

STATE ELECTRICITY COMMISSION OF VICTORIA

6400

ENGINEER AND MANAGER.

ELECTRICITY SUPPLY DEPARTMENT

To MANAGER: BALLARAT BRANCH.

Date 20th September, 1956.

Subject -

ELECTRICITY SUPPLY DEPARTMENT BALLARAT BRANCH	
REC'D	21 SEP 1956 <i>ll</i>
ACK'D	ANS'D
REF'D TO	ATTENTION
	SECRET
	NOTING

n/s AWL 21.9.56.
6/7/56 D 21/9
8/1/56

TRAMWAYS:

Similar
 letter
 sent:-
 M/Ball.
 M.N.W.R.

Although the future of the remaining provincial tramways continues to be unresolved, it may be that in your personal contacts with local people, comments may be encountered concerning road damage at Geelong allegedly caused by motor buses.

For your information, therefore, we send you a copy of a memorandum from Mr. Farr, at Geelong, giving details gleaned from the local authorities subsequent to a report in the Geelong Advertiser, dated 13th September, 1956, under a prominent heading of "Buses "Pounding Streets to Pieces" in Geelong West".

Encl.

W. Christy

Whilst I do not think further comment will be made by the Engineers of the various cities concerned, there is always the possibility of the matter being used by the local Trades Hall Council which fought so strenuously for the retention of the tramways in Geelong.

Attach.

Copy/KJS
20/9/56

TAF/MHG

From MANAGER: GEELONG BRANCH.

14th September, 1956.

To ENGINEER AND MANAGER.

TRAMWAYS ABANDONMENT:

I am enclosing an article which appeared in the Geelong Advertiser yesterday regarding the effect buses are having on the Geelong West Council roads. As the publication of this statement may be considered adversely elsewhere, I have made some inquiries and forward the comments herewith.

On telephoning the Geelong West City Engineer (Mr. Hill), I was informed that the matter was raised in the Council by the Chairman of the Public Works Committee over an expenditure of £300/-/- to restore a bus stop in Glenleith Avenue. He also stated that another bus stop in the Esplanade required similar treatment and the Committee was rather apprehensive what their probable commitments would be. The Engineer stated that they were experiencing trouble with bus stops at other locations, caused by the bus pulling into the kerb and damaging the drain or breaking through the thin metal road sheeting. He would not be prepared to blame buses alone for any general deterioration of the central portions of roads.

I then discussed the matter with the Engineer, Geelong City (Mr. I. McDonald) who stated that he had encountered a certain amount of trouble at bus stops, but this was to be expected as the buses in pulling to the kerb for passenger convenience, were obliged to use parts of the road where none or little metal existed and the Council realised their responsibility to provide facilities in these areas. He cited American practice which was replacing bitumised metal with concrete at bus stops. Mr. McDonald passed the interesting comment that he constructed Glenleith Avenue, the area mentioned in the Geelong West report, 30 years ago with metal 6" to 8" deep whereas no road could be expected to withstand today's traffic without 12" to 14" of metal. He passed on to me some interesting figures on the traffic census recently conducted in Geelong which showed that normal traffic had increased 40% in 4 years whereas peak 5 to 6 p.m. traffic was 70% greater in the last 4 years. This, McDonald says, is an indication of the increase in road maintenance which must be expected and is not due to bus operation alone.

Mr. Head, Engineer for Newtown & Chilwell Council, said that he had experienced road deterioration at bus stops mainly from damaged drains and from vehicles breaking through the thin metal covering of the road aprons. He could not blame buses only for any general road deterioration.

Whilst I do not think further comment will be made by the Engineers of the various cities concerned, there is always the possibility of the matter being used by the local Trades Hall Council which fought so strenuously for the retention of the tramways in Geelong.

Attach.

ELECTRICITY SUPPLY DEPARTMENT

GEE LONG TRAMWAYS - REVIEW

1953.

