into the merits of which there is here no necessity to enter further—is that when the railways are owned by the State in a country possessed of a popularly-elected Government, whose railway policy may be unduly swayed by party or personal considerations, no statutory guarantees in regard to "political influences" can offer any permanent security against a possible revival thereof, sooner or later, and in some form or other, according to the political developments of the hour.

These risks are not so great in a country like Prussia, possessed of an autocratic Government, and having a State Railway Administration superior to any considerations in regard to the "Labour vote"; but they are clearly run in democratic Australia, and they would no less have to be run in England or in Ireland with State ownership and operation of the railways here. Under our present conditions of company-ownership, we escape the possibility of any such undignified quarrels; Ministers are not obliged to put the interests of railway workers before those of railway users; the companies themselves can be called severely to account if they fail in any way in their duty towards the public; and, in the result, the interests of the community are far better served.

CHAPTER XI

STATE RAILWAY FINANCE

To try to get at the real financial position of the Australian State railways would be an almost hopeless task.

In giving a table showing for ten years, 1901 to 1910, profit or loss on the State lines, after payment of working expenses, interest, and other charges, the Official Year Book of the Commonwealth of Australia observes: "It may be seen that for the Commonwealth as a whole there has been a net profit on the Government railways during each of the last five years of the period dealt with." It will also be seen, however, from the figures given, that, taking the full period of ten years, the total profit had been completely wiped out by the total deficiencies.

New South Wales had a surplus in 1901, deficits in the following four years, and surpluses for the next five, with a net surplus of £1,791,000 for the ten years. Victoria had four surpluses against six deficits, and finished with a net deficit of £536,000. Queensland had a very small surplus, £16,000, in 1907 only, her deficits for the remaining nine years leaving her with an adverse balance of £2,480,000. South Australia had deficits in two years, namely, one of £74,000 in 1902, and another of £14,000 in 1903, and was able to show in 1910 a net surplus for the decade of £1,123,000. The Northern Territory

and Tasmania each had an uninterrupted run of deficits, while Western Australia was the only State which had a continuous series of surpluses, her total thereof for the decade amounting to £1,017,000. The net result for the Commonwealth works out thus:

Year.				Surplus.	Deficit.	
1901				. —	687,000	
1902				. —	966,000	
1903				. —	1,449,000	
1904				. —	745,000	
1905					418,000	
1906				. 379,000		
1907				. 977,000		
1908	•		•	. 807,000		
1909	•			. 821,000		
1910				. 938,000		
7	Cotals	•	•	3,922,000	4,265,000	
		Net	deficit	£343,000		

Then against the more satisfactory financial returns of recent years in the case of certain of the States, of which much is made, there must be set the accumulated deficits that are still acknowledged, apart from considerable sums which have been liquidated out of loan money, and have not been added to capital account at all.

The report for 1910–1911 of the Victorian railways shows that in the eight years ending June 30, 1903, the total deficits amounted to £2,405,997, as against a surplus of £1,218,472 for the next eight years, the net accumulated deficit for the sixteen years thus being £1,187,525. The report further tells us that "the amount provided out of the Consolidated Revenue for the construction, equipment,

stores, etc., of the railway on which interest is not charged stood on June 30, 1911, at £3,879,000."

Concerning the position in New South Wales, The Times of September 24, 1908, published a telegram to the following effect from its Sydney correspondent:

The State Treasurer's surplus must not be taken too seriously. The actual year's surplus is about £665,000, while over £1,000,000 was carried forward from the previous year. It was partly obtained by starving the railway system and not allowing the Commissioners to purchase new rolling stock, which is now urgently required. Against the surplus must be set the accumulated deficiencies, amounting to £1,214,000. The Auditor-General recommended the Government to wipe out this balance, but his advice was not taken.

The State is financially sound and extremely prosperous, but these swollen surpluses, stage-managed for show purposes, make the State ridiculous, while disposing of Mr. Wade's claim that the retention by the Commonwealth of its own revenue impoverishes the State.

Annual surpluses for the New South Wales railways are still being shown, and the State railway system is represented to-day as being in a flourishing financial condition; but the accumulated deficits do not appear to have been paid off. The report for 1910–1911 mentions an item of £612,154, in the total capital expended on the lines, which had been "paid from the Consolidated Revenue, and no interest is payable thereon"; while whether or not the process of "starving the system" spoken of by *The Times* Sydney correspondent in 1910 has been continued to present date the reader should be in a position to judge for himself from the facts here already narrated.

It is doubtful, also, how far reliance can be placed on the ten-year figures for South Australia—which admit a deficit for two years only out of the decade—seeing that the Railway Commissioner for that State says in his report for 1910–1911:

I again call attention to the necessity for an adjustment of the railway accounts with the Treasury, to place the true financial position before the public, after making due allowance for revenue from lands sold and leased which could not have been obtained without the railways.

Down to about 1905, when it became more possible to show actual surpluses, the course usually adopted in the annual reports of the State railways was to set out the gross "earnings," give the "expenditure," subtract the latter from the former, and present the result as "balance after paying working expenses." The said "balance" was popularly regarded as equivalent to "profit"; but, in striking it, no allowance was made for the payment of interest on invested capital, although such allowance would generally have shown a deficit rather than a balance. This course is still followed in Queensland.

In the statement of his views on "Railway Problems in Australia," published in *The Times* of May 11, 1912, Sir Thomas Robinson, Agent-General for Queensland, said concerning the railways of that State:

The net revenue produced by the operation of the completed railways amounted in 1911 to £1,167,311, being over £4 10s. per cent. upon the cost of construction; certainly a very satisfactory return.

The net revenue here in question is shown as follows in the report of the Queensland Commissioner for Railways for the year ending June 30, 1911:

Gross earnings Deduct working ex	 penses		£ 2,730,430 1,563,119
Producing a net rev	•		1,167,311

To this extent, therefore, Sir Thomas Robinson's figures are perfectly accurate; but they may still be misleading because of the omission to make any allowance whatever for payment of interest and other charges on capital account, although in regard to these items the official report further shows that the total of the sums authorised by the several Loan Acts to be expended on the survey, construction, and equipment of railways throughout the State amounted on June 30, 1911, to £37,213,000, of which £27,288,000 had been expended.

Taking (1) "Profit and Loss after Payment of Working Expenses, Interest, and other Charges," and (2) "Percentage of Profit or Loss to Capital Cost of Construction and Equipment," for the years 1900–1910, we get from the Official Year Book of the Commonwealth of Australia the following table, which gives an impression of the real position of the Queensland railways very different from that which Sir Thomas Robinson's figures would convey to the average

person:

		Year.			loss after of working aterest, etc.	Percentage to cost of construction.		
				Profit.	Loss.	Profit.	Loss.	
				 £	£			
1900-1					560,000		2.84	
1901-2				-	448,000		2.22	
1902 - 3					489,000	_	2.41	
1903-4				_	379,000		1.81	
1904-5					278,000		1.58	
1905-6				_	199,000		0.91	
1906 - 7				16,000		0.04		
1907-8					35,000		1.12	
1908 - 9					59,000		0.56	
1909-10	٠	٠	• (_	49,000	-	0.50	

For a considerable period it was thought sufficient to account for the absence of real surpluses by the plea that the State railways were designed to serve the interests of the community, and were not being operated with a view to profit, like the lines of "dividend-seeking railway companies." Even so severe a critic of the State lines as the Australian Field could say, in its issue of January 17, 1912:

The first and main object of a private company is to make money. . . . In the administration of a State railway essentially the first and main thing is to meet the legitimate demands of the people. The railways are expected to be conducted in a business-like way, and to pay expenses. But, unlike the private concern, the main object is not to make huge profits. Indeed we are now realising that it will pay ultimately to build railways and run them at a loss for a time for the purpose of settling the land.

