

RAILWAY STANDARDIZATION AGREEMENT.

No. 50 of 1946.

An Act to authorize the Execution by or on behalf of the Commonwealth of an Agreement between the Commonwealth and the States of New South Wales, Victoria and South Australia in relation to the Standardization of certain Railways, to approve of the Raising of Loans for Defence purposes (namely, the Standardization of those Railways), and for other purposes.

[Assented to 15th August, 1946.]

BE it enacted by the King's Most Excellent Majesty, the Senate, and the House of Representatives of the Commonwealth of Australia, as follows :—

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| Short title. | 1. This Act may be cited as the <i>Railway Standardization Agreement Act 1946</i> . |
| Commencement. | 2. This Act shall come into operation on the day on which it receives the Royal Assent. |
| Definition. | 3. In this Act, "the Agreement" means the Agreement the execution of which is authorized by this Act. |
| Execution of agreement Authorized. | 4. The execution, by or on behalf of the Commonwealth, of an agreement between the Commonwealth of Australia and the States of New South Wales, Victoria and South Australia substantially in accordance with the form contained in the Schedule to this Act is hereby authorized. |
| Approval of loans for defence purposes. | 5. Loans to the Commonwealth for defence purposes (namely, the standardization of railways in accordance with the Agreement) are approved. |
| Incorporation of The Railways Standardization Board. | 6.—(1.) The Railways Standardization Board established under the Agreement shall be a body corporate with perpetual succession and a common seal and shall be capable of suing and being sued in its corporate name.

(2.) All courts, judges and persons acting judicially shall take judicial notice of the seal of that Board affixed to any document and shall presume that it was duly affixed. |

7. Persons employed by the Commonwealth for the purpose of carrying out the Agreement shall not be subject to the *Commonwealth Public Service Act 1922-1946* but shall be employed upon such terms and conditions as are prescribed.

Employment of persons for the purpose of the Agreement.

8. The Governor-General may make regulations, not inconsistent with this Act, prescribing all matters which by this Act are required or permitted to be prescribed, or which are necessary or convenient to be prescribed for carrying out or giving effect to this Act or the Agreement.

Regulations.

THE SCHEDULE.

Section 4.

RAILWAYS STANDARDIZATION AGREEMENT.

AGREEMENT made the _____ day of _____ One thousand nine hundred and forty-six between THE COMMONWEALTH OF AUSTRALIA of the first part, THE STATE OF NEW SOUTH WALES of the second part, THE STATE OF VICTORIA of the third part, and THE STATE OF SOUTH AUSTRALIA of the fourth part.

WHEREAS there are differences between the gauges of the railway lines of the parties :

AND WHEREAS in order to assist in the defence and development of Australia, to facilitate interstate trade and commerce, and to secure maximum efficiency and economy in railway operation, it is desirable to secure a uniform track gauge throughout the railway systems of the parties :

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS :—

PART I.—PRELIMINARY.

1.—(1.) In this Agreement, unless the context otherwise requires—

Definitions.

- “betterment” means the provision of capacity or equipment in excess of appropriate standards to be fixed under this Agreement and which, although not essential to or necessary for a standardization work, may conveniently or desirably be provided in conjunction with such work ;
- “the Board” means The Railways Standardization Board established under this Agreement ;
- “the Commonwealth” means the Commonwealth of Australia ;
- “the Council” means The Railways Council established under this Agreement ;
- “existing”, in relation to locomotives, rolling stock, or the capacity thereof, means existing at the time of the replacement or conversion of such locomotives or rolling stock ;
- “the Loan Fund” means the head of the Loan Fund of the Commonwealth styled “Standardization of Australian Railway Gauges” and specified in the Loan Acts under the authority whereof moneys are raised by the Commonwealth for the purposes of this Agreement ;
- “the Minister” means the Commonwealth Minister of State for Transport ;
- “party” means party to this Agreement ;
- “standard gauge” means a gauge of four feet eight and one-half inches ;
- “State” means State of the Commonwealth, which State is a party to this Agreement ;
- “standardization work” means any work included in clauses 10 and 11 of this Agreement.

(2.) Where in this Agreement any Minister is referred to, that reference shall be deemed to include any Minister for the time being acting for or on behalf of that Minister or any Minister appointed in substitution for that Minister.

2.—(1.) This Agreement shall have no force or effect and shall not be binding on any party until it is approved by the Parliaments of the Commonwealth and of each of the States.

Ratification of Agreement.

