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Notes for Statement by the Commission - Ballarat Passenger Transport InquiryEarly History

Electric tramway operation at Ballarat was initiated in August, 1905 and was a conversion and revision of a horse tramway system operated by the Ballarat Tramway Company from December, 1887. The acquirement of the horse tramways and conversion to electric traction was part of the project of the Electric Supply Company of Victoria Limited which was formed with headquarters at Liverpool, England. This Company was created to take over concessions acquired by the British Insulated Wire Co., and expand a small electricity supply business in the then prosperous gold mining centre, in which project the electric tramways would provide a desirable base load for the generator capacity proposed to be installed.

It is obvious that the Ballarat Tramways were built with more optimism than foresight, having regard to the acknowledged uncertainty of gold mining activities. It is fairly obvious that they have never been really remunerative. There was some revision of routes for the electric tram services to be supplied and these were authorised by orders in Council obtained by the municipality. The horse system between Lydiard Street North and Lake Wendouree via MacArthur Street was discontinued and an electric system was laid down in Drummond Street North - between Sturt Street and MacArthur Street and south between Sturt Street and Darling Street. The horse tramway service between Ballarat and Sebastopol was continued by the Electric Supply Company along the direct route via Armstrong Street South, Skipton and Albert Street, Sebastopol, until April, 1913, when the Drummond Street South electric service was linked at Darling Street to the outer horse tramway track. The horse tracks along Skipton Street between Darling Street and the City Hall were later removed. The horse tramway in Sebastopol covering a distance of 1.75 miles south of the City

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boundary at Rubicon Street was a ballast track with light railway type rails and retained for the electric system. The rolling stock of the Electric Supply Company comprised old tramcars of the four wheel type which had been retired by Sydney Tramways. They were reconditioned and the bodies lengthened at the Ballarat Tramway Depot. A number of the old horse trams were retained and used as trailers behind the electric tramcars. The horse tram depot in Wendouree Parade was retained for the electric system, but the Depot in Sebastopol was dismantled after the horse trams to that area were withdrawn in 1913. The Company procured land adjacent to its power station for an electric tramway depot but this was eventually disposed of for residential purposes. The tramway rails for the electric system in Ballarat were laid on a narrow concrete stringer except in the short double track section of Lydiard Street, and the curve from Sturt Street North to Ripon Street North, which had a full width concrete raft. As mentioned previously, the light ballast track on sleepers in the Borough of Sebastopol, as used by the horse trams was retained. By reason of the substantial capital expenditure incurred by the Electric Supply Company in the sister development at Bendigo and which had preceded the Ballarat installation, it was generally expressed that the Ballarat works were not to the standard of the original plans and there was some feeling between the Company and the municipal authorities. The early decline in gold mining activities had serious repercussion to the prospects of the Electric Supply Company and as early as 1914 the Company introduced a form of one-man operation to some of the tramway services as an economic measure. The rolling stock also proved very costly to maintain due to its age and the strains imposed by the towing of trailer cars on holidays. The short wheel base tramcars additionally caused a rapid deterioration of the insufficiently supported tram tracks and fractures of the concrete stringer resulting in the subsidence of the tracks became quite commonplace. This deterioration

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inevitably led to friction between the Company and the Municipal Council and this state of affairs became more and more accentuated as the years passed. The Company was faced with ever increasing maintenance costs and its tramway fare scale was restricted under provisions contained in its franchise. The Council would not agree to any increase in the maximum stipulated fare. In the middle 1920's the development of motor vehicles in the form of charabancs and buses accelerated, and unregulated passenger services began to operate in direct competition with the unpopular tramways. For several years this feature of owner/driver bus services developed and became straight-out piracy along tram routes ahead of the tramcars. Ultimately legislation in the Motor Omnibus Acts placed bus competitors under license control with fixed routes and prescribed schedules, but this development which had largely exterminated horse cab services also effectively reduced the service area of the tramways system. The City Council under the Motor Omnibus Act, became the licensing authority and its sympathy undoubtedly was with the rate-payer owner/driver bus services as against what was regarded as a foreign Company. As the period of the franchise granted to the Electric Supply Company advanced towards its termination, the dilapidated condition of the tramways caused considerable local feeling that the trams should be scrapped.