Early History:

This installation was not made by a private company in the usual manner as a sound prospective enterprise but was undertaken at the request of the Municipal authorities. The installation of a tramway at Geelong was rather belated by comparison with other communities who had electrified their steam and horse-drawn systems at the turn of the century. The private company was reluctant to extend its operations to tramways probably by reason of conditions then being experienced in other small centres with tramways and the development of the motor vehicle might have early effect upon fixed rail installations. The company however, held a limited term franchise in respect of the Electricity Supply business and realised that conflict with the Councils on the tramway question could jeopardise the ultimate future of the company in its profitable and expanding Electricity Supply undertaking. Provision was made however for the tramways to be operated by the company for 20 years with the promise of acquisition then by the Council or extensions for short terms until the future was resolved. There was some local opposition to the delegation of tramway powers to a private concern and this was of such character that a referendum was eventually necessitated before the Act was passed. The first tram routes opened were those to Newtown and West Geelong on 14th March, 1912. The South route was opened to the Barwon Bridge on 11th December, 1913 after trouble with the railway crossing had been overcome. Three Daimler solid tire buses were operated on the East route prior to the trams commencing on 12th October, 1922 and the extension to Chilwell did not follow until 30th September, 1927. A new bridge over the Barwon River enabled the extension to Belmont to be opened on 16th December, 1927 and the last major installation to the North route was opened on 6th June, 1928. There was an extension to Eastern Park on 10th September, 1930, principally to meet the requirements of the transfer of football matches to the Corio Oval. The only change in the system lay-out since that date was the transfer of the redundant track to the wharf as an extension along Corio Terrace to serve the Eastern Beach area in October, 1940.

Creation of a State Electricity Commission:

The creation of this authority in ~~1922~~ ¹⁹¹⁹ gave indication of the ultimate plan for a state wide scheme for publicly owned electricity supply and distribution and to a certain extent resolved the ultimate destiny of the privately owned local supply undertakings. The provisions of the S.E.C. Act 1922 (No. ~~3776~~ ³²⁶⁵) however provided some security for those undertakings with tramway commitments in that the Act authorised the Commission to also acquire those assets when negotiating the purchase of the electricity supply undertakings. The Act however specifically did not grant any authority to the Commission to operate a tramway system, probably by reason of an opinion at that time that tramways should be a locally owned and operated concern and the delegation of authority to the companies provided for municipal requirements. This provision in the S.E.C. Act caused some disquiet in the councils of the three provincial cities in that the electricity supply would probably be merged in the State scheme but there was no provision for the continuance of the tramways which at that time were an integral part of the supply undertaking. There was apparently no desire on the part of the municipalities to take the tramways themselves. To placate the Councils however the Hogan Government in 1927 gave unequivocal

(Cont'd.)

assurance that the tramways would be continued if desired by the Councils after the Electricity Supply undertakings became merged in the State scheme.

Acquirement by S.E.C.

When planning for eventual acquirement of the three provincial undertakings operated by the Melbourne Electric Supply Co. and the Electric Supply Co. of Victoria the future of the tramways therein had of necessity to be determined. The Commission had no desire to become a tramway authority. In the experience of the private companies they were potentially an unprofitable adjunct to the Electricity Supply business, thus the consumers of electricity in the three cities were in effect subsidising the operation of the tramways. There was also the feature that a strong anti-tram attitude had grown up especially in Ballarat and Bendigo where the systems had been permitted to deteriorate to a deplorable condition. There had been some friction of late years between the Councils and the company over the tramway position and the policy of the Councils in encouraging the development of Competitive Urban Omnibus services. The cost of rehabilitating the Ballarat and Bendigo systems could not be financed from the resources of the Commission and in any case could not be regarded as a sound investment. The Commission offered the tramways free of charge to the Councils who refused same and took the attitude that the responsibility had devolved upon the Government for the trams to continue by reason of the earlier assurances. Eventually a combined conference of all the municipalities concerned including those at Geelong decided to request the Government to introduce legislation to authorise the Commission to operate the tramways in the three cities when the Commission took over the undertakings concerned. The Commission reluctantly agreed to this when it was apparent that the Councils were allowing the tramway question to assume such importance that the expansion of the State scheme for electricity supply transmission to the districts concerned was being seriously jeopardised.

