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TRANSPORT ADMINISTRATION AND PLANNING IN SYDNEY

Co-ordinative Influences in a Multi-Organisational Policy Field

ROBERT GIBBONS

This thesis is submitted for the degree of Master of Economics in the Department of Government and Public Administration University of Sydney

March 1978
### CONTENTS

<table>
<thead>
<tr>
<th>Acknowledgements</th>
<th>iii</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abbreviations</td>
<td>iv</td>
</tr>
<tr>
<td>Introduction: A Proposition on Co-ordinative Influence</td>
<td>1</td>
</tr>
<tr>
<td><strong>Part 1 The Historical Legacy 1900-1945</strong></td>
<td></td>
</tr>
<tr>
<td>Chapter 2: First Planning: the Improvement of Sydney Commission 1908-09</td>
<td>30</td>
</tr>
<tr>
<td>Chapter 3: The Impact of Bradfield</td>
<td>49</td>
</tr>
<tr>
<td>Chapter 4: Road Planning and Traffic Management</td>
<td>66</td>
</tr>
<tr>
<td>Chapter 5: Administrative Experimentation</td>
<td>78</td>
</tr>
<tr>
<td><strong>Part 2 The Postwar Experience</strong></td>
<td></td>
</tr>
<tr>
<td>Chapter 6: The Administrative Framework</td>
<td>92</td>
</tr>
<tr>
<td>Chapter 7: Main Roads and Traffic Post-1945</td>
<td>126</td>
</tr>
<tr>
<td>Chapter 8: Public Transport</td>
<td>146</td>
</tr>
<tr>
<td>Chapter 9: Co-ordinative Agencies</td>
<td>166</td>
</tr>
<tr>
<td>Conclusion: Directions for Reform</td>
<td>185</td>
</tr>
<tr>
<td>Appendices</td>
<td></td>
</tr>
<tr>
<td>Bibliography</td>
<td></td>
</tr>
</tbody>
</table>
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I also thank the Hon. Peter Cox for permission to include Appendix 1; Dr Martin Painter for his collaboration in earlier associated work for the former Commonwealth Bureau of Roads; and the audience at the Institution of Engineers Symposium on "The Dilemma of Transport Decision-Making" in June 1977 for their comments on my paper on co-ordinative influences.

A number of references have been made in the early chapters to unpublished work of my own, in order to simplify the treatment. As a rule these works are available from the nominated University Department or other place. Also transcripts of five formal interviews have been included as Appendices for the same reason and because of their intrinsic importance. It is considered essential that the Appendices be reproduced here as will be seen in the chapters on the post-1945 period.

My greatest debt is to my wife, Anne, for the encouragement and typing.

Robert Gibbons
# ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALP</td>
<td>Australian Labor Party</td>
</tr>
<tr>
<td>CBD</td>
<td>Central Business District</td>
</tr>
<tr>
<td>CCC</td>
<td>Cumberland County Council</td>
</tr>
<tr>
<td>CUMTAC</td>
<td>County of Cumberland Passenger Transport Advisory Committee</td>
</tr>
<tr>
<td>DCA</td>
<td>Department of Civil Aviation</td>
</tr>
<tr>
<td>DGT</td>
<td>Department of Government Transport</td>
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<tr>
<td>DMR</td>
<td>Department of Main Roads</td>
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<tr>
<td>DMT</td>
<td>Department of Motor Transport</td>
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<tr>
<td>DOT</td>
<td>Department of Transport (Commonwealth)</td>
</tr>
<tr>
<td>MOTH</td>
<td>Ministry of Transport and Highways</td>
</tr>
<tr>
<td>MRDP</td>
<td>Main Roads Development Plan</td>
</tr>
<tr>
<td>MSB</td>
<td>Maritime Services Board</td>
</tr>
<tr>
<td>NRMA</td>
<td>National Roads and Motorists' Association</td>
</tr>
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<td>NSWPD</td>
<td>New South Wales Parliamentary Debates</td>
</tr>
<tr>
<td>NSWPP</td>
<td>New South Wales Parliamentary Papers</td>
</tr>
<tr>
<td>PEC</td>
<td>Planning and Environment Commission</td>
</tr>
<tr>
<td>PTC</td>
<td>Public Transport Commission</td>
</tr>
<tr>
<td>SATS</td>
<td>Sydney Area Transportation Study</td>
</tr>
<tr>
<td>SPA</td>
<td>State Planning Authority</td>
</tr>
<tr>
<td>TAC</td>
<td>Traffic Advisory Committee</td>
</tr>
<tr>
<td>URTAC</td>
<td>Urban Transport Advisory Committee</td>
</tr>
<tr>
<td>UTS</td>
<td>Urban Transport Study Group</td>
</tr>
<tr>
<td>VPLANSW</td>
<td>Votes and Proceedings of the Legislative Assembly of N.S.W.</td>
</tr>
</tbody>
</table>
An historically-minded generation is one which looks back... for those critical insights which are necessary both to the understanding of its existing situation and to the realisation of the values which it holds.

E.H. Carr  *The New Society*
Urban transport planning is one of the most contentious areas of contemporary public administration. The effective functioning of the metropolis as a whole depends more on the quality of the planning, operation and management of transport facilities than on any other factor. Transport is a determinant of the environmental character of city and suburb, workplace and home; of the location of residence and industry; of the effectiveness of public and private facilities; of safety and increasingly of health; of local political involvement and of the distribution of the benefits and costs of urban living. Transport administration is central to the formulation and implementation of urban policy, and the influences on the efficiency of the various processes in that administration can be considered to be of especial significance in the study of public policy generally. Decision-making in urban transport is very complicated and the role and responsibilities of the administrator are commensurately important.

Since the Second World War, however, urban transport authorities have been subjected to increasing criticism regarding their administration of existing services and the scope and intent of their planning of new systems. In most major cities the transport networks were developed before the First World War and are still in operation — and deteriorating. The penalties of obsolescence are numerous: costs (and fares) are rising, equipment and rolling stock are inadequate, uncomfortable and difficult to maintain, networks are overcrowded at peak hours but are unsuited to the bulk of non-peak trips due to structural changes in the cities, and personnel arrangements are commonly anachronistic. The relationship between public and private transport facilities has changed enormously, particularly since 1945, making new and expensive demands on transport authorities but without relieving them of the debt burdens of existing and past systems; the inability to respond to changes in demand patterns has compounded financial problems.

Even where new planning and construction have taken place, planners have been accused of adopting policies that are deleterious to the efficient and equitable management of the metropolis. There have been rapid changes in popular notions of the purpose of urban transport, ecological responsibility, and the distribution of the benefits and costs of investment programmes, leading to a new consciousness of the processes of urban society and a strict accounting of transport investment. Transport planners have acknowledged this, although in many cities in the world the dominant conventions of planning philosophy, methodology and technology have been criticised by politicians and the public.
as being simplistic and socially irrelevant and planners have not given ground. Technocratic philosophies have developed and become entrenched, often further disadvantaging bureaucracies that are confused by the rejection of their policies and even their standards of common sense.

The problems of transport administrators are not unique: many of the preceding comments may be found to apply to other areas of public policy, in different measure perhaps but with the familiar themes of high and rising costs, obsolescence of methods and equipment, and a perserverance with policies that are aligned more to the needs of bureaucracy than the community. In transport however there is a significant complication. While "transport" can be identified as a single functional sub-system of the metropolis (with interdependencies arising therefrom), it also consists of specialised activities, for instance trains, buses, ferries, trams, main and local roads, airports, taxis, carparks, footpaths, and traffic regulation and control. Each of these can be administered separately as has been the case in Sydney for most of its history, or in combination with the rest. Administrators therefore have to deal with an extremely complicated policy field in which co-ordination is the key word; there are overlapping spheres of action and important policy and operational interdependencies. The performance of each administrative agency and each service will be affected in some way by that of the others. Decisions made within one body can influence not only the effectiveness of the other agencies but can also affect the overall performance of the urban transport function and that of the metropolis as a whole.

There are important theoretical issues involved in such a multi-organisational system, especially with regard to the difficulty of co-ordinating policies and actions between separate agencies. Disagreements between organisations in related areas are common, for instance in national defence, economic policy, and in a somewhat analogous situation, nation states participating in international organisations. Even cases of agencies such as the U.S. Army Corps of Engineers proceeding with works and policies against the wishes of the superior levels of the official hierarchy

1. One example concerning Australian Defence investment is Paul Kelly, "Who wins the billion dollar tug o'war?", National Times October 18-23, 1976.
have been recorded fairly frequently.\(^{(4)}\) Inter-organisational competition and conflict is institutionalised in the American budgetary system.\(^{(5)}\) In the case of urban transport planning, there may be disagreements between authorities over particular issues, for instance at the simple and obvious level of the division of costs of common works (such as ancillary investment at railway stations, that is, carparks, road and bridge adjustments, and so on), or the equally obvious disagreements over spending priorities between local councils and State instrumentalities.\(^{(6)}\) More fundamental in the longer term is the possible effects of any independence allowed to separate authorities on planning priorities. Even if independent authorities co-ordinated themselves through processes of bargaining, mutual understanding and other forms of "partisan mutual adjustment",\(^{(7)}\) the results may be far from satisfactory in the view of elected governments or statutory co-ordinative agencies.

Co-ordination is a concept which, although often mentioned in the literature of public administration, is generally approached at the case-study level without adequate consideration of its importance in policy formulation, programme implementation, political accountability and the like, in multi-organisational governmental systems.\(^{(8)}\) The science of public administration has been largely concentrated on the study of established organisations where participation in co-ordinative mechanisms is virtually assured by the characteristics of the organisation. Co-ordination is seen as a task of "the greatest importance, complexity and difficulty",\(^{(9)}\) but by definition, if the organisation is to function effectively and survive, its internal structure will promote co-operation over elements of conflict.\(^{(10)}\) There may be


6. These aspects are discussed in later chapters.


8. In this thesis the term "governmental system" will refer to any group of officially-constituted bureaucracies and institutions which are interdependent, that is which occupy a common policy field in which the policies of all bodies are directly or indirectly connected. For a full definition of interdependence see Lindblom, ibid., pp. 21 f.


10. On this subject see: Simon, ibid., chapter VI; H.A. Simon,
disagreement at personal and group levels but the organisation, with its inducements, punishments and structure of authority, will itself function as a co-ordinative system to produce a favourable outcome for the whole. The situation between organisations may be very different if there is a lack of effective co-ordination. (11) The same processes of "identification" (12) and internal co-ordination that unify the sections and departments of an organisation (albeit perhaps imperfectly) also give organisations their own individual orientation:

A bureaucracy tends to have a life of its own; it tends to become an organic whole with a sense of common commitment among its membership and a readiness to close ranks and protect the common interest.... it is more or less organic and self-protecting as well as systematic and deliberate...(13)

Further,

The permanent civil servant has a major investment in his agency, and he will seek to protect it in his relations with others outside the agency.... the bureaucrat high enough in the hierarchy to make responsible decisions is probably also devoted quite sincerely to his agency's cause.... (His) psychic investment in the agency becomes a motivation to fight on behalf of its program. (14)


11. Conflict may exist regardless of the effectiveness of co-ordinative mechanisms; the issue lies more in the outcome of conflict. A general reference is W.M. Evan (ed), Interorganizational Relations (Harmondsworth: Penguin, 1976), Part One, especially Reading 3.


There is a complication, namely at what level in a system such as an organisation does identification take place? This comes close to the conventional view of organisational conflict, as seen in the following quote from Simon's Administrative Behavior:

> The principal undesirable effect of identification is that it prevents the institutionalized individual from making correct decisions in cases where the restricted area of values with which he identifies himself must be weighed against other values outside that area. This is a principal cause of the (inter-section) competition and wrangling which characterize any large administrative organization.\(^{(15)}\)

The implication is that the behaviour of the institution might not be too different from that of the "institutionalized individual". This applies particularly in situations where a technocratic professional ethos is pervasive, producing what has been called a guild orientation.\(^{(16)}\) Because the main task of say an engineering authority is basically physical and technical, and because internal standards of promotion and remuneration are founded on technical soundness, the outlook of senior administrators tends to be closed to pressures which lie outside the mainstream of organisational standards. As one engineer, E.D. Storr, put it in an article in The Professional Engineer in 1974, concerning the narrowness of perspective of the institutionalised engineer, "His whole conduct may be patterned by the compelling nature of the institutional imperatives which he is unlikely to question because he sees them as the only possible way".\(^{(17)}\) The value system of the authority becomes more and more closed in accordance with the standards of performance of the defined organisational task.\(^{(18)}\)

To generalise therefore, the consequence of interdependence in a multi-organisational system may well be conflict, in what can be considered to be a parallel case to the internal conflict described by Simon. However in a governmental system, where the survival of both the constituent units and the system itself is virtually assured, conflict will not necessarily be reflected directly in economic performance or organisational disintegration.

17. Quoted ibid., p. 305.
The stakes in any contest between official bureaucracies will be measured in influence and policies, especially in interdependent policy fields. Which agency will prevail, and why, and what might be the significance of victory or defeat (or compromise) for the overall functioning of the system?

The strength of the individual commitment of organisations to separate policies will vary with a number of factors such as the potency and permanency of the benefits and costs of compliance with central direction, the degree of established responsibility of a particular agency for a defined policy area, and so on. In some cases where central co-ordination is considered necessary by those in political authority, there may be little trouble in reconciling individual aspirations, in other cases there may be great difficulty with a commensurate load on co-ordinative mechanisms. Little attention has been given to such questions by administrative theorists: very few writers have developed the analogy between intra-organisational conflict and inter-organisational conflict in governmental systems. Conflict and inconsistency may be regarded as fundamental to government, not as aberrations, and the mode and quality of the resolution of differences in goals and policies deserve careful study. Such matters have received extensive attention in the literature of political influence and more particularly by economists.

19. "Conflict" will be used in a very general sense, covering all states of disagreement ranging from inconsistency to actual struggle. More specific meanings will be distinguished as the context requires.

20. The major exceptions are Lindblom, op. cit., who derived his original stimulus from the study of economics (see R.A. Dahl and C.E. Lindblom, Politics, Economics and Welfare (N.Y.: Harper Torchbooks, 1963, originally published 1953), for example chapter 7); Self, op. cit., chapters 3 and 4; and R.N. Spann, Public Administration in Australia (Sydney: N.S.W. Government Printer, 1973), particularly Part I wherein the parallel is constantly implicit, for example at pages 20 and 35. (A main instance is Spann's consideration of both intra- and inter-organisational factors in chapter 4, "Structure and the Division of Work"). All these writers refer to other sources, such as Downs' Inside Bureaucracy, but the generalisation has considerable force even though it is not absolute.

concerned with oligopoly, the existence of "few" firms in a market. (22) In fact the administrative analysts (23) who have written about co-ordinative problems have tended to resort to the economic theory of oligopoly to explain organisational behaviour in government systems, despite the substantial differences between the two situations. Most important of these are the statutory connections between official agencies and the existence of formal co-ordinative mechanisms. (24)

A major characteristic of governmental systems per se is the systematic framework in which the constraints, inducements and threats and so on, which all agencies must endure whether they are private or official, are effected. Political accountability is basically centripetal (or unitary) in the face of the ultimate contingency, be it election or revolution, even though responsibility may be decentralised or delegated. Thus administration must be placed in the context of the "success of the government as a whole":

It is certain that occasions will arise on which individual ministers and their departments will seek to exercise their powers to a degree or in ways which ignore, or seek to ignore, constraints necessary for the success of the government as a whole and the welfare of the community. Essential therefore to any form of government in which authority is entrusted to a number of ministers will be the means by which the discipline of such constraints is made effective.

... This process can briefly be referred to as 'co-ordination'. (25)

In this sense co-ordination is pervasive although not necessarily effective. The mechanisms of co-ordination vary but as implied above are orientated to the centre and are (at least in a technical


23. A major example is March and Simon, Organizations, op. cit., pp. 131-5, for these authors relied on a simplistic presentation of the theory of oligopoly and the theory of games. Among the writers who have integrated political and administrative theory are Lindblom, The Intelligence of Democracy, and Dahl and Lindblom, Politics, Economics and Welfare; and Spann, op. cit., Part I especially chapter 5.


sense) structured to produce predictable and politically acceptable results. Similar considerations apply in the case of functional interdependence, although if the consequences of inefficient co-ordination are not likely to be expressed in terms of that "ultimate contingency" then politicians may not give functional factors the same weight that they give to matters nearer to their collective survival. In fact the Royal Commission on Australian Government Administration saw a danger of contamination of the political unity of a government (or ministry) because "... permanent heads of the various departments do not have political or other continuous cause to think collectively or to act in close concert. Differences between departments in the scope of their functions and relative power tend rather to promote a sense of competition among some of them, so that it may require a degree of conscious effort on the part of a minister to maintain an appropriate detachment from the consequences of departmental rivalries". The potential for conflict between central political needs and functional needs, and individual organisational aspirations, is very real.

The preceding discussion can be summed up in the proposition that in a multi-organisational governmental system in which individual policy areas are interdependent, the nature of organisational behaviour will tend to produce competition between agencies, that this will strain the co-ordinative mechanisms in the system, and that those mechanisms may not be capable of overcoming such divisive forces to the extent that is required by the interdependencies. The urban polity is an extremely important example of multi-organisational governmental systems. It will be the purpose of this thesis to explore the implications of such an environment in a major policy area, transport administration, and to draw conclusions as to the significance and effectiveness of the various co-ordinative mechanisms.

At the outset, while the indicative framework which has just been presented would have some theoretical and empirical application to most (if not all) policy fields, two major qualifications must be made. First, there are always difficulties in measuring the effect of any suspected influence on decision-making, often because decision outputs are poorly defined, unknown or abstract (even non-decisions), as has been established in the literature of political influence as cited previously. This is especially true.

26. Ibid., p. 58. Cf Emy, op. cit., for example at p. 50.
27. See M.A. Grenson, The Un-Politics of Air Pollution (Baltimore: Johns Hopkins, 1971), pp. 2 ff and elsewhere.
where outputs have to be compared against some conceived standard of adequacy, that is, what is "bad" planning or a "bad" decision? Normally it is argued that policy decisions should be part of and consistent with the formal chain of accountability in the Westminster system, so that where statutory organisations do specialise their decision-making and are judged to be too separate from Ministers and unco-ordinated, their planning is "bad". (28) This line of argument is invalid where the intention of the elected Government is in fact to "hive off" all but the most electorally potent decision-making without significant regard to co-ordination. This has been a prevailing convention of urban government in twentieth century Sydney. While consequent corporate planning might be judged to be inadequate on other grounds, it would not necessarily be "bad" by contemporary political standards.

This does not make co-ordination a minor consideration for the political analyst. Co-ordination must be defined to include political institutions such as Cabinet, perhaps more so than self-regulatory mechanisms such as inter-departmental committees. Co-ordination can also include the various societal interests affected by different decisions, to the extent that such interests can be fundamental determinants of the constraints and pressures on formal co-ordinative mechanisms. While this might stretch the definition it does emphasise the fact that even in a system like that of New South Wales, where the statutory corporation has dominated urban administration (as will be seen in later chapters), failures of co-ordination can be obvious, or can indicate more essential weaknesses of a political system. This does not necessarily vindicate statutory incorporation for many weaknesses will be identified later, in a long-term and substantial context. However one major inter-departmental committee will be seen to have been ineffectual, and several major planning developments to have been based on internalised organisational values, because governments were not seriously concerned with the quality of operational performance. This will be a recurring theme in this thesis. It is suggested that the treatment of planning as a decision-making output, against the background of major structural influences on planning processes, will allow a critical examination of the "theory" of co-ordinative influence advanced in this chapter.

The second major qualification is that every policy field, organisational task and political environment makes more or less unique requirements on organisational structure and performance.

28. This has been an important theme in the papers of Professor Peter Wilenski's Review of N.S.W. Government Administration. An important example is P. Wilenski, "Urban Administration and Policy in New South Wales" (roneo; UNESCO Seminar on Urban Management Processes, Adelaide, 1977).
This is contrary to the classical Weberian guidelines of efficient bureaucratic administration but this basic proposition has been subject to extensive documentation in the last twenty years, especially from the "contingency theorists".\(^{(29)}\) In simple terms, their argument is that inherent policy field characteristics (such as stability, diversity and so on) affect internal practice in many ways especially through delegation of authority, the operation of "boundary" (or externally oriented liaison) groups, the "shallowness" or "depth" of authority chains and so on. Also the way the policy field is organised \textit{ab initio} affects organisational behaviour. Contingency theorists have been typically concerned with internal operations and adaptation rather than with system outputs and inter-corporate co-ordination yet the school of thought has obvious relevance. Some of its insights on internal organisational change will be related to Sydney's experience in the appropriate chapters. At this point brief attention needs to be given to the main features of the transport "policy environment" at a general level, as background to the later empirical treatment.

Transport "administration" consists of a diverse range of policy processes. At the start a broad distinction must be made between planning and managerial\(^{(30)}\) decision types on the basis of the functional characteristics of urban transport. In its simplest terms the distinction can be expressed as the difference between


30. Managerial has been chosen in preference to such words as operational, short-term, tactical, corporate, administrative, temporary and so on; its meaning will be defined in the following.
long-term strategic rankings of priorities which provide the continuing background for more flexible ad hoc or tactical decision-making. The first factor underlying the division is the nature of transport works for these are typically very expensive and have a long operational life. They are often difficult to modify and reviews of their operational effectiveness are therefore only periodically made. Thus decisions concerning substantial investment programmes normally have to provide for long-term factors, with any flexibility that might be needed coming from for instance pricing policy. The second reason relates to the nature of the interaction between transport and other major urban processes. Roads, railways, airports and the like not only must be planned to anticipate long-term traffic growth but themselves influence land use and traffic purely through either being available for use, or being inadequate, or not being available as the case may be. Thus transport planning tends to be self-reinforcing and it is often only exogenous factors such as technological change and societal change (for instance the popular adoption of the motor vehicle) that necessitate major reviews of priorities and operational effectiveness.

The third reason is the intrinsic and exceptional importance of short-term decisions. Apart from investment in traffic control systems on roads and railways and similar expenditure, management in the present sense includes fare and pricing policy, the level and type of service provided by different modes of transport, and regulatory policies. Like other public services transport authorities depend on revenue from user charges (fares, fees and taxes and the like) for their financial viability; yet the transport administrator is almost unique in having to consider demand factors and market forces as major influences on policy. Public transport for example is essential yet it has close substitutes, such as trips on foot or by bicycle, by car and taxi, and even perhaps by commercial delivery services. Motor vehicle registrations and petrol tax receipts could also be affected by pricing policies. The political and functional importance of such considerations must be emphasised. Managerial decisions such as fare-setting (which is not normally related to individual route performance but to annual overall financial results) can affect long-term trends in transport patterns and because of the physical inflexibilities mentioned above can be of fundamental significance in making existing transport systems effective or redundant. Even decisions such as the installation of extensive traffic control

31. While this statement does not preclude the possibility of "incremental" policy-making, it does imply a limitation on such processes (for which see Self, op. cit., pp. 39 ff).
systems on roads can affect travel patterns substantially, although this is not generally the intention.

The distinction between planning and management which has been outlined has considerable empirical validity but not of course in a black-and-white sense. There are many facets (time span, functional complexity, impact on long-term priorities, finance, extent of interdependencies and so on) which might be mixed-up in a particular process and it is more realistic to speak of three categories — strategic planning, ad hoc planning and management. Strategic planning has three basic characteristics: (i) it is concerned with the "long term" (the definition of this is flexible); (ii) it deals more in priorities than details of route, construction timing and finance, etcetera; and (iii) it is comprehensive in that it should encompass all elements of the policy field and all interdependencies. Ad hoc planning deals with detailed planning, especially specific issues. It builds on the broad framework of priorities provided by the strategic planning, but if prior strategic planning (in effect, the co-ordination of conflicting goals in the policy system) is lacking then it should be at least compatible with the long-term priorities of the government; and it should be sufficiently comprehensive to incorporate the interdependencies relating to the specific subject of the planning. (Ad hoc also implies that the problem is more or less unexpected and requires individual attention, although here the sense will be extended to cases which were anticipated but left for later detailed attention.) Obviously the difference between ad hoc planning and managerial decision-making might be slight in the sense that both are concerned with short-term matters; the distinction lies in the subject matter, managerial policies being essentially repetitive and operational, based on the management of existing facilities rather than the addition of new works and such like. Decisions in the managerial class are also typically flexible and reversible (even though the policy effects of decisions may not be).

32. Jane Jacobs argued in The Death and Life of Great American Cities (Harmondsworth: Penguin, 1972), chapter 18, that the potential of such policies for controlling the use of cars in a negative direction ("the attrition of the private automobile") is considerable. See that source for examples.

33. Planning is a particular type of policy process which seeks to foresee and control the direction of change in a policy field, whether that field is broad or narrow. "A plan is a course of action which can be carried into effect, which can be expected to lead to the attainment of the ends sought, and which someone (an effectuating organization) intends to carry into effect" (M. Meyerson and E.C. Banfield, Politics, Planning and the Public Interest (N.Y.: Free Press, 1964), pp. 312 and following).
Strategic planning has the most public and best-documented type of decision process and it will receive brief attention here for three main reasons. First, "grand plans" are a notable part of transport planning and often have substantial political and operational importance. (Not all strategic plans are as ambitious as the Sydney Area Transportation Study which is discussed below but normally definite decisions have to be made on priorities and these are normally well publicised.) Second, this type of planning has the most obvious decision processes and thus sources of co-ordinative influence can be defined in a manner that has more general relevance. Finally, the methodologies of past "grand plans" are distinctive and have attracted a great deal of attention. It is important to say that while such methodologies can have untoward implications which are not immediately obvious, it is generally true that the methodologies employed at different times in Sydney were consistent with the predominant organisational and political intentions and had no real mysteries to the users. That is, the methodologies were less significant than the factors which explain their adoption. The treatment here will be brief(34) but it will indicate the general scope for co-ordinative influence in this policy field and the type of co-ordinative influence which might be explored in later empirical chapters.

The conventional methodology for strategic transport planning is characterised by the use of relatively standard assumptions and procedures of data collection and modelling, which are intended to produce an abstract framework of causal relationships to simulate and simplify the urban world. The methodology has been evolved and standardised (even to the extent of commercial computer "packages") by the engineering profession and has been applied in most major cities since the Second World War.(35) There are four major steps:

(i) establish the main social parameters for the planning period (typically 10-30 years), such as population, employment, income and travel trends;

34. This subject was covered in more depth in R.P. Gibbons, "Transportation Planning in Sydney, Post 1945: Politics, the Environment, and Sociospatial Dynamics" (Colloquium paper, Department of Government and Public Administration, University of Sydney, April 1975).

(ii) project the expected increase in traffic on the basis of present base-year traffic patterns;

(iii) evaluate the existing transport facilities in terms of the projected traffic loads; and

(iv) design new facilities and policies to accommodate the traffic increase within policy objectives for pollution and the like.

This procedure, which is depicted in graphical form in Figure One, is realistic in the special terms of the "grand plan" or systems approach, as seen in the methodology of the Sydney Area Transportation Study, but it can be put into a more generalised form as a policy process, as follows. Goals and objectives are first formulated; technical models are used to depict relationships, define problems and suggest alternatives; the choices are evaluated; and the preferred solution is (hopefully) implemented.

The critical question to be considered is, what structural characteristics of a political system might affect the planning process in the stages set out immediately above? A detailed typological analysis was written on this point in the course of preparation of this thesis which suggested that three first order parameters were significant. These are:

(a) the degree of specialisation of administration, that is, is there central unified responsibility for the various transport and land use areas or are there separate specialised agencies?

(b) the type of accountability — is there for example a greater metropolitan council based on direct representation, or is a State Government (and Ministerial system) responsible, the latter containing a less direct nexus between authority and accountability; and

(c) the types of finance such as betterment tax, triennial and annual grants or loan allocations, and user charges.

There are other factors such as statutory, personality or manpower advantages of specific organisations but these are generally dependent on or included in the three categories, and/or are independent of governmental structure. For example it is

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36. See Gibbons (as cited in note 34 above); also Sydney Area Transportation Study (Sydney, 1974-5), vol. II.


38. That discussion was much too long to be included here. The comments thereon of Dr M. Painter were very helpful in adapting that treatment to the present context.
axiomatic that an organisation with a dominant advantage in terms of "system resources" as defined later will exercise most influence in a policy process, either because it can directly influence the terms of reference or recommendations and the like, or because it is in the best position to take positive action and is therefore favoured in programme recommendations, and so on. Some organisations may be so disadvantaged that they can participate in name only. In general such circumstances arise as a consequence of structural factors and while temporary influences may be important at a specific time, it is preferable to identify the structural factors. While the typology is necessarily simplified it has considerable indicative value in terms of interpreting the dynamic performance of a policy system.

Although it is not possible to develop the typology at length in this place, and it would be meaningless to summarise it in tabular form because of its complexity, the "goal setting" stage will be analysed briefly. (Financial parameters will be examined in Chapter Six.) It will be necessary to assume that the planning study is being conducted by a representative and "objective" team of specialists, which is unfortunate because bias can be reflected in the composition of a study team. However the analysis is intended to be indicative only and this weakness is not significant. Further, in the interest of simplicity the main structural parameters will be arranged in three basic combinations, (39) namely:

Case A: central unified administrative structure; greater metropolitan council based on direct representation and with overall responsibility for urban policy; and funding from a land tax (calculated according to the incidence of benefits of a programme), triennial funding, and user charges;

Case B: decentralised administrative structure but with effective co-ordination through Parliamentary and interdepartmental committees and officer communications; Ministerial responsibility in a State Parliamentary system; and annual and triennial funding from consolidated revenue; and

Case C: dispersed administration without effective co-ordinative mechanisms; Ministerial responsibility; and finance from user charges.

These alternatives are not meant to be totally comprehensive nor do they directly relate to any particular policy system applying in Sydney.

The first task of the transport planning team is the determination of the goals of their study and the translation of their brief into the terms of their methodology. This is an

39. An alternative framework which has some relevance was provided by Richard S. Bolan in "Community Decision Behavior: The Culture of Planning", Journal of the American Institute of Planners, XXXV (5), September 1969.
extremely complicated topic. The brief may for instance be in very general language, specifying values to be sought after and directions to be taken; it may be more specific and consist of objectives, measureable and attainable and specific to the circumstances.\textsuperscript{(40)} The brief may be all but sufficient for the derivation of operational criteria by the study team; or the team may have to go to a local knowledge of politics, a scrutiny of the minutes of the responsible planning authorities, formal and informal discussions at all levels, and so on. Some issues will rarely be specified, as one prominent urban economist has implied:

\begin{quote}
The first crucial issue involves one's point of view; that is, it involves designating whose interests and welfare are of concern and at stake. In more direct terms, the analyst must specify with some considerable care the particular people for whom the "best" plan is being sought...\textsuperscript{(41)}
\end{quote}

The planners will have a varying degree of discretion in the formulation of overall and specific priorities, in the specification of performance criteria of all types, and in the balancing of conflicting community interests:

\begin{quote}
... the sheer complexity of the work... means that the planner will himself make many of the important value judgements. It is impossible to consult the whole community on many value judgements and it is often considered impracticable to consult even elected representatives on the grounds that, if this were done, the task would never be completed, or data would have decayed to the point of uselessness before publication of the plan.\textsuperscript{(42)}
\end{quote}

For the moment it will be assumed that the brief given to the planning team is sufficiently detailed to eliminate the need for the planners to derive operational objectives from nominated goals. We are therefore interested in the effects that governmental structure can have on the constitution of the brief.

The first requirement for determining goals and objectives is that the individual problems and requirements of each service (trains, buses, roads and so on) are properly understood by the policy-makers. In the first system, Case A, the central greater metropolitan council has responsibility for each service and the potential for understanding is maximised. Objectives can therefore be related to performance and be attainable. In Case B, where the

\textsuperscript{40} See for example R.C. Young, "Goals and Goal-Setting", Journal of the American Institute of Planners, March 1966.

\textsuperscript{41} M. Wohl, Another View of Transport System Analysis (RAND Publication P-3765, February 1968), p. 3.

\textsuperscript{42} Cowling and Steeley, op. cit., pp. 23-4.
services are administered separately but are centrally co-ordinated, there is again a good possibility that individual requirements will be understood properly although there may be weaknesses in the communication of that understanding to the Minister and thence Government. In Case C, however, the burden of monitoring and understanding the separate administrations falls to the Minister(s) and the level of understanding will depend largely on the independence allowed by the Minister and on the quality of the Ministerial research facilities.

The second factor relates to the source of accountability of the policy-makers, respectively the greater metropolitan council, and (for Cases B and C) the Minister (or Ministers as the case may be). In Case A the boundaries of the electorate of the council are broadly coincident with the operations of the transport services and therefore the political rewards and punishments for planning goals and objectives (other things being equal) will be meted out in proportion to the judgement of the planning clientele.\(^{43}\) This is not necessarily the case in the other two systems because the allocation of Ministries would usually divorce the Ministers' electorates from their clientele. Also the communication between the urban electorate and the more broadly-based Government is less complete post hoc than in Case A. This could affect the selection of goals and objectives through (say) the imposition of partisan values on the planning process.\(^{44}\)

The third influence relates to the initial planning commitments of the authorities controlling the respective services. In Case A, where activities are controlled centrally (and we can assume have been so controlled for a substantial period), commitments to investment programmes and administrative policies will probably be co-ordinated between services and the chance that

\(^{43}\) Clientele and constituency will be used interchangeably to indicate the interests affected by a planning study. See J.K. Friend, J.M. Power and C.J.L. Yewlett, Public Planning: the Inter-Corporate Dimension (London: Tavistock, 1974), pp. 29-30.