2. State Electricity Development

The creation of the State Electricity Commission for the development of the brown coal resources of the Latrobe Valley with the ultimate expansion of electricity distribution on a state wide basis had given indication of the probable ultimate destiny of small district electricity supply undertakings. The State Electricity Commission Act, 1922, No. 3265, gave authority to the Commission to acquire tramway installations when such were integral with electricity supply undertakings. The Act did not authorise the Commission to operate such tramways, but provided a measure of protection to the combined electricity and tramway

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undertakings who obviously would not desire to retain their tramway interests alone. There was little likelihood that such Companies would be able to satisfactorily dispose of the tramways as a separate concern. The original franchise provided for municipal acquirement of the undertaking but the scheme for development of electricity supply on a state wide basis had completely changed the outlook in this regard. The State Electricity Commission Act 1922, therefore, deliberately left the future of the provincial tramways quite open and undefined. They could be scrapped and superseded by a more modern form of public transport, they could be handed over for municipal operation, or transferred to other control as might eventually be determined when the occasion arose. When subsequently the acquirement of the private electricity supply undertaking to the State Electricity Commission was in negotiation, the municipalities became concerned with regard to public passenger transport and to appease the Councils, the Government of the day gave assurances that arrangements would be made for the tramways to be continued (if the Council so desired) when the electricity supply was incorporated into the State scheme.

3. Acquirement of the Ballarat Undertaking by the State Electricity Commission

When negotiations for the acquirement of the Electric Supply Company's Undertaking had been finalised, the future of the tramways systems in Ballarat and Bendigo had, of necessity, to be determined. Both these Undertakings with regard to tramways were in a dilapidated condition. It was fairly obvious that tramways in such relatively small communities had no economic potential and were entirely incapable of becoming self-supporting. The Commission had no desire to become a tramway authority, the cost of rehabilitating the Ballarat and Bendigo systems was entirely beyond its financial resources, and during the discussions the tramways were offered by the Commission to the Municipal Councils free of charge. This was not acceptable and the Municipalities placed the onus for continuance of the tramway service upon the Government by reason

of the earlier assurances they had received. Eventually a combined conference incorporating the municipalities concerned with the tramways in the Ballarat, Bendigo and Geelong districts persuaded the Commission to take over and the Government to authorise the Commission to continue the operation of the provincial tramways group when the Undertakings eventually passed to Commission control. It was particularly at Ballarat that the tramway question was permitted to become a major factor in the negotiation of the agreement to be entered into between the Commission and the Council, covering tramway operations. The Council tried to bargain as it would with a private Company concerned with profits for shareholders. The Commission realised that the tramways could only operate under subsidy from the consumers of electricity and thereby they would be a retarding influence on the Commission's principal responsibility. It was therefore necessary that the Commission should require certain safeguards and limitations to be included in the common agreement which would apply to all three provincial systems. It was not until the 17th November, 1929, that the Ballarat Council accepted the common agreement which had already been adopted at Geelong and Bendigo and which agreement enabled Act. No. 3845 to be passed so that the tramways service could be continued. The agreement in general defines responsibilities in the matter of road and tramway construction and maintenance, for the making of by-laws, the payments to be made to Councils in lieu of rates, extensions of tramway routes, competitive passenger services and all general matters likely to arise as between the municipality and the tramway authority.