Agreements with Municipalities:

Before the introduction of legislation it was necessary that the Councils and the Commission should conclude formal agreements to govern the responsibilities of both parties such as maintenance, tram speeds, by-laws, payments to the Councils in lieu of rates, the obligations of the Councils to restrict competitive services, losses on trams to be a charge to local electricity consumers and the power of councils to require extensions or alterations to the routes under financial guarantees. The agreement ultimately reached was very largely in the form of the agreement in existence between the Geelong Councils and the Melbourne Electric Supply Company. Naturally there was some difficulty in reaching a uniform agreement acceptable to the three provincial centres by reason of the necessity for appreciation that the Commission as a State Authority could not be subjected to the bargaining that might be extracted from a private company out to produce profits for its shareholders, also the fact that the Commission had no desire to operate the tramways and that the request that it should do so originated from the Councils themselves. Broadly, the Commission realised that the tramways would inevitably be a charge to the consumers of electricity and to that extent the expansion of the main function of the Commission would be retarded. It had therefore a major obligation to protect its consumers to its utmost power. There had been friction between the Councils and the private companies by reason of the encouragement of competitive omnibus services for which the Councils were the licensing authority under the Motor Omnibus Act of 1928. This state of affairs could not be perpetuated as between the two public authorities such as the Councils and the Commission and

the Commission was only prepared to operate the Tramways with the inclusion of the safeguards as to competitive services contained in Clause 19 of the agreement. The reluctance of the Councils to grant this authority was later reflected in the degree of supervision given to urban services for some years after the Commission took over the tramway systems. The agreement did not provide for any fixed term of tramway operation and there has been no variation since completed on 9/8/1929 at Geelong, 2/10/1929 at Bendigo and 17/11/1929 at Ballarat.

State Electricity Commission Act 1929 (No. 3845)

In December, 1929 this Act was passed to give the necessary powers to the Commission to operate the tramways. The parliament confirmed the powers sought by the Commission to provide for protection of the tramways from competitive services by the insertion of Section II Clause (B). The Act makes the usual provisions as to tramway construction and management, the authority for Councils to enter into agreements with the Commission, including the reimbursement of the Commission by municipalities for losses sustained by reason of sponsored extensions, the power of Councils to apply such charges to the Municipal Fund and any necessary increase in rates, and also lays down the procedure to be followed for the abandonment of any tramway by the Commission. Except as provided in the Transport Act 1951 (No. 5559) there has been no variation to Act No. 3845. The transfer of licensing Authority for Urban Passenger Omnibuses in the three provincial cities from the respective City Councils to the Transport Regulation Board by Act 5559 retained to the Commission the protective conditions considered essential when it assumed responsibility for the provincial tramways.

Municipal By-laws:

After the conclusion of the agreements with the municipalities, it was necessary that the Municipal By-laws under the Motor Omnibus Act 1928 should be reviewed in consideration of services regarded as competitive to the tramways. Following the precedent of an overseas decision, it was defined by the Commission and accepted by the Councils that the tramway should be considered to directly serve an area within a $\frac{1}{2}$ mile radius of a tramway route. As far as practicable, omnibus services should not traverse such area and where impracticable to observe this, restrictive conditions as to the carriage of passengers within such area should be imposed. There was again some reluctance on the part of the Councils to depart from established practice in some instances or to impose restrictive conditions to the extent desired by the Commission. For its part, the Commission has endeavoured throughout to be as generous as is reasonably possible and has accepted the desirability of services being provided to areas beyond the reasonable limits served by the tramways. This is evidenced by the number of omnibus services in existence today. The Commission has also accepted that such features as creeks and railway reserves have a restrictive effect where placed adjacent to the tramway routes and effectively reduce the area directly served by the tramways. Generally speaking, the Councils have observed the consultive provisions of the agreement with the Commission but until quite recently they were apparently not in a position to appoint an officer for full time duty on traffic and associated matters.