(2.) Each party agrees to take every practicable step to have this Agreement approved by its Parliament without restrictions or amendments as soon as possible.

(3.) Each party, so far as its power extends, agrees to provide for and secure the execution and enforcement of this Agreement and of any legislation by which it is approved.

THE SCHEDULE—*continued.*

PART II.—ADMINISTRATIVE PROVISIONS.

The Railways
Council.

3.—(1.) For the purpose of this Agreement there shall be a Council to be called The Railways Council.

(2.) The Council shall consist of the Minister, the Minister administering the Commonwealth Railways, the Ministers for Transport of the States of New South Wales and Victoria, and the Minister for Railways of the State of South Australia.

(3.) The Minister shall be the Chairman of the Council.

(4.) The Chairman of The Railways Standardization Board and a Railways Commissioner representing each party may attend each meeting of the Council but shall not have a vote.

(5.) A member of the Council may at any time by letter or telegram appoint a deputy to act in his absence.

(6.) Upon the appointment of a deputy the deputy may in the absence of the member by whom he is appointed exercise all the powers of that member.

(7.) Each meeting of the Council shall be convened by the Chairman and be held at a time and place fixed by the Chairman.

(8.) The Chairman shall convene a meeting upon receipt of a request in writing from the appropriate Minister of State of any party.

(9.) No matter shall be decided by the Council except at a meeting of which each member of the Council has been given sufficient notice to enable him or his deputy to attend.

(10.) On any matter coming before the Council the decision of the majority present at the meeting shall prevail.

(11.) The Chairman shall have a deliberative vote and, in the event of an equality of voting, a casting vote.

(12.) At any meeting of the Council three members shall form a quorum.

(13.) The Council shall keep proper minutes or records of the proceedings of each of its meetings.

Power of
Council to
review
decisions of
Board.

4.—(1.) Any party may request the Council to review any decision or direction given by the Board in the exercise of any of the Board's powers or functions under this Agreement.

(2.) The Council shall review the Board's decision or direction accordingly and make such determination on the matter in issue as it deems just.

Decision by
Council in
default of
agreement
between
authorities.

5. Where a matter is required by this Agreement to be determined by agreement between any authorities, and the Council is of opinion that the authorities have failed to reach agreement, the Council may give a decision on the matter in issue.

6.—The decisions of the Council on any matter within its jurisdiction shall be final and binding on the parties.

Effect of
Council's
decision.

7.—(1.) The Minister may with the concurrence of the Council appoint a secretary to the Council.

Secretary to
the Council.

(2.) The secretary shall be the executive officer of the Council, and shall exercise and carry out such duties and functions as the Minister or the Council directs.

The Railways
Standardization
Board.

8.—(1.) For the purposes of this Agreement there shall be a Board to be called The Railways Standardization Board.

(2.) The Board shall be constituted a body corporate.

(3.) The Board shall consist of a Director-General, who shall be Chairman of the Board, and the following other members:—

- (a) one person who is qualified in railway mechanical engineering;
- (b) one person who is qualified in railway civil engineering;
- (c) one person who is qualified in railway transportation and traffic; and
- (d) one person who is qualified in railway finance and accounting.

(4.) The Director-General and the other members of the Board shall, subject to this clause, be appointed by the Governor-General, and shall hold office for a period of five years and shall be eligible for re-appointment.

(5.) The Governor-General may terminate the appointment of a member of the Board for inability, inefficiency or misbehaviour.

(6.) The Governor-General shall appoint one member of the Board to be Deputy Director-General. In the absence of the Director-General, the Deputy Director-General shall exercise all the powers and functions of the Director-General.

THE SCHEDULE—*continued.*

(7.) When it appears to the Governor-General that the works provided for in this Agreement have been completed he shall cause a notification to that effect to be published in the *Commonwealth of Australia Gazette* and thereupon the Board shall cease to exist.

9. Each party shall permit any member of, or person authorized by, the Board to enter upon and inspect all standardization works and to inspect any plans, designs, accounts, records or documents relating to those works.

Inspection by Board.

PART III.—WORKS FOR THE STANDARDIZATION OF RAILWAY GAUGES.

10. The parties shall carry out or execute, in accordance with the terms and conditions of this Agreement, the following works and undertakings, namely:—

Works to be executed.