4. State Electricity Commission Act, 1929 - No. 3845

This was passed in December, 1929, as soon as the common agreement regarding the conduct of tramways by the Commission had been finalised with all municipalities concerned. The Act makes the usual provision for construction and management, authority for Councils to enter into the agreement it also includes provision for the Commission to make by-laws. (Cont'd.)

of the Commission by municipalities for losses sustained in the operation of services extended under guarantee by the Councils. Except as provided in the Transport Act, 1951, No. 5559, there has been no variation to Act. No. 3845.

5. Municipal By-Laws

Before the Commission took over full control of the tramways from the private Company, it was necessary to review the local by-laws with regard to omnibus services in the Ballarat District. It was accepted that the tramways should be regarded as directly serving an area within a radius of a quarter of a mile of each tramway route. It was necessary, to revise several of the routes followed by omnibus services and to insert restrictive conditions in areas where the two services could not be completely segregated. The municipalities naturally desired to provide the maximum transport facilities to the community and since the Council was not an operating authority, economics did not altogether enter into their outlook. The Commission has throughout been generous in regard to bus services as evidenced by the services which exist and the routes followed. In general the Municipal Council observed the consultative provisions of the agreement with the Commission but the degree of supervision and policing of the private omnibus services was not carried out to an extent which the Commission reasonably expected. It is only of comparatively recent years that a full-time Traffic Officer was appointed at Ballarat. During the period that licensing responsibilities rested upon the Municipal Council, there is no record of strong action having been taken against any bus operator in respect of breaches of licence or complaints which were made by the Commission from time to time. The Commission for its part has not desired that the difficulties associated with tramway operation should be allowed to interfere with the relationships normally to be expected between public authorities.

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6. Planning for the Future

As already stated, the continued operation of tramways in the provincial cities could at no time be regarded as an economic proposition and extensions of the existing systems could only worsen the position. This was by reason of the relative smallness of the population to be served, the extensive installation necessary to serve a very dispersed type of settlement and also the growing development of motor-cars and cycles as popular means of private transport. The Ballarat tramway system was in scrap condition and so far as the Commission was concerned had no book value.

Public passenger transport was entering a period of change with the alternatives of motor buses and trolley buses in process of rapid development. Thorough investigations were made by the Commission and an expert committee was set up to examine the alternatives available for public passenger transport before entering into any expenditure on the worn out tramway system. The modernisation of the Ballarat tramway system was entirely beyond the capacity of the Commission or the State to finance. At that time the alternative form of urban public passenger transport comprised the petrol bus, with a life of about eight years, and the trolley bus, with an economic life of about 15 years. Substantial capital expenditure would be necessary for either of these systems due to the importation of vehicles. There was a shortage of finance by reason of the industrial depression, and in the investigation of ways and means of providing finance to enable the rehabilitation or replacement of the systems at Ballarat and Bendigo, it was decided that the "Unemployment Relief Fund" might supply the bulk of the money necessary, provided the works complied with the required proportion of direct labour absorption. This could be done by a modified scheme for rehabilitating the existing tramway system and the investigators recommended that the future would be best served by reconditioning the tramways sufficiently only to cover a period comparable with the longest economic life of the

alternative systems. This was the 15 years rating then applied to the trolley bus. By this decision most of the existing rails and track points would be reconditioned and retained. A ballast track would be provided in which the use of wooden sleepers would have a high labour content and suitable rolling stock was available from the retirements of the Melbourne and Metropolitan Tramways Board. This scheme would, in effect, give a breathing space of about 15 years to the city authorities before the ultimate form of transport within the municipal district need be decided. This was very desirable in view of the developments being made overseas in public passenger transport facilities. For the works at Ballarat and Bendigo a sum of £170,000 was provided. This was made up of £100,000 from the "Unemployment Relief Fund", £50,000 from the State Government and £20,000 from the Commission. It was a condition of the Government's financial aid that its contribution completely discharged obligations entered into in 1927 by the Hogan Ministry covering continuance of tramway operations in the two provincial cities. The whole matter of the future of tramways and local passenger transport, became therefore a local matter, due for revision about 1950. Of the capital allocation for the rehabilitation of tramways, expenditure at Ballarat was £106,000 and at Bendigo £68,000.