There was therefore not the degree of supervision and policing that the Commission reasonably expected. It is the opinion of the Commission that until immediately prior to the 1951 Transport Regulation Act, the policing of competitive services largely devolved upon the Commission. Although

complaint of breaches of licence conditions were from time to time reported to the Council or its officers, there is no record of any action culminating in the prosecution of the offender. It has been the desire of the Commission that its relationships with the various Municipal authorities should be mutually concordant and has not desired that the difficulties associated with the operation of tramways should intrude to interfere with such relations. In Geelong, the difficulty of getting the Council to agree to the provision of an adequate protection to the Commission tramways has its best illustration in the matter of the tramways in Pakington Street. The principle of $\frac{1}{4}$ mile protective area to the tramways has never been fully implemented in this district and the ultimate concession grudgingly provided in the By-laws was at no time observed by the operators. It was felt that full implementation of the conditions of the agreement and the powers provided in the Act No. 3845 would produce an undesirable state of affairs as between two responsible public authorities and was thus not forced by the Commission. The position of the Council as individuals in an honorary civic service has always been appreciated by the Commission but although its policy has had adverse effect upon the tramways in this area it is not regarded as being to such extent that the operation of the tramways in Pakington Street has been rendered uneconomic entirely by such cause.

Proposed Extensions of Tramway Routes:

No extension of a tramway route has been carried out under the terms of Clause 22 (E) of the agreement between the Commission and the Municipalities. "Provided that if any council or councils apply to the Commission for some extension duplication or reconstruction of existing lines to be carried out or for the carrying on of an omnibus service along any route the Commission shall submit to the said council or councils an estimate of the annual costs and income which will be attributable thereto and if the council or councils agree to pay the Commission for a period of ten years the costs attributable in each year to the carrying out and operation of that extension duplication or reconstruction or as the case may be of the carrying on of an omnibus service along that route less the amount of additional revenue received from the operation thereof, the Commission shall forthwith have such work carried out or as the case may be carry on an omnibus service along that route. Provided further that any reference in this clause 22 to net profit resulting from the carrying on of the Geelong District Tramways Undertaking and any omnibus service or to loss incurred thereon means the difference between the revenue derived from that undertaking and service in the period concerned and all revenue expenditure incurred in respect of that undertaking and service in the period concerned including inter alia any provision required by the Parliament or Government of Victoria for sinking fund on loans in respect thereof and such provision as the Commission considers proper for bad debts for depreciation of the assets for insurance against any risks (whether such insurance be in any respect conducted by the Commission or by any regular underwriters) the cost (ascertained in such manner as the Commission shall in its own discretion decide) of the supply of electricity from the Commission's supply system to the undertaking, and any other matters and amounts allowed by the Government Auditor as proper to be charged against the revenue of the said undertaking or service AND that the certificate of the Commission's auditor as to the amount of revenue derived from the said undertaking and service in any period or as to the additional revenue received in any year from the operation of any extension duplication or reconstruction carried out as referred to in sub-clause (e) of this clause 22 or

the costs in any year attributable to the carrying out and/or the operation of any such extension duplication or reconstruction or the carrying on of any omnibus service or as to the amount expended in any period upon any object of revenue expenditure shall be final and conclusive." There have been several submissions to the Commission by various persons and bodies and these are summarised briefly as follows:-