The "huge profits" of company-owned railways exist only in the imagination of the writer. The average rate of dividend paid in 1910 on the ordinary capital of railways in the United Kingdom was 3.48 per cent.; and no one can deny either that this is a very moderate return on the capital invested or that "the legitimate demands of the people," whether traders or travellers, in the matter of rail-transport facilities, are vastly better met by the company-owned railways in Great Britain and Ireland than—on the evidence here afforded—is the case with the State-owned lines in Australia.

The aforesaid average dividend of 3.48 per cent. allows, too, for over £67,000,000 of ordinary capital on which no dividend whatever is paid, and in regard to which, therefore, the "people" get the whole of the advantage, in the form of greater transport facilities; but if the same amount had been invested on State railways, interest would have to be paid on it, whether the equivalent of a dividend were earned or not. Included, also, in the total

capital on which the average 3.48 per cent. was paid is a further sum of £135,177,000 on which the rates of dividend or interest in 1910 did not exceed three per cent. If, therefore, the average railway shareholder in the United Kingdom does, indeed, invest his money with the idea of sharing in "huge profits," he certainly has, generally speaking, only a poor chance of realising his aspiration.

While the welfare-of-the-people and the notseeking-any-profit excuses for constantly recurring deficits on the Australian State railways served for the aforesaid considerable period, and covered a multitude of sins in the way of "political influences" in railway construction and management, there came a time when it was thought necessary to prove that the lines were, in the words of the Australian Field, really being conducted "in a businesslike

wav."

Hence the desire to show surpluses, and hence, also, that starving of the lines, and that neglect to make the railway facilities keep pace with the growing needs of trade and travel, to which the bitter complaints now being raised on every hand are so materially due. The Perth, Western Australia, correspondent of the Pastoralists' Review gave us the situation in a few words when he wrote, on July 1, 1911, "The art of running a system with the minimum rolling stock to create figures which astonish the world and electrify the unwary is developed into a science," adding that the science of creating railway surpluses sets Ministries more firmly upon the seats of power, and increases the stability of Governments, even although ill-natured people grumble when the freight trucks fail to go round.

The said "science of creating railway surpluses" has gone still further than omission of inconvenient items in regard to interest and shortage alike in trucks and in track. There is, also, the little matter of "book entries" which is thus explained in the *Pastoralists' Review* of January 16, 1911:

The new Government of New South Wales has its own ideas on the subject of railway finance. These seem to run in the direction of "book entries." . . . The Government has made its views clear with reference to the subject of the manufacture of steel rails by the Messrs. Hoskins, at Lithgow, regarding which it appears that no contract has yet been signed by the Chief Commissioner for Railways, who takes the ground that, as the price agreed upon by the Lithgow firm is considerably in excess of what the Department pays for imported rails, it is not fair to charge the railways with the additional cost, estimated by the firm at not more than 17s. per ton, but by Mr. Johnson at nearly twice as much. Mr. M'Gowen is inclined to sympathise with Mr. Johnson to the extent of admitting that it is a matter for book adjustment. That is, he says that when the cost of material to a Department such as the railways is increased by the central Government for political reasons, the central Government should bear the burden of the increase, and not the Department. This, he thinks, can be arranged by book entries.

One may wonder what would be said of the railway companies of Great Britain and Ireland if they sought to make up their accounts after the methods favoured by the State railways of Australia!

Still another factor in the financial position of the State railways in Australia is the steady advance of late years in the percentage of their working expenses to gross earnings. This is shown by the following table, the figures for which I take from the Official Year Book of the Commonwealth of Australia, supplementing them by the corresponding percentage in respect to the railways of the United Kingdom as given in the Board of Trade Railway Returns for 1910:

		 1906.	1907.	1908.	1909.	1910.
New South Wales Victoria Queensland South Australia . Northern Territory Western Australia Tasmania . Commonwealth . United Kingdom .	:	54·51 58·51 55·84 56·63 93·00 73·52 71·56 58·87 62	53.08 58.65 49.88 55.10 94.74 73.89 71.84 57.18 63	54·91 62·89 54·01 55·68 97·22 67·10 72·70 58·71 64	58·72 60·19 58·35 57·39 99·52 64·56 72·89 59·84 62	59.73 63.41 60.48 58.09 101.53 66.99 74.52 61.70 62

Comparing 1906 with 1910, the only one of the Australian States which here shows a decrease in the percentage is Western Australia. Yet in regard even to this State a representative of the Minister for Railways who attended a sitting of the Special Conciliation Board held at Perth, W.A., on March 20, 1912, to deal with the labour conditions of the railway workers, said that, comparing seven months of the current financial year with the corresponding period of the previous year, the railway revenue had increased by only £216,000, against an increase in expenses of £259,000; the earnings per train mile had dropped $4\frac{1}{2}d$. in four years, "which was a big item, seeing that over 5,000,000 train miles were run per annum"; and the percentage of working expenses to earnings had gone up to 71.24 (Sydney Morning Herald, March 22, 1912).

Among the reasons given in the Official Year Book for the increases in the percentages in 1910 over 1909 are—higher cost of coal; reductions in working hours or advances in salaries and wages of the staff; greater traffic; heavy repairs; and, in the case of four States, the making of reductions in passenger fares and freight rates.

CHAPTER XII

NEEDS OF THE SITUATION

THERE is a consensus of opinion in Australia that the greatest need of the Commonwealth at the present time is for more population—that is to say, not more population for the already congested districts represented by the State capitals, but more population to develop the vast resources of districts in the interior still wholly unsettled or only partially so. Such population, too, is wanted, not alone for the expansion of Australia's economic possibilities but for the purposes, also, of defence against aggression.

This particular point was put very plainly by the *Queensland Grazier and Wool and Produce Journal* in its issue of February 23, 1912, where it was said:

The only possible defence of Australia is population; but we want rural population. Our inflated, congested cities are rapidly becoming a curse, whilst all our possibilities of blessing lie directly in increased primary production. All the money Australia is throwing away in a one-horse system of naval and military defence should be devoted to peopling our empty lands, and then, when we had a population, we could organise national defence. Suppose England suddenly became embroiled in Europe, and Japan cared to swoop down on Australia, how could we defend our coastline of 12,000 miles against them with our present population?

It is no less clearly recognised (1) that improved rail transport is essential to the spread of population in Australia, by affording facilities for carrying the produce the greater population would be expected to raise; (2) that the State railway systems have failed to keep pace with the industrial expansion of the Commonwealth, even as far as this has gone already; and (3) that more population should not be sought until the States have got more railways.

For some very candid admissions on these particular points I turn to the Sydney Stock and Station Journal for March 12, 1912, where one may read

that-

It is positively childish to talk of hurling people on to the land when, already, the primary products of the country have far outstridden the possibilities of existing

railway facilities.