\(^{44}\) Distortions in value-judgements arising from political processes are conceptually difficult, if not impossible, to identify let alone measure. Governments never merely represent majorities, for they cannot afford to ignore minorities, and there is a strong normative element in social planning; that is, they provide the people with improved policies or with practical compromises, "as may be required in the circumstances". Even if a Government with strong support from rural electorates chose to allocate a disproportionate share of its total road funds to the country, it would not necessarily mean that the Government had distorted planning values — but it may have. Cf Stephen L. Elkin, Politics and Land Use Planning: The London Experience (London: Cambridge University Press, 1974), chapter 5. An excellent general discussion is Simon, Administrative Behavior, op. cit., chapter III.
one service will not be as flexible towards new planning as the others (given physical constraints which would be allowed for in the planning process) will be minimised. The same can be said of Case B. However in the third instance the opportunities for the separate administrations to act out-of-step are maximised; this will possibly mean that one or more services will be disadvantaged, or worse, out-of-step, when the new planning is undertaken. If the policy-makers are aware of this, the goals and objectives which they would have otherwise specified would have to be altered. Such an alteration might be significant.

The remaining factors follow on from the third in that they are all potentially destructive of an "objectively-defined optimum mix" of goals and objectives.

The fourth requirement is that there be no undue bias towards either social or operational objectives. In Cases A and B the shared political responsibility for all types of urban agencies (in different measure) and the past history of effective co-ordination will tend to produce balanced objectives in the terms of the preceding paragraph. The dispersed structure of Case C again suggests that there may be a tendency towards imbalances between authorities and that this could prejudice the goal/objective-producing processes. The determination of the importance of this factor rests on the characteristics of those processes; the final point is concerned with this.

It is generally accepted that the outcome of any decision-making process will largely depend on the distribution of what might be called "system resources" between competing groups, the use of those resources, and the sensitivity of the decision-making process to the use of those resources over a range of issues. Thus the fifth requirement for a balanced mix of planning goals and objectives is a composite: a reasonably even distribution of resources between service administrations (where the resources are defined according to the characteristics of each political sub-system), an impartial agency in overall authority, and a set of issues which do not arouse combative instincts of say self-survival. It cannot be determined a priori which of these are "necessary" and/or "sufficient" conditions; in any case, this analysis is concerned only with broad principles.

There are four main types of system resources which are available to transport planning agencies. The first is the political strength of the respective bureaucracies: do they enjoy the favour of politicians; do they have influential constituencies, such as motor-lobby pressure groups (or even influential enemies, such as environmental groups); and do they have special statutory
powers, one against the other? The second resource is the administrative and research strength of the agencies and their ability to wield their resources. (The willingness to do so is a separate question.) The third possible resource in a multi-organisational planning framework is the agencies' respective control over finance, manpower and materials to enable them to confidently plan ahead. The fourth is in some respects a mirror image of the third: the ability of an agency to assume planning responsibilities and participate in the planning process will be inversely related to its initial financial disabilities and continuing debt commitments. If an authority is unable to incur new investment itself, and depending on the characteristics of and resources within the planning system, it may be removed from the goal-setting process and the use of its other resources may be nullified. These four aspects of resource allocation within a system of organisations underlie all other considerations which have already been discussed.

The influence of "resource allocation" on goal/objective-setting can be fundamental in certain circumstances. In Case A the system resources are concentrated in the central city parliament and its subsidiary bureaucracy and there is no question of inter-organisational competition. There may however be interaction between the internal divisions of the bureaucracy and it is possible that basically the same processes will go on within the managerial structure as between different agencies. This is a very real possibility but as the main difference between the two types may be the hierarchial nature of the internal processes, no special attention needs to be given to this point in addition to what follows. One important factor is however the fairly direct relationship between the cost of and funding of investment programmes in Case A, with a land tax depending on the spatial distribution of the benefits of, for instance, railway construction being supplemented by triennial funding and user charges. This combination provides an adequate degree of certainty and evenness between different services and can help to overcome initial financial handicaps in particular areas. From the point of view of organisational interplay then, Case A represents an ideal framework for the determination of goals and objectives, with the only competition for attention coming from within bureaucracies. This latter factor is independent of governmental structure in this case only to the extent that the greater metropolitan council allows its apparat to influence its community policy-making.

The governmental structure of Case B introduces the possibility of separate organisations influencing the central co-ordinating mechanisms through the employment of system resources. The organisations can try to influence the Government through the Minister, directly or indirectly, especially if more than one Minister has transport and other urban responsibility; then the personal resources of the Ministers are relevant. The fact that there is effective co-ordination between the separate agencies does not imply that the goals and objectives of a study dealing with the general range of transport administration will necessarily be "balanced" between the needs of the authorities, nor does it imply that the only major value-judgements will result from political decisions relating to the urban human environment. One qualification is, however, that the existence of an effective co-ordinative mechanism will tend to minimise the divergence of resource holdings between the agencies, so that at the outset of the planning process there is a fair probability that no particular authority will be severely handicapped and therefore be excluded from the goal-setting procedures. The system for funding investment allows adequate scope for the Government to help a specific service authority to overcome an existing debt burden, although the inbuilt flexibility is less than in Case A.

The potential for inter-organisational competition in Case C is basically the same as in Case B but with the difference that there is not necessarily any mechanism to restrain the divergence in resources between authorities in the long-run. An authority with a large debt burden, for example, will not be able to participate as fully as necessary in new works programmes and may as a consequence lose patronage and thus revenue. Even where extensive new planning is not involved, the reliance of each authority on user revenue and the inevitable differences in revenue and costs between services will lead to a progressive imbalance in system resources. To some extent therefore, the conventional notions of interest group interaction, as applied to inter-organisational systems, will not hold true: some agencies could be so badly disadvantaged as to be excluded from the bargaining processes. This would be reflected in the goals and objectives expressed in the planning brief.

The main conclusion to be drawn from the foregoing analysis is that the determination of the goals and objectives of major transport studies can be influenced substantially by the structural characteristics of the urban governmental system. While the main structural features (including, for the present purposes, finance) have been grouped into specific combinations, the influences have been traced both to the combinations and to the individual features
themselves, and so the analysis is more general than may at first appear.  

Similar analyses can be developed for each of the decision stages identified earlier but the central point is clear. While planning might be judged to be inadequate at a particular time, the causes of the weaknesses may not be so much in temporary or superficial or short-term factors. These might be important but are in turn caused to a great extent by more basic forces which arise from the way the political system works. As an example of the need to reach basic causes, too many explanations of why contemporary transport planning has been inadequate stop with a conclusion that conventional methodologies cannot embrace economic, social, political and technological complications. This conclusion implies a search for better methods yet it should be obvious that it would be better to ask why was a particular methodology used? Other causes are given as shortages of finance or the failure of politicians to adequately define a particular objective, yet again while these factors might have some inherent validity they are otherwise subsidiary to the more basic forces of how finance is raised and allocated, or how organisations influence politicians, and so on. Such essentially co-ordinative factors are endemic to the working of a political system.

It is the purpose of this thesis to examine transport administration and planning in Sydney with particular reference to the period after 1945 in order to assess the influence of co-ordinative factors on corporate and system performance. There are three main tasks inherent in this undertaking. First, the historical record of planning is established in the broad sweep. In terms of the policy classes distinguished earlier, most attention will necessarily be given to strategic planning although an attempt has been made to document performance in other areas. Second, the main co-ordinative factors are identified empirically, using the discussion which has been presented in this Introduction as a framework. This amounts to critically evaluating the governmental system of New South Wales as it applies to transport and related fields. Thirdly, an attempt is made to identify and relate the features of planning and governmental structure to test the proposition advanced earlier, that transport planning has relatively stringent co-ordinative requirements, that organisational behaviour tends to be closed and "egocentric", and that

46. The relaxation of the previous assumption that the brief is adequate for the planning team's purposes, taken with a realistic presumption that the team is not isolated from political processes, would not appear to modify the preceding analysis very much. The influences on goal-setting would be extended in a basically unchanged form to the deliberations of the team, and the end result would probably be essentially the same as when inter-organisational pressures were confined to the formulation of the brief (as input to the team).
co-ordinative agencies might not be able to provide adequate input to achieve results which meet the requirements of interdependence and effectiveness. (47)

Each of the three tasks has been challenging, particularly because the respective literatures of public administration, town planning and related disciplines have not critically addressed the question of co-ordination in New South Wales, let alone transport planning generally. Even in comparatively famous planning episodes significant misconceptions and inaccuracies have emerged and persisted. The research programme has consisted of extensive literature searches and formal and informal interviews and discussions. The findings reinforce the view of the importance of co-ordination for effective policy-making that has already been expressed. While the thesis necessarily consists of a range of subjects and sub-themes, the central conclusion is that the government system of Sydney has been deficient as to the organisation of administration and planning and the mechanisms of co-ordination, and that consequently closed value systems have developed in organisations, biased planning methodologies have occasionally been used, inadequate consideration has been given to social and political priorities, and imbalances in resources have emerged. Other contributing causes are identified. A number of definite suggestions are made for improvement in the Conclusion.

The thesis is organised in ten chapters of which this Introduction has been the first. The period before the Second World War is dealt with in four chapters in Part 1 which relate to the main contemporary planning and administrative developments. The period after 1945 is also treated in four chapters, the first providing an analysis of the general governmental framework and the rest dealing with the main functional areas of main roads, public transport and explicit co-ordination. The final chapter, the Conclusion, evaluates the detailed discussion in terms of the overall theme of the thesis and presents a prognosis for reform in several critical parameters. The chapters will now be briefly discussed to indicate the progress of the argument.

47. It has already been said that there are great difficulties in defining what constitutes a deficiency in policy. This matter is often far more clear in historical perspective. Otherwise in this thesis effectiveness is taken to mean that the outcomes of policy processes accord with the objectives of policy-making and that the initial goals and objectives are consistent with the wishes of the elected Government. For a more limited definition see Report of H.C.A.G.A., op. cit., pp. 31 ff; also Self, op. cit., p. 264. This is not intended to constrain the equally vexacious question of defining co-ordinative influence. I shall follow Grenson, op. cit., chapter IV.
Chapter Two deals with the first and in some respects the most significant strategic planning study, the Royal Commission for the Improvement of the City of Sydney and its Suburbs (1908-09). A combination of political, social and economic circumstances produced an awareness of the causes of previous urban management problems and created an ideal environment for a comprehensive planning and (in a limited sense) administrative programme of reform. The Commission's Report contained recommendations for physical works (roads and railways) and planning powers which constituted the beginning of "modern" planning in Sydney. The Commission was independent of narrow organisational ties and was able to produce a Report of high technical quality which also integrated the contemporary conceptions of social improvement and environmental standards. The Commission was a model for comprehensive decision processes and its success (as defined) will be compared with later attempts.

Chapter Three is concerned with the subsequent developments to the Improvement Commission and especially with the contribution of Sydney's most famous planning advocate, Dr J.J.C. Bradfield. Bradfield's impact is examined critically in the context of the planning lobbies of the time and the actual contributions of others to the design and planning, rather than advocacy, of the Harbour Bridge, the innercity underground rail system, and the electrification of the Sydney railways. This chapter is apparently the first attempt of its type and produces conclusions which challenge the conventional understanding of the planning processes of that time. Chapter Two performs a similar role in relation to the Improvement Commission although it is possible to present a more definitive analysis there than in the Bradfield chapter. There is a comparative and in some instances absolute absence of complementary secondary sources for Chapters Two and Three and these are the most thoroughly documented in the thesis for that reason.

The 1920s were to a large extent a technological climacteric for Sydney in that private road vehicles replaced public transport modes for many uses and this resulted in new emphases and pressures in urban planning. Chapter Four examines the main elements in the road planning movement, namely the "planning" of main road improvements on a fairly progressive and integrated basis, and the management of traffic to achieve goals of "control" and efficiency. Attention is naturally focussed on the Main Roads Board which was established by the Main Roads Act of 1924, but several other actors who have been largely forgotten in the subsequent literature are studied, particularly the Traffic Advisory Committee. The chapter will also deal with the tram Vs bus controversy insofar as
it is relevant and will summarise the contributions of Sir Michael Bruxner as Minister for Transport. This period is comparatively well covered by secondary sources and the treatment is predominantly interpretative.

Chapter Five consists of a brief analysis of the main administrative reforms of the period 1930 to 1932 in which Premier Lang and Lieutenant-Colonel Bruxner alternatively juxtaposed their ideas on the administrative system, with Bruxner finally deciding in 1932 what sort of system would survive, virtually without major change, for forty years. Again the treatment is interpretative and attention is concentrated on the main points of conflict and agreement on organisational design. The evolution of the transport governmental system is touched on in some way in every chapter in Part 1 and Chapter Five rounds out the discussion.

One very interesting observation that can be made on the basis of Part 1 is that in the case of major urban rail works there was a long period of gestation in which organisational and popular commitment was gained, followed by a period in which legislative backing was obtained, and then implementation. By the time that the city underground and suburban electrification were tackled in force, the railways had lost their basic technological imperative although the hard-won commitment was strong enough to sustain the programme of construction almost to completion. A similar pattern obtained in the case of the comparable road works, the Department of Main Roads' Main Roads Development Plan (that is, the freeway programme), which will be discussed in Chapter Seven, except that the commitment was in the end not strong enough to overcome adverse societal trends. None the less there were parallel factors of organisational specialisation and commitment, progressive societal and political endorsement, and partial eventual irrelevance. These factors point to what are perhaps fundamental features of the governmental system of Sydney which have not been previously analysed to this writer's knowledge.

Part 2 consists of four chapters, the first of which is Chapter Six. This is a general discussion of the postwar evolution of Sydney's governmental system and particularly of such matters as the succession of bodies concerned with central land use management, local road planning, Commonwealth and inter-governmental relations, and transport funding. This chapter provides the background to the more specialised analyses which follow.

Chapter Seven deals with the planning of the Department of Main Roads, the organisation's internal values and drive, and the success which it had in having its philosophy (that is freeways)
endorsed in the wider context of metropolitan planning. Although the Department was not very successful in terms of bricks-and-mortar and has not influenced urban development as much as other statutory authorities, its experience poses fundamental questions of political accountability and Ministerial control, organisational dynamics, and inter-corporate co-ordination.

Chapter Eight is concerned with similar subjects of planning, organisation and co-ordination but in the context of public transport administration. In this area the statutory authority has been the dominant form of organisation but there have been recurring questions of efficiency and operational co-ordination. In 1972 the Askin Government experimented with the amalgamation of the Departments of Government Transport (buses) and Railways in the form of the Public Transport Commission. That experiment has answered none of the earlier questions and has posed new ones of organisational control and adaptation: it has to 1977 been a pronounced yet irremedial failure. Chapter Eight will briefly analyse the P.T.C. and its predecessors with regard to their planning of rail and bus systems and their administrative experience.

Chapters Six to Eight in effect are concerned with the performance of the operational components of the transport system. Chapter Nine deals with the agencies which at times have had nominal responsibility for co-ordination, at times effective responsibility, and at times not even nominal responsibility. Political institutions such as Cabinet and Ministers are discussed briefly as are the Traffic Authority of New South Wales, the Ministry of Transport and Highways, and the main interdepartmental committees, CUMTAC and its successor URTAC. In each case actual roles are defined and performance is assessed as far as possible. It will be seen that political will and task specialisation are the crucial elements in inter-corporate co-ordination, and that political will has been notably absent for most of the postwar period, until the mid-1970s when the elements of a basic effective system emerged.

The final chapter, the Conclusion, is predominantly focussed on the main concern of the thesis, namely the identification and assessment of co-ordinative influences on decision-making and the consideration of improvements to the existing governmental system. It is suggested that there are compelling reasons for retaining a functionally specialised administration system, through statutory authorities unless the Departmental form can be significantly improved, but in a very firm framework of organisational accountability both to the Government and to each other (in line
with functional and other interdependencies). Suggestions are made to improve the administrative system through the full use of inter-departmental committees and special purpose task forces, but more importantly through an improved budgetary system and a conscious effort to appraise the distribution of "system resources". Specific reference is made to the Departments of Main Roads and Motor Transport, the Traffic Authority, the Public Transport Commission, the Ministry of Transport and Highways, the Urban Transport Advisory Committee, and the Cabinet system of government.

In a thesis covering a complicated topic it is perhaps inevitable that several sub-themes will emerge. The main ones in this thesis are concerned with organisational specialisation and external planning; the roles of specific actors such as the Improvement of Sydney Commission and Bradfield; the validity of the theoretical emphases of the present chapter; and the adequacy or inadequacy of specific planning efforts. Such a range of sub-themes is in large part the result of the paucity of critical analyses of Sydney's twentieth century experience. It became more and more apparent as the research for this thesis progressed that many problems which politicians and administrators are now facing can only be properly understood through historical study.

One disclaimer can be entered at the outset, namely that this thesis is concerned with a complex topic which does not have adequate theoretical or empirical precedents. For example transport planning methodology is quite technical in content and has been very poorly covered by political and social analysts. Obvious faults such as the bias of engineering models towards measurable data are widely recognised, but there has been no comprehensive analysis of the various models employed and the importance of the data processing methods in policy terms. More importantly, very little critical material has been published on transport planning in Sydney, especially on the rationale of major planning decisions but more generally on interdepartmental relations, the operation of interdepartmental and Cabinet committees, budget-making and finance, relations between

48. In some respects Friend, Power and Yewlett, op. cit., had a similar task to the present thesis but their analysis has not been particularly helpful. One reason for this was their comparative emphasis on reticulist (or inter-personal) co-ordinative linkages at the expense of the formal communication, allocation and accountability channels which this thesis must be concerned with. Reticulists will however be dealt with in Chapter Nine.

49. A partial exception is K.W. Knight and K.W. Wiltshire, Formulating Government Budgets (St. Lucia: University of Queensland Press, 1977). This has excellent general discussions of several aspects discussed later but unfortunately appeared too late to enable full use to be made of it. Another valuable general source is R.S. Parker and P.N. Troy (eds), The Politics of Urban Growth
ministers and departments, and the operation of statutory bodies. Each of these areas has been researched more or less successfully; some areas are regarded as politically confidential or as not worth publicising, some have only bits and pieces of information scattered in the various archives and libraries, and of course some have inherent difficulties. For these reasons the analysis will be qualified as necessary. As far as possible interviews have been used and indeed the thesis has benefitted greatly from the generosity and perspicacity of those listed (and not specifically listed) in footnotes and the Bibliography; however deficiencies in information availability will be recognised as the occasion requires.

(Canberra: A.N.U. Press, 1972), especially the chapters by Parker, France and Hughes, and Harrison.
Chapter Two

First Planning: The Improvement of Sydney Commission 1908-09

In (our) Interim Report... we referred to the difficulties of evolving a symmetrical scheme of improvement of the City of Sydney and its suburbs. Further inquiry and deliberation have convinced us that those difficulties cannot be wholly overcome without great sacrifice on the part of the citizens. Our aim has been to ascertain how, at a reasonable expenditure, the transit facilities of Sydney and its suburbs may be improved, while at the same time adding character and dignity to a city in harmony with its situation on one of the finest harbour sites in the world.

The first decade of the twentieth century saw the beginning of planning in Sydney. The past development of the metropolis had been completely unregulated and there were critical backlogs of services and civic works as well as weaknesses in controls over housing and building standards, pollution and the like. These problems had been recognised in the past but in this decade they received intense scrutiny in connection with the introduction of overseas ideas of urban improvement and the critical element of governmental reform. In fact there was an almost continuous debate in the decade over the functions and form of local government: social improvement was linked by politicians and publicists to the realisation that effective solutions would be based on controlling future development, and that the government system of the past could not provide that control. The result of general acceptance of these propositions was an environment conducive to planning and Australia's first true planning enquiry, the Royal Commission for the Improvement of the City of Sydney and its Suburbs.

The decade started with two extremely important influences. First, general recovery from the drastic depression of the 1890s was well under way and Australians were becoming more and more aware of the social weaknesses of their habitats. (1) Secondly, the work of Haussman in Paris and the English municipal reform of 1888 (the formation of the London County Council) inspired a relatively small number of well-travelled politicians and public figures to evaluate conditions in Sydney in terms of overseas perspectives, and to make good use of improving internal communications to spread their knowledge. (2) Thus the major deficiencies of Sydney's development, and these had long been recognised, (3) were given a sharper focus and a popular consensus developed among journalists, politicians and the prosperous professional classes, and in various public meetings and in the


2. There is a good section on overseas ideas in F.A. Larcombe, "The History and Development of Local Government in N.S.W. 1857-1919" (M.Ec thesis, Department of Government, University of Sydney, 1944), vol.II, pp. 308 ff. The activities of the "advocates" is dealt with in R.P. Gibbons, "An Improvement Programme for Greater Sydney" (unpublished postgraduate essay, Department of Government and Public Administration, University of Sydney, 1974), which is hereafter cited as: Gibbons, "Greater Sydney".

3. See E. Irvine, Sydney As It Might Have Been (Sydney: Alpha, 1974), throughout.
press, along two main lines. These were respectively the need for planning and the need for governmental reform.

The physical deficiencies of the metropolis were obvious, even if commentators were sometimes rather weak on analysis. There were no structural means of communication between the city and the north shore: there was severe congestion on the Harbour and the development of the prestigious areas to the north was held up. The suburban railway terminated at Redfern Station until 1906 and then at Central, worsening tram congestion on the innercity streets. Substantial areas in the eastern and western suburbs were not served at all by railways. The innercity streets were ugly and lacked distinction; government buildings were scattered and offered no scope for beautification (unlike in overseas cities). It was later realised that the pattern of city streets was extremely deficient and caused congestion (see below). Atmospheric pollution on the Harbour and on land was uncontrollable given the absence of sufficient municipal powers and resources; the same applied to hoardings and public advertisements. There had never been housing and building regulations and attempts at slum eradication were expensive and basically counter-productive because adequate housing could not be found for the purposes of relocation. New suburbs were unimaginative and unplanned. And so on.\(^4\) There was a quite general recognition that many of these problems were caused by the weaknesses of regulatory powers and by the lack of resources and cohesion among government bodies. Hence while the range of issues was confusing, there was a genuine consensus about the main policy areas which needed action and disagreement within the metropolis was centred mostly on details.

Consensus extended to many aspects of governmental reform. Much attention was given to the differing policies and quality of local government bodies in whom a great deal of the responsibility for urban affairs was vested. State Governments were generally favourably inclined to the main metropolitan issues with Premiers such as Carruthers taking an active interest but facing strong opposition from country representatives and the Legislative Council.\(^5\) Throughout the decade there was widespread support from nearly all quarters of the city for one major prognosis of

\[\text{4. See J.D. Fitzgerald, Greater Sydney and Greater Newcastle (Sydney: N.S.W. Bookstall Co., 1906); Gibbons, "Greater Sydney", especially pp. 1-4, and "Improvement Commission", pp. 63-75.}\]

\[\text{5. Quite apart from the anti-city prejudice that was common at the time, it should be remembered that rural development was an overriding priority in the pre-1939 period and fundamentally affected Government policy. Of W.A. Sinclair, "Capital Formation" in C. Foster (ed), Australian Economic Development in the Twentieth Century (London: Allen and Unwin, 1970), pp. 14-15 and elsewhere.}\]
problems and one major proposition, namely Greater Sydney. The Carruthers, Wade and McGowen ministries all included Greater Sydney in their platforms and even many local councils, whose status was potentially threatened by the proposal, favoured the basic concept. This subject is extremely important and warrants careful attention. (6)

Greater Sydney was argued in two basic forms. As developed along the London precedent it referred to the consolidation of municipal boundaries to form a single area of "continuous settlement", governed and serviced by an elected central parliament. A federal Greater Sydney on the other hand would leave the responsibility for purely "local" issues in the hands of municipal councils but with a co-operative central body of council representatives to manage the main system services (transport, water and sewerage and perhaps gas) which were then in the hands of separate statutory authorities. The dominant stream of thought, as reflected in Government policy and most popular agitation and City Council policy, was "centralism", but local councils could not only see advantages in "federation" but diverted some of the popular force of Greater Sydney by adapting the concept to protect themselves.

The first concrete steps towards Greater Sydney were taken in 1900 by two "conferences", one supporting a unificationist reform and attended by (among others) three men discussed later, namely Thomas Hughes, Dr James Graham and John Barlow. In the second local government interests countered with a recommendation for federation. There was substantial common ground between the two groups for they both wanted (i) a strong central body; (ii) municipal ownership and control of the great common services; (iii) initiation of experiments in humanitarian and aesthetic policies along new overseas lines; (iv) wider municipal powers; (v) slum clearance; and (vi) a workingmen's rehousing programme. (7)

In 1902 a Select Committee on Greater Sydney was appointed but its investigations were interrupted by the prorogation of Parliament and there was ostensibly insufficient interest to reappoint it; its Minutes of Evidence were not published until 1912. (8) Then in

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6. A different but more detailed treatment will be found in Gibbons, "Greater Sydney", passim.


1906 Sir Joseph Carruthers, the self-professed champion of local government, presented his Local Government Act including what was known as the Cities Extension Bill. Carruthers was forced to drop this Bill because of opposition to the proposed mode of municipal consolidation and franchise and it is only partly true that the unificationist Greater Sydney which was implied in it was the cause of the opposition.

The 1906 Act rationalised the local government system in New South Wales but disadvantaged the City of Sydney because it was the only municipality in the metropolis to be denied the independence of the land tax (the rate on unimproved capital value). Between 1906 and 1908, when the tax was transferred to the City along with certain responsibilities which had previously been tended by the State Government, the Council was able to arouse considerable sympathy for its programmes and problems. It was generally acknowledged to be the best-run and most progressive council. It was dominated by Lord Mayors Thomas Hughes and Allen Taylor, who alternated every few years, and was served by aldermen of the ability of J.D. Fitzgerald, Edward O'Sullivan and James Graham. The Council was on the whole strongly unificationist and provoked complaints of central-city imperialism, and the land tax issue aroused interest in its philosophies. In 1907 moreover an acrimonious public debate between Thomas Keele, President of the Water Board, and the Government over the health problems arising from the division of responsibility for dams between the Board and the Department of Public Works attracted attention to what were known as the "evils of divided control". The debate ended in Keele's transfer from the Board and further sympathy for governmental reform.

"Divided control" was central to the political economy of Greater Sydney. The rationale of the movement lay in the growing "irrelevance" of the existing system in relation to the pattern of development. To paraphrase the basic philosophy (which was common to unificationist and federalist interpretations): metropolitan services were necessarily inter-municipal in an age of metropolitan expansion and communication but municipal polities could not maintain control of inter-municipal institutions. Even if bodies such as the Water Board were "representative" of local government, they were not "responsive" and would not be unless the


10. See Gibbons, "Greater Sydney", pp. 8-9. This paragraph is based on contemporary newspaper reports.
electors controlled the bureaucracies involved; as for the Harbour Trust, said Thomas Henley, member of the Water Board and leading anti-unificationist, because it was an elected body it was "naturally autocratic, unpopular, and out-of-touch with the people". The inevitable result of such a system of central bureaucracies, it was agreed, was a multiplicity of controlling bodies set up on an ad hoc and unco-ordinated basis, unresponsive and inefficient.

As has been said, even local government interests agreed with the bulk of the above prognosis if not the (centralist) prescription. The distinction between centralism and federalism was maintained throughout the decade and beyond. As Colonel Onslow of Waverley remarked on a Greater Sydney bill in the third reading stages in the Legislative Assembly in 1911:

Here we are committing ourselves to a scheme that means overcentralisation, because unification always means that. In saying that, I do not wish it to be inferred that I do not approve of a Greater Sydney, but the Greater Sydney I believe in is a federalisation of municipal government instead of a unification.

The unificationists basically did not accept this argument because of their view of the inherent requirements of regulatory functions and also because of the financial and institutional weaknesses of local government, even after 1906. While the federalists countered the slogans of "economy" and "efficiency" with "local democracy", few could deny the judgement of J.F. Fraser in 1910 that "many of these local municipalities (in Sydney) are in antagonism one with the other, with the result that there is an absence of desire to work together for the benefit of the city as a whole". The federalist Henley had circularised local councils in 1907 to organise opposition to unification; some municipalities had rejected his advances but most of the replies "favoured retaining control of local works, and electing experienced and trusted aldermen to form a Metropolitan Board of Works to control inter-municipal services".

The importance of the movement as outlined is obvious, especially in terms of governmental and planning perspectives, and moreover the movement was truly important in contemporary terms.

12. The best contemporary analysis was Fitzgerald, op. cit. See also J.D.B. Miller, "Greater Sydney 1892-1952", Public Administration (Sydney), vol. XIII, no. 2-3; F.A. Bland, Greater Sydney (N.S.W. Government Printer, 1943).
14. J.F. Fraser, Australia (Cassell, 1910), p. 163.
15. Daily Telegraph, 15 July 1907, p. 3; also 3 July 1907, p. 13.
It was the dominant issue in urban politics (even at the State level) and had very widespread support, from newspapers, professional commentators, politicians and especially the Sydney City Council. However from the first it lacked unified support, its political force was dissipated between various major civic issues as well as internecine conflict between councils and unificationists versus federalists. The most important proponents such as J.D. Fitzgerald and Thomas Hughes had a comprehensive conception of their movement but they had considerable difficulty in marshalling the diverse interests as well as arousing the masses. However from the middle of the decade, as far as can be judged from a careful reading of all major newspapers and journals and other sources, the tone of the Greater Sydney movement began to change somewhat. As one newspaper commented in early 1907 on Hughes's performance as Lord Mayor:

A Greater Sydney, under whatever constitution, is not attainable while the people are apathetic. Mr Hughes evidently recognises this very clearly. He puts forward a practical and suggestive programme of necessary reforms, and essays to arouse the indispensable force of a consolidated public opinion in support of it....

Hughes recognised the links between civic reform and urban improvement and the greater political potential of the latter. He was part of a lobby which was centred on the City Council and included E.W. O'Sullivan, John Sulman (who published The Improvement of Sydney, first in the Daily Telegraph then in book form in 1908), J.D. Fitzgerald, Sir James Graham and the like. They developed the link as a deliberate strategy, with the help of newspapers (such as the Daily Telegraph, the Sydney Morning Herald, the Sydney Mail, Building, Art and Architecture and the Bulletin) which ran frequent stories on specific problems and editorials intended to arouse politicians and the populace. As the demands for improvements


17. Fitzgerald was a leader in both the analysis and politics of municipal reform. He was President of the First and Second Town Planning Conferences (1917 and 1918) and first Minister for Local Government appointed to administer the Local Government Act, 1919, which he largely drafted. He was a major force in introducing overseas ideas including the Burns Bill of 1909 (see later). See for example P. Spearritt, "An Urban History of Sydney 1920-1950" (unpublished Ph.D thesis, A.N.U., 1976), pp. 24-5, 223-4. (Cited with permission.)

18. Hughes was Sydney's first Lord Mayor and was extremely active in municipal politics. He was appointed to Legislative Council in 1908; educated in law at London University, director of numerous companies and Member of the Board of Health 1902-08. See Larcombe, Stabilization of Local Government, pp. 41-2; Gibbons, "Improvement Commission", pp. 16, 86.

accumulated, the immensity of the physical investment required and the need to approach the matter systematically reinforced the awareness of the need for governmental reform. The following quotes from the Daily Telegraph were typical of the editorials of the time:

(i) Before systematic progress can be made with (road improvements, resumptions and redevelopment, new city markets and a North Shore bridge), it is requisite that the metropolitan constituency should recognise that it has a large, important, and interesting sphere of practical politics in the city.... So long as these populous (suburbs) remain divided into so many separate governing areas, each doing sectionally what ought to be corporate work, so long will the whole be inevitably governed inadequately and debarred from realising its possibilities.(20)

(ii) The system that sufficed for Sydney as a smaller city, almost self-contained, is not suitable to the Sydney of today, so surrounded by contiguous suburbs that the boundary line of the metropolis is imperceptible except in the legal sense. The metropolitan community, enlarged and woven together, has common requirements, and therefore needs a system that would facilitate co-operative action, for instance in the supply of services, in the homogeneity of methods, and so on.(21)

One consequence was a request for the appointment of a Royal Commission into the need for an improvement programme in Sydney.

This request originated in the City Council. In the first half of 1907 in a meeting of the Works Committee of Council, one alderman drew attention to the desirability"of having a definite scheme submitted for the improvement of the city generally, so that the council might have something tangible to go upon".(22) The City Surveyor was subsequently instructed to prepare such a plan but it would appear from an examination of the Minutes of Council and newspapers that nothing positive was done in this direction.