- April, 1933 - Councillor Black (South Barwon) extension one mile along Barwon Heads Road to a recreation reserve.
- Aug., 1938 - Breakwater Progress Assocn. - extension to the Showgrounds.
- April, 1939 - Chamber of Commerce - extension in Corio Terrace to Eastern Beach.
- July, 1939 - City of Geelong - supporting above proposal.
- May, 1940 - Shire of South Barwon - extension 120 chains along High Street.
- Jan., 1940 - Trades and Labour Council - extension of above to the swimming pool.
- July, 1941 - Trades and Labour Council - extension to North Shore.
- Sept., 1941 - City of Geelong - extension to North Shore.
- Dec., 1942 - Corio Shire - " " " "
- Sept., 1946 - Shire of South Barwon - Repeat 120 chains extension in Belmont.
- Nov., 1946 - Mr. T. K. Maltby, M.L.A. - Reduce extension from 120 to 40 chains.
- May, 1952 - Trades and Labour Council - extension one mile in Church Street.

The investigations of the Commission into these proposals showed that the anticipated additional revenue would not cover the additional operating charges let alone the annual additional capital charges. In one instance, pressure for an extension was rather persistent but the project was quickly dropped when the Commission referred to the prospective annual cost to the council under the terms of the agreement. The extension to the Eastern Beach did not involve a substantial expenditure by reason that the redundant track between Corio Terrace and the wharf was transferred to provide the short extension necessary.

Physical Characteristics and Changes at Geelong

The layout of the area of greater Geelong is in many respects adverse to the operation of tramways and some of the developments since the Commission took over the tramways have, to a certain extent, had effect upon the original tramway layout. In the early days, the tramways system appears to have been centred upon the wharf and the Railway Station. The first routes to operate were to Newtown and Geelong West and those routes operated in that manner until quite recently. The roundabout route from the Station through the city to get to

Pakington Street however may have been acceptable in 1909 but the construction of the Gordon Avenue Subway to Latrobe Terrace changed the whole complexion as to access between the city or the Station and the expanding district of West Geelong. It is noted that in 1935, a project for the construction of an arterial road from Latrobe Terrace to Pakington Street as a continuation of Gordon Avenue was propounded but was not developed. The dearth of arterial roads from the city area to the Geelong West, Newtown and Chilwell districts necessitated the original layout following a form which unfortunately created an uneconomic duplication and eventually triplication of services along Ryrie and Aberdeen Streets while the route along Pakington Street Northwards has long since ceased to serve the growing population to the West. The recent suggestion that the West route be extended west along Church Street, could, at its best only be described as a costly palliative to a thoroughly unsatisfactory route. It is held by some authorities that if a route justifies a tramway only double track should be considered. The absence of radiating thoroughfares to Geelong West and even Pakington Street itself is restrictive to tramway operations. A similar position exists in the South Geelong and Belmont area due to the bottle-neck of the Barwon River Bridge. Here tramways would perforce of capital costs be committed to operation in Moorabool Street for 1.08 miles without addition to population served before spur lines to serve areas now being developed could be provided in Belmont.

Outlook of S.E.C. as to Tramways:

The tramways in the three provincial cities were at the outset of the Commission's interest acknowledged by all concerned as uneconomic functions and which with the growing popularity of private transport per medium of the motor car could not by any stretch of imagination be considered to have developmental prospects with economic backing. Of principal concern to the Commission was the physical aspect of the older systems at Ballarat and Bendigo. These were really in scrap condition and for whatever term it was desired to continue their operation a substantial expenditure was faced. The book value of these tramway assets when taken over was practically nil. Thorough investigations were made and special expert committees were set up to investigate the various alternatives as to public transport and the continuance of the tramways. The modernisation of the systems was beyond the capacity of the State to provide even if the project could be classed as economically sound. The alternative forms of transport were the Motor Omnibus with a then life of 8 years and the Trolley bus with a life of 15 years. Having regard to these alternatives as they then stood, the decision reached by the investigators was that the future would be best served by reconditioning the systems sufficiently only to cover a period of future operation comparable with the longest life of the available alternatives. In other words a breathing space of 15 years would be provided for the Municipalities to decide the ultimate form and management of public transport in their respective areas. The Commission could not of itself find the necessary finance to carry out comprehensive works and eventually State assistance per medium of the Unemployment Relief Fund had to be approached on the matter. An amount of £170,000 was provided from three sources, £100,000 from the Unemployment Relief Fund by reason of the high proportion of labour to material expenditure in the plan, £50,000 from the State Government and the balance of £20,000 by the Commission. It was a condition that the Government's action in rendering financial aid for the temporary continuance of the operation of the tramways completely discharged the State from the obligations entered into by the Hogan Ministry. The future of tramways in these centres it was stipulated would be a matter as between the Commission and the Councils concerned in future. The tramway system at Geelong however was (by reason of its more recent installation) in a much better physical condition. Having regard to the fact that it also was economically unsound and would have reached the limit of its anticipated useful life about the same time as the 15 years'