- (a) Conversion to standard gauge of the entire South Australian 5' 3" gauge system, and of the 3' 6" gauge lines of the South Eastern Division, the conversion to standard gauge of existing locomotives and rolling stock suitable for conversion, and the construction of standard gauge locomotives and rolling stock to the extent necessary to replace the existing capacity of all units unsuitable for conversion to standard gauge.
- (b) Conversion to standard gauge of the entire Victorian 5' 3" gauge system and the 2' 6" gauge line from Fern Tree Gully to Emerald, the conversion to standard gauge of existing locomotives and rolling stock suitable for conversion, and the construction of standard gauge locomotives and rolling stock to the extent necessary to replace the existing capacity of all units unsuitable for conversion to standard gauge.
- (c) Acquisition by the State of New South Wales and conversion to standard gauge of the 3' 6" gauge line of The Silverton Tramway Company Limited between Cockburn, South Australia, and Broken Hill, New South Wales, and of the locomotives, rolling stock and equipment of that Company, the conversion to standard gauge of existing locomotives and rolling stock suitable for conversion, and the construction of standard gauge locomotives and rolling stock to the extent necessary to replace the existing capacity of all units unsuitable for conversion to standard gauge.
- (d) Conversion to standard gauge of the 3' 6" gauge lines of the Peterborough Division of the South Australian Railways, the conversion to standard gauge of existing locomotives and rolling stock suitable for conversion, and the construction of standard gauge locomotives and rolling stock to the extent necessary to replace the existing capacity of all units unsuitable for conversion to standard gauge.
- (e) Conversion to standard gauge of the 3' 6" gauge lines of the Commonwealth Railways from Port Augusta to Alice Springs, the conversion to standard gauge of existing locomotives and rolling stock suitable for conversion, and the construction of standard gauge locomotives and rolling stock to the extent necessary to replace the existing capacity of all units unsuitable for conversion to standard gauge.
- (f) Construction of a new standard gauge line in New South Wales from Bourke to Barrington.
- (g) Construction of a new standard gauge railway from Alice Springs to Birdum and the construction of the standard gauge locomotives and rolling stock necessary to operate this line.
- (h) Conversion to standard gauge of the 3' 6" gauge Commonwealth Railway line from Birdum to Darwin, the conversion to standard gauge of existing locomotives and rolling stock suitable for conversion and the construction of standard gauge locomotives and rolling stock to the extent necessary to replace the existing capacity of all units unsuitable for conversion to standard gauge.
- (i) The provision of terminal facilities rendered necessary by the conversion of any line specified in the foregoing provisions of this clause.

11. The works to be carried out or executed under the last preceding clause shall include the purchase, construction and/or conversion of land, railway lines, structures, buildings, workshops, plant, locomotives, rolling stock and all matters and things which are essential to the establishment and/or operation of standard gauge lines of railway over the sections and routes set out in the last preceding clause but not including—

Undertakings involved in or incidental to conversion.

- (a) operation or maintenance of railways; or
- (b) betterments.

Betterments, variation of types, and replacement of locomotives.

12.—(1.) Betterments may be carried out in conjunction with the works specified in clause 10 of this Agreement.

THE SCHEDULE—*continued.*

(2.) A party may, with the approval of the Board, replace existing locomotives, rolling stock, or other assets by locomotives, rolling stock or assets of different types or kinds.

(3.) For the purpose of facilitating standardization of locomotive design and construction, the Council may direct that any locomotives provided to replace existing locomotives, and having a capacity of not more than ten per centum in excess of the capacity of the existing locomotives, shall be deemed to be of equal capacity to the existing locomotives, and such excess capacity shall not be regarded as betterment.

Constructing
authorities.

13. Each party shall carry out and execute such of the standardization works referred to in this Part as are required for the conversion of its own railways.

Consent by
States to
construction
of railways by
Commonwealth.

14. Each State hereby consents to the carrying out by the Commonwealth of any works which the Commonwealth is under this Agreement required to carry out in the conversion of its own railways within the territory of that State.

Order of
works.

15.—(1.) Any question arising as to the order as between the parties in which the standardization works respectively specified in paragraphs (a) to (i) (inclusive) of clause 10 of this Agreement shall be carried out, shall be determined by agreement between the Board and all the parties.

(2.) Any question arising as to the order in which standardization works shall be carried out within a State or Territory shall be determined by agreement between the Board and the party concerned.

(3.) Any question arising as to the time at which standardization works shall be commenced by any party shall be determined by agreement between the Board and that party:

Provided that if any such question comes before the Council for determination the decision of the Council on that question shall not be binding unless it is unanimous.

Standards,
plans and
designs.