On the 4th December, 1907, the Hon. E.W. O'Sullivan, M.L.A. and city alderman, asked Premier Wade (who had recently succeeded Carruthers), the following question without notice:

During the forthcoming recess, will he take into consideration the desirableness of appointing a

20. Ibid., 12 March, 1907.
21. Ibid., 14 March, 1907. The Telegraph was more involved in civic issues than the Sydney Morning Herald (Sulman for instance was a director of the former, see Gibbons, "Improvement Commission" pp. 19-20), but the editorial lines were similar. A more extensive survey of newspaper opinion will be found in Gibbons, "Greater Sydney", throughout.
22. Letter to editor by G. Sydney Jones, Daily Telegraph May 1, 1907. Jones was apparently paraphrasing the unnamed alderman's speech.
Royal Commission, consisting of Members of Parliament, City Aldermen, and others, to inquire and report upon the best means of improving and ornamenting the City of Sydney and its environs?

Wade replied, "This matter will be considered". It is likely that O'Sullivan had discussed this matter with others, such as Hughes, perhaps Wade, and John Sulman, the latter of whom was about to publish a series of articles in the Daily Telegraph called "The Improvement of Sydney". (This was later published under the same title.) Hughes echoed O'Sullivan in a Council minute dated the 7th January, 1908, which was presumably written before that date, in which he recommended a Royal Commission of similar scope to the former suggestion except that it would make recommendations as to the best method of carrying the scheme into effect and of financing it: Hughes was explicitly concerned with the political context of the scheme. On the 14th of January the Works Committee of the City Council carried a motion that a deputation argue the merits of the Lord Mayor's idea with the Premier.

The deputation met the Premier on a date not specified in the Town Clerk's annual report for 1908. The proceedings of the deputation were reported and they provide an important insight into the Government's policy. The deputation urged that immediate action was necessary to widen existing streets and plan new ones in view of escalating land values, and that general remodelling work should not be left to the City Council without assistance from the State and the 41 other city municipalities. Wade replied that Cabinet had been considering a "wider form" of the deputation's requests. He recognised that transport was the dominant issue: the inner city area had been unplanned and costly and chronic congestion resulted from the concentration of commercial activity in this zone. He said,

... there should be some general scheme whereby the question of traction and passenger traffic to and from the city should be dealt with; secondly, side by side with that went the question of the thoroughfares.... Thirdly, some provision should be made as to the most simple and effective method of making the place more ornamental.... Without committing the Government to any details, the Government recognised the absolute urgency of providing for the future of the public travelling to and from the city......

But after saying that, Wade stated that "The vague references (of the deputation) to finance appeared premature at the present stage,

as the report must come first". He added that:

As far as possible, at that juncture, the bone of contention of a Greater Sydney would be eschewed, as the importing of that matter might result in engendering the hostility of the adjoining municipalities, instead of widening their co-operation.

Wade took action quickly over the Council's suggestion. He announced on the 27th February, 1908, that a Royal Commission "to be of a wide and comprehensive nature" would be appointed "to deal not only with the city, but also with the adjoining suburbs". At the time of this announcement the exact terms of the Commission had not been determined, nor had the personnel. Wade stated that he intended to have "representatives of all chief interests concerned" - commerce, architecture, the government and the municipalities. He stated that traffic would be a main factor to be investigated. It would seem that the announcement of this Commission was prompted by the City Council's deputation.

The Commission's warrant and personnel were not announced until April the 23rd. There were to be 11 Commissioners, as follows (known supporters of Greater Sydney are marked with asterisks):

* 1. Thomas Hughes, President, Lord Mayor (lawyer);
  2. Robert R.P. Hickson, President of Sydney Harbour Trust (engineer);
  7. Edmund Fosbery, M.L.C., former Inspector-General of Police, representing vehicular interests;
  8. Henry Gorman, representing real estate interests;
* 9. Ernest Scott, President of the Institute of Architects of N.S.W. ;
* 10. Norman Selfe, engineer and civic reformer;
* 11. James Wall, President of the N.S.W. Master Builders' Association.

(Scott and Wall are shown as known supporters of Greater Sydney because of the policy of the bodies they represented; their personal views are not known.)

27. Daily Telegraph, 28 February, 1908, p. 7
28. See Daily Telegraph, 24 April, 1908.
The warrant of the Commission read in part:

... to diligently examine and investigate all proposals that may come before (it) for the improvement of the City of Sydney and its suburbs, and to fully inquire into the whole subject of the remodelling of Sydney. (29)

The Commissioners were directed to three specific questions, namely: (i) the present "circumstances" of the city and its population; (ii) the expected growth of the metropolis over the following 25 years; and (iii) specific train, tram and road works. The investigation of a harbour bridge or tunnel was implicitly included in the scope of the Commission (30) but this became the subject of a separate Royal Commission on Communication between Sydney and North Sydney.

The Improvement of Sydney Commission's task reflected directly the political background to its appointment. It was assigned the major problems facing the metropolis as its province: transport, "town planning", beautification. But it was not given a warrant to investigate the financial aspects of its recommendations, nor did it investigate such aspects except in the questioning of two witnesses (see below). This was in keeping with the political intent of the Government and Hughes. It was nominally representative and reasonably expert; its labours were unpaid; and its members were well-informed and well-travelled. The Commissioners' investigations are now dealt with.

The Improvement Commission took evidence from 40 witnesses in 90 sessions over nearly a year. Its warrant was dated 14th May, 1908; it issued an Interim Report on the 3rd December, 1908; and its final Report, with Minutes of Evidence, was dated 29th June, 1909. Evidence was received from overseas authorities and local experts and pressure groups; the Commissioners themselves made specific contributions and several were called as witnesses. The investigations and recommendations can be dealt with under the three heads — transportation, beautification, and town-planning (including social welfare issues). (31)


30. See Sydney Morning Herald, 24 April, 1908, p. 8; Art and Architecture, vol V, no. 2, p. 49. This was apparently one reason for the inclusion of Selfe on the Commission for he was at the time the pre-eminent civil engineer. He had been described by Sir Peter Nicol Russel as "a most brilliant designing engineer and one who had lived long before his time". (P.H. Russel, "Sir P.N. Russel", R.A.H.S. Journal, vol. 50, pt. 2, p. 130.) See Gibbons, "Improvement Commission", p. 88.

31. The present account largely follows the exposition in Gibbons, "Improvement Commission", parts C to E, and is accordingly abbreviated.
The Commissioners gave a great deal of attention to the analysis of obvious problems, to the physical changes needed in the transport systems, and to the societal impact of those changes. They conducted a true planning enquiry of exceptional quality: they tried to establish the best base for population and land use projection, particularly the former, and in their questioning revealed an active interest in the current state of knowledge of transport and urban dynamics. A programme of significant works was recommended on the basis of functional need, "beautification", popular support (in a deliberate attempt to generate symbolic identification), and to a lesser extent available resources. While their interest was mainly with the central city district the Commission was favourably aware of the suburban housing movement and fostered the values behind that movement. As a prominent planner put it recently, "In a farsighted manner (the Commission) adopted the working hypothesis that any plan for the improvement of the city must be predicated on a solution to the transport problem...."

Three main structural problems were identified in the central business district (CBD). First there were 10 roads which ran north-south but these discharged into only 4 arterials (Elizabeth, George, William and Oxford Streets). The inadequacy of port roads on the western side of the CBD worsened the resulting congestion. Second, the termination of the railways at the newly-opened Central Station (1906) increased the load of trams on city streets. Finally, there was no structural access between the city and North Shore and although this question was in the hands of a concurrent Royal Commission, the Improvement Commission considered the matter at some length because it was so central to all other issues.

The solutions to all three problems (and more) were connected. The Commissioners recommended the widening of Elizabeth Street to serve the south; the extension of Bathurst Street to the west and the replacement of Pyrmont Bridge; and the widening and realignment of Cathedral, Oxford and William Streets, together with a new road paralleling Oxford Street and another through Ultimo. These roadworks were secondary and complementary to the construction of an underground rail loop in the CBD, connecting with existing systems at Central and North Sydney and with loops to the near western and the eastern suburbs. These changes were in accordance with plans for port, tram and passenger recommendations, that is with land use and related trends, and they were intended to be mutually consistent - a balanced allocation of resources. The

Commissioners favoured the construction of a Harbour Bridge but had to adopt the tunnel scheme of the Royal Commission on Communication between Sydney and North Sydney. This affected the placement of the Circular Quay railway station and the development of the Quay generally. Specific roadworks were proposed to ease port congestion. The Commissioners did not feel that trams should be placed underground in the central city but recommended that they should be confined to feeder routes to railways, thus reducing the congestion caused by them. (As will be seen later traffic congestion was an extremely important problem over the whole period before 1939, indeed up to the removal of trams in the late 1950s and early 1960s.)

Painstaking attention was given to the geographical structure and engineering design of the railway works, especially those for the eastern and northern suburbs and the central underground loop and connections. Many witnesses, from T.R. Johnson, Chief Commissioner for Railways and Tramways, and Royal Commissioners Selfe and Hickson to Sulman and Fitzgerald, described the systems they preferred, with preliminary attempts at costing and explicit attention to aesthetic effects. The Commissioners were sufficiently expert to exhaustively examine the proposals.

In general the proposals of Tom Johnson were adopted, with some modifications which were worked out between Johnson, other witnesses (notably Sulman and Commissioner Selfe) and the Commission. The railway was to be extended from Central Station as outlined above. Electrification was urged. As far as goods trains were concerned the Commission slightly amended Johnson's proposals for the western suburbs network.

The Commission recommended the reconstruction of the suburban radial tram system so that trams would only serve as feeders. However they left the planning of this entirely to the State bureaucracy and it is unlikely that they expected the enormous task to ever be undertaken. They did seriously propose a multi-modal development of Central Station, including trams, thus implicitly recognising the difficulties of abolishing the radial routes. The Central Station proposal had great symbolic importance as will be seen later.

The train recommendations can be regarded as the genesis of Sydney's present railway system yet in terms of contemporary

34. For maps see Gibbons, "Improvement Commission", Map 4; and Daily Telegraph, July 1, 1909, p. 4. The map opposite p. 27 in D. Winston, Sydney's Great Experiment (Sydney: Angus and Robertson, 1957) is inaccurate. Road recommendations are shown in Map 3 of "Improvement Commission".
political demands the road proposals were as crucial. In general
the Commission preferred to widen existing roads than create new
ones except where a different road structure was definitely
required, and they were conscious of the relationships between
road construction, local retail economics, slum clearance and
redevelopment. Apart from the functional basis of road works,
beautification was considered as in the case of Macquarie Street
which was to be extended from Circular Quay as a tree-lined avenue
down to Central Railway via a viaduct along the new Wentworth
Avenue, and enhanced by the construction of new public buildings.
Moore Street would be extended to Macquarie Street and possibly be
developed as a Martin Plaza (as suggested by Fitzgerald).

The beautification aspect was generalised by the Commission
because they were seeking a symbolic identity in very much the same
manner as Olmsted and Haussman overseas and Bradfield later in
Sydney. The Harbour Bridge was not the issue then that it was to
become and in any case that subject was out of the Commissioners'
formal domain. They therefore gratefully accepted the notions of
"city portals" and "radial centres" which Fitzgerald had introduced
in his evidence (35) and they based many of their policies on these.
Both concepts referred to nodal centres of transport such as
Circular Quay and Central Railway Station. Fitzgerald made basic
suggestions, as did other witnesses such as Sulman, but the
Commissioners developed the idea themselves in recommending the
development of Circular Quay, the widening and beautification of
Macquarie Street, and the construction of an amphitheatre of tall
buildings around Belmore Park, incorporating the substantial
remodelling of Central Station. Conceptually the three elements
constituted a monumental landmark. The Commissioners failed to
make full use of its potential in their Report, although it
received considerable attention in the press. In any case the
concept lacked the main virtues of Bradfield's Bridge, namely
visibility, utility and urgency, and it is understandable that the
Commission gave the Bridge its unofficial endorsement in its
Minutes of Evidence and regretted the restriction on its domain.

The Commissioners did not identify the dynamic consequences
of their improvements in their formal Report with reference to
population redistribution and externality effects, but they did
show a good understanding of the social and economic effects of
roadworks in the examination of witnesses. Road construction can
"improve" blighted areas because of the need for extensive
demolition but it also affects commercial activity. The
Commissioners evaluated such negative and the positive effects when

35. See Gibbons, ibid., pp. 58 ff.
examining architect John Barlow (the only witness to foresee the impact of the automobile) and Government Valuer Sievers over the alternatives to widening Oxford Street. Barlow emphasised the importance of goodwill in retailing and pointed out that relocation could lead to "deleterious competition"; the creation of a new road could take away trade without compensation while new businesses would be faced with competition from established rivals. He gave overseas and local examples of the difficulty of generating such new commercial development; Sievers outlined comparable experience. However the Commissioners emphasised the slum clearance and residential redevelopment potential of proposals in Surry Hills, Woolloomooloo and Ultimo in their questioning. They thought that in specific cases the combination of road and rail schemes would "open up what is a comparatively poor neighbourhood, and give an impulse to the general improvement of the whole district". To a considerable extent the Commissioners balanced social costs, social benefits and physical costs in the analysis behind recommendations.

The transport recommendations were not without fault. The Commission's total population projection was remarkably accurate but insufficient attention was given to the distribution of population growth although general movements were established. The effect of new works on traffic flows were not specifically analysed while no provision was made for changing technology, despite evidence of the marked changes caused in London by motor cars and buses. Generally the Commissioners did not try to cost proposals although some of their "beautification" proposals were comparatively inexpensive and of obvious benefit. The propagandistic intention should be remembered in the context of costing.

A wide range of miscellaneous recommendations were made including the provision of more parklands and the resumption of Harbour foreshores for public access; the planting of trees; the cultivation of vacant blocks by children and residents; the remodelling of the Rocks "with an eye to the general artistic effect of the waterfront"; the regulation of building heights and

36. Ibid., pp. 61-63
39. Evidence of Barlow; see ibid., p. 47.
40. It is true that the Report contained no costing but such aspects had been at least partially considered in questioning as in Graham's comment to Sulman: "Your scheme is architecturally very good and feasible, but I fear if we recommended it it would not be carried out - the difficulties are so great" (Commission Report, Minutes of Evidence, p. 83.)
commercial hoardings; and the construction of scenic drives around the foreshores. As in other cases some of these schemes were not original. The Macquarie Street project had been adopted from the State Government while the City Council had recommended the widening of Elizabeth and Oxford Streets. The same applied to the Council's attempts to obtain and enforce legislation over smoke pollution and hoardings; the resumption of the foreshore had been agitated for also by the Harbour Foreshores Vigilance Committee (chairman Thomas Hughes). These are among the main recommendations remembered by Winston in his praise of the Commission.\(^\text{41}\)

The other very important area dealt with by the Royal Commission, and the one closest to government reform, was town planning. This was still regarded largely in moralistic terms in the early twentieth century but the Greater Sydney movement and overseas concepts gave the general issue a rationalist basis through for example the Building Bill and housing policies which Fitzgerald and others had campaigned for on the City Council. The Council, architects, builders and others had pressed strongly for a Building Act because this issue embraced speculative builders, fire hazards, health conditions and living areas, inspection rights, the definition of acceptable housing standards and adequate public control — all major considerations in times of health scares, inadequate fire-fighting facilities, slum eradication, rapid population growth, and housing shortages. The Royal Commission examined all these issues and recommended the adoption of the Building Act and the like. They disagreed however with Fitzgerald who favoured the promotion of tenements, for economic and "moral" reasons,\(^\text{42}\) and wanted workmen to be encouraged "to reside in separate houses in suburban areas".\(^\text{43}\) Moreover they wrote that "(we) fail to see how (housing) can be adequately dealt with while a system of divided control obtains in the metropolitan area".\(^\text{44}\)

While the Commission endorsed such progressive policies their central contribution to the development of town planning thought was their attempt to devise a consistent policy package which recognised the interconnectedness of institutional deficiencies, development control, planning and present problems. Apart from their other proposals they recommended the adoption of the 1909 Local Government Act of Mr John Burns which to them represented the most advanced thinking in the Western world. Fitzgerald had


\(^{42}\) See Gibbons, "Improvement Commission", pp. 64-68 for a full analysis.

\(^{43}\) Commission Report, p. xxix.

\(^{44}\) \textit{Ibid.}, p. xxviii.
introduced the Act (in Bill form) at his third and fourth appearances, when he supported both it and Greater Sydney in very strong terms.\(^{(45)}\) The Bill was recommended without qualification by the Commission even though it would have put all planning issues (including road, water and sewerage, lighting, park and similar planning) in the hands of a central "Local Government Board".\(^{(46)}\) Apart from Fitzgerald the only witness questioned on Greater Sydney was Osgood, Mayor of Marrickville (the sole municipal witness — it would seem that the Commission avoided hostile opinion on this matter), who said that he did not favour Greater Sydney. However he was pressed by Hughes with a short statement of classic federation:

Q.4334. Hughes: You are against the unification of the municipal (sic) area, but you are not opposed to the creation of an overlording body in connection with general improvement works, to raise its own revenue, leaving the local municipalities to conduct local affairs themselves? Yes.

Apart from the implications of the Burns Bill and innuendoes in questioning, the Commissioners gave a definite indication of their political intent in their Report in the following terms:

Seeing, therefore, that the interests of the State, the city and its suburbs, are so intimately associated in the scheme of improvement which we have outlined, your Commissioners are of opinion that a central authority should be appointed to initiate and carry out street improvements which extend beyond the boundaries of any one municipality, and that the State should bear its due proportion of the cost of improvements of a general character.\(^{(47)}\)

The Commission's Report was greeted with great enthusiasm by the various reform interests and aroused little opposition as far as can be seen in newspapers, journals and contemporary writings. The Report was not seen as a political document: most attention was focussed on the improvement proposals and the references to Greater Sydney received no prominence. To that extent the expectations of Wade and Hughes as previously quoted were borne out: the Commissioners and others used the Report as a major justification itself for metropolitan reform. Hughes himself said the following at a meeting on Greater Sydney on July 19, 1909, little more than two weeks after the release of the Report:

He had just finished a very long inquiry on city improvement, which, he thought, furnished the basis of a (improvement) scheme. The real bogey in the way was that of divided control. The remedy appeared to be either unification or some form of federation, as they had in London.\(^{(48)}\)

\(^{45}\) Fitzgerald's evidence is analysed in Gibbons, "Greater Sydney", pp. 22-3.

\(^{46}\) Ibid., p. 22.

\(^{47}\) Commission Report, p. lx.

\(^{48}\) Reported in Daily Telegraph, 20 July 1909, p. 7.
The Daily Telegraph and Sydney Morning Herald appraised the recommendations very carefully and although they concentrated on transport and gave little attention to town planning, their editorials correctly pointed out that the overall scheme was predicated on intermunicipal organisation. George Taylor wrote in Building that "The immediate effect of the report of the Commission will be the establishment of a Greater Sydney". Hughes moved a motion at the July 19th meeting "That in view of the report of the Royal Commission... it is necessary that immediate steps should be taken to create a Greater Sydney in some form". The convenors of the meeting included Hughes and Wheeler (both Commissioners), Sulman, Fitzgerald, George Taylor, William Morris Hughes and a number of suburban mayors. (Perhaps because the Commissioners had not officially opted for a centralist Greater Sydney, criticism from local government interests was minimal.) That meeting set up a Greater Sydney League. By one measure then the Royal Commission was very successful; even as late as 1913 the Royal Commission for Greater Sydney agreed that the "urgency (of improvement and town planning) is a strong reason, both for a Greater Sydney being brought into existence and for the new body giving (them) immediate and earnest attention".

The Commission's impact on planning philosophy cannot be clearly assessed because as has been said they adopted proposals which were already popular. However to the extent that they tied specific progressive policies into a consistent package (and they succeeded in doing this to a large extent), they were a major influence in shaping the planning consensus which Spearritt has analysed in a later period. The Commission was the first major step in the introduction of town planning and public housing legislation and they "foreshadowed" every major planning initiative that was taken up to and even beyond 1939.

49. Building, July 12 1909, p. 35.
The success of the Commission in terms of their transport recommendations will be discussed in the next chapter in connection with Bradfield's planning but it can be said that they were well-received and in the end adopted. (The tunnel proposal was abandoned in 1911-12 and this eventually necessitated the amendment of the Commission's underground railway.) The recommendations were only debated in Parliament once and then three years after the Commission had reported, in an adjournment debate in the Legislative Assembly on "The extension of the railway into the city" in early July, 1912. There was virtual unanimity in demanding that the Commission's scheme be effected at once. The Hon. C.A. Lee, Secretary for Public Works, was stimulated by the gentle criticism of government members and harsher criticism of others to declare that definite steps had been taken to implement two major recommendations. First, a Martin Place - Lavender Bay railway, estimated to cost $1,500,000, had been referred to the Public Works Committee in December, 1909, for its attention in connection with the Harbour tunnel. Second, the goods train recommendations had also been referred to the Committee at the same time, cost $1,414,000; these works had been suggested by Tom Johnson who was largely responsible for railway planning in any case. Sir James Graham remarked rather sadly in the debate,

We tackled the work (of transport planning) as far as we could in that spirit (of urgency), and one has been waiting and watching, and hoping that the day was not very far distant when the Government would see its way to take action. (55)

The Improvement of Sydney Commission of 1908-09 was unquestionably a watershed in the planning of Sydney. It was the first of very few inquiries to take a comprehensive view of urban planning and it did that in an explicit context of governmental reform. It was significant in terms of Greater Sydney, transport and town planning generally. The Commissioners were a group of dedicated people of mixed backgrounds and skills. These factors and their status as an independent Commission enabled them to overcome the dangers of technical narrowness of vision and to achieve an integrated planning perspective.

Chapter Three

The Impact of Bradfield

Neither the City Railway, the Sydney Harbour Bridge, nor any scheme of Suburban Railways can really be claimed to be the thought or the work of an individual. These works, when completed, will be the materialization of the best thoughts of a considerable number of able men...

James Fraser, Chief Commissioner, N.S.W. Government Railways and Tramways (1926).
The late years of the 1900s were especially favourable to urban planning and the Improvement of Sydney Commission enhanced the prospect of effective government action on the more obvious infrastructural deficiencies of Sydney. That Commission had not been set up to forestall such action and in fact the first positive steps were taken about two years after its Report, as will be seen. Perhaps more importantly in view of the imminent War, the Commission had encouraged the formation of a better informed planning lobby which was able to keep the main issues in the political arena while circumstances were temporarily unfavourable. The man who was to benefit most from the planning "consensus" was John Job Crew Bradfield.

Bradfield was born in Queensland in December 1867, completed his primary and secondary education there and came to Sydney in 1886 to matriculate at the University of Sydney. He completed the Bachelor of Engineering course in 1889 with First Class Honours and the University Gold Medal. He worked as a Railways draftsman in Queensland for two years and then joined the N.S.W. Department of Public Works as a draftsman in the Roads and Bridges branch. In 1896 Bradfield graduated Master of Engineering with First Class Honours and medal at Sydney University and published a paper (his first) on Australian timbers. He worked on general design tasks including dams and in 1909 became Principal Designing Engineer in Public Works' Drawing Office. (In fact Bradfield was classed as a draftsman until 1909 when he was appointed Assistant Engineer 2nd Class, this making no difference to his then salary of £400 p.a.). He had been a founding member of the Sydney University Engineering Society in 1895 and was President in 1902/03.

1. Dr Peter Spearritt is to date the main biographical source on Bradfield. His following works were used in this section: (i) "An Urban History of Sydney 1920-1950" (op. cit.; hereafter cited as: Spearritt, "Urban History"); (ii) chapter II in "The Consensus Politics of Physical Planning in Sydney", op. cit., hereafter cited as: Spearritt, "Consensus Politics"; and (iii) "J.J.C. Bradfield 1867-1943", draft entry in N.B. Nairn and G. Serle (eds), Australian Dictionary of Biography Vol. 7 (to be published by M.U.P.), which will be cited as: Spearritt, "Bradfield". All are cited with permission.

2. Details provided by Ms L. Yandell from official records. Ms Yandell is preparing what will be the first complete critical appraisal of Bradfield and his impact in her "The Life and Work of J.J.C. Bradfield" (Ph.D. thesis in preparation, School of Transport and Highways, University of New South Wales).
and 1919/20. In his Presidential Address in April 1903 he discussed the Harbour Bridge competitions of that time and apparently maintained an interest in this subject. (3) So by 1908-09 Bradfield had demonstrated unusual academic ability and had established a strategic work position for the critical developments that were to follow. Although he moved in the highest professional circles, (4) he was not known then as a planning advocate. He was not mentioned in the Improvement Commission's documents and did not prepare his first proposal for an underground railway until 1909, after the Commission's Report and under its stimulus.

From 1909 Bradfield apparently used his position within Public Works, which was then the main planning and construction authority for railways, to turn his personal interest in the main urban projects into an occupation. In July 1911 the Acting Premier, W.A. Holman, announced at an extremely perilous stage of N.S.W.'s first Labor Government (5) that Cabinet had decided on a bridge for tram, vehicular and pedestrian traffic and a tunnel for the railway. This was a political decision. As principal designing engineer (6) Bradfield advised the Minister for Works that both structures would be navigational hazards and he was given permission to prepare his own designs. (7) He presented designs and estimates for cantilever, suspension and cantilever arch types of bridge (he preferred the cantilever) to the Public Works Committee in 1912-13; the Committee's Report of July 1913 endorsed his preference and design.

Bradfield's initial internal and subsequent public work on the Harbour Bridge proposal won him increased influence and in July 1912 he was promoted to Engineer-in-Charge of the Sydney Harbour Bridge and City Transit section of the Public Works Department (salary £1000 p.a.) and in 1913 to the position of Chief Engineer,

3. Bradfield in fact had become involved in 1900 when he checked the calculations of entries for the Minister for Works. See J.J.C. Bradfield, "History of the Bridge, Largest Arch Type in the World", Sydney Harbour Bridge. Official Souvenir and Programme (Sydney: N.S.W. Government Printer, 1932). It was not until 1911 that he began to take an active interest in the design of a bridge.


6. Bradfield had been appointed 1st Class Assistant Engineer at £450 p.a. in 1910 and in two steps in 1911 went to Principal Design Engineer at £650. Information supplied from official records by Ms L. Yandell.

7. This is Bradfield's account: J.J.C. Bradfield, "Sydney Harbour Bridge", Commonwealth Engineer, 1st March 1932; reprinted by Department of Main Roads (n.d.), p.2. Spearritt's account is somewhat different.
Metropolitan Railway Construction. (8) Bradfield did not neglect the railway aspects of the innercity transport problem and participated in an extended cycle of modifications to the Improvement Commission's underground railway, starting in 1912 with the appointment of an English consultant, Mr David Hay. (9) Hay recommended a highly complicated and expensive rail system which attracted nothing but criticism. Separately Bradfield had suggested a minor amendment to the Commission's plan to the Public Works Committee Inquiry on the Bridge, namely a small connecting loop between the Town Hall and Liverpool Street Stations. This was adopted by Tom Johnson, the Chief Commissioner, in December 1912 when he amended his 1909 scheme (as approved by the Improvement Commission) to allow for the Bridge instead of tunnel and a realigned route to the sports grounds and zoo (then on Cleveland Street). Bradfield came back very quickly with a suggestion that the alignment of the city railway be changed at Central and Town Hall Stations and Johnson accepted this almost immediately on the 31st January 1913. This amended scheme was acceptable to the Government except that it was desired to postpone the expense of electrification of the suburban railways for five years, so tunnels carrying the Eastern and Western Suburbs trams onto the underground were incorporated. (10) A Bill for the construction of these works was presented to Parliament in 1913 but it failed in the Legislative Council. That Bill did not include the North Shore or Balmain rail connections and it left the railway entirely below ground in the low-level scheme adopted in 1909. There is no evidence that the Government was induced to introduce the legislation for any reasons other than political advantage and long-established need; at that point Bradfield's public influence was minor. The Government's decision to underground the trams, a highly undesirable if not unworkable scheme as Bradfield was to show in 1915, perhaps indicated the limits on Bradfield's internal influence.

8. Spearritt, "Bradfield" p.2. Bradfield's salary was £1,000 p.a. from 1st July 1912, to 1920 when it was raised by increment to £1,200 p.a. His official title did not change until his retirement. (Information supplied by Ms Yandell.)

9. See J.J.C. Bradfield, "Report on Proposed Electric Railways for the City of Sydney" (N.S.W. Parliamentary Papers, 1915-16, vol. 6), Plate 65 and elsewhere. Hereafter cited as: Bradfield, "Report". (As quoted below this was also issued separately by the Government Printer in 1916; some copies in that issue included an important foreword by the Director General of Works.) The following sentences are based on this source, pp. 42 ff.

10. Ibid., p. 59 and Plate 68.
So far Bradfield and Johnson had modified the Improvement of Sydney Commission's scheme by increments, accepting the original structural framework. The only significant initiative was made by Johnson in December 1912 when he proposed that the tramlines from the Broadway be run underground below Pitt Street to Circular Quay and that those from the Eastern Suburbs (Oxford Street) be run under Oxford Street, Hyde Park and Elizabeth Street to the Quay.\(^{11}\) This was basically an internal scheme and its rationale was apparently not made public except for Bradfield's later analysis (see below). It was not included in the 1913 Bill.

By late 1913 the Bradfield Bridge had been accepted by the Public Works Committee and an underground rail scheme had been endorsed by the Departments of Railways and Public Works and by the Government. The proposals entailed a scale of innercity construction (and disruption) that had never been attempted before and so in January 1914 the Government decided to send Bradfield to Europe and North America to investigate changing construction methods, materials technology, railway management, and "the conditions adopted in various countries to prevent excessive claims for damage to property by blasting during the progress of the works".\(^{12}\) He left by sea on the 21st March and returned on the 19th September, 1914. The War delayed the delivery of papers and photographs he had collected until November that year and the German information did not arrive at all.

Whether on Bradfield's initiative alone or using investigations carried out in Railways and/or Public Works while he was away, as seems more likely, in December 1914 Bradfield announced major modifications to the railway scheme. Instead of the comparatively low-level underground railway, a higher-level underground route (following the old alignment) was adopted, with open air stations at Central and Circular Quay, underground stations at the other four locations, and above ground lines from Redfern to Goulburn Street and at Circular Quay. This scheme included much improved rail crossings and the same underground tram routes as proposed by Johnson although Bradfield added two tram lines on the Bridge. Running conditions and the general quality of service were improved by Bradfield's amendments which however had been basically foreseen by all main proponents of a city railway up to the Improvement Commission (with regard to the Central Station end) and by that Commission (regarding the Quay).\(^{13}\) The 1914 Bradfield scheme was important because it was the first to propose several important features of the lines that were actually built. Further, up to

\(^{11}\) Ibid., Plate 66.

\(^{12}\) Ibid., p. 1.

\(^{13}\) An invaluable source is E. Irvin, Sydney As It Might Have Been, op. cit., especially Ch. XI. Cf ibid., pp. 55-6.
this point the progress of the design of and advocacy for the
train system reflected the competitiveness which existed between
Bradfield and the Railways Department. The organisational frame­
work which allowed such open interplay with its associated benefits
(including greater, not less, pressure for effective Governmental
action) was of obvious importance for contemporary policy-making.

Bradfield "presented" his "Report on the Proposed Electric
Railways for the City of Sydney" in February 1915, as a report on
overseas construction methods and railway operational standards as
well as a comprehensive analysis of the underground rail scheme
and associated works. (A chapter was included on the Bridge but
this dealt entirely with procedures for the calling of contracts.)
Bradfield went further in developing even his scheme of December
1914 and he provided details of railway working, costing and design
which had been absent from previous analyses. While the Report was
a very competent engineer's statement and contained a more detailed
analysis of current population and transit trends than did the
Improvement Commission's, (14) it was not a comprehensive planning
document and could not be taken to establish Bradfield as anything
but a technical expert — it lacked the societal and symbolic
understanding of the Commission's Report, although admittedly
Bradfield was dealing with basically the same works. The Report
was not published until 1916, well after the City and Suburban
Electric Railways Act, 1915, had passed through all legislative
stages and in fact Bradfield was hardly mentioned in Parliament
during the passage of the Bill. The scheme was regarded more as
that of the Improvement Commission, especially because by that time
Sir Thomas Hughes, Sir Allen Taylor and J.D. Fitzgerald were on the
Government benches in the Legislative Council. As in 1913
Bradfield had not been a prime mover in persuading the Government
(and this time the Legislative Council) to take major action.

The 1915 "Plan" scheme followed the same line and level as
that of 1914 but it was basically a two-track instead of three-
track loop. (For various reasons Bradfield estimated that the two-
track system would have a capacity 50 per cent greater than the
three-track system at 54 per cent less cost. (15)) Bradfield made
provision for the future relocation of Sydney Terminal (Central
Station) below Hyde Park, underground but on top of the St James
Station, as well as a terminal at North Sydney. He also provided
two tracks between Central and Wynyard to meet future capacity

14. The basis of projection was however far more arbitrary and
less careful. See Bradfield, ibid., p. 87.
15. Ibid., pp. 62-66.
needs and to form the basis of a quadruplication of the under­
ground system if required. In purely technical terms the Bradfield
loop was superior to the previous schemes although it is not known
why he had waited until then to develop it; the influence of other
parties can be imputed (perhaps overseas influence although this is
by no means certain). It might be mentioned that the much-maligned
Hay loop of 1912 was double-track and above ground as far as
Goulburn Street, although underground at Circular Quay.