extension accorded to Ballarat and Bendigo, the whole problem of Urban Transport in the three cities would eventually come under review about 1950. With this prospect in view, the Commission has been neither lavish in its expenditure upon the systems nor on the other hand has it been cheeseparating in its attitude to its obligations. Every endeavour has been made within economic reason to maintain and operate the tramways to a comparable standard with the Commission's general undertakings.

Attempts to define Transport Future

The rapid development and expansion of the Geelong district and the complete inability of the Commission to expand the tramway system to cater for developments coupled, of course, with an obvious reluctance on the part of the Councils to sponsor such expansion except as a charge to the electricity consumers, the Council of the City of Geelong in conjunction with a local organisation arranged in May, 1948 for the Commissioner of Road Transport and Tramway for N.S.W. (Mr. C. N. Neale) to conduct a survey and report upon future transport facilities in the Greater Geelong area. A report on its tramways was later submitted by the Commission to the then Minister for Electrical Undertakings (Mr. Kent Hughes) and eventually he arranged for Mr. H. H. Bell (Junior) of the M.M.T.B. to investigate and report upon the street passenger transport systems in each of the three provincial cities. These reports were submitted at the end of 1948.

The Commission was advised by the Geelong City Council in March, 1951, that it was convening a conference of the Municipalities who were parties to the Tramways agreement with the Commission with a view to ultimate approach to the Commission. There has been no further development so far as the Commission is aware.

Review of Geelong Tramway Operation by the Commission

The accumulated loss on the operation of the Geelong system from 1930 to 1953 is £593,841 and of this sum the loss in the last 6 years from 30th June, 1947 is £363,733.

Statement (A) attached hereto shows the annual results for each year from 30th June, 1934.

Reference to this statement shows that during the period to 1940 the revenue was fairly static but expenditure had a slight upward trend throughout, due to increases in wage and salary rates including the concession of service grants to Commission wages employees generally and the higher standard of maintenance to the Commission's requirements. The next 10 years to 1950 includes the war and post-war period. In 1940 the 44 hour week was introduced with corresponding increase in operation and maintenance costs but the increased traffic carried by reason of the stimulation of war industrial activities and the introduction of the first restrictions upon petrol sales commenced to produce improved revenue results. Further restrictions on the sale of petrol for private motor vehicles in 1942, the rapid industrial developments and cessation of commodity deliveries created somewhat of boom conditions for public transport, but in spite of reduced maintenance expenditure compelled by shortage of manpower and materials the system was not quite able to cover its expenses. It was realised that this phase of relative prosperity would quickly pass once restrictions upon petrol sales were removed, and the motor car industry reverted to peace time production to meet an apparently insatiable demand from the public for new motor cars. Depreciation charges for the Geelong system concluded in 1946 but higher wage and salary rates, additional employees to meet the demand for extra conductors and increase both in maintenance costs and the essential work necessary, more than compensated for the reduction