If a man suggested that an already overburdened horse should have his load quadrupled, he would be pitied as an imbecile; yet to us it seems equally idiotic to aim at increased production until our railways are made at least capable of dealing with the present demand for transit. . . .

The leanest railway policy in the whole world is that of New South Wales. A Government possessing sufficient of the instinct of statesmanship to provide for the immediate expenditure of twenty millions sterling on railway construction in this State would exact world-wide approval; for neglect to provide for expansion has left a ligature that forever tightens upon the throbbing arteries

of progress.

The earning power of our existing rolling stock is discounted 50 per cent. by delays in running, owing to the deplorable insufficiency of railway lines. The earning power of the producer is equally restricted by the paucity of marketing facilities, and the ripe offerings of the most fertile country in the universe have been brushed aside by successive Governments who have refused, or have failed to accept, the insignificant responsibility that would bring

honour to themselves and the greatest measure of prosperity to the State. . . .

In dry seasons the Churches pray for rain. In all seasons

our producers, on their knees, crave for railways.

To come down to details as to what the State railway systems of Australia seem to require, they are obviously in need, not merely of improvements here and there, but of something not far short of actual reconstruction.

The absolute essentials may be catalogued thus:

1. Duplication of the single-line main track wherever inadequate to meet present or prospective traffic requirements.

2. Following on such duplication—though not until then—the construction of new railway lines

in all directions.

3. Provision of better terminal facilities at existing ports.

4. Opening up of more ports, and their connection with the interior by means of efficient railway communication, in order to avoid the losses, delays, and congestion arising from undue concentration of traffic on the State capitals.

5. Further avoidance of undue concentration of traffic and business at leading ports by the creation of inland distributing centres serving the interior

districts, as in Canada and the United States.

6. Extension, wherever necessary, of existing lines to the border of a State, so as to connect with those of the neighbouring State, and thus give to traders the opportunity of reaching the seaboard by the nearest route and at the lowest cost for transport.

7. Relaying of all trunk and main lines—if not of all lines except small branch lines—in Victoria, Queensland, South Australia, Western Australia, and the Northern Territory in order to adapt them to the 4 ft. 8½ in. gauge of New South Wales selected

for the Kalgoorlie-Port Augusta transcontinental line, ensuring through communication without change of truck or carriage, and meeting, also, the requirements of Commonwealth and Imperial defence.

8. Provision at Sydney and Melbourne of improved system of suburban railway transport, and, preferably, at Sydney, one of underground "tube"

railways, as in London.

In view of the magnitude of these works the expression "reconstruction" of which I have made use may be regarded as not inappropriate; but there is, surely, not a single item in this list of absolute necessities of the present railway situation in Australia which can be omitted if the systems are to be brought up to the standard both of present needs and of prospective requirements.

The cost of carrying out such a programme of reconstruction—apart altogether from the further cost of considerable additions to rolling stock, and other items besides—must, however, needs be pro-

digious.

In New South Wales it has been estimated that urgent duplications alone would involve an expenditure of £3,000,000; while the Sydney Daily Telegraph has reckoned (see The Times, August 27, 1910) that £20,000,000 could be spent "advantageously and prudently" in that State during the next few years. In a speech he delivered at Eastwood on February 24, 1912, on the occasion of the opening of a new town hall, the Premier of New South Wales, Mr. M'Gowen, said there was "an amount of money" lying at the Treasury for the purpose of extending the railways of the State, and of that sum £2,000,000 had been "earmarked for railway duplication." Two millions so spent—if it should be so spent, in addition to being "earmarked"—would still, according to the Sydney

Daily Telegraph estimate, leave £18,000,000 to be spent; while in all the other States, as well, there are either urgent or not-urgent, but desirable, duplications that should be carried out. If New South Wales alone needs to spend £20,000,000, what is likely to be the sum total necessary for line duplications in all the States?

Under present conditions, too, money is being spent so slowly on duplications that a second track has only just been provided for the line between Sydney and Newcastle, although Newcastle, distant 102 miles by rail from Sydney, is the principal shipping port on the northern coast of New South Wales. The Sydney Morning Herald of April 17, 1912, in announcing that the duplication had been notified as complete, observed:

It has been a palpable witness to our slow-going methods that a single line should have been allowed to serve for so long.

The change of other gauges to a uniform 4 ft. $8\frac{1}{2}$ in. for the entire continent would involve a further very considerable outlay. The table given on page 67 shows that over 4,000 miles of line would require to be reduced to the standard, while over 8,000 miles would require to be widened thereto. As regards the former it was reported to a conference of Railway Commissioners held in 1897 that the conversion of the 5 ft. 3 in. gauge in Victoria and South Australia to the 4 ft. 81 in. gauge of New South Wales would cost £2,360,000; but the reduction of broad gauge to standard gauge would obviously be a simpler engineering proposition than the widening of narrow to standard gauge. In the one case all existing bridges, viaducts, and tunnels would serve equally well; in the other case many of these and other works might have to be adapted to the new conditions.

Construction and equipment of the Kalgoorlie-Port Augusta line, connecting west and east, are likely to cost close on £4,000,000, while the Commonwealth is committed to the making of a further transcontinental line, between south and north, linking up Adelaide, in South Australia, with Port Darwin, in the Northern Territory and costing, probably, another £4,000,000.

The building of this second transcontinental line was part of the bargain between the Commonwealth and the South Australian Government when the former took over the Northern Territory from the latter. The Commonwealth acquired the present railway from Port Darwin to Pine Creek, extending 145 miles southward in the direction of Adelaide, together with the line (478 miles) from Port Augusta to Oodnadatta, the northern limit of the South Australian State railway system; and, under the agreement made, the Federal Government are to link up these two existing points of railway with a line passing right through the interior of the Australian continent.

Although this further great work has been authorised, no definite steps towards carrying it out have yet been taken; and, meanwhile, the superior advantages of an alternative route are being strongly urged. It is now suggested that the existing New South Wales lines should be extended from their western terminus, at Bourke, and link up with an extension of the western limit of the Queensland State railways, a transcontinental line being continued from this junction to Pine Creek, and so on to Port Darwin.

In support of the rival scheme it is declared, among other things, that it would lead to the certain

development of great areas now unoccupied; that there would be the prospect of immediate traffic, since a good deal of the south-west Queensland trade would come to Sydney; that in times of drought the present risks of stock perishing in thousands because of lack of transport facilities between the interior districts of New South Wales and Queensland would be lessened; that Sydney, the largest centre of population in Australia, would by this nearly direct line to the Far North of the Continent have increased facilities for trade with the millions of people living in the islands off the northern coast; that Brisbane and Rockhampton, in Queensland, as well as Sydney, would get a shorter journey to the north; while from the point of view of defence it is argued that in time of war it would be far better that troops should be able to pass direct between Sydney and Port Darwin, via Bourke, than have to proceed via Adelaide, the length of the journey being about 2,173 miles in the former case as against 2,966 in the latter—a difference in favour of the former of nearly 900 miles.

The Oodnadatta route, on the other hand, is said to have few attractive features in the way of settlement and traffic, and to offer but small prospect of a return on capital outlay. It is urged, therefore, that the Federal Government, though not seeking to evade the bargain it has made with South Australia, should give precedence to the rival scheme as being the one of more immediate practical advantage.