Bradfield also proposed substantial new suburban rail works
including a double-track loop to the Eastern Suburbs and a double­
track loop to Petersham via Balmain (including a high-level bridge
only 250 feet or 16 per cent shorter than the Harbour Bridge).
New lines to Mosman/Manly/Narrabeen/Pittwater, Ryde (from the new
Western Suburbs line via two bridges), Watson's Bay, and La Perouse
were expected to be required "at a later date". These works
were not regarded as "urgent" and received no priority in
Bradfield's Report.

An essential condition of the underground railway was that
operations would be based on electric traction. Bradfield
recommended that the "inner zone suburban" lines should be
electrified immediately (a total of 200 track miles or 64 route
miles), followed by the "outer zone suburban" (200 track miles or
95 route miles) when warranted by the development of traffic.
Bradfield was far too optimistic in the Report as to the extension
of the electric system elsewhere in the State and the voltage that
would be practicable.

The 1915 "Plan" included the undergrounding of the same tram
routes as were approved in 1914. Bradfield explained that the
removal of the trams from the street surface was justified on the
basis of facilitating vehicular and pedestrian traffic "rather than
as a means of satisfactorily relieving the dense passenger traffic",
because he said that only trains could be justified on a cost basis
for the latter purpose. He offered no analysis of significance
for the development of tram routes unlike the Improvement
Commission. (A new tram route connecting the Haberfield Tramway
and Summer Hill Station was included in Bradfield's costing but was
not mentioned elsewhere. This represented an expenditure of 10,000
pounds.) He suggested however that expenditure on trams and tram
tracks be reduced so that by 1920, when Bradfield expected trams to
have lost 37 per cent of their total patronage, the tram systems

16. Ibid., pp. 75 ff and Plate 74.
17. See ibid., pp. 66 ff.
18. Ibid., p. 75.
would not be overcapitalised. "From the year 1920 onwards, the tramway position should steadily improve, as the traffic must again grow in the City proper, though not at the present rate of increase, but the traffic on the outlying tramways, which will be feeders to the electric railways, will increase at a more rapid rate than at present." (19) (There was an implicit assumption, though no explicit discussion, of the impact of works on housing.) Needless to say Bradfield's forecasts of patronage were well astray.

Bradfield's Report was accompanied by a Preface written by the Director General of Public Works (20) in which in the ambiguous manner of the time it was stated that "The work recommended in this Report... has been approved". The cost of the "approved" works amounted to 20 million pounds sterling (exclusive of land costs), which can be compared with the estimated cost of the Harbour Bridge and railway from Wynyard to Waverton at less than 3 million pounds. The "approved" order of construction was given as:

(i) the electrification of the inner zone suburban railways to Parramatta, Hornsby, Sutherland and Bankstown;
(ii) the City Underground and the Eastern, Western and Northern Suburbs lines;
(iii) two long span cantilever bridges of 1,600 feet and 1,350 feet centre spans respectively;
(iv) the electrification of the outer zone suburban railways; and
(v) the construction of the underground tramways (this accounting for less than 2 million pounds).

The Preface also stated that the City and Suburban Electric Railways Act 1915 had already authorised a programme of 10 million pounds, excluding the bridge and the North Shore railways. The Preface and the Act illustrated the willingness of the Holman Labor Government (soon to become the Holman/Wade National Government (21)) to take effective action. The source of finance for the Act was an agreement between the Government and Norton Griffiths & Company of England by which the Company received a guaranteed 5 per cent on construction costs.

In terms of being a staged programme of works which had been analysed and found to be justified, Bradfield's Report was more a "plan" than was the Improvement Commission's. His was not however as comprehensive nor as politically attractive and indeed in many respects Bradfield's achievements would not have been possible without the earlier Royal Commission and its contribution to the planning consensus. Bradfield had placed little emphasis on

19. Ibid., p. 103.
20. See n. 9 above.
societal impact or political acceptability and obviously did not himself have to publicly work for the acceptance of his plans. Bradfield's work in short was a product of the underlying consensus.

The implementation (as distinct from Government acceptance) of Bradfield's plans did not proceed smoothly. The Harbour Bridge Bill was rejected in the Legislative Council in April 1916 because of anxiety for war finances. The financial agreement with Norton Griffiths was cancelled in March 1917 and the Railway Commissioners continued the work. However in June the Government decided to discontinue construction and property which had been resumed for the Eastern Suburbs Railway was returned to its original owners by a Recission Act. As for the Bridge, Governments didn't lose sight of the basic need, as Premier Storey told one deputation from the expanding North Shore in 1920. (22) A Bill was presented in 1921 but had not been dealt with by the Council when Parliament was dissolved. The subsequent Fuller Coalition Government succeeded in having the bill passed in September 1922 and it was assented to in November. The design of the Bridge had not been finalised when tenders were called in 1923, although while Bradfield had been sent overseas in 1922 to further investigate cantilever types, he "had come to the conclusion that there were no insuperable difficulties to the erection of an arch type bridge... (which) would cost 350,000 pounds less than a cantilever". (23) (The Bridge Act was in fact framed in terms of a cantilever bridge and was only amended after its introduction. The selection of the arch bridge rested entirely on the construction ability of Dorman Long and the design ability of their consultant, Ralph Freeman.) Bradfield had repeatedly revised the design details of various components in his plans, notably the Bridge (roadworks and capacity) and the Circular Quay Station. (24) One reason for this was no doubt that Bradfield wanted to keep the issues alive and in public view.

In 1921 the Government decided that the Eastern and Western Suburbs rail links proposed by Bradfield earlier were too complex and costly and the Railways Department (which had been responsible for railway planning from January 1917, (25) Bradfield and his

22. Irvin, op. cit., p. 112.
23. See for example Bradfield, "Sydney Harbour Bridge" (1932), op. cit., p. 2.
24. Cf Irvin, pp. 133-6 and elsewhere. Bradfield made many incidental changes in his popular articles (a list of which is given in P. Spearritt, "Selected Writings of Sydney Planning Advocates, 1900-1947: A Preliminary Bibliography" (A.P.S.A. Monograph No. 13, 1973), pp. 4-6).
25. The divided control between Railways and Public Works had been a legacy of nineteenth century confusion over the best way to
branch having been transferred at that time) was asked to prepare amended plans in preparation for the resumption of works. In 1921 the amended plans were completed. The Western Suburbs line was originally to have been linked with the main loop at the northern end of Wynyard Station and progress across a high level Bridge to Balmain. The amended line ran from the southern end of Town Hall Station to near Central and then west parallel to Parramatta Road to Homebush or Flemington. The Eastern Suburbs line was to run under the Domain and connect with the main loop at both Circular Quay and St James. This was replaced by a more simple line from between St James and Museum Stations and then under Hyde Park and Oxford Street to Bondi Junction. Most importantly, both the Western and Eastern Suburbs lines would connect easily with a new "inner loop" on the underground system which would run from between St James and Circular Quay Stations to Town Hall Station via stations at O'Connell Street and Pitt Street (between King and Market Streets). This loop would have filled in the middle ground in the CBD not served by the main loop and as well would have offered considerable operational advantages. The "inner loop" had not even been mentioned before by Bradfield or the Improvement Commission, and it was not widely publicised at the time of its design, unlike the earlier "plans". (The 1921 scheme also contained changed "details", such as the alignment of St James Station: these were refinements of the 1915 works.)

The Harbour Bridge scheme proceeded quickly once the 1922 Bill had passed. Tenders were called world-wide in 1923 on plans and specifications prepared by Bradfield (these were sufficiently


26. This paragraph is based largely on H. Silverton, "Sydney's New Underground Railway", Australian Transport, November-December 1972. Mr Silverton and Mr J. Forsyth have also assisted through discussion, their knowledge of departmental records being most helpful.

27. The lines are shown in simple form in James Fraser, "The Railway System, Past, Present, and Projected of the City of Sydney and its Suburbs", p. 10, in The Electrification of Sydney and Suburban Railways (Sydney: Institution of Engineers, Australia, 1927). Mr Fraser was Chief Railway Commissioner from 1917 to 1929 and his paper was one of a series given before the Institution in 1926 on electrification.
general to provide for different design and workshop practice. The tender of the English company Dorman Long & Co. was formally accepted in March 1924 for a two-hinged arch bridge, the contract price being about $8,436,000 and the period of construction six years. (The estimate of total cost was $15 million.) Work commenced on 28th July 1923, the two halves of the arch were joined in August 1930 and the lower chord and approaches were completed two years later, the Bridge being opened on 19th March 1932. The extended period of construction was a major factor in pushing the cost of the Bridge (at 30th June 1933) to $20,114,340 ($12,500,000 for construction and the rest for resumptions and interest during construction). The 1922 Act had provided that the Railway and Tramway Commissioners would meet two-thirds of the final cost, with the remainder coming from a levy of 1½d. in the £ of unimproved capital value in the City of Sydney and the municipalities and shires of Manly, Mosman, Lane Cove, North Sydney Willoughby, Kuring-gai, Warringah and part of Hornsby. (This provision was unique in Sydney's twentieth century history at least.) From 1932 however the arrangement was varied so that a toll was charged for rail-borne passengers as for road traffic, thus making user charges the principal source of finance, while the council levy was reduced to 1/3d. in 1933 and was cancelled at the end of 1939. By 1938-39 the levy had yielded $1,503,200 compared with $3,098,000 in road tolls and $1,864,800 in rail contributions. (The toll rates favoured rail passengers quite substantially.) In the same period loan capital charges totalled $5,930,600 (91 per cent of total expenditure). (In 1931-32 there was apparently a scheme to sell the lease of the Bridge for ten years to raise finance! Nothing apparently came of this.)

The construction of the underground rail system recommenced in 1922, excluding the western side of the main loop. The eastern section from Central to St James was opened in late 1926. The western side was authorised and started in late 1925 and finished in time for a concurrent opening with the Bridge in 1932. (At that stage suburban electrification had just been completed, the Illawarra line having been the first finished, in 1926. The total cost of conversion of existing suburban track was a very substantial $22,288,000 which compared with Bradfield's 1915

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28. N.S.W. Year Book, 1932/33, p. 585. Other statistics in this and the following paragraph have been taken from the Year Book. There is a superficial evaluation of economic aspects in E. Lennon, "The Development of the N.S.W. Government City and Suburban Transportation System, 1914-39" (unpublished B.Ec (Hons) thesis, Department of Economic History, University of Sydney, 1970), pp. 104 ff.

29. See N.S.W. Year Book, 1932/33, p. 585.

estimate of $7,500,000. Electric rolling stock cost an extra $12,302,200. Electrification cost much more than the Bridge.\(^{(31)}\)

However the loop was not completed at that time — work continued on Circular Quay Station until 1935 but then ceased until the late 1940s. Circular Quay Station and the loop proper were opened in 1956. The same thing happened to the "inner loop": substantial portions of its tunnels had been constructed from Wynyard and especially St James Stations by the early 1930s but the loop has not been completed. (Part of it near the Public Library of N.S.W. served as General Macarthur's Headquarters during the Second World War.)

The War and particularly the Depression intervened at crucial stages. The Depression was more significant because it emphasised the economic weaknesses of the railway-based strategy. The number of trips on metropolitan railways fell from a peak of 140,158,000 in 1928/29 to 119,016,000 in 1930/31, followed by steady recovery to 161,061,000 in 1935/36.\(^{(32)}\) This was probably not as serious as the longer-term failure of patronage to meet official expectations. Prior to 1914 the bulk of growth in patronage (and capital invested) occurred on the tramways which at the time of Bradfield's 1915 Report accounted for about 70 per cent of passenger journeys (20 per cent were carried by trains and 10 per cent by ferries). Bradfield expected the tram/train ratio to be reversed by the programme because electric railways were faster, cheaper and more attractive. As Fraser, the Chief Commissioner, put it in 1926,\(^{(33)}\) electric traction would reduce the capital needs of rolling stock, locomotion and ancillary services while it would reduce the average train trip from 35 minutes to 25 minutes. Taking everything into account it was predicted that by 1930/31 railway patronage would total 185,256,000 trips (compare with actual figure above) of which 111,000,000 would be to or from the new city stations. The latter traffic would produce a revenue of $1,600,000 (on 1926 fare levels), about 32 per cent greater than capital charges on the Bridge and underground and more than enough to cover working expenses. Fraser went further in saying that

> In the year 1930-31 the time saving to the suburban travelling public, as a result of acceleration of services, will amount to no less than 20,000,000 hours, or a time value of no less than ($2,000,000) per annum, assessing each hour at the low value of (20p). Capitalized, this saving equals nearly four-fifths of

\(^{31}\) Spearritt, "Urban History", p. 188 is incorrect on this point.

\(^{32}\) Lennon, op. cit., Table 10, p. 81.

the total cost of all the works, and there must be added to this the appreciation of land and property values, probably many times in excess of the above figures. (34)

Fraser was the only speaker in the 1926 "Electrification" series to deal with economic questions (Bradfield was entirely concerned with construction progress). However by 1929 the Treasurer, Mr Stevens (Premier from 1932), found the railway situation to be "becoming very embarrassing". (35)

A basic cause of the railways' unexpectedly slow gains was severe competition from road-based private transport. In 1921/22 there was one motor vehicle for every 55 persons in Australia; by 1929/30 the ratio was one in 11 persons and falling rapidly. (36) In these circumstances the Railways changed their strategy to consolidation rather than expansion and they succeeded in this until the late 1950s with the help of their new works. The authorities and governments took their chances with the new technology in 1922 and later. In 1926 for example Fraser wrote that for the purpose of estimating 1930/31 patronage, the period 1914-25 would not be a good base because of the War and the fact that "in the later years of the period... there has been loss of business to the Railways by competition of other transport services". He continued, "The actual increase in passengers carried from 1914 to 1925... (was at) rather less than a compound ratio of 4% per annum. In view, however, of the fact that from 1907 to 1914 the total increase in passenger movement was (at)... over 11% compound ratio per annum, an estimate of the probable increase during the next six years at a rate of 9% per annum compounded should not be regarded as unduly optimistic". (37) This was a simple case of lying with statistics. Bradfield had received the D.Sc (Hons) from Sydney University in 1924 for a thesis on "his" City and Suburban Electric Railways and the Sydney Harbour Bridge and he did not challenge the direct economic basis for the works, either then or thereafter.

It was noted in the previous chapter that it was most unlikely in 1909 that the Herculean task of reorienting Sydney's extensive tram system to form a feeder network would ever be undertaken. This particular aspect weighed heavily against Bradfield and his colleagues because the two rail modes continued to compete rather

34. Fraser, ibid., p. 23.
37. Fraser, op. cit., p. 22.
than complement. In fact from the First World War buses challenged trams as the most efficient, economical and flexible feeder and medium distance mode of public transport but the various governments regarded trams as an investment asset to be protected rather than a service. The conflict between the privately owned buses and the Government trams was resolved from 1929 by the taxation of the former on the basis of "unreasonable competition" with the trams. (38) Finally in December 1932 the Government acquired its first buses, to be run on a very limited basis, after a delay which was fairly typical of Sydney's twentieth century experience. As an aside, the period from the Improvement Commission's Report to 1914 saw an extremely rapid expansion of Sydney's tram system, which was electrified and profitable, on a fairly uniform geographical basis. (39) The principles laid down in the Commission's Report were disregarded largely because of necessity; an Eastern Suburbs Railway bill had been narrowly defeated in the Legislative Council in 1879 and Governments were consistently unwilling to invest in major rail works. In fact the first line designed for suburban use rather than as part of an inter-regional trunk system was the St Leonards to Hornsby railway, completed in 1890. This contrasted strongly with the Government's eagerness of 1913 and 1915.

The construction of the Harbour Bridge and the city underground and the electrification of the suburban railways were mammoth undertakings which required excellence in design and construction and a commitment to urban investment that could never be matched in later Sydney, at least to the present. (40) A series of very important questions are suggested by the decade of construction which started in 1922 and the Government commitments of 1913 and 1915. What had happened in Parliament and society that permitted the initiatives, at those times? (41) How strong was

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38. See Lennon, op. cit., chapter 2/3; Spearritt, "Urban History", pp. 195-200; also chapter 5 below.


40. The total cost to 1932 of the Bridge, underground railway (excluding the Circular Quay section) and electrification was about $55 million which was 22.4 per cent of actual loan expenditure in N.S.W. from 1922/23 to 1931/32. A comparable proportion of actual loan expenditure from 1968/69 to 1977/78 (estimate) is $839 million. (This comparison is intended for illustration only.) Statistics calculated from Year Books and Treasurer's Loan Speech 1976 and 1977. The present construction cost would be much higher than $839m.

41. Economic conditions were generally in favour of urban construction, for which see Sinclair, loc. cit.; and C.B. Schedvin, Australia and the Great Depression (Sydney: S.U.P., 1970), especially pp. 68 ff. The political background to this
the push from planning lobbies? and how strong the pull from potential beneficiaries? Why were the rail planners able to design their works at an ambitious level of technical standard especially after the initial impact of the motor car and bus had been felt? And how important had Bradfield been in the design of the major works and the persuasion of governments? Complete answers to such questions cannot be given on present knowledge — the questions have not been seriously asked before — but at least a partial assessment can be advanced.

The first major point is that the programmes and policies which Bradfield espoused had common acceptance and were in particular consistent with the organisational thrust of the largest and most expert bureaucracy, the Government Railways. Railway design was an art at that time and there were many men inside and outside the Department who had received the best of training and who were characteristically dedicated. The construction of an adequate rail system was their primary goal. While Bradfield was officially Chief Engineer from 1912 this did not mean that he was solely responsible for rail plans, and it would seem that his personal working style placed a great load on his colleagues in any case. As has been indicated in the preceding analysis at two points at least it appeared that major alterations to Bradfield's plans were made in circumstances which suggest a very strong organisational input, the most important being the changes of 1921. Bradfield's public reticence on those changes is suggestive. This aspect cannot be definitively settled at this stage but it can be concluded that Bradfield's rail planning was heavily dependent on the Railways/Public Works organisation. The 1915 "Plan" was not really Bradfield's plan at all — it had been a co-operative effort as Bradfield admitted in his Report.

The other sections of the "rail lobby" were extremely influential also. There were retail interests in the CBD and speculators in the southern and northern suburbs, as well as the fundamental change has not been adequately explored generally. Country prejudices and rural priorities remained important.

42. Spearritt concentrated on Bradfield's publicity campaign and did not so much deal with actual planning or the relationship between Bradfield and his "world" — especially work environment, action groups, politicians and the like.

43. Personal communications with Mr W.K. King who joined Railways in 1929 and is well acquainted with the background to this statement.
better-housing movement\(^{(44)}\) (for some reason the general "planning movement went into decline in the twenties\(^{(45)}\) although the planning consensus apparently did not). There is evidence, quoted by Spearritt, that the "pull" of potential beneficiaries was very strong particularly in the case of the Harbour Bridge, the East Hills extension (and all lines from the First World War on), and Circular Quay Station.\(^{(46)}\) These interests supported Bradfield for their own purposes. Electrification had a tremendous effect on operations generally as did other major programmes.

In the case of the Bridge, it would definitely appear that Bradfield's role was largely confined to three major elements: defining general design parameters; advising on design tenders; and overviewing construction. This was basically his role as draftsman/engineer in 1900. Construction supervision was in the hands of Dorman Long and Company and design in the hands of Ralph Freeman. The latter was highly indignant that Bradfield allowed his name to be "connected" to the design and Freeman had substantial support within his own British and the Sydney Institution of Engineers.\(^{(47)}\) (Bradfield in fact retired on special leave in mid-1931\(^{(48)}\) and retained his title as Chief Engineer in an advisory capacity only. He remained engineer-for-contract until the final reports on construction in 1933.)

Bradfield's fame rested on the articles he wrote for various sections of the press and popular articles written about him. From the mid-1910s he built on his existing public standing through a series of articles which were intended to consolidate public opinion by emphasising not so much the inherent quality of the works but rather their potential impact on urban development and life styles. From the early 1920s the articles largely lost their political purpose and became more descriptive and laudatory. Through the public campaigns (which were extraordinarily active for a public servant) Bradfield's name became firmly associated with the works. It was only in the heat of trying to arouse public support that Bradfield embellished his central "plan" with the less justifiable elements attributed to him by local advocates such as the Warringah peninsular railway. After his retirement Bradfield engaged widely in local publicity through a slide show he took from

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\(^{(44)}\) Cf Spearritt, "Urban History", chapter 3 especially pp. 47 ff.

\(^{(45)}\) Spearritt, "Selected Writings", op. cit., p. iii.

\(^{(46)}\) See Spearritt, "Urban History", various places but especially chapter 9, pp. 185-7, 190, 192-3; also pp. 50 ff. This is a subject which requires further critical analysis.

\(^{(47)}\) See Institution of Engineers (Great Britain), Minutes, 1935 (reference supplied by Ms Yandell).

\(^{(48)}\) Information provided by Ms Yandell.
hall to hall with the help of an assistant. His extrovert drive was a very important characteristic: winning promotion and status comparatively late in life (his mid-40s) and then going without promotion for the last twenty years of his career, with other personal factors, must have had their effect. The respect which Bradfield earned within the Railways Department was specific to his specialist skills and should not be overestimated.

Bradfield was unquestionably an important part of a crucial period of Sydney's history. In his time Sydney was given a series of invaluable assets, not necessarily because they could be justified on hard economic or even operational grounds but because a set of ideas gained common acceptance through a long process of "advocacy" and organisational commitment. Perhaps the pragmatists outnumbered the visionaries but the Bridge alone was an investment which was to prove to be of inestimable value to later generations. Those generations, with their political polarisation, fundamentally different priorities and political uncertainties probably could not have afforded the social as well as economic costs ("the great sacrifice") of such a mammoth structure. (This is quite apart from the concomitant railway projects.) Thus the importance of the period did not lie in any one man. When Bradfield was praised, it was society praising itself.

49. Ms Yandell (as cited above) has suggested in personal communications that these were possibly very significant factors. Mr W.K. King has agreed in discussion with the present author.
The Committee consider it desirable in the first place to invite serious consideration of the complete lack of effective machinery to ensure the carrying-out of any co-ordinated scheme of traffic or transport improvement in the city or throughout the State. ...

It is not suggested that (the various specialised authorities) are not performing efficient service in their respective spheres, but there is a lack of harmony and co-ordination and in some instances at least an aloofness.... Their efforts, the information they possess, and the result of their actions should be entirely subservient to general State requirements.

The construction of the Harbour Bridge and most of the city underground railway marked the end of the golden age of rail investment in Sydney. In the 1920s the road lobby emerged as the most energetic and politically important component in metropolitan planning, both with respect to road construction and route improvement and also traffic control and co-ordinated transport system development. While the rail lobby was not dead, as will be seen later, it had lost its technological monopoly and was quickly forced into second place. This chapter will examine the formation and pre-1939 planning of the Main Roads Board and its successor, the Department of Main Roads, as well as the overall urban road transport movement.

Until Carruthers' reform of local government administration in 1906, main roads were administered by a Commissioner for Roads within the Department of Public Works (from 1862) and by municipalities and local trusts. At 1862 there were 820 miles of main roads which had been proclaimed under an Act of 1857, the costs of construction, maintenance and administration of which were met from Consolidated Revenue. From 1862 Public Works also controlled 2,627 miles of other roads. The Shires Act of 1905 left the City of Sydney, existing municipalities and the Western division of the State under the Department but the Local Government Extension Act of 1906 brought existing municipalities into the revised local government system and gave them primary responsibility over their main roads. (The City of Sydney remained separate until 1948 while main roads in the western region were controlled by Public Works until after the Machinery of Government Review of 1975.) Thus from 1906 central control of main roads was largely abolished although the same legislation specified minimum subsidies to councils which were apparently used more for local than main roads.

From that year problems of divided control, financial differences between areas and lack of planning led to calls for unified administration, especially from the 1910s when the volume of traffic, lack of regulation of standards and vehicle design shortcomings caused excessive dust and community disturbance.


2. The best source is The Roadmakers, Chs. I.5 and II.1.
One aspect of the problem, the control of the use of vehicles, was partly ameliorated by the passing of the Motor Traffic Act of 1909 which was enforced by the Traffic Branch of the Police Department; but the concomitant problem of road standards increased with time.

The first attempt to introduce consolidating steps was made in 1912 when the Holman Government tried to set up a Main Roads Board of four members under Ministerial authority. It was intended that councils would retain construction authority but that State grants would be conditional. (3) The Bill was withdrawn because of local government opposition but much the same effect was achieved administratively through the allocation of subsidies on a needs basis by the Department of Local Government. The motoring interests, specifically at that time the Royal Automobile Club of Australia, still sought central representative administration.

Another legislative attempt was made in 1918, this one adding motor vehicle taxes to the Main Roads vote and differentiating between Sydney and the country. Country interests defeated that attempt and a subsequent proposal in 1919. The National Roads Association (N.R.M.A. from 1923) was set up in the following year and their statement of policy centred on the need for the establishment of a Board. The Storey Government agreed and introduced the Metropolitan Main Roads Bill of 1920, incorporating a Board headed by the Minister for Local Government, a Metropolitan Main Roads Fund, a levy on councils (first suggested in the previous year) and a betterment tax on land fronting a main road. That Bill lapsed after its First Reading, partly because it was regarded as too representative and unwieldy and would spend its whole time talking rather than working. (4)

The Coalition Nationalist Government was having difficulties in achieving a majority in 1923 and Premier Fuller adopted a "suddenly conciliatory" attitude to country interests, specifically the Progressive Party (Country Party from 1925) led by Lt.-Col. Bruxner. Bruxner asked for "a Main Roads Bill which would satisfy country members and money to make it effective. He got (all he asked for), and gave control of the House back to Fuller."


4. Minister's speech notes (unused), as quoted in The Roadmakers, p. 79.

5. Aitkin, op. cit., p. 76, see further pp. 81 ff.
Apparently Fuller's willingness to take action was due to the passing of the Commonwealth Main Roads Act in 1923 which required the States to make matching grants (see Chapter Six below). This implied the formal allocation of motor taxation\(^6\) to roads but Fuller intended to retain a third of taxation revenue for Consolidated Revenue. However in November he was denied supply and by the time that the revised Bill had been prepared and Bruxner's requirements met the entire taxation proceeds were to go to roads. The Main Roads Bill was introduced in August 1924 and retained the principles of city/country dichotomy and subsidisation of the country by the city which had been incorporated in previous Labor and Nationalist attempts.

The debate over the 1924 Bill showed clearly that metropolitan roads were regarded as the most needy of attention but that the country held the strings. As the Minister for Local Government said,

> If both the metropolitan and country main roads are dealt with from the one fund the country districts may very rightly fear that, in view of the proximity of the metropolitan roads to the seat of government, in view of their infinitely worse condition, and in view of the great pressure which the metropolitan area can bring to bear, there would be grave danger of the metropolitan area receiving the lion's share of the expenditure of whatever funds were provided for the Main Roads Board to expend, and the country districts not receiving due and adequate attention.(7)

Separate accounting arrangements were made in the form of a County of Cumberland Main Roads Fund, a Country Main Roads Fund and a Developmental Roads Fund. A Federal Aid Roads Fund was established in 1927/28. The overall effect was as stated, a subsidisation of the country by the city, as is shown in Section 3 of Chapter Six.

The 1924 Act set up a Main Roads Board of three full-time members, the President being the former Under Secretary for Local Government, the others being engineers, one from the Department of Public Works and the other from the Country Roads Board in Victoria. (The Shires Association had requested a Victorian appointment.) The Act provided that "councils should continue to build and maintain the roads, and that the board would only finance the works and have some say in what works were to be done.... An important feature, in view of subsequent developments, was that, where necessary, the proposed board was to be empowered to buy and

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6. That is, on a substantially extended base. A Motor Vehicles (Taxation) Act was passed concurrently with the Main Roads Act, providing for taxes to be calculated on the weight of the vehicle and the class of tyres used.

7. Quoted in *The Roadmakers*, p. 81.
hire tools and equipment to carry out work should this prove necessary".\(^8\) The Board was dependant on the Public Service Board for staffing until 1929 while in the same year the Board was made wholly responsible for servicing its loans because the Government withdrew Consolidated Revenue contributions and repealed its previous liability for at least one-half of the repayment of loans.\(^9\)

The Board depended on council submissions on necessary works but largely because of a shortage of engineers the councils fell well behind and the Board found itself accumulating a large cash reserve. Premier Lang noticed this and had the Finance (Taxation Management) Act passed in December 1926 — this was denounced as the "main roads grab".\(^10\) (The Lang Government was soon defeated and that Act was repealed a year later. Lang also transferred the Board to the Minister for Labour and Industry between October 1926 and October 1927.) In the end the Board assumed the main responsibility for main roads: whereas in the first fifteen months the Board paid five times in grants what it spent on its own roads, by 1929-30 it spent four times what it paid in grants. "In the three years from its foundation the M.R.B. had become the principal road-building authority, a metamorphosis that had not been intended by its founders."\(^11\) This development had been authorised by Lang.

The M.R.B. also had to contend with a fairly desperate attempt by the Department of Public Works to regain its role as the sole central road construction authority. This was resolved in 1927 by a compromise whereby the Department assumed complete control in the Western Division. As noted already this paralleled earlier local government arrangements. (Lang had intended that the Roads Branch of the P.W.D. would be transferred to the Board.)

Thus by 1930 the Main Roads Board had been established as the main design and construction authority for major roads in New South Wales. The Board retained its close links with local councils,\(^12\) particularly from 1928 when under the current Minister for Local Government, Lt.-Col. Bruxner, a hierarchical classification of roads was introduced to assist in the division of work. Country Main Roads were divided into State Highways, Trunk Roads and Ordinary Main Roads. In the County of Cumberland there were Highways and Ordinary Main Roads as well as lessor

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8. Ibid.
9. Ibid., p. 88.
10. For details see ibid., p. 87; cf Aitkin, op. cit., pp. 110 f.
11. Aitkin, ibid., p. 110.
12. See Section 1 of Chapter Six below.
Secondary Roads which qualified for assistance on a discretionary basis. A great many transitional changes were made in the Board's first five years which were confirmed when the Stevens Government created the office of Commissioner for Main Roads in 1932. Attention can now be directed to policy and planning.

The Main Roads Board held its first meeting in March 1925 and decided to circularise councils to "stocktake" the existing main roads and then set an allowance per mile for maintenance, "leaving questions of construction or reconstruction to be dealt with separately on individual special proposals, until we have time to consider construction on a systematic basis". In the country Bruxner imposed his own ideas of decentralised administration and country ascendancy on the Board:

Bruxner directed that divisional offices of the Board be set up, each in the charge of a resident engineer, who was to have authority to deal with local municipal and shire councils, to authorise the expenditure of M.R.B. funds in his area, and to supervise all work financed by the M.R.B.

In the end the internal structure became highly decentralised, to the extent that decentralisation became more important than central control.

In the metropolitan area though central planning became a paramount necessity. Resources were limited and demand was great. There was already an established pattern of Highways and other main roads, and although the Board had received requests for the proclamation of 78 new main roads in the County by mid-1926, it was decided that a pragmatic programme of strategic improvements was more desirable. Every Highway had either a "missing link" or "missing end". Some of the major routes had been reconstructed in segments while others had been reconstructed only to the suburban border. The first Annual Report of the Board (1926) had a map of the missing ends and links and expressed a strategy based on eliminating these in conjunction with the provision of circumferential roads to connect the radial routes. In both construction and maintenance the need for planning was recognised. At an early

14. This change is dealt with in the next chapter. Basically the Department of Main Roads was based on a corporation sole rather than corporation aggregate. The significance of this is also touched on in the Conclusion.
17. See The Roadmakers, Ch. II.2 and map opp. p. 103.
stage the Board assumed practical control of major lengths of Parramatta Road, Liverpool Road (Hume Highway), Windsor Road and Woodville Road. It was found economical to adopt quite high construction standards and was forced to widen and realign roads through the realignment (that is specific development control) powers of the Local Government Act rather than by quicker methods. Greatest emphasis was placed on arterial routes rather than inter-suburban or local trunk routes.

From 1925/26 to 1929/30 the Board spent $8,569,000 in the County of Cumberland, of which 11 per cent came from the Commonwealth. Of the Board's funds, 74 per cent was spent on construction; about 55 per cent of construction went on the five Highways (1926/27 - 1929/30) while almost all the Federal Aid Roads Agreement money was similarly allocated. Even before the Depression commenced the Board decided to restrict loan finance in the interest of soundness and in any case this would have been necessary. Otherwise the Board (Department of Main Roads from 1932) was substantially protected from severe financial stringency by the stability of its main funding sources, namely council contributions, motor taxation and Commonwealth grants. Total income increased in all years except 1931/33, when it fell by 5 per cent. Generally from 1930/31 to 1934/35 income rose by 10 per cent, and in the next four years (before the War) by 16 per cent. In the nine years to 1938/39 construction accounted for 54 per cent of County of Cumberland expenditure and maintenance for 45 per cent. Within the period priorities fluctuated widely, from virtual equality in 1931/32, 1933/34, 1935/36 and 1936/37, to construction being twice maintenance (1930/31, 1937/38 and 1938/39) and maintenance being almost double construction (1932/33). (18)

The D.M.R. continued in the 1930s in much the same manner as in the '20s. Its record has been traced in other places (19) and was quite impressive, as the Minister for Transport, Lt.-Col. (later Sir Michael) Bruxner stressed to a deputation from the N.R.M.A. in 1938. (20) That deputation sought the appointment of a special co-ordinative body to investigate various plans for the improvement of access to the city centre. The N.R.M.A. President (ex-Prime Minister of Australia), the Hon. J.C. Watson, finished with an expression of confidence in the Department.