of standing charges in subsequent years. The 40 hour week was effective for six months of the financial year ending 30th June, 1948, with consequential increase in wage and material costs. This necessitated an increase in fares and charges which was introduced in September, 1949 by an increase of one penny on all stages. There was a short period of restricted service by reason of electricity shortage but the removal of control from petrol sales put existing private motor cars back on the roads with the result that a more substantial loss of passengers than had been expected caused a smaller increase of gross revenue to be produced from the fare rise than anticipated. The downward trend in passengers has continued as the motor industry has been able to meet the demand for its products but wage and salary rates have continued to increase together with the costs of materials and the amount of maintenance necessary by reason of wartime deferments and the advanced age of the equipment. It was realised that the loss of passengers in 1950 was due to two causes - removal of petrol restrictions and public reaction to increased fares - but it was impossible to determine the loss due to each cause. The next fare revision introduced in July, 1951 therefore did not seek to apply a general fare increase with a risk of further substantial loss of passengers, but to eliminate those concessions which could no longer be extended in view of the heavy loss on operations. This action it was noted, had also been implemented by nearly all the Tramway systems in Australia who previously had granted cheap concession fares as part of their tariff. However, the revision did not produce any substantial increase of revenue to offset the increasing costs of the service or in any way arrest the downward trend in passengers carried. It has been the opinion of the Commission that there is an economic limit of fares that small systems such as Geelong can sustain and that beyond that limit an actual reduction of income would be experienced. In the language of the economist the elasticity of demand is unity. The heavy loss of passengers and relatively small increases of revenue experienced, appears to indicate that the present fare system must be near the economic limit although by comparison with other larger systems the present scale of fares appears to provide bargain rates. The slight improvement in 1953 figures as to revenue and passengers with a lower operation mileage is a reflection of economic measures put into effect on 24th November, 1952, when a change in through operation of the East-West services was introduced.

The rolling stock has been maintained in fair order and considering its age still gives a reasonably reliable service. The following details are given.

Number of Trams

<u>No.</u>	<u>Type</u>	<u>Age</u>
10	4 wheel - 1 man	35 to 41 years
4	4 wheel - 1 man	28 "
3	4 wheel - 1 man	25 "
4	4 wheel - 2 man	28 "
10	8 wheel - 2 man	35 "
<u>Total</u>	<u>31</u>	

Average age 33 years

The track consists of 7.06 miles of single track and 4.74 miles of double track and there are thirteen loops on the single tracks to provide passing places for trams on various service frequencies. The tracks are in fair order considering their age, but deteriorated considerably by reason of the shortage of essential

maintenance during the war years when bitumen was not available. The alignment and rail surfaces are irregular. There has been substantial expenditure on repair and maintenance of points and crossings which are essential to operations and which, like the tracks, have now reached the end of their economic useful life but no attempt has been made on a large scale to rehabilitate the tracks by renewal of castings, sleepers and paving by reason of the costs involved and the uncertainty as to the future of the system. It will be appreciated that there is no renewals reserve fund in respect of the Commission's tramway undertakings.

The overhead system is in fairly good order. Renewals of trolley wire are being made as required and the costs are charged to operation and maintenance.

Statement (B) attached sets out in some detail the segregation of expenditure for the Geelong system from 1935 to 1953. This shows that operation charges which are almost entirely labour costs are now higher than the revenue collected. Electricity costs have been the subject of favourable pool charges and while there has of necessity been some increase in common with the general increase in production costs, it will be noted that the percentage increase is low by comparison with other items.

Statement (C) shows details from 1935 to 1953 as to passengers, car miles and associated statistics. Reductions in mileages from 1950 were in part due to service reductions during periods of electricity restrictions and to reductions of service especially applied in off peak periods as an economy measure to meet reduced patronage and higher operating costs. Effort has been made to keep the passenger level as close as possible to an average of 10 per car mile. Of considerable significance is the small relative increase in the average fare paid per passenger and the serious increase in the loss per passenger.

There have been three revisions of the fare and section schedule since the Commission acquired the Geelong undertaking in 1930.