So far as an outsider can judge, the question really at issue is one of precedence only, since it is obvious that both of these further transcontinental lines—supplementing the one soon to be commenced —will be essential for the proper development of Australia's vast resources and for the adequate defence of her interests.

In each of these respects the present position of the Northern Territory offers a problem of very grave concern for the Commonwealth, and one that gives rise to what Mr. George Gascoyne describes in an article published in the *National Review* for May, 1912, as "Australia's Greatest Danger."

The Northern Territory has an area of 523,620 square miles-in other words, it is twice and a half the size of France. It has a seaboard of 1,240 miles, several splendid harbours, and a series of navigable rivers. Four-fifths of the Territory lie within the tropics. It constitutes "one of the richest areas in the world," yet in 1910, at the end of three-quarters of a century's possession of the Territory by the Australian people, the number of white male adults occupying this area of over half a million square miles was—seven hundred and thirtynine! Between 1881 and 1908 the increase in the adult white male population was twenty-seven. There were, also, in 1908 about 2,000 Chinese, Japanese, and other foreigners, and some 13,000 aborigines; but, including these, and allowing also for white women and children, the total population of the Northern Territory was then only about 16,000, and the increase since has been inconsiderable.

Mr. Gascoyne, who writes with intimate knowledge of tropical conditions, declares that, deeply as he sympathises with the policy of a "White Australia," it remains his "unalterable conviction" that the North of Australia can never be developed and held

by whites. What then is likely to be its future?

The danger of the situation is thought to arise mainly from the possible action of the yellow races,

concerning whom Mr. Gascoyne says:

Asia is awake and militant, and is discovering once more the secret of the sea. The swarming millions will not be content to wait for a century or two while a hand-

ful of white men try to find out whether they can live and work and breed in one of the richest regions in the world. Professor Gregory says that the doctrine that there are no rights of sovereignty unless supported by effective occupation has only been applied to the partition of Africa. True, but there was no need to apply it to the regions of the Upper Amazon and the inhospitable deserts of Central Asia. Northern Australia is to the yellow races a Naboth's vineyard, and it lies empty and open and inviting. The nearest precedent is the case of Tripoli, which Italy has just annexed, in pursuance of her economic necessities, with the sanction of every Power in Europe. Is it likely that the yellow races will admit that there shall be one law for Europe and another for Asia? Only until they get sufficient ships and guns.

Considerations such as these add greatly to the importance, alike for the Northern Territory and for Australia as a whole, of adequate provision being made for transcontinental communications, and it is sufficiently obvious that the prospective expenditure on Australian railways in the not-far-distant future must be substantially swollen by the provision of an

adequate number of lines of this type.

Even allowing for only the two originally projected—the Kalgoorlie-Port Augusta and the Oodnadatta-Pine Creek—and adding to the estimated cost of these the £3,500,000 liability incurred by the Federal Government in respect to the terminal sections of the latter line, it will be seen that, on the basis of the figures I have given, the expenditure to which the Commonwealth is already pledged for transcontinental lines amounts to £11,500,000; though the Hon. J. G. Jenkins, formerly Premier of South Australia, in a paper on "Australian Railways" which he read before the Colonial Section of the Royal Society of Arts, in London, on May 21, 1912, estimated the probable total expenditure in respect to the same undertakings at £12,500,000.

As regards new lines within the States themselves, these are admittedly wanted in all directions. In the *Pastoralists' Review* for March 15, 1912, it is declared that if the "lines needed" (though it is not clear whether or not this expression, as used, includes transcontinental lines), were put in hand at once, an expenditure of over £100,000,000 would be required.

Concerning the need in New South Wales for new lines in the special interests of pastoralists and their flocks, the *Sydney Morning Herald* of March 29,

1912, said:

There can be no possible doubt that one of the most vital requirements of the country at the present time is rapid extension and co-ordination of railway lines, particularly in the western districts. . . . The great trial of the western pastoralist is that he cannot get his best stock away at the first sight of incipient drought, he cannot feed his stud sheep with fodder from other districts, and when he decides to move in spite of all risks his stock is too weak to travel by road. If the west is ever to be fairly developed it must be adequately provided with link lines to make possible the rapid shifting of stock.

At the sitting of the New South Wales Legislative Assembly on March 28, 1912, new railway schemes estimated to involve, in the aggregate, an expenditure of £1,758,000, were referred to the Public Works Committee for report, and on May 8, 1912, the Sydney correspondent of the Standard telegraphed that the Cabinet had "planned to spend a million sterling, during 1913, on the development of the country railways, thereby opening for close settlement a large area of good farming country."

Queensland has embarked on an especially vigorous policy in railway extension, while the Victorian Government are proposing to spend £1,000,000 on railway works projected with the special design of developing the East Gippsland and Upper Murray districts.

Then, whether with or without these new lines, and the opening up of still further districts to rail transport, considerable additions will have to be made to the number of engines and waggons to meet even existing requirements. The Railway Commissioners in Victoria, for instance, have drawn up a programme for the provision of 210 locomotives during the next three years—that is to say, at the rate of seventy per annum for this period. All are to be locally made—a fact on which the Melbourne correspondent of the Railway Gazette comments as follows in the issue of that journal for April 26, 1912:

On the ground that the Victorian shops could build locomotives cheaper than either local firms or firms abroad, the Government adopted the policy whereby the support hitherto given to local builders was gradually withdrawn. It is improbable, therefore, that the local firms, in their present reduced condition, will be able to assist the Railway Department in the proposed production of forty out of the seventy engines per annum.

The apparent excess of cost of locomotives will be infinitesimal as compared with the loss arising out of perishable freights and crops going to waste. It will, therefore, be to the decided advantage of the State and the Railway Department to provide themselves with another forty engines from abroad irrespective of the apparently higher cost.

The correspondent thinks that the three-year programme here in question will have to be supplemented by still further construction in the provision of new locomotives to take the place of "very old engines which," he says, "are becoming risky for further use."

As for new waggons, all the States are displaying 10*

more or less activity in this direction, and I have especially shown how, even before the 1,000 waggons now in course of construction in Western Australia are ready, it has been found that these will not suffice to meet the prospective requirements of the next harvest, so that another 1,000 are to be ordered.

The suburban services at Melbourne and Sydney

are also to be taken in hand.

The Victorian Government have now decided upon the electrification of the Melbourne suburban railways, constituting about 300 miles of single track; they have invited tenders for plant alike for the direct and for the alternating current systems (the choice between the two being an important detail to which the Government have not yet committed themselves); while there is some prospect of arrangements being made with private enterprise for the supply of electrical energy for the new service direct from the State coalfields at Wonthaggi, on the Powlett River, distant about ninety miles from Melbourne. The greater part of the output from these mines (244,477 tons during the year ending June 30, 1911, out of a total of 376,000 tons raised) is already used on the State railways. The assumption on which the projected new arrangements are based is that it would be found cheaper to produce the electricity on the coalfields, and transmit it to Melbourne, than to take the coal to Melbourne, and convert it into electricity there. As for the Melbourne cable tramways—the concession for which to the company now operating them is about to fall in—it may reasonably be anticipated that, when this eventuality is brought about, these lines will also be electrified, and brought up to date.