18. Data calculated from M.R.B. and D.M.R. Annual Reports. For a more detailed (but narrow economic) analysis see Lennon, op. cit., Ch. 4/1.
19. Lennon, ibid., and The Roadmakers, chs. II.5 and III.1.
20. See Appendix 1 throughout. The record of the deputation has been included in the appendices because of its importance and also to reduce the treatment needed in this chapter.
Watson had consistently been one of Bruxner's most persistent critics and it is possible that the comments of the deputation stimulated the Minister (who was nearing the end of a total 11 years in the portfolio) and the Department (which had been improving metropolitan roads to a 13-year-old elemental plan) to consider a more comprehensive approach. In any case,

Just about the time of the outbreak of the Second World War (1939), the Department of Main Roads was ready to commence its re-appraisal of future metropolitan main road needs. Although there was no statutory town planning in New South Wales at the time, it was decided that, nevertheless, road planning should be conducted in accordance with comprehensive town planning principles, and have a logical foundation.

This was more important as an organisational commitment rather than an actual policy process because the planning study was cut short by the Second World War. It was resumed some four years later and had significant postwar results, as will be seen in Chapter Seven, but it is equally important to note that the concern for planning had earlier roots. Main roads construction was balanced by a concern for traffic (or road) management, not only in a limited technical sense but including transport system co-ordination and public transport management.

The Police were responsible for traffic control and the Chief Secretary was their Minister. In late 1927 Chief Secretary Bruntnell set up a Traffic Advisory Committee of three principal members, the chairman being J.C. Watson and the Secretary and Executive Member Sydney Aubrey Maddocks, the Secretary of the Police Department. Obviously Bruxner might have regarded this Committee as an affront from his colleague but in any case the Committee was given three months to report on the causes and possible remedies for "the present unsatisfactory position in regard to traffic", including "The desirableness or otherwise of creating a central authority for transport to be designated 'The Transport Board'".

The Committee's Report of 2nd April 1928, was definitely the product of personal preconceptions but it was nonetheless very significant. The central problem was stated thus:

> It is impossible to study the question (of traffic congestion) comprehensively without realising that traffic is but a smaller phase (sic) of the larger

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problem of transport, and that traffic congestion is largely the result of an ill-considered transport system.(24)

To remedy this it was recommended that a Ministerial portfolio should be created called Transport, Traffic and Highways, and that transport administration should be centralised under that Minister and his Under Secretary. The Main Roads Board, the Railways and the Sydney Harbour Trust would come under the Minister (the Board and Trust would have to be transferred from Local Government and the Treasurer). The Government had already decided to separate trams from Railways so therefore a "Metropolitan Transport Board" could be created to run Government trams and buses and thus maximise their respective potential. (The Under Secretary of the Ministry would be chairman of the Board.) A State Transport Committee or Commission would be established "To make a comprehensive survey of the transport needs of the State as a whole (excluding perhaps Metropolitan agencies...) and the correlation of the various transport agencies". Registration and licensing would be controlled by the Ministry which would also be the principal agency for the allocation of resources. The Ministry would also regulate private buses, commercial vehicles, taxis and so on; and have central responsibility for traffic control, including policy with regard to the relevant Police activities. The Minister would be assisted by a permanent Traffic Advisory Committee, ad hoc technical committees, a Transport and Traffic Research, Statistics and Public Safety Bureau, and an annual Transport and Traffic Congress.

This was a radical and somewhat unrealistic hotchpotch but it found some support in Bertram Stevens, then Assistant Treasurer, who saw financial benefits in co-ordination of services and who sponsored Maddocks(25) to the eventual heights of head of the "Metropolitan Transport Board" as Commissioner for Road Transport and Tramways. (Stevens was Premier after Lang's defeat in 1932.) In fact Bruntnell died and Bruxner took over traffic, first as acting Chief Secretary and then as Minister for an enlarged Local Government portfolio, now including the licensing of private buses which had seen a farcical exercise of Ministerial discretion.(26) Part of the reforms of 1930-32 were founded on the organisational proposals of 1928.

The Committee's Report did not resolve many of the practical

24. Ibid., p. 6. Regarding the following account see further pp. 7-12.
26. Ibid., p. 117.
problems in traffic control but some of its principal recommendations were as follows:\(^{(27)}\)

(i) retention of tram routes with trials of buses to relieve peak loadings;

(ii) completion of city underground (but doubt its capacity to reduce street congestion);

(iii) parking facilities at public transport nodes should be encouraged;

(iv) parking restrictions are necessary but should receive further careful consideration;

(v) more traffic police should be employed while electric control signal systems should be fully investigated;

(vi) white lines should be placed across streets at dangerous places to "encourage pedestrians to cross by definite routes";

(vii) overhead pedestrian bridge to be built at Railway Square, together with suitable "by-pass" roads (also for other locations);

(viii) an experiment should be made on one major Highway with Stop signs on all intersections to give arterial flows the right-of-way in accordance with some overseas practice.

Numerous specific location improvements were suggested including several proposed by Dr Bradfield.

The Committee's Report was primarily directed to organisational effects on planning rather than planning itself, and the key question of the respective roles of trams, buses and to a lessor extent automobiles was evaded because it had become "a matter of Government policy".\(^{(28)}\) Nonetheless at the time the Government was grappling with a Transport Bill which would replace the nominal licensing power of the Chief Secretary (and then Bruxner) with an effective means of control over private bus operations. Bruxner was fully committed to restoring the viability of the trams because of their trunk route capacity and permanent capital debt\(^{(29)}\) and from 1929 he and Lang in turn penalised and restricted private bus hauliers. This was the most controversial urban issue of the time\(^{(30)}\) and led to the commissioning of Maddocks on the 17th April 1929 to visit Europe and America to inquire into transport generally, particularly into

"1. The methods adopted to co-ordinate motor omnibus and other forms of transport."

\(^{(29)}\) Aitkin, op. cit., pp. 180 ff.
\(^{(30)}\) There is an excellent section on the tram/bus controversy in Spearritt, "Urban History", op. cit., pp. 195-200.
2. Conditions under which such forms of transport are allowed to operate upon the public streets.

3. The latest methods of traffic administration and control.

4. How far experience in other places justifies any alteration in the policy laid down in the Transport Bill now before Parliament..." (31)

Maddocks' Report on Transport and Traffic Control Abroad (October 1929) was very influential among Bruxner's circles and still stands as a technical document of historical significance, for example it was perhaps the first Australian study to evaluate and commend the "superhighways" being developed in the United States of America, and Maddocks praised trolley bus systems. Again however the main theme was organisational, that the problems caused by motor traffic required a co-ordinated approach to road construction and management (traffic control), and to public transport modes. The Transport Bill proposed that trusts would be established in Sydney and Newcastle to run Government tram services and license private bus services. (It was also intended that they would run Government bus services but the first of these was not started until the Government acquired its first buses in December 1932.) The Road Transport and Traffic Fund was also to be set up and the office of Commissioner of Road Transport created.

The Transport Bill was duly passed in 1930 in amended form and Maddocks was established as the principal Government advisor in traffic (if not more generally), in the position of Commissioner for Road Transport. He had said in his 1929 report that buses should be used to ease peak tram congestion and that the buses should bear their proportion of tram capital charges. This was not the solution because a semi-ideological controversy developed around unified ownership and control. A special Transport Advisory Committee released a report on the question in 1932 (which led to a spirited attack on Bruxner by one Fred H. Kennedy(32)) which recommended that a public utility company be set up to purchase and run the Government tramways and private buses at "fair present-day valuations". This need not be discussed further here.

In short, the fifteen years preceding the Second World War saw two significant road planning developments. Firstly a


32. See the most interesting documents by Kennedy: Metropolitan Transport Co-ordination and its Supplement (Sydney: published by author, n.d. but probably 1935).
central main roads organisation was established and commenced a programme of improvement and eventually modern planning, the latter well ahead of other urban authorities. Secondly a great deal of attention was focussed on traffic problems with explicit attention to traffic as being indicative of more fundamental organisational and planning weaknesses. In the end the two streams were not united except through the establishment of a Ministry of Transport in 1932, and even then the reform was limited by existing corporate domains. Nonetheless in the period a quality of road planning and awareness of road transport problems existed which was in some respects higher than in the thirty years from 1945-1975 which might be called the Automobile Age of Sydney.
I am prepared to support a complete scheme of transport co-ordination, but I will not support any proposal that vests the full control of the management, the staffing and general administrative direction of the operations of the State's public utilities in the political head. In this bill the meanest contract, the smallest transaction, the most detailed activity of these great public assets, the public utilities of the State, can be subjected not only to the scrutiny but the decision of the Minister, and that is... an entirely new departure in the administration of these great public assets. I am not prepared to support any scheme that will place all these activities and every section of them under the domination of the political head of the Government.

B.S.B. Stevens, in Debate on State Transport (Co-ordination) Bill, 1931.
The late 1920s and early 1930s saw an exchange of vituperative words and organisational reform in transport between the Lang Labor Government and then Opposition, and the Stevens/Bruxner coalition Government. Very substantial issues were involved, from the point of view of State politics and political economy, the transport sector, and personal philosophy. At the end the defeat of Lang enabled Stevens to establish his own ideas on what was to prove to be virtually a permanent basis. This Chapter will briefly examine the conflict and the concepts which formed the foundation of the New South Wales transport administration from 1932.

The immediate dimensions of the technological challenge facing the Government public transport systems from the 1920s have already been seen. Motor buses and trucks challenged the traditional preserve of rail passenger and freight operations and threatened the security of an enormous State capital investment and roughly half the State Government workforce. Lang was loud in his determination to protect the railways and tramways and was attacked for his "Sovietism"; but more fundamentally he was seen as undermining the efficiency of management by "interfering" with the transport executives and by making explicitly political appointments. As Lang and his colleagues repeatedly pointed out, Stevens was far from blameless on the latter count and agreed with the former but this ex-Under Secretary of the Treasury (1) championed the cause of managerial independence from Ministerial actions. This was a period of tremendous importance in the development of the New South Wales political system but the principles and policies which were debated have been neglected by subsequent writers. (2)

The treatment here will be basically chronological and as far as possible the disputants' own words will be quoted as to their philosophies.

It has been seen that a great deal of controversy preceded the setting up of the Main Roads Board and that there were also issues of administration regarding tram and bus operations. If anything Railway administration was even more politicised, although Parkes'...

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1. See Aitkin, The Colonel, op. cit., p. 103, Ch. 6 and elsewhere; and J. McCarthy, "After Lang, 1932-35", in H. Radi and P. Spearritt (eds), Jack Lang (Sydney: Hale & Iremonger, and Labour History, 1977), and references cited there.

2. Lang's second Government in general and the transport bills in particular are a major gap in Radi and Spearritt (eds), ibid., and other Lang histories. Aitkin, ibid., dealt with the issues in passing. Lang's own The Turbulent Years (Sydney: Alpha, 1970), has some background but his ideas were spelt out more fully in Parliament as discussed below.
action on political logrolling in 1888 had stabilised that aspect. Parkes had established a Board of three Commissioners who had full delegated power for administration, while approval for financial and construction policy remained with Parliament. The Department of Railways was by far the largest State enterprise and the focus of development policy, and it was found after the death of Chief Commissioner Eddy in 1897 that agreement was too difficult to achieve on the Board. After a Royal Commission in 1905 authority was concentrated in the Chief Commissioner. Ten years later it was thought necessary to reduce that "autocracy"(3) and major changes resulted on various principles in 1917 (twice), 1924 and then 1931 when the Chief Commissioner was restored as sole authority. (A Minister for Railways was appointed in 1916.) Other major changes followed which will be discussed shortly. The Great Strike of 1917 also had recurring internal and external repercussions. In this area then the issues of efficient administration and autonomy had long been important and New South Wales' politicians were used to thinking of Railways as an area for capricious debate and experimentation. In addition the advent of the common use of motor vehicles and the concomitant work of the Main Roads Board aroused the political theorists to consider the parallel development of roads and railways, tram and bus routes, and road-based public transport and suburban railways.

Maddocks was sent overseas in 1929 to advise Stevens and Bruxner on the terms of the Transport Bill which they had apparently had Maddocks draft, because of the hostile reaction (4) when it had been introduced in that year. (They had opposed a Lang Transport Bill previously.) Maddocks favoured local control over State-wide control. The Bill was passed in 1930 and provided for a Commissioner for Road Transport, who would be chairman of the Sydney and Newcastle trusts for trams and buses, and who was also the State registration and regulation authority.(5) The relevant officers of the Police and Chief Secretary's Departments were transferred to him. Trams were to be run by an operating board which was autonomous in staff matters but under the trusts regarding policy and finance. Various advisory committees were provided for. Lang's former Chief Secretary, Lazzarini, condemned the separation of train and tram administration in his First Reading speech and said that previous Nationalist Governments had/licenced private bus operators to run in competition with trams while requests from the Railway Commissioners since 1918 and beyond

4. But see Aitkin, op. cit., pp. 120-1.
5. See Bruxner's First Reading speech, N.S.W. Parliamentary Debates, Session 1929-30, 2nd Ser, Vol. 120, pp. 2973 ff.
In his Second Reading speech Bruxner justified the separation of trams and trains because the former needed co-ordination with local conditions, but he did not recognise other co-ordinative needs relating to trains. Lang condemned the Bill on four grounds. First, he saw a fundamental and inequitable innovation in the taxation of bus proprietors on gross turnover rather than income (that is profit). Second, he objected that the cost of administration of Maddocks' bureau would be taken from traffic revenue till then available to the M.R.B., and third that the bureau and traffic police would have "autocratic" and "Prussian" power over the licensing of road users. Finally and most importantly from the present perspective, he said that the new body would be independent of Parliamentary control and elections and that "Day by day the Government is handing over the functions of Parliament more and more to boards and officials". The new Commissioner and trusts would have control over tramway construction and management, of which Lang said:

There is before the House another bill to transfer the Railway Construction Branch from the Railway Commissioners to the Public Works Department, because, it is stated... Parliament and not the Commissioners should decide where and when railways should be built.... If it is wrong to entrust Mr Cleary, the Chief Railway Commissioner, with railway construction, how is it right to entrust Mr Maddocks with tramway construction?... The public interest should be the chief point considered in the conduct of the tramways, and if Parliament loses all authority over this public utility, then I am sure the public will not be served as they should be."(8)  

Apart from Lang's specific objections, which were certainly substantial in several respects and some of which were to be developed later, the Transport Bill approached a cross-party consensus although there were several laissez-faire Government members (including Sir Thomas Henley who was mentioned in Chapter Two) who were totally opposed to any trading in the name of the Government. The private bus operators were naturally opposed to the Bill but there was certainly wide agreement that some action was needed in one direction (free enterprise) or another ("co-ordination").

In November 1930 Lang succeeded the Bavin/Buttenshaw Government and in 1931 passed a State Transport (Co-ordination) Act which he regarded as an immediate post-electoral but otherwise

6. Ibid., pp. 2977 ff.  
7. Ibid., p. 3216. His speech is at pp. 3214-3220.  
8. Ibid., p. 3218. (Aitkin, op. cit., p. 192, explains the withdrawal of the proposal regarding the Public Works Department.)
interim step and which retained the arrangements of the Transport Act. A State Transport (Co-ordination) Board of four Commissioners was set up to regulate road and air transport with particular regard to Government rail services, and to improve and co-ordinate corporate performance. This was the first of three truly controversial reforms. The special object of the Act was to redress (in Lang's words) "the spectacle during the past few years of an extravagant and unprecedented expenditure on road construction, mainly parallelling the railways, and depriving them of the passenger and goods traffic, for the conveyance of which they were primarily constructed.... If there was one thing more than another which we pointed out when putting our policy before the country it was that the Government would take control of transport. There was no mistake about it. The statement was made from every platform. Everyone understood that it meant that in order to solve the State's difficulties in connection with transport we would make a Government monopoly of the whole of the transport system."(9) Lang also indicated that developmental or cross-country roads would be considered rather than extensions of the rail system.

Lang did not really relate these intentions to the structure and powers of the new Board, and obviously had a limited notion of monopoly. The Act provided for the licensing of all journeys of ten miles or more on specific routes which were in competition with the railways, together with a ton/mile charge. Only services run for reward were subject to the regulation and they were penalised rather than banned for competing with the Government. Lang did not change the provisions of the Transport Act of 1930 and so the regulatory powers over buses of the bodies established under that Act remained in force. Of the technical provisions only the ten mile limit attracted substantial criticism and Stevens and Bruxner raised the limit to 50 miles when they regained office in 1932 but they kept the Co-ordination Tax. (Lang regarded this partly as an "obsolescence" tax and compensation for an investment already made as well as a charge against road costs.)

Two particular aspects of the Bill enraged the Opposition. Firstly the Bill gave the responsible Minister full powers of control and direction over not only the State Transport (Co-ordination) Board but also over all the other authorities and committees in transport. In the Parliamentary debates over the transport Bills of this time the most frequently cited source was a Commonwealth Transport Committee which was set up by the Bruce-Page Government in January 1929 and which reported in May of that year. The report was apparently not printed(10) but Lang quoted

two of its recommendations (as did Opposition speakers) as follows: (a) that "all transport activities be grouped under one Ministerial head, who will be responsible for the whole transport-ation policy", together with (b) "the establishment of a co­ordinating authority which would be responsible for carrying out the transport policy approved by the Government".\(^{(11)}\)

The State Transport (Co-ordination) Bill met the second item but only as an interim measure. The Bill also provided that:

As soon after appointment as practicable the Commissioners will be required to present to the Minister a draft bill setting out the legislation necessary to give effect to their proposals for the general regulation and co-ordination of traffic, and incorporat­ing the management of the railways, Main Roads Board, Commissioner of Roads Transport (sic), the management board and transport trusts under one corporate body in a Ministry of Transport... When the bill that these gentlemen draw up is passed, it is the intention of the Government to appoint a Minister for Transport".\(^{(12)}\)

(This Minister would combine Transport with an existing portfolio and Lang intended to take the post himself as an interim step.) Lang and other Labor members repeated the overall theme of Ministerial control in other words and with different emphases, but the details (such as whether the Ministry idea paralleled British practice) will not be treated here.

Ministerial control was a distasteful proposition for Stevens and Bruxner because (in the former's words) it would "open the door very wide to log-rolling, intriguing and corruption in the administration of these great undertakings".\(^{(13)}\) However Stevens took a public servant's stance, wanting a full-time Minister and "a small permanent staff gathered from the service":

Greater co-ordination and regulation of railways, roads and other forms of transport is, I admit, highly desirable. Single ministerial control should be an advantage. From my experience of railway ministerial work I am convinced that this could be brought about by the appointment of a competent and skilled administrator, who would in relation to transport matters function for the Minister of Transport as every Under Secretary does for the Minister of his department. In my view there is not any need for the creation of any new board or department, or for an army of assistants. The necessary organisation could be built up from existing services, and this form of centralization should result rather in a reduction than an increase in the number of officers required. The nucleus of such an organisation already


12. Ibid., p. 3421.
13. Ibid., p. 3443.
exists at the Treasury. When I took office as Minister for Railways a small section of two or three officers who were detached from other branches was set up to handle the submission of railway matters. This work is now being efficiently done. (14)

Bruxner was typically forthright:

That is Sovietism, lock, stock and barrel. It takes away those powers that this State has placed in the hands of those bodies over the years. If they were to be handed over to the control of Parliament there might be some excuse, but it is not. This is handing it over to the control of the Minister, whom Parliament cannot get at. He can do as he likes. (15)

In Bruxner's view as with other Opposition members the role of the Minister and Government was to set down "general policy" without interfering with the expert and nonpolitical administration of the statutory undertakings. "General policy" ranged from overall labour and operating conditions, financial policy, broad priorities and the like. Bruxner feared a loss of "effectiveness" because of political control:

During the time I was Minister for Local Government no member of this House dogged my steps more than the Minister for Agriculture did in order to get the Main Roads Board to build a concrete road from Sydney to Mudgee running parallel with the railway all the way. Under this bill the hon. member will be able to go to whatever colleague of his takes control of transport and get the concrete road all the way to Mudgee whether the Main Roads Board likes it or not. That is a principle we do not want to introduce into the administration of the Main Roads Board, which has been successful because Ministers have had no more to do with it than to provide the money and to lay down the general policy. This Government is departing from that, because it is going to take control. (16)

Among others the member for South Coast, Mr Bate, supported Bruxner and Stevens by saying that "What I want to see done to the bill more than anything else is to eliminate all suspicion of ministerial control". (17) It is seen elsewhere in this thesis that Bruxner did not think that formal Ministerial powers were needed to ensure that the Minister's wishes would be implemented, and Lang in fact accused Bruxner of his own "interference" with the M.R.B. programme in Bruxner's electorate, and Bruxner was certainly a most active Minister. It should be noted that Stevens' statement quoted above accepted one notion of "single Ministerial control".

The other major area of controversy was that of personality. Most importantly in 1929 William James Cleary had been appointed

15. Ibid., p. 3572.
16. Ibid., p. 3573.
17. Ibid., vol. 128, p. 4873.
as the Railways Chief Commissioner to replace James Fraser. Cleary was a brewer and a very respected businessman who had many qualities but who was perhaps too conscientious in fighting the financial problems of the Railways through heavy manpower economies (because of Government decisions). When the State Transport (Co-ordination) Bill was being discussed it was known that Cleary was being partly superseded by the Board, and Opposition spokesmen complained of the uncertainty which the existing executives were faced with. While the most contentious decisions were to come after the Bill was passed, two issues were especially objectionable to Stevens et al. Employees had to be members of an approved union, and members of what were then known as the "loyalist unions" were to be discriminated against in favour of the Australian Railways Union. Secondly, Railways staff to be transferred to the new Board had to apply to the Board rather than to their superiors as in the case of the other transport organisations. These two aspects were to be dwarfed by later complaints. A further threat to Cleary was seen in the Board's charter to draft a consolidating bill, but Bruxner disregarded this by saying that Lang's ulterior motives would be satisfied by the 1931 Act and that the Labor Government would go no further with efficiency-oriented legislation.

Bruxner was quite incorrect because in early 1932 Lang introduced the Ministry of Transport Bill. The Premier said that while the "deplorable conditions" which the transport authorities had drifted into were partially caused by motor competition, there were other factors. The principal of these was "the lack of co-ordination in the control and administration of our railways, tramways, and main roads, both from an operation, maintenance, and construction point of view. Instead of being efficiently co-ordinated, it is found that these arms of transport are controlled by three separate bodies; huge and expensive organisations have been built up for administrative purposes, and not infrequently they are in active competition, both in construction and operating policies." Lang claimed that the State Transport (Co-ordination) Bill had prompted the Queensland Government to take parallel action and had attracted a great deal of interest elsewhere in Australia and in Canada, South Africa and the United States of America. He also quoted the Commonwealth Auditor-General on the costs of rail-road competition. However, he thought that there was needless overlapping and duplication in the transport enterprises and that

19. For both aspects see Stevens, N.S.W.P.D., vol. 127, p. 3443.
20. Ibid., p. 3572.
a reorganisation was required "to complete the Government's policy and effect complete co-ordination". (22) The Board set up under the 1931 Act had reported on the "co-ordinating of the activities of (the transport agencies) under one corporate body", and Lang accepted their ideas. Therefore he set up a Ministry of Transport consisting of a Minister and an integrated Department of Transport, without changing the basic regulatory powers.

Lang pointed out that there were eighteen commissioners and members of boards as well as numerous senior executives in the four State transport areas. In 1931 the term of office of one member of the M.R.B. and the two Assistant Railways commissioners had expired and not been renewed but administrative duplication and expense were of serious concern. (23) It was "the intention of the Government to centralise control and thus ensure a more economic administration without in any way reducing the efficiency of (the) great public utilities". (24)

The new Department was set up on a "common service" basis, so that for example there would only be one construction and one personnel bureaucracy. There were a Chief Commissioner and seven "head of branch" Commissioners, while the Commissioner of Police was an ex-officio member as well. The seven branches were in short:

(i) railway and tramway transportation (traffic operations);
(ii) highway and roads transportation (registration, licensing and regulation of aircraft and road vehicles, and traffic matters);
(iii) power and mechanical (locomotives, rollingstock, workshops etc.);
(iv) way and works (all construction and maintenance, etc.);
(v) commercial (freight and passenger traffic);
(vi) finance (accounting, audit, statistics and stores); and
(vii) staff. (25)

When asked who the Commissioners would be responsible to, Lang said the Chief Commissioner and thence the Minister. He emphasised that in the case of dissent the Minister would have the final decision. The Chief Commissioner was to be appointed for seven years but the others were to be permanent officers of the Department.

22. Ibid.
23. Cf Ibid., p. 8419.
24. Ibid.
25. Ibid.
Simultaneously of course the specialised statutory authorities (such as the Main Roads Board) were abolished.

Stevens in reply repeated his earlier idea:

What is wanted is expert direction of each of the separate transport activities, and a small co-ordinating authority, not with supreme management powers, but with powers to ensure that all aspects of policy shall be considered.\(^{26}\)

After an interjection in which it was suggested that Cabinet Government gave all Ministers a share in the control of their organisations, Stevens added:

I have yet to learn that the function of a Cabinet Minister per se is to deal with the details of the administration of the department. As a matter of fact the hon. member's suggestion rather proves my contention. The principle of taking a huge enterprise and allowing a controlling board to handle every detail of management is unsound. There should be staff control of detail, leaving to the co-ordinating authority the question of policy....\(^{27}\)

As examples of the subjects which should be free of political influence Stevens mentioned staff control, discipline, "management" and the "technical and economic control" of corporate affairs. He also said,

If you give the management of the separate activities duties in which they are specialists, you are more likely to secure efficient management than if you group all those activities in one department and place it under the supreme control of one man who owes allegiance only to a Minister of the Crown. If we would set up a really co-ordinating body, we should not rest merely at the establishment of a purely official board. In that co-ordinating body there should be found a place for interests other than those of purely Government activities.\(^{28}\)

Bruxner's Second Reading speech was vituperative and condemned the Bill and Government policy generally without proposing any substantial argument relevant to the present discussion,\(^{29}\) except that he lauded road services as the technology of the present and future and described the rail operators' (and by implication his own) reaction to the new competition as "lay(ing) down and squeal(ing) and howl(ing) to heaven".\(^{30}\)

In the debate on the Ministry of Transport Bill the personality aspect of the series of organisational experiments began to

\(^{26}\) Ibid., p. 8429.
\(^{27}\) Ibid., also pp. 8429-31.
\(^{28}\) Ibid., p. 8430.
\(^{29}\) See ibid., pp. 8439 ff.
\(^{30}\) Ibid., p. 8440 (also Aitkin, op. cit., p. 178).
emerge as a most important factor. The Chief Railways Commissioner, Mr Cleary, had been usurped by the 1931 reform, both by Lang and by the new Board which was headed by Mr E.C. Goode and which included Mr Fraser who had been recalled from retirement. The Opposition claimed at some length that the Railways (and other) organisations had been interfered with in a wide range of matters, and Lang agreed. As he said, "I will admit that since the Transport Coordination Act was passed we have been in control and not the Railway Commissioners". However he said that when he had first gone into Parliament he had researched the Railways for six months and concluded "that the Government and the people were being fooled", and that inefficiencies had not received adequate attention since. Stevens instanced Lang's refusal to allow the Federal wage award reduction of 20 per cent to apply to the Railways as a major consequence of the interference and dissipation of the Chief Commissioners' powers.

Stevens also pointed out that the Ministry of Transport Bill was intended to allow the repudiation of the contracts of certain statutory office-holders, notably Cleary, Maddocks and the two members of the Main Roads Board. Members of the Tramways Management Board and officers of the Co-ordination Board and Commissioner of Road Transport were given statutory protection of rights, but the other statutory office-holders were merely eligible for appointment to the new Department. In fact Cleary and Maddocks had their positions abolished and were not re-employed until Stevens passed the next major piece of legislation. Because these officers had benefitted from their affiliations with Stevens and Bruxner, the Opposition expected that they would not be appointed and although Lang did not repeat earlier perjoratives about Maddocks (the "ex-policeman"), the Government did not see that Cleary had any special ability or experience.

However Goode himself was not a particularly sound choice as the new Chief Commissioner. Labor pointed out that he had had

31. Ibid., p. 8421.
32. Ibid., p. 8423.
33. Ibid., pp. 8430 f.
34. Later Lang quoted a letter of reference from Stevens to the Commonwealth Minister for Trade and Customs in favour of Maddocks. Stevens wrote there that "I was largely responsible for his appointment as Transport Commissioner, and at my suggestion we sent him to tour the world to get the latest information." N.S.W.P.D., 2nd Session of 1932, 2nd Ser., vol. 134, p. 868.
35. N.S.W.P.D., vol. 132, p. 8438. It was claimed that in Cleary's 2 years the Railways deficit (which was some $9 million p.a., compared with the cost of the Harbour Bridge at about $20 million), was almost equal to the total deficit of the previous 19 years. Cleary and the 1972 experiment with P.H. Shirley (Chapter Eight below) were both financial disasters, in different circumstances of course.
about forty years of experience in the Railways without blemish on his record, that is until convicted of accepting a bribe and being demoted from Chief Traffic Engineer. That did not stop Lang, but after he had appointed a Royal Commission to examine the charges against Goode, he was probably not pleased to find that Goode had to resign in late June 1932. At the time of the Bill though the Government was entitled by the circumstances of Cleary's administration's action to say that Goode had been "sandbagged",(36) Again, the debates on personalities had not yet reached their full intensity.

Lang was dismissed by Governor Game in May 1932 and Stevens was confirmed as Premier at the subsequent June general election. The new Government proceeded quickly to restore the corporate identity of the previous specialised transport organisations and abolish the unitary Department of Transport. This was achieved by means of the Transport (Division of Functions) Act which was assented to on the 19th November, 1932. That Act again was reputedly drafted by Maddocks. Prior to that a proclamation transferred the administration of the Main Roads Act back to the former President of the M.R.B. and in early August 1932 Maddocks was appointed Acting Commissioner for Tramways and Road Transport.

The Stevens/Bruxner Act created a Ministry of Transport consisting of a Minister and three statutory authorities, namely the Department of Main Roads, the Department of Railways, and the Department of Road Transport and Tramways, each under a Commissioner. In his Second Reading speech Bruxner pointed out specifically that the provisions of Ministerial control had been removed(37) and therefore the principle of independent expert administration had been restored. The name "Department" was misleading in that the three organisations were statutory entities with a varying degree of the characteristic freedom (this is examined in the next chapter), while "Ministry" was misleading to the extent that the level of structural integration achieved was very low. The sole provision of this type was Clause 19 which gave the power of final decision to the Minister where there was a dispute between the Commissioners.

There was a good deal of personal obloquy in the debate which will not be dealt with and otherwise the issues were consistent with the previous occasions. Bruxner said that the Bill would only deal with administrative organisation and that it did not really effect Government transport policy generally. He expressed

36. Ibid., p. 8434.
the general principle of the reorganisation thus:

The best that one can hope to gain is to provide, as far as possible, machinery whereby those placed in charge of these services shall have the fullest freedom in the actual details of their administrations and control of staff, and that the representative of Parliament — namely, the Minister — shall only exercise his influence in matters of broad Government policy; and in doing this it is very necessary that the Government itself should accept full responsibility for any actions on the part of the administrators that may be necessary to put this policy into effect, and that it should not make use of those officers to shoulder the responsibility which is essentially the Government's. After the passage of this measure, the several commissioners to be appointed will be as free as it is possible to make them from political control in the actual administration of the departments.(38)

He said that in the Department of Transport the Commissioners were so placed as to concentrate on a particular sphere of transport policy rather than regard the system as a whole. Therefore, he said, separate businesses should be separately controlled and that there was a need for "co-operation" rather than "co-ordination".(39)

Lang regretted that he had been somewhat out-manoeuvred by Stevens, Bruxner and their intimates:

The Government only wants to remove the board appointed by its predecessors so that it may find positions for its own political supporters. I do not say that in any spirit of cavil, because with the principle of political appointments to chief administrative positions the Labour party is in complete and absolute accord.

In the past the trouble has been that Labour Governments have not acted to the extent they should have acted upon this principle, while our opponents have never failed to use it. In the future the Labour party, as far as I am concerned, will never be remiss in this direction. In fact, it is my personal opinion, for what it is worth, that within a very few years we shall find that the first legislative act of every incoming Government will be to dismiss from office all the political appointees of its predecessors, and to appoint in their stead followers of the party in power. That system, at least, is justifiable, because it ensures to the Government sympathetic administration, and prevents public officers and public departments being subjected to the treatment that the principal officers of the Transport Department have received from this Government.(40)

While he had little to complain about in the circumstances, Lang had identified the principal theme of the successive reorganisations. Whatever the merits of the two opposite philosophies, they had not been adequately tried because of the personal politicking involved, nor had they been adequately appraised. Personal issues

38. Ibid., p. 802.
39. Ibid., p. 806.
40. Ibid., p. 866.
predominated. Lang claimed administrative and co-ordinative advantages for his system(41) while Bruxner claimed that it had produced excessive delays and inefficiency, but the only real issues were those of personal and Party preference. Later Bruxner was to admit that Maddocks' idea of local control via the trust system had been unsuccessful(42) but other issues of functional specialisation, political control and organisational dynamics were not resolved.