7. Rehabilitation

The rehabilitation of the Ballarat tramway system commenced in November, 1934, and was concluded at the end of 1937. An effort was made by the Commission to restrict the capital costs involved in this work by the elimination of the most uneconomic sections. The diversion of the service to the Gardens via Lake Wendouree, to the Drummond Street North route, suggested the abandonment of the track in Ripon Street North to MacArthur Street. Another proposal of the Commission was that the Drummond Street South route should terminate at Darling Street in order that Sebastopol could be served by a

direct bus service via. Armstrong and Skipton Streets. The Commission further suggested the abandonment of the Mt. Pleasant route. All these schemes met very strong opposition from local sectional interests. The Commission provisionally agreed to the extension of the Sebastopol service to Bridge Street, Sebastopol, but strong political pressure eventually obtained the rehabilitation of the entire tramway system as vacated by the Electric Supply Company of Victoria. The Borough of Sebastopol, in order to retain their tramway service, supplied quartz from local mines for ballasting the track and the existing horse tram rails were reversed to obtain the final wear from the running section. With a view to improving traffic conditions and tramway operations in Ballarat, the Commission suggested that it was opportune to consider duplication of the single track in Bridge Street. This would enable trams to flow with other road traffic in this narrow shopping centre, instead of using the centre of the road and causing restrictions of road space available for traffic moving in an opposite direction. On the Mt. Pleasant route also, it was considered that this service might be made more attractive by using the more direct Peel Street route. However, both these recommendations were rejected by the municipal authorities. For more economic operation, the Commission decided to through route the services and the design adopted linked the two East routes of Victoria Street and Mt. Pleasant with the Garden services via. Sturt Street West and Drummond Street North. The Sebastopol service was linked with the Lydiard Street North route. During the progress of rehabilitating the tramway system there was some pressure from the Ballarat Council for extensions to be carried out as follows:-

That the Lydiard Street route be extended to Norman Street, that the Victoria Street route be extended to the Eureka Stockade and the Mt. Pleasant route extended to Morton Street. These were investigated by the Commission and the two latter extensions were not approved by reason of the negligible

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additional revenue to be obtained, the additional annual loss by reason of the increased capital charges and the introduction of uneconomic working to the through routed service by reason of the additional distance. The extension of the Lydiard Street service to Norman Street would provide some additional revenue by reason of the displacement of an existing omnibus service, and it could be operated economically with the Sebastopol service which had already been decided to be fully retained. Approval was given to the extension by Order-in-Council on the 23rd March, 1937, and the cost of the extension of .69 single track miles was made by the grant of an additional £4,000 from the unemployment relief fund and £2,000 from the Commission. During reconstruction of the single tracks in Sturt Street West and Wendouree Parade, it was considered desirable by the Commission that the passing loops should be changed over from the road traffic side to the reserve side of the track. This was carried out in all locations except the loop on the Lakeside near Durham Point and two loops in Sturt Street West. In these locations alteration to the loops would have necessitated the removal of trees and this was not approved by the Council. During the rehabilitation works, there was a considerable transfer and exchange of rails as most of the curves had to be renewed and the rails in general were very badly corrugated. Over all, about 75% of the original rails and 80% of the special work comprising points and crossings was reconditioned and retained. Second-hand castings were procured from the Melbourne and Metropolitan Tramways Board to replace points etc. beyond repair. The 31,300 sleepers used were untreated yellow stringy bark, iron bark and grey box, with a limited quantity of red gum for use under points and crossings. The whole of the overhead was rewired as a matter of urgent necessity for public safety. The Commission installed automatic tramway signals to facilitate tramcar operations over single tracks and the whole of the rolling stock of the Electric Supply Company was, of necessity scrapped.