In regard to the Sydney city and nearer suburban services, the fact that an English expert in tube railways has been sent for by the New South Wales

Government would point to the probability that a resort to this particular remedy—declared by the Sydney Morning Herald to be the only practicable solution of the Sydney transport problem-is, at

least, being seriously entertained.

When, therefore, full account is taken of all these and the other items on the list of essentials, the reader must see that the word "prodigious," as applied to the possible total cost, may be considered no less appropriate than the word "reconstruction" as applied to the necessary improvements and extensions in regard to the railways themselves.

How is the situation to be met? "It is hopeless," said the *Pastoralists' Review* of June 15, 1911, "to expect the Governments to construct one-tenth part of the railways required. Not only are they finding great difficulty in getting their loans floated, but the labour is wanting to make the lines. Duplication of existing lines alone will take all the money and men they will be able to get for years to come."

In New South Wales it is hoped to overcome the labour difficulty by obtaining workers from England. Speaking at Ungarie on March 16, 1912, the Minister for Lands, Mr. Beeby, said the Government found they could not construct railways under the present conditions of the labour market in Australia. They had always given preference to Australia's workmen, but they had now decided to send two men to England to find for them 2,000 navvies and bridgecarpenters, whom they must have if they were to go on with railway construction. The making of this announcement was duly followed by consultations on the part of the labour unions, held to consider whether or not they could approve of the course the Government proposed to take.

Assuming that the labour difficulty may—with the consent of the unions—be surmounted by the ex-

pedient now being resorted to in New South Wales, the financial difficulty would still remain; and here the question arises whether or not the various Governments should admit, however reluctantly, that the State ownership of railways in Australia has not been, let us say, a complete success, and consent to private companies coming to their assistance.

The Pastoralists' Review strongly favours the adoption of this course, and it has especially urged that-

A concession which should be granted to a private company at once, on the land-grant principle, is one to construct a line to Port Darwin or Wyndham from the Katherine River. Only Socialists and such-like lunatics could take exception to such a concession. This would enable the magnificent cattle of the Territory to reach the seaboard in prime condition instead of, as at present, having to walk them, say, 2,000 miles, and for them to arrive as stores. Besides, land-grant railways in the Territory might help to solve the difficulty of populating that part of the Commonwealth.

In Australia English capitalists who might be willing-on fair and reasonable terms-to assist in the development of Australia's great resources through the provision of railways by private enterprise are still looked upon in the light of "undesirables"; but the time would seem to have come for a reconsideration of Australia's policy in this respect.

Replying to a deputation which waited upon him on March 14, 1912, in support of the proposed transcontinental line via Bourke, the New South

Wales Minister for Works, Mr. Griffith, said:

Other countries were blessed by great inland waterways, which did not exist in Australia, and so the Commonwealth must look to railways to develop the interior and cross the country. Other countries, too, were crossed by great railway systems, often carried out by private enterprise, while Australia—wisely, he thought—had refused the right to companies to build such lines. Thus the State shouldered the responsibility to do so itself.

The Sydney Morning Herald of March 15, commenting on these observations, said:

Compared with many other countries of the world, the railway progress of New South Wales is a snail's pace of development. It is true, as the Minister suggested, that in almost all those countries railway building is a matter of private enterprise, while with us private enterprise is taboo. But there is no particular virtue in that latter position unless it spells advantage to the country's interests, and if private enterprise is not allowed to build railways, and Governments will not, we are doomed to stagnation.

Among these other countries of the world where private enterprise in railway construction has been encouraged—countries, that is, which may fairly be compared with Australia—is Argentina; and there the main factor in the enormous industrial expansion the Republic has undergone of late years is the improvement of transport facilities through the "private enterprise" mainly of British capitalists.

While Australian critics are declaring that the economic situation in the Commonwealth is one less of development than of arrested development, eulogists of Argentina point to the fact that the total area of land there now under cultivation is no less than five times more than it was only fifteen years ago; that the value of live-stock produce shipped from Argentina in 1911 (including 150,000 tons of wool, 297,000 tons of chilled or frozen beef, and 82,884 tons of mutton) was £32,000,000; and

that of the 154,788 tons of frozen meat imported into England in 1910 no less than 104,890 tons

came from Argentina.

The reasons for this expansion are made clear when we further learn that, whereas Australia has been trusting entirely to State enterprise in railway construction, the State in Argentina owns only 2,465 miles out of a total of 17,782 miles of railway, the remaining 15,317 miles belonging to private companies, included in this figure being 14,070 miles belonging to seventeen English joint-stock companies, and representing a capital cost of £186,000,000. The number of English joint-stock companies carrying on various enterprises (including railways) in Argentina is 67, and their total capital is given as no less than £244,167,500.1

The contrast between the railway systems of Australia and Argentina is well shown by two maps given by Mr. A. W. Pearse, editor of the Pastoralists' Review, in a little pamphlet he has published on the Failure of State Ownership of Railways. One of these maps shows the railway systems of Victoria and New South Wales in relation to the two capital cities of Melbourne and Sydney, and the other shows the corresponding conditions of that portion of Argentina which embraces the area between Buenos Aires and Bahia Blanca, these two cities occupying in Argentina the same relative positions that Melbourne and Sydney do in Australia. "Practically," Mr. Pearse says, "they are the same distance apart, and to all intents and purposes they are in the same latitude. Yet in the one case—Australia—there is but one main single line connecting the two cities, while in the other there are seven lines

¹ Figures quoted by Mr. H. C. Allen, a director of the Buenos Aires Great Southern Railway, in a lecture on "A Visit to the Argentine," delivered in London before the members of the Chartered Institute of Secretaries, April 18, 1912.

which, with their termini in the two cities, radiate in such a way that they embrace a territory some 500 odd square miles." A vast number of settlers, with their corresponding small towns, are served by these various lines which, Mr. Pearse continues, "are so arranged that at no spot can the producer be at such a distance from the line that he is unable to get his produce to a port, while in New South Wales he can only, in most cases, send his produce to Sydney, and in Victoria to Melbourne, and often after carting for a good distance. Yet this area probably comprises the greatest district, with a reasonable average rainfall, in what may be termed the temperate zone of Australia-an area capable of carrying a great population if the people were attracted to it by railways."

In face of such comparisons as these, the New South Wales Minister for Works can still say that he thinks Australia has "wisely" refused to private companies the right to build railway lines.

Is he equally sure that the States, though they may have shouldered the responsibility of doing the work themselves, are quite equal to the task?

Can Australia, trusting to State enterprise alone for her railways, possibly hope to keep pace with Canada, Argentina, and other progressive countries where a far more active private enterprise is bringing

about such vastly better results?

Is it reasonable to expect English agriculturists to go out to Australia and settle on the land-as they are being invited to do—when the State railways are not equal to carrying the produce of those who are settled on the land already?

It is conceivable that, as one means of meeting the difficulty, the Commonwealth might eventually take over all the inter-State trunk lines, if not, indeed, all the railways in each and every State, thus securing a uniform system of railways and uniform management under central control, with railway directorates in the several States corresponding to the twenty-one "railway directories" of the Prussian State

railways.