The Transport (Division of Functions) Act represented a triumph of the peculiar brand of conservatism applying at the time in New South Wales. In continuation of the earlier concern for political interference with expenditure, resulting largely from gross excesses rather than a proper evaluation of the Westminster system, Bruxner and especially Stevens chose organisational independence and a nominal reliance on "co-operation" (rather than co-ordination), and this system basically still obtains in the 1970s. Some conservatives, such as Professor P.A. Bland, thought a greater degree of separation of "politics" and "administration" should be achieved (together with the protection of popular interests through an appeals tribunal(43)), but this was one opinion which subsequent experience has demonstrated was substantially incorrect. The consequences of unfettered organisational independence will be seen in the following chapters and the obvious conclusion to be drawn is that statutory independence is inconsistent with the New South Wales system of government. It is unlikely that the 1932 Department of Transport would have been efficient over time, especially from the point of view of political control over transport modes as is argued in the Conclusion, but again there was no particular justification for the Stevens solution. The design of the transport administration was based on Party, personality politics.

41. Ibid., pp. 869 f.
42. See Aitkin, op. cit., p. 179.
Chapter Six

The Administrative Framework

The political institutions of the country may be classed among the accidents of history... for even when it would seem that the design of institutions was a calculated and deliberate activity... the appropriateness of the design for regulating the phenomenon of large urban centres was neither considered nor achieved by inadvertance.

Transport administration takes place in a wider environment of societal and political influences, institutional constraints, complex inter-governmental relations and so on. Such factors affect the quality of transport decision-making through uncertainty, fragmentation in related areas of administration, State budgetary and related political priorities, and so on. As has been said, the urban governmental system is extremely complex and attention cannot be confined to the transport sub-system if transport is to be properly understood.

This chapter will briefly analyse three important aspects of Sydney's political environment. First, the general structure and texture of governmental relations will be examined, including the role of local authorities and Commonwealth-State interaction. Second, the successive central metropolitan planning agencies will be discussed. Third, the budgetary and financial system of N.S.W. will be related to decision-making in transport, partly in continuation of the typology of structural co-ordinative influences developed in the Introduction. (The third aspect is complementary to Chapter Nine which deals with explicit co-ordinative mechanisms.) The treatment will be as brief and interpretative as possible. A fair range of secondary sources is available for most topics (although in some cases the conventional interpretations will here be challenged). The three subjects have been selected for special treatment: other topics (such as specific societal constraints and the like) are dealt with elsewhere.

1. The Structure of Government

All three tiers of government in Australia have responsibilities in Sydney's transport. The Commonwealth is a fundamental influence on airport policy and on aviation-based commerce and tourism. It has also accepted a role in financing main and local roads and recently to a minor extent rail works. The State Government controls, funds or regulates public transport, private vehicles, main roads, maritime facilities, and has a dual licensing role with the Commonwealth in intra-State aviation. Local government bodies are involved in local and some main roads, parking, some traffic facilities, and the regulation of trucks on local roads (and private buses in the country).

The above is not a complete catalogue but the dispersal of responsibility can be seen. Authority is even more dispersed and confused because "co-operative" federalism extends to relationships between all levels of government. Arrangements have emerged between State and local government over parking and local roads,
between Commonwealth and State on a wide range of Constitutionally exclusive matters, and so on. Rose's description of an "intricate and confusing network of institutions" which lacks a single dominant concentration of power as "a maze without a mace" is most apt.\(^{(1)}\) It is not necessary to define or trace the evolution of the intricacies but at this point only sketch the features of intergovernmental relations which impinge most closely on the specific areas of responsibility discussed in following chapters.\(^{(2)}\)

The main area of urban transport responsibility for the Commonwealth under the Australian Constitution is airport policy. The Commonwealth (through its Department of Transport) is solely responsible for the provision of airports for domestic and international use, the State's formal role being confined to the provision of ground access and joint licensing of intra-State traffic on the grounds of community value. Although the State has been excluded from considering questions of airport economics or environmental impact in regulating its share of air traffic, the Commonwealth has taken a co-operative stance. Growth pressures have been tremendous in airport policy but the preference of the Commonwealth, the increased utilisation of the Kingsford Smith Airport together with the diversion of minor traffic to Bankstown, has been unacceptable to the Wran Government in particular but also to the previous Governments because of effects on port development and the environment. Long delays, political chess and uncertainty have characterised decision-making. Power will continue to be shared because of the political aspects but also because of the great investment that will be needed on both sides, whatever airport development strategy is adopted.\(^{(3)}\)


3. More comment will be made on the characteristics of airport decision-making in Chapter Nine. This author prepared a detailed case study on this subject in Painter, Gibbons and Brezzel, Sydney Strategic Study (Report for Commonwealth Bureau of Roads, 1975), the conclusions of which will be discussed in Chapter Nine below.
The Commonwealth has assumed de facto responsibilities in urban and non-urban transport works, originally (from 1923/4) because of the developmental impact of roads (and to a minor extent railways), but more recently because it has been accepted that a more reasonable basis should be established between the tax base and urban responsibility — the Commonwealth having the money and the States the problems. The roads grants have been made on various bases as will be seen in Section 3 of this chapter, but generally they have been a key element in the funding of the Department of Main Roads.

Federal funding of railways dates from a scheme initiated in 1920 by which the cost of inter-State rail standardisation would be shared between the Commonwealth and States in the ratio 20:80. Very little indeed was actually done then; payments recommenced in the late 1950s with the construction of the standard-gauge link between Albury and Melbourne. Other ad hoc agreements followed on other specific links. In 1974 however the Whitlam Government undertook to pay two-thirds of the cost of approved urban public transport projects (including research and planning). The details of arrangements have changed over the last few years but it seems at present that the Fraser Government has accepted and will continue the Urban Public Transport Improvement Programme (UPTIP). The respective levels of road and rail funding are examined later in this chapter. (In 1974 the Commonwealth offered to take over the N.S.W. railway system. That offer was of course rejected.)

Such Commonwealth "optional" responsibilities are funded by grants made under Section 96 of the Australian Constitution, which enables the Commonwealth an almost unlimited ability to attach conditions. Thus programmes have to be submitted in advance for main and local roads, rail works, planning and research, minor traffic and related works, and so on. This arrangement is normally a significant, and at times a critical, constraint on State allocative policies. The most obvious example was the federal Labor Government's strenuous objections to the D.M.R.'s inner urban freeway plan in 1974. That case was not totally exceptional. State administrators find that their programmes and policies are consistently conditioned by expectations of Commonwealth standards, and in fact in 1977/78 the Commonwealth Minister for Transport withheld approval for the Victorian road submission because he felt that State funds were not being properly allocated.

4. This is simplified. See Commonwealth of Australia Budget Paper No. 7, Payments to or for the States and Local Government Authorities 1975-76, p. 205.
precedent has now been firmly established. (6)

It might be noted that the Commonwealth pays for two-thirds of the cost of the Urban Transport Study Group which is a fairly autonomous arm of the Ministry of Transport and Highways, and for research and planning in the P.T.C. and especially the D.M.R. and Traffic Accident Research Unit. The Whitlam Government wanted to directly participate in urban planning decisions and insisted on representation on a top-level inter-departmental committee. The Transport Development Committee was set up by the N.S.W. Government for this purpose but has met infrequently and is ineffective. (7)

The Commonwealth has provided a direct input into two major sub-regional planning issues, namely the development of Parramatta as an alternative metropolitan centre to the CBD; and the residential development of the Manly-Warringah sub-region. The Whitlam Government offered to build and operate a rail system for the encouragement of corridor development around Parramatta, and paid for an expensive consultant study of demographic factors. The Fraser Government did not maintain this policy and in any case severe doubt was cast on the desirability of the rail-based solution, in the State sphere at least. Secondly, the Whitlam Government discouraged the extension of sewerage and water facilities in the Warringah peninsula because of the infrastructural costs that would be imposed on transport and other authorities. (8)

to local council roads and the Victorian Government had reduced their commitment. Mr Nixon went on, "I want to say that while I have only withheld approval for the Victorian road programs submitted to me, I will be examining very carefully future programs submitted from other States in order to ensure the Commonwealth's commitment to assist local government through supporting the local roads categories is adequately met". Needless to say the States do not have comparable ability.

6. Commonwealth funding has in particular broken State allocative discretion over urban/rural spending, partly through specified grants, partly through the National Highways grants (which are exclusive of urban areas), and partly through the refusal to fund rural railways. There have been several State complaints at meetings of the Australian Transport Advisory Council that Commonwealth practices are causing or perpetuating misallocations of resources.


It can be seen that the Commonwealth's exclusive airport authority and de facto authority derived from Section 96 grants have given the national tier of government an influential but basically restrictive role in urban policy. That de facto power was largely gained by the Whitlam Government but its control aspects have been retained by the subsequent Fraser Government. In general, the airport power has only been of substantial importance since the late 1960s while the other urban powers date from the mid-1970s.

The New South Wales Government has primary responsibility for the quality of government in Sydney, both in the sense that its agencies provide a wide range of services and also because the State Government aids and supervises the various local government bodies. The structure and operations of the two levels of government are generally well known and cursory attention only will be given to select aspects here. (9)

In most respects the Constitution and related conventions of New South Wales follow the Westminster model regarding the formal roles of Governor, Government and Cabinet and Opposition, and Public Service. Virtually every institution has co-ordinative functions, and taken with the range of inter-departmental, judicial and specialist co-ordinating bodies, a high degree of formal integration is intended. However in practice even many of the co-ordinative bodies like Treasury have limited jurisdiction or limiting conventions, and it is often argued that even direct Ministerial connections to organisations such as apply in the Public Service do not ensure adequate communication, responsiveness and advice. (10) Parliaments themselves have major shortcomings. (11)


10. Every one of the recent major inquiries into various governmental systems was critical of normal Departmental arrangements, and many saw statutory authorities as being also deficient in control aspects but superior in financial, managerial, personnel and like arrangements. All favoured the modernisation of the Departmental form and Public Service practices. See Royal Commission on Government Organisation (Glassco, Canada 1962), especially Vol. 5, p. 56; The Civil Service (Fulton, U.K., 1968); Report of the Committee of Inquiry into the Public Service of South Australia (Corbett, 1975), pp. 112 ff; and R.C.A.G.A. Report, op. cit., pp. 82 ff. There are many other references on this point — see especially the articles by R.L. Wettenhall, L. Perez and others in the special issue "Government Department, the Statutory Authority", Public Administration (Sydney), v.7(4),
A special feature of the N.S.W. system though is the predominance of statutory authorities. These typically have non-elective chairmen (instead of Ministers) at their head and are able to internalise a far greater proportion of operational and interpretative decision-making than can Departments. While they are formally under the control of a Minister, they normally have to consult him or her on a restricted range of matters only and have extensive discretionary powers under the relevant Acts. They are also relatively independent as a rule in financial, personnel and related matters.

As a consequence of these and similar factors, strong lines of specialisation rather than integration become evident in the political system. Administration is organised on specialised client or functional bases as are Ministerial arrangements. (The effectiveness of co-ordinative bodies is discussed in Section 2 and especially Chapter 9 below.) Ministries have been established for Local Government, Planning and Environment, and Decentralisation and Development, all of which are functionally interdependent, as well as Public Works, Transport and Highways, Housing, and so on. The task-orientation of these arrangements does not help the determination of policies in policy areas (such as cities) which cut across departmental lines. Partly as a consequence, in 1975, in the course of the Machinery of Government Review a system of five standing committees was introduced into the N.S.W. Cabinet structure. The composition of these has changed but at late 1977 it was as follows:

December 1968. N.S.W. has been poorly served by analysts in this area, see Spann, op. cit., p. 498.


1. **POLICIES AND PRIORITIES COMMITTEE** (Senior)

Premier (Chairman)
Deputy Premier & Minister for Public Works and Ports
Treasurer
Minister for Transport & Highways
Attorney General
Minister for Industrial Relations, Mines and Energy
Minister for Planning & Environment (and Vice President of Executive Council)

2. **INDUSTRIAL RESOURCES COMMITTEE**

Deputy Premier & Minister for Public Works and Ports (Chairman)
Minister for Transport & Highways
Minister for Industrial Relations, Mines and Energy

3. **DEVELOPMENT CO-ORDINATION COMMITTEE**

Deputy Premier & Minister for Public Works and Ports (Chairman)
Minister for Planning & Environment
Minister for Decentralisation & Development and Primary Industries
Minister for Local Government
Minister for Lands
Minister for Justice and Housing
Minister for Conservation & Water Resources
Minister for Services and MinisterAssisting the Premier

4. **JUSTICE & CONSUMER AFFAIRS COMMITTEE**

Attorney General (Chairman)
Minister for Consumer Affairs and Co-operative Societies
Minister for Justice and Housing
Minister for Services and Minister Assisting the Premier

5. **SOCIAL DEVELOPMENT COMMITTEE**

Minister for Education (Chairman)
Minister for Health
Minister for Sport, Recreation & Tourism
Minister for Youth & Community Services
Minister for Services and Minister Assisting the Premier

(The Treasurer is also an ex-officio member of Committees 2 and 5.)

These Standing Committees do not have terms of reference and only deal with matters referred to them by Cabinet. Special purpose Sub-Committees (such as that on Land Valuation) do have terms of reference.
Most if not all major Government initiatives and policy decisions are referred to Cabinet for approval and this provides a reasonable opportunity for affected Ministers to make an input to the final decision, but in terms of adequate information and organisational participation, Cabinet is not nearly as good a forum as the Standing Committees. Apart from such formal decisions however many decisions are made by the Minister or Premier without consulting other Ministers (or officers) while many decisions also do not need Ministerial approval. As well many programmes become entrenched and persist without question; in particular the pricing policies of many statutory authorities would be opposed by State Governments of either hue if it was realised how anachronistic and even inefficient they had become.

The organisation of Cabinet committees into such a structure is of considerable value when major issues affecting the Government as a whole arise but otherwise it is a "good indication of the lack of political concern for comprehensive metropolitan policies at the State level". As will be noted later co-ordinative responsibilities have been more effectively exercised in the last few years, largely as a consequence of the politicisation of several major urban issues, but at the State level there is no real integration in urban affairs.

Fairly detailed analyses follow of decision-making in a number of transport and related areas in which many of the characteristics of government at the State level are discussed. While each organisation and each administration is different in New South Wales owing to historical factors, many of the conclusions from the specific studies apply more generally.

Local government is the third, and in most respects the inferior, level of government. It is inferior in that it exists basically at the pleasure of and is the "creature" of the State; it is typified by parochial and reactive (rather than positive) approaches to policy; and it has very limited powers and responsibilities. Because the main tax base of local councils and shires is the rateable value of their districts, spatial inequalities tend to be accentuated. As well, although a major theoretical virtue is the directness of accountability, this fact also militates against the quality of decision-making on issues of more than local significance and can affect the degree of co-operation that even State agencies can expect. Again such factors are well documented and the following treatment is selective.

15. Painter, in Painter, Gibbons and Brezzo, op. cit., p. 3.
16. Some important sources are: R. Atkins, "Local Government", in Spann op. cit., ch. 11; M. Bowman, Local Government in the
There are about 40 local councils in the Sydney region (slightly more for instance in the Sydney Water Board's area), which basically have individual, unco-ordinated responsibilities. A measure of integration is achieved through seven main mechanisms: the activities of the successive central land use authorities discussed later; judicial review; minimal supervision (basically administrative auditing) of the Department of Local Government; limited co-operative arrangements (the electricity County Councils as well as some waste handling facilities); several limited-purpose committees; and relations with central operational authorities such as the D.M.R. and Water Board. A final co-ordinating influence is the effect of Commonwealth and State Grants Commissions (and at times other Commonwealth agencies) which basically allocate funds according to relative merit. The five County Councils are now virtually the only surviving manifestations of the movement for a Greater Sydney; the Water Board until 1972 consisted of elected local government representatives but now has very limited non-elected representation, while the Cumberland County Council (1945-63) was entirely a creature of local government (reversing the usual dominance of the State).

Local government's main urban transport responsibility is the construction and maintenance of local roads. These represent almost 90 per cent of Sydney's road system and cost local councils about 30 per cent of their total annual expenditure (about 20 per cent of the Sydney City Council's expenditure). Part of this effort is funded by the Commonwealth and part by the State. Since 1969 the Commonwealth has nominated funds separately for urban arterial and urban "sub-arterial" (later "local") roads in its road funding and as well councils receive (or received) substantial assistance from the Grants Commission from 1973, Area

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17. This figure is based on D.M.R. classifications; see S.A.T.S., Vol. 1, Table 3.1.

18. Atkins, op. cit., p. 240 and elsewhere; Official Year Book of N.S.W., 1974, ch. 9, especially Table 252.
Improvement Scheme and R.E.D. scheme. The other main sources of revenue for roads are rates which are set basically at council discretion except to the extent that constraints on overall annual increases apply, and loans which are determined by the State Treasury and Loan Council in the first instance and then by the Department of Local Government. Individual councils thus have little discretion in the size of their loan programmes. (19)

As a general rule, roads expenditure is a greater proportion of total council expenditure for municipalities and shires which have experienced rapid population growth in the last twenty years and which still have mainly rural or semi-rural infrastructure, compared with the more established councils which are able to spend relatively more on community facilities. In council areas such as Blacktown, Penrith, Fairfield and Liverpool rapid urban development was superimposed on relatively weak financial and infrastructural bases, and relations with State instrumentalities became crucial. The Housing Commission and S.P.A. for example placed great pressures on Blacktown Municipal Council which until 1969 had qualified for Commonwealth road assistance as a rural area. However no special State assistance was given to the Council for the upgrading of through and local roads which carried greatly increased traffic, and as a consequence the quality of the roads deteriorated to critical levels. In 1974/75 the Grants Commission gave Blacktown more than any other municipal body in Australia, except Brisbane, and all of that allocation of $984,000 was applied to roads (as well as $300,000 in the previous year for Area Improvement — none in 1974/75 — and $94,000 in 1974/75 under R.E.D.). State policy was attacked in Federal Parliament and by local resident action groups, especially the Mt Druitt Action Committee and the Australian Transport Study Group. (20)

Against this background, and it might be remembered that such council areas are "transport disadvantaged" with respect to public transport as well as roads, the policies of the Department of Main Roads are extremely important. The D.M.R. is "responsible" for roads which carry heavy traffic, are of particular design, or have special developmental or tourist impact. Being responsible in many cases means paying for construction and/or maintenance, and the Main Roads Act leaves the question of classification almost entirely in the hands of the Commissioner for Main Roads. Two principal effects arise. Firstly, country councils generally have greater control and discretion than their metropolitan

counterparts; and secondly, the latter are disadvantaged vis-à-vis the control of the D.M.R. over classification (an important factor in adapting to changing urban conditions).

While the first factor is important on a State-wide scale, the second is more directly relevant to the urban situation. Blacktown for example depends for access to the main rail and road corridors on several quasi-trunk roads, some of which are classified as Main Roads, some as Secondary Roads and some as local. Secondary Road is a special category which applies only to the County of Cumberland; it refers to roads which carry "substantial" volumes of through traffic and relieve Main Roads. The D.M.R. pays only half the cost of construction and maintenance and more significantly has the discretion of declaring a road as a Secondary Road. Apart from gaps in the classification system which perhaps have been produced by time, Blacktown Council has argued over the years since 1969 that several of its roads should receive the assistance of reclassification. Such arguments have been unsuccessful, at least partly because of D.M.R. priorities and funding policies. As the Department stated in its pamphlet Guide to Main Roads Administration (1970):

For some years the Commissioner has usually withheld support of reclassification requests because the amount of work required at present to bring existing Main Roads to the standard required to meet rapidly expanding traffic is usually so great that available Main Roads funds need to be concentrated on this task...

This was a major factor in the Council's inability to cope with the pressures placed on it by planning decisions and metropolitan development, and also helped to elicit the special ad hoc Commonwealth support from the Whitlam Government. State and Commonwealth policy has adjusted to this to some extent but the basic difficulties in fringe co-ordination remain.

The second major role for local councils is the provision and control of parking facilities, generally on the basis of formal co-ordination with affected authorities through Parking Advisory Committees set up under Section 270D of the Local Government Act. The first of these was established in the City of Sydney in the mid-1950s and since then some ten more have been set up, especially in commercial areas with parking and access problems. Representatives include the Departments of Local Government and Police, the P.T.C., the local authority and the Planning and Environment Commission. Some of these committees are inactive but otherwise...


they in effect shift local decision-making away from the council towards the functional authorities because the decisions of the Committees are binding, subject to appeal to the Minister for Local Government. The Council of the City of Sydney has been especially active in planning in the last ten years or so and parking has been a focus of its policy, in respect of which it has come into conflict with the views of State authorities over the use of parking supply to control traffic to the CBD. It would seem that the Council was parochial in its attitude and did not have the ability to prevail. That is not to underestimate the operational importance of councils' role more generally, especially with regard to parking spaces and meters.

Councils' control of parking is the most positive element in their role in traffic control generally, the administrative complexity of which is mentioned elsewhere. Councils have the ability to restrict the mass (size) of vehicles using local streets and have circumscribed powers in other policy areas, such as street closures. Traditionally councils have shared control with Police, the Department of Motor Transport, the D.M.R., land use planning bodies and so on (even down to the Maritime Services Board and various servicing authorities). Until 1976 co-ordination was tenuous and fragile, and often lacking. The Traffic Advisory Committee had been set up in 1964 with much the same membership as CUMTAC, with a preponderance of State organisations but with co-opted local council representation as required on specific subjects. In late 1974 as part of the Machinery of Government Review a "Committee of Enquiry into Roads and Traffic Administration and Related Matters" was set up with the Under Secretary of the Ministry of Transport (as it was called until January 1975) as chairman. This produced a report of reputedly high quality which inter alia regarded the administration of traffic as excessively fragmented, with co-ordination being dependant on individual goodwill. The formation of a statutory "Traffic Authority" was recommended and subsequently endorsed by the then Government, leading to implementation about two years later.

The Traffic Authority can be regarded as an innovative development in administration and is assessed as such in Chapter Nine below. At this point it can be said that while the Authority has overall control over road management (as distinct from construction), it has delegated a great deal of responsibility to local councils for the planning of minor traffic facilities on

23. For a brief account see France and Hughes, op. cit., pp. 53-4. Cf Urban Systems Corporation Action Plan No. 4: Car Parking Stations on the Western Perimeter of the CBD (Council of the City of Sydney, 1972); and P. Case, "Forum 12" in Action Planning Forum (Council of the City of Sydney, 1972). It might be added that tardiness in planning...
roads other than Main and Secondary Roads. It retains the right to erect facilities on council roads (through the D.M.R.) but has decided that this will only be exercised in exceptional circumstances. Generally councils have set up joint "Traffic Committees" to involve Police and D.M.R. officers as well as the local M.L.A. In a few cases councils have defied the Traffic Authority but consequently the Authority's powers have been confirmed and it functions as a co-operative body of great potential.

It can be seen that councils have a rather residual role in transport planning in Sydney and this can be regarded as a weak link in the State administration. Generally however the State Government's operational agencies are the primary actors in the policy field although the roles of the Commonwealth and local tiers are important and at times critical, especially in the former's case.

2. Central Metropolitan Planning

The nexus between the quality of urban living and integrated urban planning and administration had been widely accepted from the early 1900s as was seen in Chapter Two. The domination of metropolitan administration by separate functional organisations, usually with statutory incorporation as well, was frequently criticised and the creation of a Greater Sydney Council remained Labor policy through to after the Second World War.\(^{24}\) Reconstruction conditions in the 1940s and William McKell's Government's policy led to the creation in 1945 of the Cumberland County Council (C.C.C.), the first of three quite different and generally unsuccessful postwar experiments in integrated urban planning. These are important background to the chapters on institutional planning which follow.

In 1945 McKell and J.J. Cahill introduced the Local Government (Town and Country Planning) Bill which provided for the establishment of a Town and Country Planning Advisory Committee to assist the Department of Local Government in preparing a broad plan to serve as framework for detailed local council land use plans. Mr Stan Haviland had become Assistant Under Secretary of the Department of Local Government and Housing in 1941 and he was known as a man of strong ideas on metropolitan government, and while the

\(^{24}\) See J.D.B. Miller, "Greater Sydney 1892-1953", Public Administration (Sydney), 23(2) and 23(3), 1954; Spearritt, "Urban History", op. cit., ch. 10; and P. Harrison, "Planning the Metropolis — A Case Study", in Parker and Troy, op. cit., ch. 4. Harrison's chapter and Painter, Gibbons and Brezzo, op. cit., ch. 2 are important sources for the main historical details which follow.
The Planning system was therefore drawn up on very poor lines if one accepts that it was the Government's desire to make the C.C.C. work. (27) Further the Council was given no practical powers such as to acquire land, and it was specifically excluded from intervening in urban works programmes. There was in fact a very

25. The Committee consisted of three professional representatives (architect, engineer and surveyor), an officer of the Department of Local Government, an alderman nominated by the Local Government Association, and two Ministerial nominees.


27. There is no doubt that Mr McKell and Mr Cahill supported the C.C.C. strongly but nonetheless they handicapped the Council. They no doubt did not intend to relinquish Ministerial control and adopted fairly traditional Ministerial support systems even though there was an inherent contradiction.
limited degree of cooperation from most established authorities, with the exception of the M.W.S. & D.B. (even that body was an uneasy partner at times), and there was occasionally open conflict.\textsuperscript{(28)} The statutory authorities were jealous of their individual sovereignty. Several councils withheld their share of the C.C.C. levy after the initial three-year period had finished because the C.C.C. had by then alienated sections of the local government community.\textsuperscript{(29)}

The Council presented its Planning Scheme Report in July 1948. This was a comprehensive survey of the present circumstances of the County and a prescription for future planning. The Council had employed a substantial team of planners and geographers and also relied on the population and land use statistics which the D.K.R. had collected in preparing its Main Roads Development Plan.\textsuperscript{(30)} The Report's prescription generated a great deal of controversy as did its modus operandi later.

The basic strategy of the Report was to restrict the outward sprawl of the metropolis to the existing urban area and select "new towns" (Campbelltown for example), and preserve urban amenity, by setting up a "green belt" on the urban fringe and designating large tracts as open space. The transport systems then planned by the respective authorities were almost entirely adopted and the Water Board's systems were of primary consideration.\textsuperscript{(31)} The CBD was designated as County Centre and sixteen district centres were also identified.

The Planning Scheme Report was adopted by the Government without change but only after a delay of three years which caused fundamental problems and which was a major constraint on the effectiveness of the C.C.C.'s planning.\textsuperscript{(32)} The Scheme was unique in Sydney's history in that it was given legislative substance through being incorporated as a Schedule to the Local Government Act in 1951. At the same time the Council was made the

\begin{itemize}
\item 28. See Harrison, \textit{op. cit.}, especially pp. 69 ff.
\item 29. Ibid., p. 66; Fraser, \textit{op. cit.}, p. 131.
\item 30. See Chapter Seven below. The planning outputs of the three successive land use authorities are discussed briefly in that and following chapters.
\item 32. Painter, Gibbons and Brenzo, \textit{op. cit.}, p. 24.
\end{itemize}
"responsible authority" for certain aspects, including the acquisition of land, the control of the Green Belt, and the reservation of land for County Roads and open space. (It should be noted that the Government and constituent councils paid half each of the cost of such land.)

The main philosophical opposition to the Plan somewhat paradoxically came from the local councils whose rating capacity (or potential) was affected by limitations on growth and the open space commitment (which was in any case to be substantially reduced). The best demographic projections were also to prove to be far too low, and the Plan to therefore be "inflexible", and opposition from the land development lobby was in 1959 very important in having the Green Belt abandoned. Some councils, and especially the Minister to 1959, Mr Cahill, and the C.C.C.'s two aldermanic chairmen, gave strong support and the Council had the benefit of an excellent (ex-D.M.R.) Chief County Planner who was the driving force behind the adoption of developer contributions for various services for example. It was in fact in connection with the 1959 Green Belt releases and the Council's fight for developer contributions that the C.C.C. showed that being free of direct Ministerial control was invaluable in enabling it to overcome short term (but fierce) political pressure in achieving the implementation of necessary planning powers; the operating authorities, principally the Water Board, were chary of fighting their own battles.

Two aspects of the modus operandi were important. Firstly the Council was flooded with enquiries about the routes of the extensive system of proposed roads (see the next chapter), most of which could not be definitely answered because the Department had recommended the roads without detailed surveys being undertaken. This was a necessary evil and could not be avoided at that time without neglecting the road needs of the metropolis, although the Chief County Planner later wrote that the problem would have been easier to resolve if the D.M.R. had been given "a taste of front-line experience". Secondly local councils were unco-operative in preparing their detailed planning schemes. The Areas Act of 1948 required all councils to prepare schemes but it also conferred discretionary powers which the councils would have lost, so that by 1963 only three schemes had been prescribed. The City of Sydney scheme was not promulgated until 1971 because of an extended cycle of compromise.

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33. Fraser, op. cit., p. 131.
34. Ibid., p. 133.
It can be noted, on the question of whether local government was a satisfactory basis for central planning, that the Chief County Planner and one of his staff planners have disagreed subsequently whether the Council was capable of achieving a "synoptic" viewpoint. Rod Fraser has argued that the Council had been well-served by the local government system in electing able men, but Peter Harrison believes that the Council's staff generally persuaded the Council to overcome a parochial perspective. It is impossible to settle this here because while the Council definitely took a synoptic view and held to it through their political battles, at risk to their individual electoral prospects, the role of Rod Fraser cannot be underestimated. However there was a great difference between the planning of the C.C.C. and the State Planning Authority in that the former's was much more pragmatic and related goals to means far more successfully, and this difference was to a large extent achieved because of the nature of the C.C.C.'s management. (There were also possibly critical differences in staff resources.)

In 1951 the Town and Country Planning Advisory Committee, which had earlier decided that it was unnecessary to give the C.C.C. statutory powers of inter-corporate co-ordination, decided that a comprehensive method of "co-ordinated planning" was required and later recommended to the Minister for Local Government that a State Planning Authority should be set up. This was accepted by the Government which announced in March 1962 that the S.P.A. would be set up to "plan and co-ordinate the development of the use of land and provision of essential services". Over a year-and-half passed before the C.C.C. gave way to the Authority and the Council continued to operate with that threat over its head. In its final Annual Report it said that its task had been to "enforce new legislation which infringed upon the vested powers and responsibilities of existing statutory bodies and adversely affected the financial interests of many citizens", and that its basic dilemma was how to be effective and popular at the same time.

The State Planning Authority Act differed very little from the C.C.C. legislation in terms of planning role and powers, although the S.P.A. was given a larger legal status in implementation. No extra co-ordinative power was given. It had to "submit to the

36. Fraser, op. cit., p. 131.
38. Ibid.
39. Ibid., p. 77.
40. Quoted in ibid., p. 79.
Minister proposals for the development and use of land, including development and use in conjunction with the provision of utility services and public transport facilities" (Clause 3 of S.P.A. Act), but it was under the control of the Minister, unlike the C.C.C., and thus the only overall co-ordinative power came not from "the Minister" but from Cabinet. Ministerial (cum organisational) specialisation was preserved.

In effect, the S.P.A. legislation proved that most importantly the C.C.C. had been a thorn which the statutory authorities and Minister wanted to rid themselves of. The new S.P.A. was a creature of the State and of the other statutory organisations. The Authority in fact was originally proposed to consist only of a chairman and deputy chairman, one of whom was to be a professional planner, and four part-time members from the Ministry of Transport, the D.M.R., the Department of Local Government, and a public utility authority respectively. To these six were added five local government representatives after the Bill had been introduced and a twelfth member nominated by the professional Institutes (Architects, Engineers, Surveyors and Planners). Coordination was therefore seen in terms of participation and shared control within the State governmental system, although local government power via the Legislative Council at least partially defeated the initial intention. In 1972 four new members were added (commerce representative, Treasury, Director of Decentralisation and Development, and Lands). This was done to widen representation and thereby ostensibly improve co-ordination. At about the same time the Under-Secretary of the Ministry of Transport for some reason was replaced by the Commissioner for Railways.

In the ten years of its existence, the State Planning Authority fulfilled its apparent role of "internalising" planning and making it subservient to corporate goals, but this was found to be eventually undesirable. The Authority was a large group of part-time officials and suffered all the disadvantages of compromise, artificial consensus and delays which poorly designed committee structures can be subject to. In 1973 a Government Parties' backbench committee was set up under Mr R.O. Healey.

41. It is possible that the S.P.A. was seriously intended to take a positive approach to inter-corporate planning and if so it was a case of very poor organisational design. However given the C.C.C.'s experience and the nature of corporate specialisation, it is far more likely that the S.P.A. was an attempt to control planning.