16.—(1.) The Board shall, in collaboration and agreement with the parties, establish and publish common standards of design and construction in all matters and things essential to the establishment of standard gauge railways and to the safe and efficient operation of interchange traffic including locomotives and all classes of rolling stock over the unified railways of Australia.

(2.) Each party shall—

- (a) prepare all preliminary plans and final designs and estimates for all works to be carried out by it pursuant to this Agreement;
- (b) incorporate in all such plans, designs and estimates the standards of design and construction established by the Board; and
- (c) submit to the Board any of such plans, designs and estimates requested by the Board.

Commencement
and execution
of works.

17.—(1.) The Board shall in agreement with the parties concerned authorize the works to be executed by each party together with the terms, conditions and schedules under which each work shall be executed and shall issue the necessary authority.

(2.) A party shall not commence to carry out a standardization work or incur any expenditure debitable to the Loan Fund until the Board has given the party written authority to carry out the work.

(3.) When a party receives written authority from the Board to carry out a work, that party shall thereupon proceed to execute the work under the terms, conditions and schedules specified in the authority.

Control of
material.

18. The parties shall comply with any direction of the Board as to the allocation of material purchased for standardization purposes.

Powers of
Board as to
property.

19.—(1.) For the purpose of this Agreement the Board may buy, hire or otherwise acquire, and sell, lend, let or otherwise dispose of, any real or personal property.

(2.) When any property acquired by the Board is no longer required for the purposes of this Agreement and is sold or otherwise disposed of by the Board the proceeds of such sale or disposition shall be credited to the Loan Fund.

Workshops,
plant, &c.

20.—(1.) All workshops, stores, depots, plant, equipment and any other accommodation paid for out of the Loan Fund, for construction purposes, to facilitate conversion operations, or to enable a State to carry on its own railroad operations during conversion, shall remain the property of the Board and shall not be removed, altered or diverted to other than railways standardization purposes, without the written approval of the Board.

THE SCHEDULE—continued.

(2.) Any such workshop, stores, depot, plant or equipment—

- (a) may, when no longer required for railways standardization purposes at its existing location, be transferred for the like purposes to such other location as the Board may determine ;
- (b) may, when no longer required for any railways standardization purposes, at the discretion of the Board be sold to a State or otherwise disposed of.

(3.) The proceeds of any such sale or disposition shall be credited to the Loan Fund.

21. The disposition of the whole or part of any asset which is replaced by a new asset at the cost of the Loan Fund shall be determined from time to time by the Board, in agreement with the party concerned : Disposal of replaced assets.

Provided that this clause shall not prevent a party from retaining without charge, for use on its own system, any locomotives and rolling stock unsuitable for conversion to standard gauge, subject to the concurrence of the Board.

22. New locomotives and rolling stock, the cost of which is borne as provided in sub-clauses (2.) and (3.) of clause 23 of this Agreement, shall be the property of the States of South Australia and Victoria respectively. Ownership of new locomotives and rolling stock.

PART IV.—FINANCE.

23.—(1.) The Commonwealth shall bear the whole cost of the standardization works set out in paragraphs (e), (g) and (h) of clause 10 of this Agreement. Liability for cost of works.

(2.) The cost of the standardization works set out in paragraphs (a) and (d) of clause 10 of this Agreement shall be borne as follows :—

- (a) The cost of construction of new locomotives and rolling stock to replace existing units of the South Australian railways system unsuitable for conversion, up to a maximum of £3,684,064 shall be borne by the State of South Australia, and if the total cost of such construction exceeds £4,912,085, the Commonwealth shall bear the amount of the excess.
- (b) One half of that part of the cost of the said standardization works which is not borne as mentioned in paragraph (a) of this sub-clause shall be borne by the Commonwealth, and the other half shall be borne by the States and shared on a *per capita* basis of population :

Provided that existing locomotives and rolling stock of The Silverton Tramway Company Limited shall for the purposes of this sub-clause be deemed to be existing units of the South Australian Railways.

(3.) The cost of the standardization works set out in paragraph (b) of clause 10 of this Agreement shall be borne as follows :—

- (a) The cost of construction of new locomotives and rolling stock to replace existing units of the Victorian railways system unsuitable for conversion up to a maximum of £8,462,768 shall be borne by the State of Victoria, and if the total cost of such construction exceeds £11,283,690, the Commonwealth shall bear the amount of the excess.
- (b) One half of that part of the cost of the said standardization works which is not borne as mentioned in paragraph (a) of this sub-clause shall be borne by the Commonwealth and the other half shall be borne by the States and shared on a *per capita* basis of population.