The possibility of such a transfer to the Commonwealth has already been foreseen, and, commenting thereon in its issue of February 2, 1912, the Queensland Grazier and Wool and Produce Journal says, "Considering that sooner or later, if we are not careful (and so far we have not been careful), there is a good chance of the State railways falling into the hands of the Commonwealth, we have on several occasions discussed the desirability of selling them right out to a private company and liquidating our national debt with the proceeds"; though the journal now confesses to a change of views as regards this particular remedy.

Assuming that the Commonwealth did take over the whole of the railways on the mainland, with a view to securing uniformity and efficiency in the various systems, it would still be faced by two problems: (1) how to operate the lines with absolute freedom from those "political influences" which, as we have seen, may arise in spite of all enactments to the contrary; and (2) how to raise the huge amount of capital necessary for the essential im-

provements and extensions.

In regard to the former of these problems, it might be pointed out that ownership of the railways by the Commonwealth would not necessarily in-

volve their operation by the Commonwealth.

Difficulties in the way of inducing private capitalists to invest their money in constructing an adequate system of railways in Holland—where the competition with the waterways is especially keen—led the Government of that country to build various

lines at the cost of the State, the mileage of Stateowned lines in Holland being now slightly in excess of that of the company-owned lines. The Government, however, entrusted the operation of their own lines to a "Company for the Exploitation of the State Railways," and, although the Socialist-Labour Party in Holland have made vigorous efforts to bring about State operation of the State-owned lines—and so, in effect, open the door to the admission of "political influences"—those efforts have hitherto been unsuccessful.

In India, also, there has been a very successful application of the principle of operating State-owned

railways through private companies.

In addition to the railway lines they constructed on their own account, when private enterprise was reluctant to undertake the work, the Indian Government, rather than continue paying annual subsidies to company-owned lines, built under a State guarantee, availed themselves from time to time of their power to purchase these lines as the concessions fell in. The State thus, at the end of 1910, owned 24,576 miles of railway in India out of a total, in that year, of 32,099 miles; but of these 24,576 miles owned by the State only 6,676 miles were operated by the State, the working of the remaining 17,900 miles having been entrusted by the Government to private companies. The State has, in fact, not undertaken the operation of a single additional line since 1885. It has built new lines, and it has acquired possession of more of the guaranteed lines; but each new acquisition has been transferred to a company to work, while the wisdom of this policy has been abundantly proved by the results attained.

In India the lines that cost the most to operate, and are at the same time found the least efficient, are precisely those that are both owned and worked

by the State. They have no directors to scrutinise items of expenditure, and, in the absence of any dividend, there is no incentive to a display of energy and enterprise in encouraging traffic; whereas the commercial companies operating the other lines study to combine economy with efficiency, keep the percentage of working expenses to gross receipts at a much lower level, and serve well the interests of the public at the same time that they seek to further those of their shareholders.

Comparisons between State operation and company operation of railways in India are so greatly to the advantage of the latter that the question has been mooted whether the State should not transfer to companies the working even of the lines it still operates; but in respect to one, at least, of these, the North-Western, there are military reasons why it is thought the State should continue to exercise complete control.

Whatever may be the future developments of railway policy in India—where there is, indeed, still great need for more lines—one thing which may be regarded as an assured certainty is that, though the State may find it necessary itself to build more railways, it will never seek to increase its present responsibilities in actual railway operation.¹

In Belgium an extensive system of light railways, supplementing the network of State-owned and

State-operated main line railways, and also serving as feeders thereto, has been constructed by the National Light Railways Society ("Société nationale des Chemins de Fer Vicinaux"), which is described by Lieutenant-Colonel Yorke, in a Report to the

¹ The most recent information as to the general position of the Indian Railways will be found in an admirable paper on the subject read by Mr. Neville Priestley, Managing-Director, South Indian Railway, before the Indian Section of the Royal Society of Arts, in London, on May 6, 1912.

Board of Trade, as "a sort of public trust under Government control, and for all practical purposes a department of the Government, though not so in name." The mileage of the light railways constructed by this body is now in excess of the mileage of the main lines, and additions to the latter have for some years practically ceased in favour of extensions of the former, run along the ordinary streets or roads, or, alternatively, on special tracks of their own. The total capital of these light railways in 1910 was £12,110,000, contributed in the following proportions:

By the State .		42·1 p	er cent.
By the Provinces		28.4	,,
By the Communes		28.0	,,
By private investors		1.5	,,
Total		100:0	

Thus practically the whole of the capital is raised

by public authorities.

On the other hand, although the Society constructs, equips, and owns the lines, it hands over the operation of them to private companies, which work either single lines or groups of lines. The total number of companies with which arrangements have

been made is thirty-seven.

The official reasons for the adoption of this course (decided upon only after prolonged consideration and much controversy) are (1) that disadvantages would result from entrusting to a central administration the working of a number of independent and scattered lines; (2) that each of such lines would have its particular requirements, and that these would be better met by separate than by centralised management; and (3) that separate management, in turn, would afford openings for private enterprise

of advantage to the local communities concerned. This, in effect, was the position as stated by M. de Burlet, Director-General of the National Society, in an article contributed by him to the *Revue Économique*

Internationale for February 15-20, 1907.

There is, however, another and non-official explanation, given by M. Colson, the eminent French authority on railways. His view is that company-operation of the lines in question was adopted "to avoid the intrusion of politics"; 1 and how prominent a part politics may assume in the Parliamentary control of the State railways of Belgium has been clearly shown by M. Marcel Peschaud in his articles on "Les Chemins de Fer de l'Etat Belge," published in the Revue Politique et Parlementaire for May and June, 1906.2 This further consideration may, in fact, be regarded as having had quite as much weight as the others. It has certainly helped to prevent the situation in regard to the pressure of "political influences" on a Parliament so essentially democratic as that of Belgium becoming still more acute, as would inevitably have been the case had the light railways as well as the main-line railways of that country been, not only owned, but directly operated, by the public authorities.3

These examples of a combination of State-ownership and company-operation will be found well deserving

¹ Transports et Tarifs, 3rd ed., p. 777.

³ For details concerning the origin, construction, and working of the Belgian light railways system the following might be

consulted:

Belgian Light Railways: Report to the Board of Trade, by Lieutenant-Colonel H. A. Yorke, R.E., C.B. [Cd. 6158.] Issued April 30, 1912.

Report to the Board of Trade, by Mr. Mervyn L. Chute, on Rail-

ways in Belgium. [Cd. 5106.] 1910.

Notes on the Organisation and Working of the Belgian National

² A translation of these articles will be found in *State Railways*: Object Lessons from Other Lands, by Edwin A. Pratt. (London: P. S. King & Son.)

of study in Australia, whether the railways are taken over by the Commonwealth or continue the

property of the individual States.

On the other hand, whether the railways are all acquired by the Commonwealth or remain—except for the transcontinental lines—in the possession of the individual States, it will still be necessary to raise those huge amounts which are needed both for improving the existing lines and for building new ones. Obviously the surpluses—where these are made at all-will not suffice for the purpose, and the money would have to be borrowed.