42. As will be noted in Chapter Nine, at this time the Ministry was merely a "letter box" and the appointment of the Under Secretary is somewhat difficult to understand. It was no doubt a result of the then Minister for Transport's personal preferences.
M.L.A., to investigate various complaints, including (in the
Minister's words) that "planning in this State was being carried
out by public servants who are not answerable to Parliament". As
a member of the Committee said in debate, the part-time members
had to rely excessively on their employees — Healey himself went
much further and said that the pattern of representation was
undesirable. "My Committee could see no reason why such persons as
the Commissioner for Main Roads, an officer of the Treasury, and
others, should be members of a planning authority..."(43) Even
Ministerial control and responsibility had been lost in practice.

There is no doubt that this prognosis was "correct" according
to the political philosophy of planning which then prevailed. The
S.P.A. had published a revised planning scheme in 1968, the Sydney
Region Outline Plan, which most importantly replaced the compact-
ness of the C.C.C.'s strategy with linear sprawl along major
transport corridors. (44) The Plan's language was technocratic and
euphuistic and abstract goals abounded — without any meaningful
discussion of how goals would be achieved, how particular problems
could be overcome, how existing infrastructural and social
facilities could be best utilised, or how co-ordination would be
achieved. Moreover in practice the operational authorities were
unquestionably tricked by the technocrats. In the early and mid-
70s problems emerged which revealed the delusions of the S.R.O.P.
but which were not resolved. For example the extensive land
release programme which the S.P.A. said would overcome land short-
ages and reduce prices, in fact assisted speculators, increased
prices and in the end found the Water Board for one to be over-
committed to release areas which had not developed because the
S.P.A.'s expectations (and abilities) had been grossly
unrealistic. (45) This happened even though the Water Board had been
represented on the S.P.A. throughout its history. Development did
not go where it was meant to go, nor could it be controlled, and
considerable incompatibilities between land use and transport
planning resources emerged. As has been indicated above the
composition of the C.C.C. had enabled it to both aim high but be
reasonably realistic; the S.P.A. had aimed somewhat lower but been
unrealistic.

It must be said that the Authority recognised the clumsiness
and co-ordinative weaknesses of its structure and the State

43. Painter, Gibbons and Brezzo, op. cit., pp. 19, 23.
44. See Harrison, op. cit., pp. 86 ff; S.P.A., Sydney Region
brief detail. This statement is otherwise based on the writer's
practical experience.
Planning Authority (Amendment) Act of 1972 besides expanding membership also (on the advice of the Public Service Board) provided for the delegation of authority to specially-constituted committees as well as to S.P.A. sub-committees. In June 1972 a purely advisory Transportation Planning Committee (46) was set up under the chairmanship of the Commissioner for Railways, Mr Neal McCusker, and it included the S.P.A.'s Chairman (Mr Ashton) and Associate Chairman, Commissioner for Main Roads, Under Secretary of the Treasury, City Council nominee and Under Secretary of the Ministry of Transport. (In fact Mr McCusker retired before the Committee's first meeting about a year later and Mr Ashton took over.) In the end this Committee was judged to be an usurpation of the transport administration's responsibilities and duplication of URTAC. The committee system was cumbersome and did not save the S.P.A.

The Planning and Environment Commission (P.E.C.) was created by an Act passed in April 1974 (effective from November). It was given the same basic responsibilities and powers as the S.P.A. with the exception that Clause 2, Section 20 called for it to produce a report within a year on "organisational, administrative or other changes and adjustments which, in its judgement, are necessary in the public interest for the purposes of improving, restructuring, integrating or co-ordinating the planning of the use of land..." It was apparently intended that this would be an impartial review because the infrastructural authorities were excluded from the formal structure of the Commission; in fact two of the three full-time members were brought in from outside established planning circles. The initial Chairman was an overseas academic geographer, the other two were the Government Architect (not previously on the S.P.A.) and the Associate Chairman of the S.P.A. (The former Chairman was excluded via an appointment as Special Advisor to the Minister for Planning and Environment.) It was recognised that the goals and intentions of planning had been lost and the Government decided to give greater planning powers to local government to improve the efficiency of detailed planning processes. (Two part-time members were appointed to the Commission, one representing the Local Government Association and the other community interests.)

The P.E.C. produced two booklets in November 1974 and June 1975, entitled "Towards a New Planning System for N.S.W." and

46. Other committees were: Executive, Management, Statutory Planning, and State Regional and Project Planning. The committee structure was a good attempt to make the most of the existing framework.
"Proposals for a New Environmental Planning System for N.S.W." (Green Book and Blue Book respectively). The Green Book was intended to raise issues and arouse community response, while the Blue Book was intended to be somewhat more definite although it was stated in its Introduction that legislative changes would only be drafted after the reception to the modified proposals was assessed.

The Green Book proposed that the P.E.C. should withdraw from local land use planning as far as possible, but that an intermediate tier of Sub-Regional Groups of councils (and outside the metropolitan area there could also be regional planning councils) should be created to implement guidelines established centrally. It was clear otherwise that no co-ordinative breakthroughs were proposed: while an "Advisory Committee" would assist the P.E.C., functional organisations would hopefully ensure "that their actions (would) conform to the State Government's planning and environmental policies and guidelines" (p. 17).

The State bureaucracies apparently reacted reasonably strongly(47) to the idea of an intermediate State/local tier of the sort proposed: as the Blue Book put it, "There was general opposition to the introduction of another level of bureaucracy or government" (p. 11). Regional development councils were proposed for extra-metropolitan areas in conjunction with the decentralisation of P.E.C. offices and the formation of an Advisory Co-ordinating Committee and Environmental Planning Advisory Committee for each region. In Sydney councils would be "encouraged" to form sub-regional groups to advise the P.E.C. (possibly on a compulsory, statutory basis) and perform functions delegated by the constituent councils. More significantly, it was stated that greater inter-corporate planning was advocated in many responses to the 1974 booklet, possibly via the P.E.C., Treasury or Cabinet. The Blue Book avoided the real issues involved and said that "A willingness to share power and co-operate will be essential", and that "It is expected that the State Government will adopt environmental planning policies and objectives which will bind all government agencies, as well as councils and regional bodies" (p. 26). It was stated that legislative changes would be made to "bind all government bodies to planning and environment controls and policies in their development and works programmes. Moreover, provision will be made allowing them to participate in plan formulation and environmental protection" (p. 29).

47. P. Harrison, "Regions and Parishes or How the Green Book Turned Blue", paper given to Conference on the Proposals for an Environmental Planning System for N.S.W., University of Sydney, August 1975.
The latter proposal is extremely significant in theory but it is more valid as a statement of intent rather than of purpose or practice. There is sufficient power in Cabinet now to achieve most of the co-ordination that is sought. In any case in its three years the P.E.C. has proven to be apparently ineffectual — no progress has been made towards the passing of a new "policy style" planning Act, no effective action has been taken to implement new planning procedures or regionalisation, and the S.R.O.P. has not been replaced (although a review of S.R.O.P. is well advanced). As often happens a change in Government and leadership (a new Chief Commissioner was appointed, again from outside the existing planning establishment, in 1977) has possibly restored centralist philosophies.

The P.E.C. has not significantly affected formal mechanisms of co-ordination. An Advisory Co-ordinating Committee has provided the traditional access for authorities such as the Sydney Water Board. (The Under Secretary of the Ministry of Transport and Highways replaced the Commissioner for Main Roads in late 1977.) The committee structure in transport planning has not been changed and URTAC has kept developing as the main transport/land use co-ordinative forum.

A central theme runs through the three experiments with metropolitan planning bodies in Sydney, that the State Government has never really tackled the dilemma inherent in the planning function. If strategic planning is to be achieved then compelling co-ordinative mechanisms and loss of corporate autonomy have to be effected; otherwise the planning function is in reality merely partial land use management. The C.C.C. was able to divorce its policy-making from the State political base to a considerable extent, enabling a start to be made on the integration of policy but reducing the possibility for compulsory or co-operative co-ordination. The S.P.A. was a reversion to autonomy (including the autonomy of the Authority's own technocratic policy processes) and at best achieved little. So far the P.E.C. has avoided having to face the dilemma because of the need to build support, especially

48. In fact the P.E.C.'s poor administrative record among other things led Professor Wilenski to conclude that land use planning should be decentralised while overall planning and co-ordination should be done in quite different places. See Review of N.S.W. Government Administration (P. Wilenski), Directions for Change (Sydney: N.S.W. Government Printer, 1977), pp. 74-5 and Parts A and B generally. (Also see Conclusion below.)

49. Fraser saw the principal defect of planning in the C.C.C. period as the failure of the Government to take a proper lead (op. cit., pp. 135, 137). Planning is too close to local political processes for politicians to allow effective independent involvement although the environmental movement and similar factors might force a change.
in Cabinet (where so far support has been lacking) if a frontal assault is to succeed. However this would not be the correct direction for reform as will be argued in the Conclusion. The direct impact of the central planning bodies on transport planning will be mentioned in later chapters.

3. Finance and Budgeting

The budgeting system of a governmental network is important from a number of viewpoints. Line-item budgets have different effects to performance budgets and the fact that New South Wales has the former type has significant implications for Government control of organisational performance and programmes and so on.(50) Equally important, the financial system is not designed to facilitate co-ordination in that it has evolved in steps and is not homogeneous. Some organisations are tightly constrained by Ministerial and Treasury supervision while others are all but completely independent (especially in an historical if not current perspective). All have different sources of revenue and different liabilities. Some are subject to external constraints while others are virtually able to determine pricing and budgeting strategies internally.

The features, strengths and weaknesses of the State budgetary system are generally very well documented and no attempt needs to be made here to outline them.(51) Rather the appropriate background will be given in the course of sketching the history of financial control of the transport organisations (Department of Main Roads, Public Transport Commission, Department of Motor Transport, Traffic Authority, and Ministry of Transport and Highways).(52) Only one of these organisations is a normal Department, the

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50. Major references are Knight and Wiltshire, op. cit., especially Chs. 2, 5 and 6; P. Wilenski, "Budgeting: Political Processes and Accounting Imperatives", in Jaensch, op. cit., pp. 196-205; (Wilenski) Directions for Change, op. cit., chapter 2; and A. Wildavsky, Budgeting: a comparative theory of budgetary processes (Boston: Little, Brown, 1975), Chs. 11-12 and elsewhere.

51. See (Wilenski) Directions for Change, ibid., various places but especially Ch. 2; Manual of Governmental Accounting in N.S.W. (Sydney: Government Printer, 1967), Ch. 2 and elsewhere; Spann, op. cit., Ch. 17; W.J. Campbell, Australian State Public Finance (Sydney: Law Book Company, 1954); W.R.C. Jay and R.L. Mathews (eds), Government Accounting in Australia (Melbourne: Cheshire, 1968); and Rose, op. cit., pp. 91 ff.

52. Statistics given in the following are from Annual Reports, Reports of the Auditor-General, and Year Books. Continuous series were compiled for the main parameters, which will be generalised rather than treated at length. D.M.R. statistics (excluding Payments) to 1972 are given in The Roadmakers (D.M.R., 1976), Appendices. The assistance of Mr J. McDonnell, Ms K. Madden and Mr P. Slater in the compilation of public transport loan data from public sources is gratefully acknowledged.
The Department of Main Roads is an unorthodox statutory authority in many respects. It operates under the Main Roads Act, 1924, as amended, which gives the Commissioner for Main Roads wide discretionary powers over internal financial, administrative and operational matters, but which defines broad spending priorities between metropolitan and "country" (including non-metropolitan urban) areas. The Commonwealth also contributes a very large part of the Department's revenue, again with specified priorities between a range of area- and road-type categories. Thus the D.M.R. is an unusual mixture of delegation of decision-making and statutory restrictions over spending.

As has already been seen the original Main Roads Board was the product of urban-country antagonism and pork-barrel politics on the part of country representatives. In order to gain legislative approval to the replacement of fragmented local council administration by a central expert organisation, the Government set up separate accounting arrangements in the form of a County of Cumberland Main Roads Fund, a Country Main Roads Fund, and a Developmental Roads Fund. By guaranteeing the revenue sources for the two former Funds in set proportions, the Government guaranteed that money would not be diverted to the metropolis.

The early financial history of the Main Roads Board was very unsettled, but from 1925 to 1933 the County of Cumberland Fund was allocated on average about one-third of total receipts; thereafter the proportion was fairly steady at 26-28 per cent (including Commonwealth funds which were allocated directly from 1932). As an example of the imbalance, until December 1950 the County of Cumberland Fund received half the motor vehicle taxes collected in the County, while the Country Fund received the other half and the taxes collected outside the County (the respective proportions were therefore 23½% to 76½%). From 1951 to the present the Country Fund has received 80% of tax proceeds. The Country Fund receives 80% of Road Maintenance charges and 50% of motor vehicle tax levies. Loans and borrowings are distributed on a discretionary basis, year by year.

The first Commonwealth legislation for road assistance was passed in 1923 and applied to main, trunk and arterial roads; this provided for £ for £ contributions but did not divide the funds between the various road types in advance. A Federal Aid Roads Fund was created in 1927/28 into which all Commonwealth contributions were paid, to be allocated to councils for approved works later. From 1931 the need for the States to make pro rata payments
and the need to seek approval of projects were dropped and the Commonwealth legislated that its contributions would be paid straight into the County of Cumberland and Country Main Roads Funds in the same ratio as State motor vehicle taxation receipts. Legislative requirements were varied fairly frequently thereafter, with regard to State contributions, petrol tax allocations, strategic roads and so on. The 1954 Commonwealth Aid Roads Act provided that at least 40 per cent of funds made available had to be spent on rural roads other than highways, main roads and trunk roads; this was repeated in 1959 and 1964. The rest of contributions were allocated directly to the Funds. From 1969 a needs element was introduced into the distribution of Commonwealth assistance and specific allocations were made for urban arterial and sub-arterial roads, rural arterial roads, rural roads other than arterial roads, and planning and research. It was decided to re-establish the Commonwealth Aid Roads Fund in 1969 and although names have changed since then the basic principle for the allocation of Commonwealth grants has remained the same.

It can be seen from the foregoing that there has been a great deal of inflexibility in the funding arrangements of the D.M.R. because of the establishment of specific-purpose Funds. These Funds are mutually exclusive and inhibit the transfer of available capital between changing priorities and needs. At various times the D.M.R. was unable to match the share of funds that councils were able to provide as their share of the cost of works on Trunk and Ordinary Main Roads, so that one council was able to tell the Department in the early 1950's that "generally speaking, Councils' ordinary roads are in a far better condition than the main roads". (See the D.M.R.'s Annual Report of 1956/57 for further details.) At times, the Department claimed that a disproportionate amount of funds was going into urban areas, at other times that it had been unable to allocate enough to urban freeways.

However within the overall constraints the Commissioner has fairly wide discretion. The Main Roads Act contains numerous provisions for the Commissioner to decide on funds for maintenance, renewals, research and development, and classification. As will be seen the Commissioner for Railways could not initiate or authorise construction works, at least in practice without specific legislative approval, and all funds were and still are subject to specific annual Parliamentary appropriation. The Commissioner for Main Roads on the other hand until 1975 did not even inform the Government of the details of its annual and advance programmes, even in respect of urban freeways. The Minister for Transport from 1965 to 1975, Mr M.A. Morris, has said the following of the D.M.R.:
Their estimates were never seen by a Minister or by Parliament or approved. (Mr Fife) changed that. Their road policies often, by luck, coincided with the Government's road policies; they never had to explain or justify them. (53)

Since 1975 the D.M.R. has submitted an annual programme of works for approval to the Minister for Transport and Highways but there is no real statutory compulsion for it to do so and so far the appraisal has been hurried and superficial, as generally happens with sizeable computer-produced organisational works programmes.

A related matter is that the D.M.R. has always had to submit a works list to the Treasury in connection with annual loan allocations. (54) However one of the major advantages of the D.M.R. is that its Funds basically consist of current revenue and Commonwealth grants, and the D.M.R. policy has been to avoid using loan funds whenever possible except on revenue-producing roads such as toll works. In the period from 1950/51 to 1976/77 loan revenue as a proportion of total revenue only exceeded 10 per cent once and in the period as a whole accounted for only 5.6 per cent. (It only became a significant source of funds in 1963/64.) In the same period Commonwealth funding under the Commonwealth Aid Roads Act and succeeding legislation (National Roads Act 1974, Roads Grants Act 1974, and Transport (Planning and Research) Act 1974) was reasonably constant and averaged 38.1 per cent. Motor vehicle taxation and fees fell in trend and averaged 37.1 per cent of total revenue. From January 1972 councils in the County of Cumberland became exempt from a special Main Roads levy; Section 11 revenue (as it is called) has fallen to negligible levels but averaged 3.8 per cent for the period. Road maintenance charges have been levied on heavy vehicle operators since 1958 and have contributed on average about 13 per cent of annual receipts in that time. In the 27 years the D.M.R. only borrowed $144 million (compared with the P.T.C. total loan allocation of $921 million). (55) The important point to note is that a relatively small proportion of the D.M.R. programme had to be submitted through the Treasury for approval and Loan Council action.


54. An interesting aspect of loan borrowings is that the Department administers the Sydney Harbour Bridge Account which was established in 1932. The Cost of the Cahill and Warringah Expressways was met from this Fund which was a vital consideration at the time of construction.

55. The D.M.R. inherited liabilities of about $1,400,000 when it was set up (see The Roadmakers, p. 86 for brief detail). The public transport systems (railways and tramways) had been financed entirely by borrowing, at a net cost of $235,970,000 at 1927/28.
The Treasury operates several trust funds for the D.M.R. into which annual surpluses are paid; these can be drawn on (as a bank account) to meet contingencies and special expenses. In the five years to 1976/77 the surpluses were $13,197,000 (1972/73), $7,267,000, $3,609,000, $566,000 (deficit), and $2,426,000 (1976/77). Such reserves are often regarded as a sign of organisational opulence. (Further evidence of the financial record of the D.M.R. is given in the following.)

The financial system which the Public Transport Commission works under is quite different to that of the D.M.R. When the Commission released its Looking Ahead in 1974, it regarded the introduction of consolidating legislation, including greater financial independence for itself, as essential to its managerial responsibilities. However no action has been taken and the Commission still operates under the same legislation as the former Departments of Railways and Government Transport.

Up until 30th June 1928 the Railways paid all receipts into Consolidated Revenue and all funds for administrative, operational and capital expenditure had to be appropriated annually by Parliament. From 1928/29 a separate Government Railways and Tramways Fund was established (simply Railways from 1930) for a similar purpose. This gave a marginally greater degree of autonomy to the Commissioner for Railways but still retained the same basic controls over policy, particularly pricing (fares and freight rates) and construction. A Royal Commission on Railway administration in 1924 had recommended that the Department should have the ability to raise and spend its own capital and control revenue and expenditure, but after an unsuccessful attempt to introduce legislation in the same year no further action was taken.

The Government Railways Fund operates in the same manner as Consolidated Revenue, that is all receipts are paid into it and all expenditure from it must be appropriated for nominated purposes by Parliament. There is some discretion for the P.T.C. but not nearly to the same extent as the D.M.R. or M.W.S. & D.B. and like bodies. The various Trust General Funds for bus and formerly tram operations (Metropolitan Transport, and Newcastle and District Trust General Funds) work in the same way. The Funds are like banking accounts in that payments and receipts only are recorded by the Treasury, the operational details being kept by the P.T.C. and its predecessor Departments. Contributions towards interest, sinking

56. See Manual of Governmental Accounting, op. cit., pp. 40-42; also various R.S.W. Year books under heading "Railways". The Department of Railways' centenary history, The Railways of S.E.W. (1955) Ch. 18 has some brief background.
fund and other charges on the services' capital debt are nominally met from the Funds but because annual deficits have traditionally been the rule, the Treasury makes up the Funds to record an actual annual balance. Any profits are credited to a Government Railways Reserve Fund and can not be used as a trust account (as the D.M.R. does) for carry-over but could only be applied to losses or reduction of rates and fares. (A parallel General Reserve applies to bus operations but does not exist in practice because there is an accumulated deficiency.)

The 1928 Act also provided for the creation of a Government Railways Renewal Fund to cover depreciation but this was not activated until June 1960 when the capital debt liability was reduced by $146,490,183 to account for accrued obsolescence. This made a difference of only $7 million per annum to debt charges. An additional Special Reserve was made available to the Commissioner who could determine the annual funds to be set aside, but this could only be used for works of specified types which were not chargeable to working expenses and which had been approved by Parliament. In 1976/77 $9 million was thus reserved, representing for example about 10 per cent of the cost of maintenance of track and structures in that year.

Capital expenditure is undertaken by the P.T.C. from various types of loan revenue, principally from allocations from the State's share of the Commonwealth borrowing effort. The Commissioner has never had the power to authorise the construction of railways (or tramways in the case of Government Transport) and has only had the ability to raise loans (in small amount at that) since early 1974. The Government Railways and associated Acts stipulate that the Government, through the Minister, may seek to have the P.T.C. carry out survey and design work for the construction of any rail line or extension thereof where the cost is estimated to exceed $40,000, the cost of such survey work to be met by Parliament. In the case of trams, the works had to be specifically approved by Parliament but the control of research did not apply. It can be seen that the Commissioner for Railways had very little power indeed with regard to the extension of the rail system, although it must also be said that he was given wide discretion in contract matters and in the upgrading of existing services (including quadruplication, repairs and alterations).

The Railways had always been a powerful policy instrument for 57. See interview with Mr N. McCusker of 13th September 1976 (Appendix 3), pp. 3, 9-10. As will be seen there, from 1956 a Treasury official was seconded to Railways (as special Assistant Secretary), partly to cement the hold which Treasury had always had over the Department.
rural and urban development and politicians were only willing to delegate power for efficient administration, not the really politically potent issues, and even then the budgetary process offered great scope for control of administration. In one very minor case, the Commissioner for Railways was compensated for uneconomical country developmental services at the nominal rate of $1,600,000 p.a. to 1952/53, $2,000,000 p.a. to 1961/62 and again $1,600,000 thereafter. More generally the role of public transport has changed in the 1970s and Governments have been willing to make a positive contribution in the form of greater loan allocations and more recently grants for track upgrading following the Granville disaster of January 1977.\(^{(58)}\) As well more scope has been given for improvements in bus services in the form of leverage leasing arrangements for the current programme of 200 (and later 550) Mercedes-Benz buses. This arrangement evades Loan Council restrictions because it is not strictly borrowing.

In the period from 1950/51 to 1976/77, the record of the Railways in terms of resources for investment is quite different to that of the D.M.R. On one measure, the loan allocation for all the various public transport services reflected the fall in priorities of State governments. To generalise, after the War the Labor Government invested quite heavily in Railways especially until 1952/53 (see Chapter Eight below) when allocations fell from $47 million in 1951/52 and $41 million in 1952/53, to $28 million in 1953/54, then relative stability to $21 million in 1960/61 and a further general fall until the last year of Labor Government in 1964/65. (Using 1950/51 as a base, the funds expressed as an index fell to 80 in 1956/57, 60 in 1960/61 and 54 in 1964/65.) As a percentage of the total State loan funds, public transport's share reached a peak of 42 per cent in 1950/51, fell from 37 to 23 per cent between 1952/53 and 1953/54, and bottomed at about 11 per cent in 1963/64 and 1964/65. In the last five years the Railways Renewal Fund gave an extra $22 million, or 24 per cent of the public transport loan allocation for those years, plus of course the capital debt remission.

It should be noted that total revenue or annual surpluses are not realistic measures of the Government public transport sector's ability to fund new works, for the several reasons stated above.

Although the loan allocation fell during the Labor years, the low point came in the first year of the Askin Government. In that

58. In addition N.S.W. has received about $68 million (excluding research and planning) since 1974 as grants on a 2:1 basis under the Commonwealth's Urban Public Transport Assistance Program. See Payments to or for the States and Local Government Authorities, 1976-77, p. 72.
year (1965/66) the index of loan allocation reached a trough of 45 while the allocation was only 8.7 per cent of total State loan funds. In the following years the allocation rose very slowly, to index number 77 in 1969/70 and 1970/71, 112 in 1972/73 and 171 in 1974/75. The proportion was 10 per cent in 1971/72 and 13 per cent in 1974/75. Thereafter changing political pressures raised the index to 259 in 1975/76 (16 per cent of the loan allocation). The incoming Labor Government raised the index to 351 (410 including Renewal Fund) and the proportion to 20 per cent in 1976/77. The 1951/52 index figure was only passed in 1974/75, the 1950/51 proportion has never since been achieved. (State contributions to operating losses have however been very heavy since the P.T.C. was set up in 1972.)

By contrast the total revenue of the D.M.R. rose consistently in the whole period, from 100 in 1950/51, to 318 in 1959/60, 580 in 1965/66, 785 in 1969/70, 1903 in 1975/76 and 2124 in 1976/77. An index for construction funds is not available. It might be noted that receipts for the County of Cumberland Main Roads Fund rose to index number 1089 in 1967/68, fell to 642 in 1969/70, and rose to 993 in 1973/74 and 1276 in 1976/77.

The Department of Motor Transport is basically a revenue-collecting body for motor vehicle and road haulage taxes, and a regulatory authority for private buses and intra-State aviation. Hence the Department has not had a positive urban role to be effected by revenue-raising apart from the installation of traffic control systems (now the responsibility of the Traffic Authority and D.M.R.). It has had a basically reactive role in "allowing" private bus operators to service outlying metropolitan areas and Wollongong, and in the past it and its predecessor, the Department of Road Transport and Tramways, regulated the interplay of Government trams and buses versus private buses. In short while the D.M.T. has had intrinsically significant functions, these were not comparable to the planning (and non-planning) of the P.T.C. and D.M.R.

Having said that, the D.M.T. collects a range of taxes, fines and charges, basically all of which (except administrative costs) is passed on to the D.M.R., the Traffic Authority and other bodies. The Road Transport and Traffic Fund was established in 1930 and again is a banking account for revenue which is divided by statute between various purposes. (Motor vehicle registration fees are retained by the D.M.T. as are G.I.O. commissions on insurance premium collections. The motor vehicle weight tax and levy are allocated fully to roadworks, that is to the D.M.R. and the Traffic Authority.) It is not particularly meaningful to trace the record...
of receipts because of this distribution of funds but the comments which follow on the Traffic Authority apply generally and it can be concluded that the Department has been reasonably well-off in terms of funds.

In the last five years all of the foregoing except perhaps the P.T.C. have been disadvantaged to varying degrees by the declining real value of motor vehicle taxes, changing priorities and in the D.M.R.'s case by the reversal of Commonwealth funding policies after the defeat of the Whitlam Government. These very recent trends will be discussed later in the evaluation of the URTAC Report of 1976 but they are otherwise of marginal historical interest from the point of view of this thesis.

The last operational organisation is the Traffic Authority (referred to in Section 1 of this chapter), which is basically a statutory co-ordinative committee which has a full-time Director and secretariat, part-time Chairman and members, and an arrangement for operations and construction with the D.M.R.

When the T.A. was set up in 1976 a special trust fund was opened in the Treasury's Special Deposits Account called the Traffic Facilities Fund. This Fund and associated arrangements for Ministerial control and co-ordination are unique in this State. In general most of the revenue for the Fund comes from sources which are named in the Traffic Authority Act but in amounts which are to be determined by the Minister for Transport and Highways (and in some cases the Treasurer). This is unlike the restrictive conditions of the D.M.R. Funds. Moreover although Parliamentary appropriation is not required for construction, Clause 24(2) states that "No payment shall be made from the Fund without the approval of the Minister". The Minister can also revoke approval. Clause 25 provides that "The Authority shall, as directed by the Minister, and at least once in each year, submit to the Minister proposals in relation to expenditure from the Fund, together with a statement of the amounts necessary to be paid into the Fund to implement the proposals".

The Traffic Facilities Fund has streamlined the administration of traffic since the time when traffic control resided in several Departments and authorities. The Fund has been in heavy deficit since it was set up because of the need to reimburse Police for their attributable costs. Police traffic responsibilities are becoming increasingly regarded as part of Police duties proper and the reimbursement is unlikely to continue, at least in the traditional form. One other problem that has emerged is that giving the D.M.R. construction responsibilities and nearly all traffic planning resources has allowed that Department to have a...
disproportionate influence in what is meant to be an interorganisational Authority. Again the future may bring reform through the reallocation of traffic resources back to the T.A. or through the reform of the D.M.R. itself to make it more representative.

Since 1976 and the publication of the URTAC Report the general area of traffic management has become the central thrust of metropolitan road administration, as will be seen later. Sydney has always had a progressive traffic administration and as a generalisation resources have been sufficient to meet changing priorities without undue difficulty. It has not been possible to draw up an index of financial performance to test this for the long-term however.

Finally, the Ministry of Transport and Highways is a (small) Government Department, that is, it is funded by annual vote from Consolidated Revenue. It passes some of its revenue on to the Traffic Facilities Fund and to the operating authorities for concessions of various types for veterans, pensioners and so on; in other words, it is the agent for subsidies from Consolidated Revenue. The Urban Transport Study Group forms part of the Ministry vote, although the Group is three-quarters paid for under the Commonwealth Transport (Planning and Research) Act. (The Ministry is responsible for the co-ordination of the N.S.W. effort under that Act.) Otherwise the Ministry's role is non-operational and co-ordinating and will be examined in Chapter Nine.

It has been seen that the five organisations presently in the transport administration (and the same can be said of their predecessors) have different sources of finance, different types of financial control and degrees of independence, and different "allocative" histories. These factors have significant implications for co-ordinating organisational performance.

The D.M.R.'s revenue sources have generally been beyond its control in terms of magnitude but they have been highly stable and predictable, both because of the statutory division of State revenue and because of Commonwealth term commitments. Generally the Department's financial system has denied the Government discretion over annual and even longer-term priorities to a great extent, and although corporate discretion was also compromised the Department adapted by setting up country arrangements which exploited the constraints. (See Chapters Five and Seven.) Resources were limited but certainly no more than for other N.S.W. authorities. Thus the D.M.R.'s situation can be characterised as certain, independent and quite solvent.
The Government public transport services on the other hand relied heavily on user charges (which are unstable and have substantial market constraints), and loan funds. In both respects certainty and independence were greatly lacking. In addition their administrations had substantial capital debts which severely limited the extent to which loan funds (that is, investment funds) could be utilised. In summary, the situation was characterised by uncertainty, complete lack of discretion, and resource scarcity. (All that need be said of private public transport services is that they have never been effectively co-ordinated with Government road and rail investment and services.)

In the case of traffic control, resources were always limited but the overall standard of achievement suggests that major needs could be met without undue difficulty, especially recently. However the location of investment expenditure (such as traffic control lights) was subject to close political pressure and corporate discretion was moderate. The Ministry of Transport and Highways had no real financial resources and its role was limited as will be seen. Its resources were institutional, especially with regard to access to its Minister, although it had no complementary statutory standing.

In Chapter One a typology was outlined which identified a number of structural factors which might encourage and enable organisations to act independently of political, mutual and other co-ordinative forces. This typology has been reflected in this chapter through the discussion of the financial and related institutional features of the New South Wales transport administration. It is possible to develop a behavioural typology based on financial factors, and in fact Wildavsky has done this to show how resource availability ("wealth") and certainty can affect budgetary processes. (59) His analysis is not directly relevant to the cases discussed here and will not be repeated but it can be seen from the preceding discussion that financial parameters are fundamental to organisational and system performance, especially with regard to new planning commitments. The importance of such parameters in practice will be seen in the following chapters.

59. Wildavsky, op. cit., especially pp. 260 ff. He uses terms such as wealth, predictability of income sources, political "capacity" (basically meaning stability) administrative capacity, growth rate and partisanship to analyse the circumstances under which his four main types of budgetary behaviour will develop. These types are: incremental, repetitive, supplemental and revenue. See especially his Fig. 15.1.
Chapter Seven

Main Roads and Traffic Post-1945

... in my nine years and eight months as Minister for Transport, one of the continual festering sores was that the D.M.R. was a law unto itself. It could be at times co-operative, when it didn't want to be it had the let-out of saying, well we're under another Minister, you'll have to see him. Then because the D.M.R. was an attachment to an important Ministry of Local Government..., it meant that the D.M.R. virtually made all of the decisions and that the Minister was the cipher. Every now and then the Minister was invited to take a ride in the helicopter or to go and open a bridge or to go and open a four-lane highway, the band would be out, the Minister would be suitably duchessed and then he went back to his desk to do the other more onerous tasks and the D.M.R. went happily on its way.

Interview with the Hon. Milton Morris, M.L.A. (Appendix Two).

... in my view there was a great weakness on the Government's side... engineers being what they are and trained to it I suppose, their main measure of success in life is what they build and how much money they spend in building it and it's very difficult to change them.... Some of the planning for the main road development of Sydney was in my view quite out of this world and quite unnecessary.

Interview with Mr K. McCusker, C.B.E. (Appendix Three).
The dominant feature of post-1945 transport planning in Sydney was the uncontrolled spread of usage of the automobile. The private ownership of the increasingly dominant transport technology had enormous effects on every aspect of urban administration but it was generally not matched by the development of adequate transport construction and management philosophies. That is not to say that there were no significant achievements; but even more than in the prewar period the governmental system was not capable of making positive, effective adjustments to basic change. There was a turning point in the early and mid-1970s primarily because of cumulative "external" societal pressures. This chapter will briefly examine the planning, construction and management of Sydney's network of major roads with particular attention to the effects of organisational factors.