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During the agency period of the Electric Supply Company it became vital to obtain secondhand tramcars from the Tramways Board in order to maintain the service at Ballarat. The tramcars purchased by the Commission were modified to enable either one-man or two-man operation and they were the first trams at Ballarat to be equipped with air brakes.

8. Physical Features at Ballarat

There are few attractive and many adverse features with regard to public passenger transport at Ballarat. Sturt Street is admirable in many ways but with one-way traffic, and the tramway tracks not being laid in a reserve, passenger loadings and discharges have to be made on the right-hand side of vehicles in order to place them in the safety zone area. This feature of right-hand and left-hand loading is peculiar to Ballarat and the frequent changes of entrances which are necessary in the movements of tramcars along various thoroughfares is an irritating process, especially in peak periods. In Sturt Street West and Wendouree Parade, single track operation is also on the roadside with right or left-hand entrances according to the direction of the tram, and when tramcars are travelling towards the City they are wrongly placed in relation to other road traffic. This aspect of Ballarat tramway operation has caused considerable concern to the Commission having regard to the growth both in numbers and size of general road transport in recent years. The tramway layout at Ballarat also suffers by reason of the existence of several main thoroughfares radiating from the business centre and which provide relatively short-cuts between the City and residential districts by comparison with the routes followed by the existing tramways. The thoroughfares in question are Peel Street South, which is the route that should be followed by any passenger transport serving the Mt. Pleasant area, Creswick Road, which short circuits the Drummond Street North route, and Skipton Street has an adverse effect on the Sebastopol route between the City and Darling Street. The tramway routes to the Gardens do not serve any substantially populated area

and particularly since the development of motor bus services which parallel the tramways. The Sturt Street West route from Pleasant Street to the Gardens serves only a very small population and by reason of the high land values in this area, residents are of a type not very interested in public transport. The Lakeside route from MacArthur Street to the Gardens has only a restricted population to serve on one side of the track and again high property value in the area has developed a community who do not rely substantially on public passenger services. The railway line also in this area cuts off some population from ready access to the tramways and thus there are two services, those of the tramway and of a bus, with only very narrow strips of residence areas to serve. A similar feature also affects the Victoria Street tram route, where the railway nearby substantially restricts the population directly served by the parallel tram and bus services.

9. Planning for the Future

There has been no attempt to plan a future public transport system at Ballarat, since the tramways was rehabilitated by the Commission. Generally speaking there has been a complacency regarding passenger transport. The 1948 report of the Commission to its Minister upon its tramway operations and the ultimate arrangement for Mr. H.H. Bell Junior, of the Melbourne and Metropolitan Tramways Board to investigate and report upon the street passenger transport facilities in each of the three provincial systems, was only of passing interest to the municipal authorities at Ballarat. Apart from requests made by the Council for tramway extensions during the rehabilitation period (using reconstruction funds) no proposal has been submitted to the Commission for tramway extensions under the terms of Clause 19 of the Agreement.

10. Review of Tramway Operations at Ballarat by the State Electricity Commission.

The accumulated loss of the Ballarat tramway system from 1935 to 1958, is £ and of this sum the loss in the last six years accounts for £ . Statements attached

hereto are as follows:-

- (a) Statement showing annual financial results for each year from 1935 to 1958 inclusive.
- (b) Detailed statement showing segregation of expenditure in each year.
- (c) Statement of vital statistics for each year of this review.