Here, however, we come to the fact that, as shown by the Official Year Book of the Commonwealth of Australia, the public debt of the Australian States amounted in 1910 to £257,624,000, an increase in ten years of £54,106,000. Inasmuch as the entire population of Australia is but four and a half millions, a public debt of this magnitude would seem to be already a sufficiently heavy obligation for so small a community. Then, as the Pastoralists' Review for March 15, 1912, points out, "to cover the expenditure provided for in the Commonwealth States' estimates for 1911-1912, taxation in various forms will have to yield something like £33,000,000," which sum must be found by the four and a half millions. the burden falling mainly, however, on the producers.1

Light Railway Company, by Colonel W. Hutcheson Poë, C.B. Appendix No. 21, vol. vii., Report of the Viceregal Commission

Abstract, by Edwin A. Pratt, of M. C. de Burlet's article on the Belgian Light Railways in the Revue Économique Internationale, App. No. 6, vol. v., Report of the Viceregal Commission on Irish Railways. [Cd. 4481.] 1909.

Les Chemins de Fer Vicinaux en Belgique, par C. de Burlet.

(Bruxelles: 4, Rue du Parlement.)

¹ How the producers in Australia are already finding the burden of taxation sufficiently heavy, if only as the result of recent developments in Socialistic legislation, is suggested by the report of a banquet given at Quirindi, New South Wales, by the Tamarang That either the States individually or the Federal Government itself will now be able to raise easily all those millions of pounds which, as I have shown, are necessary to put the railways in a condition equal not only to present but future needs, and adequate to enable Australia to compete with hitherto more enterprising countries, is beyond the limits of reasonable expectation. Yet unless Australia does raise the money, does get the railways, and does develop her resources, arrested development will be her inevitable fate.

Even the prospect of having to provide for a new or improved suburban railway system at Sydney—an undertaking which constitutes only one of the various items on the list of essentials—is giving rise to wonderment as to how the money will be raised, the Sydney Morning Herald of April 15, 1912, saying thereon:

Doubtless when the city railway scheme comes up for discussion once more before the Cabinet, the first wet blanket it will receive will be a query from the Treasurer as to where the money is to come from. One of the greatest drawbacks to our method of wholesale Governmental ownership of business undertakings is the difficulty of finance. After all, the Government cannot be on the money-market all the time, though from the way the country is progressing it would almost need to be. State ownership involves the responsibility of raising the necessary money for extensions, such as that now

Shire Council, to Councillor Kenneth Clift on the occasion of his leaving the district for Argentina. The president, Mr. Hugh McMaster, who occupied the chair, said it seemed a pity that men of means like Mr. Clift felt compelled to go away from Australia to invest their capital when vast areas of land in Queensland and Western Australia were unoccupied. Councillor Clift said he had a large amount of money available, but could see no safe investment in taking up more land in Australia when 30 per cent. went to pay taxes of various kinds. He was going to South America, where land taxation was unknown. Large areas were plentiful there, and easily acquired.

being considered, and the whole scheme rests upon the capacity of the Treasurer to raise money fast enough to keep reasonably in pace with the growing requirements of a country that is being developed at a remarkable rate. If for any reason the Treasurer fails to respond, the progress of the whole country is retarded. . . . Before the Government rushes headlong into more socialistic enterprises, it would be well for it to seriously consider how it is going to find the money to keep those it already controls in pace with the times. This will, without doubt, prove one of the greatest problems of the near future.

If such reflections as these are to arise in regard to so comparatively simple a matter as providing Sydney with, possibly, a city and suburban "tube," what will be the position when funds have to be raised for furnishing the Australian Commonwealth as a whole with a really adequate and efficient net-

work of railways?

In the circumstances, the only practical way out of the difficulty would appear to be for Australia to follow the example of Canada, Argentina, Brazil, and other progressive countries by adopting the principle of private enterprise in railway construction rather than hamper her progress and sacrifice the best interests of her people for the sake of an idea which in her case, at least, has been alike a delusion and a snare.

CHAPTER XIII

THE MORAL FOR ENGLAND-AND IRELAND

Whatever the course that Australia may eventually pursue in order to solve effectively the problems of transport, economic development, and national defence by which she is now faced, it must surely be admitted that the story of her past and present experiences in State railways affords no argument in favour of a resort to railway nationalisation, either for the United Kingdom as a whole, or—whether experimentally or as an item on a Home Rule Government programme—for Ireland alone.

The theory of the railway nationalisation party in this country, that in the provision of railways a Government is much more likely than a railway company to be influenced by considerations for the general public advantage, is in no way strengthened by the actual results of State railway policy in Australia, as compared with the results of company

operation elsewhere.

State enterprise is seen to have been less enterprising there than private enterprise has been in other countries in the construction of new lines; the various States in Australia have been quite as eager as any purely commercial company could possibly be to keep traffic for their own systems, regardless of all economic prejudice to the trader; while the creation of a really national railway system—in the sense (as distinct from the detail of ownership) of lines similar in gauge, having physical con-

nections, and serving the entire country, the rolling stock in one section thereof passing readily to all the other sections—has been rendered far more possible in countries where commercial companies have built the railways than has been the case in Australia, where the States, while claiming superior virtue, have each acted as though it had only its own interests to consider.

The State railways of Australia are, in fact, only just emerging from the stage that was reached long ago by the company-owned railways of this country when they began to link up with one another and give to the public all the advantages of through transport, irrespective—so far as the users were concerned—of any consideration as to which company controlled each particular portion of line over which the traveller or the goods carried might pass. The railways of Australia may be State-owned and State-operated, but with their obvious inadequacies and deficiencies they fail to serve really "national" purposes.

Thus one lesson we learn from these railways is that not only is State enterprise not essential to State—or Commonwealth—development, but that it may even have a hampering or retarding effect as compared with what private enterprise can do when it has full and fair opportunities of showing

its capabilities.

It may, of course, be argued that in the United Kingdom the question of State enterprise in railway construction would hardly arise, since we already have all, or nearly all, the railways we require. Admitting this fact, and looking further at the subject from the points of view of control, operation, and practical advantages to traders and travellers, can it be said that even here the example of Australia and the experiences of Australians afford us the

smallest possible argument in favour of State, in place of company, management of our railways?

In the matter of control we have clearly nothing to learn from a system under which the State Parliaments had to pass special enactments to prevent their own members from an undue indulgence in "political influences"; and, although it will doubt-less be said that effective steps could be taken to prevent the arising of such influences here, any system of direct Parliamentary control which needs these checks and safeguards is open to question, while there is the extreme improbability, as recent events in Australia show, that the precautions taken would be permanently efficacious. Do the experiences of Australia lead us to believe that we could safely trust a Socialist-Labour Government at Westminster or a Home Rule Government in Dublin never to seek in the slightest degree to confer any special favour or advantage on their friends or political supporters in the working of the railways if, coupled with their own advent to power, these had passed under their control by reason of some scheme of nationalisation or public ownership?

Nor does the operation of railways in Australia by the States and their appointed servants seem to offer any improvement on operation by companies. The management of railways is not only a business, but a business not equalled in magnitude and complexity by any other commercial undertaking in the world. It is, also, essentially a business for experts rather than for politicians; and though it may be said that the politicians would appoint experts to do the work, the hampering effects of politics in one form or another are not to be entirely got rid of under a system of State ownership and operation in countries where the popular vote is a matter of paramount importance to the Government of the day.