(4.) One half of the cost of the standardization works set out in paragraphs (c) and (f) of clause 10 of this Agreement shall be borne by the Commonwealth, and the other half shall be borne by the States and shared on a *per capita* basis of population :

Provided that the cost of new locomotives and rolling stock constructed to replace existing locomotives and rolling stock of The Silverton Tramway Company Limited shall be borne and shared as provided in sub-clause (2.) of this clause.

(5.) For the purposes of this clause the cost of any work shall be deemed to include the administrative expenses necessary or incidental to the carrying out of that work, including all salaries and expenses of the Council and the Board together with their respective staffs, and all such salaries and expenses shall be apportioned between the parties in the manner specified in this clause in respect of that work.

(6.) The proportions in which the costs of standardization works are to be borne by each State pursuant to this clause shall be calculated within three months after the close of each financial year, and shall be based upon the estimated population of the respective States at the end of the previous financial year, as certified by the Commonwealth Statistician. For this purpose the estimated population shall include members of the Defence Force serving overseas but shall not include full-blooded aboriginal natives of Australia.

THE SCHEDULE—*continued.*

Cost of betterment and certain replacements.
Provision of funds and State contributions.

24. The cost of any betterment, and any increased cost caused by any replacement of the kind mentioned in sub-clause (2.) of clause 12 of this Agreement, shall not be debited to the Loan Fund but shall be borne by the party concerned.

25.—(1.) The Commonwealth shall provide all funds required to carry out the standardization works specified in this Agreement.

(2.) Each State shall, in respect of so much of the expenditure by the Commonwealth under clause 23 of this Agreement in any financial year (in this clause called the year of expenditure) as is to be borne by that State, pay to the Commonwealth from revenue during the period of fifty years after the year of expenditure, equal annual contributions of such amounts as will liquidate the expenditure so to be borne by that State together with interest on the amount of that expenditure outstanding at the end of each financial year.

For this purpose the rate of interest shall be the rate of interest which is paid by the Commonwealth on the loan from which the expenditure was financed.

(3.) From each annual contribution to be made by a State calculated in accordance with sub-clause (2.) of this clause there shall be deducted an amount equivalent to Five shillings per centum of so much of the cost of standardization works incurred by the Commonwealth under this Agreement in the year of expenditure as is pursuant to clause 23 of this Agreement to be borne by the State.

Payments from Loan Fund.

26.—(1.) Moneys provided by the Commonwealth from the Loan Fund shall be used for—

- (a) meeting all expenditure incurred in carrying out the standardization works ;
- (b) with the approval of the Board, making refunds to any party of any expenditure incurred by it before the execution of this Agreement in planning or preparing for the standardization works or in carrying out any work which the Board decides to treat as a standardization work ; and
- (c) any damages, compensation or other expense arising out of or incidental to the execution of the standardization works.

(2.) No payment shall be made out of the Loan Fund except on the written authority of the Board.

Annual budgets.

27. The Board shall—

- (a) prepare annual budgets of all estimated expenditure and arrange for the provision and allocation of the funds required to meet that expenditure ;
- (b) obtain from the parties and maintain records of all physical and financial progress in the standardization works, and issue periodical reports thereon ; and
- (c) prepare annual statements allocating to the parties the amounts with which they should be debited on account of the standardization works.

Audit.

28. All accounts in connexion with the standardization works shall be subject to audit by the Auditor-General for the Commonwealth.

Accounts and records.

29. Each party shall—

- (a) keep, in such manner as is approved by the Board, full accounts and records of all financial transactions, work done, and stores bought, used or disposed of, in connexion with the standardization works ; and shall furnish to the Board such details as the Board requires ; and
- (b) permit the Auditor-General for the Commonwealth or of the party to inspect such accounts and records.

PART V.—SUPPLEMENTARY PROVISIONS.

Information to Board.

30. Each party shall, so long as standardization works are being carried out under this Agreement where any betterment is involved, keep the Board generally informed as to its programme of construction and maintenance works which are not rendered necessary by, but will be carried out concurrently with, the works contemplated by this Agreement.

Provisions as to Cockburn—Broken Hill line and the Broken Hill terminal.

31. The line of railway between Cockburn and a point adjacent to the Broken Hill terminal (to be agreed on between The Commissioner for Railways of New South Wales and The South Australian Railways Commissioner) will, upon the acquisition thereof pursuant to this Agreement, be vested in The South Australian Railways Commissioner ; and the terminal at Broken Hill will be vested in The Commissioner for Railways of New South Wales.