The following commentary is submitted, covering the foregoing statements:-

Statement (a) shows on the income side a steady condition during the initial years, with a slight improvement after reconstruction and the introduction of a revised fare scale in 1938, which changed 2d. sections from a cash fare to a prepaid strip ticket basis. To 1940 a static condition at the new level was maintained, but in 1941 the effect of the Second World War, with the introduction of petrol restrictions on motor vehicles commenced to show. In 1943 the tightening of petrol restrictions, the construction and occupation of large military camps at Victoria Park and the Airforce Station, together with increased industrial and commercial activities also restrictions upon commodity deliveries, produced a period of unprecedented tramway prosperity. In 1947 the military camps closed down but the industrial and commercial activities remained buoyant with the 40 hour week introduction in 1948. As will be seen, the fare increase of September, 1949 and again in July, 1951, produced only small revenue benefit by reason of loss of passengers. A further increase of fares in 1955 gave only a small revenue increase due to high passenger loss. There is a steady decline and it is obvious that the optimum revenue has been reached and that a further increase of fares (which are still low by comparison with other systems) would result in substantial loss of income. On the expenditure side there were increases in wages and more use of conductors in the period to 1938, at which stage the introduction of capital charges incurred by the

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reconstruction work, commenced to operated. In 1939 the effect of increases and service grants will be noted and in 1940 the introduction of the 44 hour week, together with higher standard of maintenance of tramway tracks and rolling stock show effect. From 1941, during the years of the war there was some reduction in maintenance due to shortages of supplies, but increases in wage rates and in the number of traffic employees necessary to handle the civil and military traffic are shown in the period 1943/1945. During this more buoyant period it was practicable to write down considerable loan charges, and the reduction in expenditure in 1946 was due to the cessation of loan redemption allocations. In 1947 under industrial pressure, extra traffic employees were engaged to extend two man operation to most of the service period, and additional expenditure was incurred by attempts to overtake arrears on maintenance. There was further accentuation in the upward trend of wages and salaries and the last six months of the financial year was seriously effected by the introduction of the 40 hour week. From 1948, the upward spiral of wages, salaries and materials continued, notwithstanding reductions in services and the number of traffic employees. During the boom period of the war years, the Ballarat system did show a very small profit on two occasions. This was directly due to the large increase of population during the American Marine Division posting to Ballarat and also that there was a curtailment of expenditure on maintenance due to shortages of materials and labour. In order to restrict the loss on tramway operations only essential maintenance has been carried out since the abandonment of the sister system at Geelong and with the extended age of tracks and equipment there is some apprehension that tramways cannot continue to operate safely for very long.

Statement (b). This sets out in more detail the allocation of expenditure over the 23 year period from 1935-1958. Charges to the tramways for electricity were reviewed in 1938/1939 and the more favourable aspects of the new system of pool charges

is clearly shown. Since 1947 there has, of necessity, been an increase in electricity charges in common with the general increase in production costs but a comparison of the percentage increase for power with those of other items shows a large lower ratio of price increase. Over the 23 year period, operation labour charges have increased eight-fold and is related both to the number of employees and more particularly to the upward trend of wages and salaries. Maintenance charges also show the same marked upward trend by reason of high costs of wages and materials, coupled of course, with the increasing age of rolling stock and tracks. Considerably greater expenditure should have been made in the last few years to keep pace with the deterioration of tracks and rolling stock, but this, under the uncertain conditions of future tramway operation, would be economically unsound. Administration costs have also increased considerably but to much a lower overall rate than operations. This statement also shows the effect of capital charges to the finances of the tramways.

Statement (c). This statement shows details of passengers carried, mileage run by tramcars and fares, revenue, expenditure and losses on a car/mile basis over the last 23 years. In 1938 will be observed the effect of the Commission's attempt to popularise the service after the completion of reconstruction, by providing a more frequent service. The increased patronage from the improved service did not in any way meet the extra costs and the revision of the service was made necessary to eliminate the waste. The increased loss per passenger carried in this period was also due to reduction in the amount of one-man operated services which was made necessary by the abandonment of the fare box system. In 1943 the effect of military camp traffic with regard to passengers and car miles is conspicuous, together with the lower average fare paid, due to the concession fares extended to troops. The reduced car mileage figures of 1951 and 1952 were due to periods of service reduction made necessary by the electricity restrictions. Overall it will be