From 1930 to 1937 the fares charged were those of the Melbourne Electric Supply Co. which were continued until the co-ordination of the three provincial systems to enable the economies of standard checks, tickets and associated supplies to be implemented. The system in operation in this period was the subdivision of routes into three one penny fare sections with fares of 2d. and 3d. for 2 and 3 section travel. Free extensions or transfers were provided to or from the wharf or Railway Station. On Sundays and holidays, a penny surcharge was imposed on section travel of one or two sections only. No workmen's concessions were extended.

From 1937 to 1949, routes were divided into two 2d. ticket sections but route fares remained at 3d. Sectional travel on penny sections in the business area or on 2d. sections was by prepaid strip tickets sold at 12 and 6 per 1/-d. respectively. The minimum cash fare for an adult was 3d. Extensions and transfers were retained and concession fares in the form of weekly tickets were introduced. The concession was 50% with 12 rides on 3d. sections for 1/6d. or 24 rides on 2d. sections for 2/-d. The surcharge on Sundays and holidays was discontinued.

From September, 1949 to July, 1951, the above scale was increased by one penny all round. Penny sections to 2d. - 2d. sections to 3d. - and 3d. route fares became 4d. Weekly tickets increased 12 - 3d. journeys on the old scale @ 1/6d. to 2/6d. for the new 4d. fare and on the old 2d. section to 12 rides for 2/-d.

on the new 3d. fare section. Free extensions or transfers to the Railway Station or Eastern Beach were not disturbed.

In the revision of July, 1951, no general increase of fares was charged, but the longer North route was changed to three 3d. fare sections with two sections fare 4d. and through fare for three sections increased from 4d. to 5d. the 2d. fare sections were restricted to those between the city centre and the Railway Station or the Eastern Beach for which travel by free extension or transfer was discontinued. Weekly concession tickets also were withdrawn.

For comparison purposes, the following shows the relative present day fares on the Geelong and several other Australian systems, the length of fare sections in each case (except in the city area of Melbourne) being an average of approximately one mile.

Fare Schedule (weekdays) Tramways only:

	<u>Geelong</u>	<u>M.M.T.B.</u>	<u>Hobart</u>	<u>Launceston</u>
1 section fare	3d.	4d.	6d.	4d.
2 " "	4d.	7d.	9d.	6d.
3 " "	5d.	8d.	11d.	8d.
4 " "	-	9d.	1/1d.	9d.
5 " "	-	10d.	1/3d.	10d.
6 " "	-	10d. (max.)	1/5d.	10d.
7 " "	-	-	-	10d.

Fare Schedule (week-end and holidays) Tramways only:

	<u>Geelong</u> Sun. & Hol.	<u>M.M.T.B.</u> Sat. Sunday & Hol.	<u>Hobart</u> Sat. Sun. & Hol.	<u>Launceston</u> Sat. P.M. & Hol.
1 section fare	4d.	4d.	9d.	6d.
2 " "	5d.	7d.	1/-d.	9d.
3 " "	6d.	8d.	1/3d.	1/-d.
4 " "	-	9d.	1/6d.	1/-d.
5 " "	-	10d. (max.)	1/9d.	1/-d. max.
6 " "	-	(No change)	2/-d.	-
7 " "	-	-	-	-

It is, of course, only possible for the present scale of fares to be charged on the tramways, while a subsidy is available from some other source in the present case being the consumers of electricity.

The average fare per passenger on the Hobart tramways is now 6.9 pence compared with 3.435 pence at Geelong. It would be a reasonable assumption that a severe loss of passengers on the trams at Geelong would result from an increase of fares to the present Hobart level.

Staff and Employees

The following table sets out the variations in the number of employees engaged wholly in Tramways operation and maintenance at Geelong from 1935 to the present. There are other officers and employees engaged in the Commercial and Workshops sections of the Branch whose duties have concern with Electricity Distribution and Power Generation as well as the tramways.