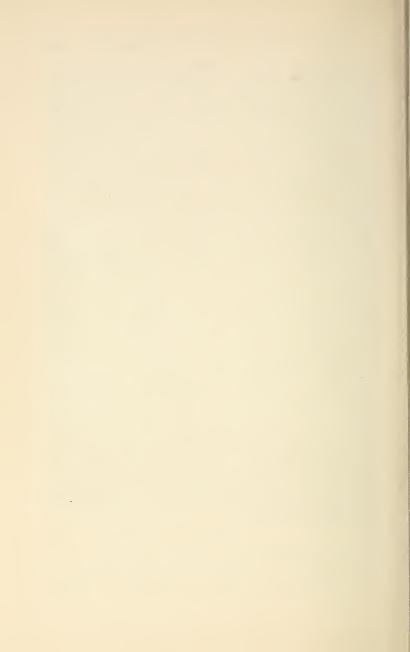
Concerning labour troubles, the experiences of Victoria in her railway strike of 1903 do not in any way support the idea that State ownership and operation of our own railways would afford a guarantee of industrial peace in the transport world.

As for any practical advantages for traders and travellers, it cannot be said that either class in Australia derive from the State railways there any benefits whatever in the way of transport or of trading facilities which are not obtained to a far higher degree, under company-ownership of railways, in the United Kingdom, while, on the other hand, the complaints and grievances of all classes of the community in Australia against the railways are far in excess of anything of the kind that is heard of here.

State enterprise has had an ample opportunity of showing what it can do for the people of Australia; yet the final outcome, so far as railways are concerned, is shown by inadequate construction, diversity of gauges, and inefficiency in operation, followed by transport conditions often bordering on chaos, a checking of industrial development, paralysis of leading trades, enormous losses by traders, inhuman treatment of live stock, and the final necessity to obtain huge sums of money in order practically to reconstruct the greater part of the system de novo.

So the moral for ourselves of the story here told is that State ownership and operation of railways in Australia should be regarded as a warning alike to England and to Ireland rather than as an example

for either to follow.



APPENDIX

THE GAUGE QUESTION IN AMERICA

Australian readers may be interested to learn how the question of diversity of gauge has been dealt with in the United States, where at one time it was experienced in a still more acute form than is to-day the case even in the Commonwealth. The full story is told in a "Report (dated December 30, 1903) on the Organization and Working of Railways in America," by Mr. Neville Priestley, then Under Secretary to the Government of India, Railway Department, and now managing director of the South Indian Railway. From this Report I extract the following details.

Prior to the year 1886 the greatest diversity existed in the gauges of the American railways, there being gauges of 6 ft., 5 ft. 6 in., 5 ft., 4 ft. 10 in., 4 ft. 9 in., 4 ft. 8½ in., and lesser ones besides. The expense and the extreme inconvenience resulting from transhipment wherever a break of gauge occurred became a matter of grave disadvantage in the operation of other than purely local traffic, and various expedients were resorted to, in the interests alike of the railways and of the traders, as a means of avoiding the transfer of consignments

from one set of waggons to another.

About this time the bogic system of vehicle had come into more or less general use in America, and it occurred to some one that if, by means of a hoist, the body of such vehicle were lifted off the double bogic—or pair of trucks—to which it was connected only by a central pin, or "kingbolt," it could be readily lowered again

on to bogie trucks of a different gauge, and fitted into

the central pins of those trucks instead.

This expedient was adopted in regard alike to goods waggons and to passenger vehicles. The hoist handled one passenger car or two goods waggons at one time, and it took twenty minutes to transfer a train of four passenger vehicles. Of goods waggons one hoist easily

transferred from 100 to 125 in a working day.

Then it occurred to a Mr. Ramsey that, instead of lifting the heavier weight, represented by the body, off the bogie trucks, it would be much simpler to remove the trucks from under the body. To this end he designed a method by which the bogie trucks ran down an incline into a pit, and there became disengaged from the body, itself supported by cross-beams resting on small trucks placed on each side of the main line. Inside the pit the two gauges terminated in dead ends, and, the bogie trucks of one gauge being withdrawn on the one side, it was an easy matter to attach the body to another set of trucks on the other side, the cross-beams being removed when, on the body being pushed or drawn forward, the weight no longer rested on them.

This method was, Mr. Priestley says, extensively used in America where there was a break of gauge, the bodies of broad-gauge vehicles being transferred to narrow-gauge trucks, and vice versa. "It was found expeditious and economical when compared with the old method of car-to-car transhipment, and the only inconvenience ever experienced was when the supply of trucks gave out." The time occupied in the transfer was computed at, under ordinary conditions, ten cars per hour; but, in a trial for speed, it was found possible to transfer a vehicle from one gauge to another in a

minute and a half.

Even the improved system, however, had such serious disadvantages, especially in view of the increasing traffic in the United States, that a conference of Presidents of the different railways, held in the summer of 1885, came to the conclusion that the only effectual means of overcoming the disadvantages of the situation would be found in establishing uniformity of gauge,

and they resolved that this expedient should be adopted in the following year. In February 1886, a conference of General Managers decided that the standard gauge should be 4 ft. 9 in., but that railways on the 4 ft. 8½ in. gauge need make no change. The 4 ft. 81 in. has since practically become the standard instead of the 4 ft. 9 in. Some of the roads adhere to the latter gauge, but all vehicles are interchangeable between the two gauges.

The conversion of gauge was carried out at the end of May 1886, two days being allowed by the companies

for the change.

BORDER RAILWAYS

In reference to the question of border railways in New South Wales and Victoria, alluded to on page 60, later details, received by mail whilst the present work is passing through the press, show that on April 26, 1912, a conference of Ministerial representatives of New South Wales and Victoria, held in Melbourne, agreed to recommend their respective States to adopt a scheme for linking up the South-Western district of Riverina, New

South Wales, with the Victorian railway system.

The district here in question is described in the Sydney Morning Herald of April 29, 1912, as "an extremely rich tract of land" along the northern bank of the Murray River, but hitherto "entirely undeveloped," although land of a similar quality on the other side of the river is in a flourishing condition. The reason for this difference is that, while the land on the Victoria side has direct rail communication with Melbourne, that on the New South Wales side has hitherto had no rail transport facilities at all. To connect with Sydney would involve the construction of 400 miles of railway and the payment by the settlers of proportionately heavy railway rates. For a connection with the Victorian railway system some short border lines would have sufficed; but the provision of these would have led to the passing of New South Wales produce on to the

railways of a neighbouring State, and, with the prejudices and jealousies which influenced so materially Staterailway policy in Australia in the past, it was thought better to leave the district in an undeveloped and more or less moribund condition rather than allow Victoria

to gain traffic from New South Wales.

For twenty-five years the problem as to the future of these neglected lands has been brought forward from time to time, but only now has the self-evident solution been arrived at in a recognition of the fact that Riverina products, though grown in New South Wales, should be allowed to go to Victoria as their natural market, irrespective of any question as to State boundaries. the scheme approved at the Melbourne conference two Victorian lines, which now stop short of the border, will be taken to it, carried across the Murray, and extended a certain distance (on the same gauge as the Victorian lines) into the Southern Riverina district of New South Wales, the two States dividing the cost of the bridges. While it is true that the Victorian railways will thus benefit from the New South Wales traffic, the latter State will gain from the opening up, at comparatively small cost to herself, of a tract of country offering great possibilities, and one that, under conditions of private enterprise in railways, would assuredly have been developed long ago.

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