After the War the Department of Main Roads continued to establish itself as the foremost planning organisation in Sydney. The land use/transport study which it had commenced in 1939 was resumed in 1943 and was well-advanced by the formation of the Cumberland County Council. (The Assistant Chief Engineer was appointed as the C.C.C.'s first Chief County Planner, while the Assistant Commissioner became a member of the Town and Country Planning Advisory Committee referred to in the preceding chapter.) The land use and population surveys were published in 1946 as Part A of the "Main Road Development Plan for Sydney Metropolitan and County of Cumberland" and this became the basis of the C.C.C.'s own investigations. At the time the D.M.R.'s established expertise was an invaluable asset and it was almost totally successful in having the C.C.C. adopt what was nominally Part B of the M.R.D.P. (which has never been published), namely a system of proposed major urban roads. The M.R.D.P. became the core of the County Planning Scheme but it was not publicly analysed or justified by the D.M.R. or the C.C.C. (1) It was however the starting point of a continuous line of development of the D.M.R.'s urban planning philosophy.

The essential objective was explained in the C.C.C.'s Planning Scheme Report as the "cardinal planning precept of traffic separation", that is the provision of specialised roads for different types of traffic flows (for example to keep through

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1. Sherrard, op. cit., p. 13, erroneously implied that the analytical Part B had been published and that the need for freeways had been indicated in the published section of the Main Roads Development Plan.
traffic off residential streets) and the concomitant establishment of environmental precincts. The road hierarchy was to consist of seven types, namely National, Regional, Intra-Regional, Scenic and Tourist, Special Access (ports and airports), District (or transit) and Neighbourhood (residential access). The latter two were purely local.

The actual roads which were recommended were ostensibly derived by an elemental planning methodology which used the existing patterns of travel (as indicated in overview by an origin-destination study conducted by the Joint Committee on Traffic and Parking in 1947) as the basis for essentially supplementary new roads. The strategy was the total replacement of the existing radial road pattern, plus extra provision for inter-district movement by the construction of ring-roads. The plan called for new roads rather than the disruption of ribbon development along existing routes. The 8 National and Regional Roads, which were to have limited access from lower-category roads, were generally aligned for convenience and least expense (possibly more than urban design), as indicated below:

(i) Northern Expressway (national) to Newcastle and Brisbane, through Drummoyne, Lane Cove Valley;

(ii) Western Expressway (national) to Parramatta running to the north of Parramatta Road on the line of minimum disturbance to existing development and then south to Penrith;

(iii) North Western Expressway (national) branching from Western Expressway to Singleton;

(iv) South Western Expressway (national) leaving the Northern and Western Expressways at Broadway, "south through lines of weak development in Alexandria" and then via Wolli Creek Valley to the Hume Highway;

(v) Southern Expressway (national) south through Rockdale Peninsula "bordered by open space" and Taren Point crossing of Georges River;

(vi) Warringah Expressway (regional) to Manly and Warringah, drawing off Mosman transit traffic, with Middle Harbour bridge;

(vii) South Eastern Regional Road connecting south-eastern suburbs and industrial area to the city centre. The development of Dowling Street was being investigated as an alternative (because of minimal commercial disturbance);

(viii) Eastern Regional Road from city by-passing Bondi Junction.

Moreover while the Expressway system was later extensively criticised because of its effects on traffic concentration in the


3. That is they were "expressways", the main characteristics of which are access control, grade-separated intersections and relatively high design speed. Freeways are a more sophisticated form within the same genre.
Central Business District, at that stage it was intended to effect such a concentration rather than by-pass the CBD. As the Planning Scheme Report said, "Recognising that an expressway system cannot collect or distribute traffic at one single point in a City Centre, a distributor road system is proposed around the Centre, providing expressway conditions to the immediate vicinity of city destinations". Beyond this the roads were presented without specific justification.

The D.M.R. expressed a flexible attitude towards the new roads, saying that they should be constructed only if immediately needed and ceased if expectations were not met. The Department stated later in the 1950s that

"When the future development of the system was planned, it was not intended that the construction of the freeways in the plan should necessarily be first undertaken, and, in the Department's view, that is still the position. The construction of freeways... should be undertaken only at the stage when further traffic relief cannot be obtained by other and less costly means."(5)

However three main points need to be made in this context. Firstly, the Department's traditional protagonist and principal client group, the N.R.M.A., had argued since the early 1940s at least that while the primary postwar task was "the removal of bottlenecks from main routes", in the future local circumstances could require a more ambitious approach (that is, freeways) along the lines of overseas precedent and "decisions should not be made that would block the path".(6) Secondly, the Department basically accepted this as its 1944/45 Annual Report showed, again with reference to the segregation of through traffic:

From the studies made of traffic flow in pre-war years, it is apparent that the present Main Roads system of the County of Cumberland calls for substantial alteration and improvement both as regards the lay-out and the type of roads required. Estimates of future traffic movement indicate the need for the development of a complete system of radial and circumferential road routes, with special provision for the distribution of traffic in the city area and, as regards certain of the more important arterial routes, provision for the segregation of fast-moving motor traffic from slow-moving vehicular and pedestrian traffic.(7)

And finally, the Department became increasingly committed to its expressway plan. It obtained the basic legal ability through a 1945 amendment allowing the proclamation of "motorways", which

contravened the traditional right of unlimited access by residents and others to main roads. The motorway concept was consistent with the initial M.R.D.P. Expressways but the Department became increasingly committed to not only expressways but the higher form, freeways, which represented the epitome of overseas road technology. This happened at the same time that the road strategy of the C.C.C.'s Planning Scheme was being questioned, even by the C.C.C. and the Minister for Transport. This divergence highlighted co-ordinative weaknesses.

The first Chief County Planner of the C.C.C. had been an ex-D.M.R. officer and this was an important aspect of that Department's institutional resources. However Mr Luker was succeeded by Mr Rod Fraser, who has been discussed already. Fraser returned from an overseas study tour in 1957 and concluded that while the D.M.R.'s planning had been technically satisfactory, it was unlikely that sufficient funds would ever be found for the expressway system, while it was doubtful that it could be justified anyway. He said that freeways were not a "permanent" solution to traffic problems as demand was highly responsive to supply and overseas freeways were already congested and inefficient for that reason; while it seemed possible that "surface highways kept free of roadside commercial development and with cross streets controlled and reduced to a practical minimum would serve traffic needs effectively".\(^8\) As well the overseas planning profession was predominantly looking to public transport rather than freeways on the basis of economy, efficiency and better service to a wider range of citizens. Fraser concluded,

"I spent a good deal of my time studying the subject of arterial road planning ..., and I am now more strongly of the opinion that a review of the County Roads in the Scheme is an urgent necessity".\(^9\)

The Cumberland County Council followed this with its Economics of Urban Expansion in 1958 in which it said:

As the number and use of private cars increases, congestion and parking difficulties become more acute. Remedies in the form of expressways, parking stations and other improvements in highway construction and control are expensive and (according to overseas experience) merely intensify traffic and parking problems by encouraging even greater use of private transport...

In the United States and Canada, the view is gaining support that public transport offers the only solution to traffic problems which threaten to choke

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9. Ibid., p. 47 (emphasis added).
and paralyse metropolitan centres...\(^{(10)}\)

(It must also be said however that its Annual Reports continued to lament the lack of progress with the 1948 County Roads.)

Following this, the Minister for Transport, the Hon. George Enticknap, M.L.A., visited North America and Europe in mid-1959 with the object of "ensuring that the Government would be fully informed of broad policy and practices in other parts of the world, having regard to the vast sums that are being spent in this State on the various forms of transport..."\(^{(11)}\) Enticknap had succeeded the Hon. E. Wetherell (who had died in office) in March 1956, apparently on the condition that the heavy workload would be eased.\(^{(12)}\) Premier Cahill agreed and the D.M.R. was transferred back (as before 1930) to the Minister for Local Government (Mr Renshaw) who then took the additional title of Minister for Highways. Enticknap and his successors were thereafter disadvantaged, as will be seen. He was particularly concerned after his trip that overseas freeways had proven to be failures without complementary development of rapid public transport systems, and that the congestion and accidents on (and costs of) American freeways denied their basic purpose. Enticknap made this point at length and in the same words that the D.M.R.'s critics used more than ten years later.\(^{(13)}\)

Such criticisms, which had some community support, did not discourage the D.M.R. at all. It was now free of the formal land use influence of the Cumberland County Council and even of the Minister for Highways who had more onerous duties than the D.M.R., as the quote from the Hon. M.A. Morris at the start of this chapter indicated. The Department was able to proceed on a cycle of intensified design, preparedness (through financial reform) and construction.

Firstly, in the mid-1950s the Department decided that the major freeways should not terminate at the edge of the metropolitan area (as originally intended) but should extend as inter-urban roads as done in the U.S.A., England and Europe. Thus the length of freeways within the County of Cumberland was increased from the 1947 figure of 87 to 147 miles. Secondly,

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12. See interview with the Hon. M.A. Morris (Appendix 2), pp. 2-3. This account has been confirmed by other sources, although the possibility of other factors cannot be precluded.

funds for new construction were limited but in 1956/57 the Department called for tenders for the construction of the Gladesville Bridge on the route of the North Western Freeway. Tenders were to be on the basis of finance being provided by the tenderer with repayment over not less than ten years. The design eventually was amended to consist of the largest single span concrete arch bridge in the world, completed in late 1964. This was a continuation of the strategy of "filling gaps" in the existing main roads, using bridges of very high design standards — other bridges designed and committed at that time included the Taren Point Bridge and the Tarban Creek, Fig Tree and Silverwater bridges. These had very considerable value, including a popular symbolic effect which must have had a positive impact (possibly intended) on political opinion. To give some illustration of the intrinsic importance which was given to bridges because of past low standards and the existence of two major (and one other substantial) rivers, in its 1960-61 Annual Report the D.M.R. included a map which showed the actual or proposed sites of 29 "of the more important bridges in the Metropolitan area". Of these, 6 were existing; 13 were existing bridges which were intended to have greater width; and 10 were yet to be built.

The Department was not however successful in terms of the construction of freeways in the 1950s, partly because of the failure of road funds to match cost increases at a time of rapid traffic growth and thus road wear. The first stage of the Cahill Expressway was finished by the Department of Railways and Sydney City Council in 1958, this being the Circular Quay overhead road referred to in Chapter Eight. Between 1959 and 1962 the Council extended the road to Woolloomooloo, this representing the total freeway construction of the 1950s, apart from bridges. (Half the cost of that Expressway came from Harbour Bridge funds.) Until the Hon. P.D. Hills became Minister for Local Government and Highways in 1959, no real progress was made. Then however, partly under his impetus, two major changes occurred, namely an extension of the Department's financial base, and a start on the final design and construction of a number of major expressways but to higher design standards (American freeway standards in fact).

In 1959 the D.M.R.'s Design and Urban Planning Engineer, Mr M.V. Douglas (the officer largely responsible for the M.R.D.P. ), went overseas to compare Sydney's planned expressways with those of America. Subsequently, as the D.M.R. Annual

15. See ibid., p. 11, also nearly every other A.R. of the period.
Report for 1959/60 noted,

The Department has continued with the preparation of outline designs for proposed new roads so that the boundaries of the land required for road purposes may be fixed. On freeway design, base maps for 110 miles of freeway have been completed. During the year a large proportion of the outline designs has been reviewed to incorporate, where necessary, improved standards of design now being adopted in similar work overseas and investigated by the Department's Design and Urban Planning Engineer during his visit abroad in 1959.(17)

This was only part of the story of the development. The bridge design work had been largely internal but now the requirements of the freeway standards led the Department to start a long relationship with American engineering consultants, De Leuw, Cather and Company. The same Annual Report advised that during that year the "Government (had) decided in principle to proceed... with lengths of the Warringah Expressway (portion from Sydney Harbour Bridge to Ernest Street, North Sydney) and the Western Distributor (portion from near city markets area to Ultimo)."

Neither the Department nor the City Council had sufficient staff to undertake the survey and design work while the local consultants did not have appropriate experience. It was claimed that for these reasons De Leuw, Cather had been called in.

De Leuw, Cather's role was much wider than that. They were to prepare designs and investigations of virtually all of the inner M.R.D.P. expressways, (18) namely:

(i) Western Distributor between Harbour Bridge and city markets;

(ii) Eastern Distributor from the Cahill Expressway to Moore Park;

(iii) the Southern Expressway from Glebe to Alexandria;

(iv) the Western Expressway from Ultimo to Annandale;

(v) the interchange in Ultimo of the Southern, North Western and Western Expressways; and

(vi) the Warringah Expressway to Cammeray.

They were also to prepare designs for vehicular overpasses at Anzac Parade and Allison Road, Kensington, and at Wakehurst Parkway and Warringah Road, French's Forest; and as well to advise on the design of the outer-metropolitan Expressways. The concurrence of the Sydney City Council had been obtained where needed. In terms of specific commitments, tenders were called for the first stage of the Warringah Expressway in late 1964, the

expressway to Newcastle in 1963; and in September 1963 Mr Hills announced that the North Western Expressway from Drrett Street, City, across Darling Harbour to Pyrmont, Glebe and then by tunnel (apparently Mr Hills' own contribution) to Annandale would be started by the D.M.R. Some principal bridge and related sections of the North Western and Southern Expressways (and so on) were well in hand. (More will be said about the magnitude of these commitments later.) Prima facie, the D.M.R. had answered the criticisms of the Cumberland County Council and Mr Enticknap and others with attack rather than defence.

De Leuw, Cather's first formal report consisted of an origin and destination (travel pattern) survey in 1960;¹⁹ the second was an assignment study, essentially of the gravity type,²⁰ including a general location study (no details given), capacity analyses, preliminary geometric designs and the establishment of elementary road design criteria, for the Western and Eastern Distributors, Ultimo Interchange and portions of the Western and Warringah Expressways only.²¹ These roads were to "comprise the initial stage of a more extensive expressway system". The general method of assignment was the projection of traffic flows to 1980 (using an expected metropolitan population of 2,900,000) and then allocation between designed routes on the basis of relative travel times on the expressway and non-expressway routes — a very simple analysis if compared to overseas studies of the Chicago Area Transportation Study type. The inner portions of the original Main Roads Development Plan were tested for the projected 1960 and 1980 traffic flows: it was adequate for the former but found to accommodate only 45 per cent of the 1980 load if operated as part of the overall 1948 scheme.²² As well, "Too many routes would converge in the Ultimo area, and additional expressways would be needed to bypass traffic around the City of Sydney". De Leuw, Cather therefore removed the connection of the North Western Expressway into the Ultimo Interchange and rather extravagantly added a north-south expressway and a new harbour crossing, an east-west expressway, and a new expressway link between the North Western and Western Expressways near Haberfield. They deleted a number of access turns at interchanges between freeways. The initial stage system then consisted of 10.7 miles of expressway,

20. See R.P. Gibbons, "Transportation Planning in Sydney, Post 1945: Politics, the Environment, and Sociospatial Dynamics" (Colloquium paper, Department of Government and Public Administration, University of Sydney, April 1975), for brief discussion.
22. Ibid., p. vii; cf pp. 13-17.
costing an estimated $154,126,000 (being $68,726,000 for right of way and $85,400,000 for construction). These were the only costs considered, but the consultants said the following of benefits:

The economic justification for the large capital outlay required for the expressway program is clearly provided through our analyses. Estimated savings in time and operating costs amount to some ($222,000,000) during the first 20-year period. These direct benefits will continue for many years in the future. Less tangible, social and economic benefits will be experienced from the expressway development. Through traffic on the existing street system will be diverted, traffic accidents will be reduced, public transit operation will be benefited, and, finally, growth of new and existing centres will result in the enhancement of property values throughout the metropolitan area. (23)

A third report was presented in typescript to the D.M.R. on July 20th, 1962, being a report by Captain Charles M. Noble of De Leuw, Cather on the remainder of the Main Roads Development Plan, with special reference to future loads on inner city streets and to an additional Harbour crossing at Greenwich. It was not a critical appraisal:

The original concept twenty years ago was a system of surface arterials that would serve each segment of the Sydney Metropolitan area. As time passed and highway development in other parts of the world progressed, the planners in the Department concluded that the backbone system of the metropolitan highway network must be of the full expressway or freeway type of facility capable of carrying with safety and dispatch five times as much traffic as an ordinary street. This was a wise decision.

And,

Because the automotive vehicle promotes an expanding economy and creates wealth, it is in the national interest that additional funds in substantial amount be allotted the Department of Main Roads for highway construction. Inasmuch as the urban areas contain the great majority of the population of the country a large portion of available funds should be allotted to such areas for critically needed highway improvement programs. (24)

Noble made several suggestions (in prose akin to the above), an interesting one being that the D.M.R. had designed too many interchanges on the routes being considered. Noble stated that the reason why overseas expressways became congested was that their designers had fallen into the trap of aiming at high benefit-cost ratios and easy access to the roads. (25) He also wanted the planning of the second bridge to proceed so that the right of way could be preserved. (26) Noble made no suggestions.

23. Ibid., pp. ix-x.
25. Ibid., pp. 9-10.
26. Ibid., pp. 16-17.
as to the location of the proposed freeways and largely confined his report to technical design matters.

De Leuw, Cather presented a study completing the preliminary geometric design of the freeway system in May 1965. This report recommended the addition of the following roads to the Main Roads Development Plan: an east-west and Eastern Belt Expressway; an additional north-south expressway and new harbour crossing; the elimination of the eastern section of the Eastern Expressway and the extension of Oxford Street in lieu thereof; and an additional highway along Port Jackson. They also suggested extensive modifications to the surface road system.\(27\) There are signs in this report that De Leuw, Cather considered some of the original freeways undesirable in terms of environmental disturbance. The new Eastern Belt Expressway, for instance, "will serve most of the eastern and southeastern suburbs. It will collect and distribute traffic from streets radiating from the city and relieve congestion on the major streets intercepted. Located on the periphery of the heavily developed industrial, recreational, educational and residential areas, the Eastern Belt Expressway avoids the extensive property damage which would be required on other alternative locations considered".\(28\)

In this report the consultants also gave the first indication of the type of analysis that they had used when making their critical traffic assignments. The analyses were based almost entirely on the United States Bureau of Public Roads' Highway Capacity Manual 1950 and similar rule books; result:

As input data for the computer, the existing arterial street network was coded by assigning numbers to each intersection within the study area and assigning cost and distance values for each link between intersections. Similarly, the proposed surface roads and expressways for each alternative system tested were coded for the computer. The most economical arterial route and the most economical expressway route between each zone centroid were determined by the computer. The origin-destination data were then assigned to the selected street and expressway networks\(29\).

Obviously this analysis must produce a very limited notion of "economical". However the main weakness was that too few competing alternatives were tested: there was no discussion of different modes, different purposes of travel, or different individual cost and demand functions. (It is a self-fulfilling expectation that freeways are needed if travellers are forced to use the freeways when built.) This type of assignment study effectively assumed the need for freeways because freeways were

29. Ibid., p. 43.
"fastest" and the arguments of the C.C.C. and Enticknap were completely ignored. This was characteristic of the D.M.R.'s independence.

The construction of the Cahill Expressway and the first stage of the Warringah Expressway belied the basic financial abilities of the D.M.R. because of the Harbour Bridge funding and, to the extent that the M.R.D.P. had been officially adopted earlier, the abilities of the overall urban planning system. The Department was of course constantly conscious of this and frequently published prognoses in its Annual Reports of the effects of inflation on the real value of its revenue. We come now to the second major development while Mr Hills was Deputy Premier and Minister for Local Government and Highways, namely the evaluation and extension of the D.M.R.'s financial base.

In 1961 the National Association of Australian State Road Authorities published a survey of road investment needs for the 1960s, consisting of sub-surveys by the D.M.R. and N.S.W. local councils and their counterparts in other States. The survey showed that "to carry out a reasonable and needed programme of Main Roads works during the next ten years would require a revenue about 60 per cent greater than that in sight from present sources at current tax levels". (30) (Expenditure needs were estimated at $1,030 million and revenue at $400 million.) The Commonwealth had just decided to divert grants to rural roads other than Main Roads while the Department pointed out in its 1958-59 Annual Report that "The discontinuance of a relation between grants and petrol tax receipts is contrary to the most logical method of financing of Australia's principal roads, i.e. by road users and property owners, and disregards the highly successful example of the United States". (31)

Then in late 1960 Mr Hills convened a meeting of road user organisations and local government bodies to discuss the D.M.R.'s ten-year programme and its financing. "The programme was accepted by those present as being satisfactory. The conference then addressed itself to the problem of raising the additional funds required to carry out the programme." (32) Fuel taxes were favoured and the meeting agreed that the Commonwealth should return more money from this source. However it was thought that an extra $310 million could be raised over normal revenue in the decade (excluding fuel tax). This comprised: State Government

31. Pp. 16 ff. See The Roadmakers, various places, on such extremely important aspects of overall Commonwealth policy which cannot be discussed here.
grants ($100 million or 32 per cent); increase in drivers' licences of 200 per cent ($60 million or 19 per cent); finance from private investment sources, local and overseas ($40 million, 13 per cent of total); loans ($40 million also); increase of one-quarter in motor vehicle taxes ($50 million or 16 per cent); and revenue from private operators in competition with the Railways under the State Transport (Co-ordination) Act ($20 million, 6 per cent). Regarding the third item, the Government had promised in its election campaign in 1959 that private investors would be allowed to tender for the Sydney-Newcastle Expressway and this was done, but in the end the Government allocated special loan monies for this work. (It will be recalled that a similar arrangement was proposed for the Gladesville Bridge but expectations had not been met then either.)

Near the end of 1962 Mr Hills announced a reduced (but committed) version of the earlier programme, this one covering the six years to 1968. The programme provided for an expenditure of $200 million on Country Main Roads (including part of the Sydney-Newcastle Expressway), $55 million on metropolitan Main Roads and a separate $53 million on metropolitan expressways. The latter allocation comprised the following:

(i) Warringah Expressway to Cammeray;
(ii) Tarban Creek and Taren Point Bridges;
(iii) North Western Expressway to Glebe;
(iv) Road tunnels under William and Oxford Streets at Taylor Square; and
(v) By-pass roads around Parramatta, Sutherland and Penrith.(33)

This was still regarded as insufficient by the D.M.R. A second, more extensive, N.A.A.S.R.A. survey was published in 1963 for the ten years from 1964 which showed that $1,090 million "should" be spent on Main Roads of all types in N.S.W. (other than expressways), $650 million on local roads, and $730 million on expressways in and between Sydney, Newcastle and Wollongong. (34)

Significant steps were however taken by Mr Hills to improve the D.M.R.'s financial abilities. The Sydney Harbour Bridge (Further Works) and Main Roads (Amendment) Act of 1960(35) provided that the cost of conversion of the tram tracks to road lanes on the Bridge, the first stage (and half the cost of the second) of the Cahill Expressway, and the land needed for the

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34. Ibid., p. 14.
35. See The Roadmakers, p. 242 for other relevant legislation.
first stage of the Warringah Expressway, would all come from the Harbour Bridge Account. It also enabled the payment of the cost of design and investigation of the Inner City Expressways from the County of Cumberland Main Roads Fund, and also the cost of "planning the construction of and designing any such road which the Commissioner for Main Roads has determined shall be an Inner City Expressway" (Section 12 (1) (C) of the Main Roads Act, emphasis added). (The Commissioner obtained statutory control of Main Roads within the City of Sydney in 1963.) The authority to use Bridge revenue for the acquisition of properties for the next stages of the Warringah Expressway was given by legislative amendment in 1962. Then in December 1962 motor vehicle taxation rates were increased by one-third (rather than the one-quarter discussed in 1960) to yield an expected increase of $6 million a year. At the same time vehicle ownership was increasing rapidly and with it motor taxation receipts.

The most important step was taken in 1963 when the Commissioner for Main Roads was empowered to raise public loans under the new Part VII A of the Main Roads Act. This was apparently done because of the work load in the metropolitan area. Until then all loan funds had come from allocations from the State's General Loan Account. The degree of additional discretion was small at best because the volume of borrowings still had to be approved by the Loan Council, but more importantly the change placed the burden of debt servicing on the Department. (Although it would have also enabled the D.M.R. to offset costs against toll revenue, especially on the profitable Sydney-Newcastle Expressway, in fact that road was funded from special State loan allocations.) Of the total cost of the first section of the Warringah Expressway (completed in mid-1968) of £25,656,000, the Harbour Bridge Account met 63 per cent, State loans only 1 per cent, and Departmental borrowings 36 per cent.  

This detailed account illustrates the degree of the Labor Government's commitment to urban freeways. To generalise, the rest of the 1960s followed the pattern set down in the early years of the decade. The Department of Main Roads proceeded with the design of its inner freeway system broadly along the lines recommended by De Leuw, Cather, with a major revision of the M.R.D.P. in 1967, and was able to obtain the Liberal Government's concurrence in principle to additional works. The pragmatic approach of the 1950s (quoted above) was lost.  

36. See ibid., pp. 242-3.  
37. It is doubtful that the Liberal Government kept in touch with the D.M.R.'s planning, as seen by Mr Morris' comments (Appendix 2)
1971 the Liberal Minister for Local Government and Highways, the Hon. P.H. Morton, M.L.A. sought and obtained a substantial increase in motor vehicle taxation.\(^{38}\) He said in debate that in the following 3 years (in the term of the current Commonwealth Aid Roads Act), $193,000,000 would be spent in the County of Cumberland, while expressways would account for $147,000,000 ($49 million a year). This consisted of $9 million on the Eastern Distributor and Eastern Expressway, $32 million on the Western Distributor and Western Expressway, $13 million for the South Western Expressway, $26 million for the Southern Expressway and $67 million for the Sydney-Newcastle Expressway.\(^{39}\) This was still seen to be well below warranted investment.

While the development of the M.R.D.P. had been largely continuous in the mid- and late-1960s there had been significant initiatives. Firstly in 1965 the County of Cumberland Passenger Transport Advisory Committee had been set up to co-ordinate metropolitan passenger transport policy. This had been in part a half-hearted election ploy which lacked power and proved to be all but totally ineffective, as will be seen in Chapter Nine. (The latter comment applies to the former split of Ministerial responsibility between the Ministers for Transport and Highways. These factors highlight the significance of the subsequent vehemence of the then Chairman of CUMTAC, Mr McCusker, and then Minister for Transport, Mr Morris.\(^{40}\) Nonetheless when the Sydney Region Outline Plan was released in 1968, the lack of a strategic transport plan was appreciated\(^{41}\) and from as early as 1966 CUMTAC took the establishment of the Sydney Area Transportation Study (SATS) upon itself.

The SATS investigation was essentially a straight-line extension of the De Leuw, Cather methodology, being based on the same types of data collection and processing and using standard American computer-package methodology. In fact the SATS analysis was entirely false. It contained a reasonable amount of wider analysis (environment, societal considerations, public transport

and those of Mr McCusker (Appendix 3, pp. 5-6). Other interviews have supported this view. The theoretical discussion in the Introduction regarding internalisation of values and organisational independence has direct relevance.

39. Ibid., p. 105.
40. Interview with Mr N. McCusker (Appendix 3), pp. 5-6; interview with the Hon. M. Morris (Appendix 2), pp. 1-2.
and so on) and ostensibly "produced" a best combination of new roads, public transport and related policy initiatives. However the recommended road programme was all but totally the current Main Roads Development Plan, that is the D.M.R. submission. (This is especially so if the phasing of the recommended expenditure is considered.) To a great extent this was a consequence of constraints imposed by past planning, the relatively superior financial position of the D.M.R. vis-a-vis the P.T.C., and the influence of the Department. Of the expenditure recommended to take place between 1974 and 1990, that is $2,833 million, 46 per cent was devoted to urban highways (30 per cent to the 540 miles of new freeways and expressways). Virtually identical proportions applied in respect of total recommended expenditure to the year 2000.\(^42\)

The SATS road programme was a far more extensive and intensive system of expressways than had been suggested in the 1940s or 1950s but importantly it was very similar to the M.R.D.P. as revised internally by the D.M.R. and was fully consistent with the grid highway system espoused in the Sydney Region Outline Plan. However by the early 1970s the Department had begun to encounter substantial social opposition to the disruptive effects of road construction, starting in Paddington and extending to the established working class inner western suburbs. While the impressive technical presentation of SATS was intended to legitimise the M.R.D.P., in fact it helped to concentrate attention on the extent of the threat which that internal Plan posed for residential districts of all types. The immediate point of conflict was Ultimo and Glebe, where the Australian Labor Ministers for Transport and for Urban and Regional Development were able to use the pre-approval clauses of the Commonwealth road grants legislation to help halt the demolition of certain condemned (and not immediately intended for construction) terraces. However the implications of the M.R.D.P. were felt in many quarters, in the Lane Cove Valley, Woolloomooloo, Royal National Park, Paddington and so on, and which contributed substantially to discrediting SATS and to a reappraisal of the overall direction of road (and public transport) planning in 1975-76.\(^43\)

CUMTAC had been replaced by URTAC in 1973 and while this was


\(^{43}\) The importance of the social reaction to the D.M.R.'s planning is not underestimated but it cannot be traced here. See Gibbons in Painter, Gibbons and Brezzo, op. cit., pp. 48-9; also on various aspects A. Jakubowicz, "The City Game", in D. Edgar (ed), Social Change in Australia (Melbourne: Cheshire 1974); M.M. Camina, "Public Participation - An Australian Dimension", The Planner, 61(6), 1975; and numerous other similar works.
essentially a cosmetic change, URTAG began to develop so that by 1975 it was able to break down institutional barriers to a significant extent and produce a realistic report on the short-term planning situation. In 1975 the Transport and Highways portfolios were reunited under the Hon. Wal Fife, M.L.A., successor to the long-serving Mr Morris, and he reputedly recognised the weaknesses of the then Government's transport policy and sought two things from URTAC. First, he wanted advice on short-term policy needs to clear up the confusion which had resulted from SATS. Secondly, the current conditions of resource scarcity had to be reconciled with many pressing needs in a way that would not prejudice future action and would maximise short-term benefits. URTAC was generally successful in these two objects and produced a Report in February 1976 which was immediately adopted by the Liberal Government (it was in fact an election year).(44)

The URTAC Report shifted emphasis away from freeways and expressways, principally because they were regarded as excessively expensive, towards selective investment in new road works but more importantly towards policies designed to make better use of the existing investment in roads and public transport systems. The Report avoided mentioning the SATS/M.R.D.P. arterial road programme and instead proposed a 10-year programme of $27 million a year on 14 nominated major construction projects and $13 million a year on smaller works. It stated its long-term objectives as:

"(a) the development of cross-regional routes where it is unrealistic to expect major public transport facilities other than buses to be provided, even in the long term;
(b) the development of routes which redirect the growth of traffic away from the Central Business District to major regional centres;
(c) the development of arterial roads to by-pass the major regional centres."(45)

The 14 major projects were still consistent with the D.M.R.'s current expectations (and were in fact the works nominated by the Department) but they were nonetheless in marked contrast to the SATS recommendations. To assist the essentially pragmatic approach, URTAC recommended the postponement or abandonment of some major works such as the Eastern Suburbs Railway past Bondi Junction, North Western Expressway past Darling Harbour, the Glenfield-East Hills rail connection and several quadruplication projects, and the Eastern Freeway beyond Darlinghurst.

An extremely significant feature of the URTAC Report was the

44. See Chapter Nine below for general background.
45. URTAC, Report (Sydney, 1976), p. 11.
emphasis it gave to traffic management as a complement to construction projects. Traffic planning will be examined shortly but it is essential to note that URTAC extended the role of traffic management past the traditional domain of road safety and intersection "control" and the like, to being an essential element in positive planning. URTAC's major recommendations and identification of measures of further potential in this area were "in principle" only because the Traffic Authority had not yet been set up and such policy issues were left to it, but increased funding was sought and a wide range of specific local improvements were listed in the Report's Appendix 2.

Since the 1976 URTAC Report the new Labor Government has substantially changed the context of main roads planning in Sydney. It had undertaken to review the D.M.R.'s expressways and on taking office it investigated the long- and medium-term needs of the metropolis, apparently with the aid of the Urban Transport Study Group (a continuation of the SATS effort under the direction of the Ministry of Transport and Highways and URTAC). Consequently the abandonment of some sections of the M.R.D.P. and the modification of others were announced, subordinating expressways without ignoring their potential role. The Wran Government has so far completed the cycle of reassessment started by the C.C.C. and Enticknap in the late 1950s, although it is too early to judge whether a "balanced" investment programme will be achieved or whether external or political factors will force a change in emphasis. In particular the enormous expenditure on public transport systems in recent years has not been matched by suitable policy initiatives, especially in the use of buses to serve specific geographical deficiencies, and expressway and public transport investment have not yet been reconciled fully.

It was seen in Chapter Four that in the inter-War period a conscious effort had been made to investigate the potential for traffic management in the realisation that it was not sufficient to build roads, their use had to be managed and fitted into the total transport context. This effort was apparently not renewed to any significant extent after 1945, at least not publicly. The tram/bus controversy had lost its impetus. A reputedly high standard of expertise was maintained in the Department of Road Transport and Tramways and then the Department of Motor Transport, although responsibility was shared with the Police Department and local councils (particularly in the CBD). However attention was focussed on the reduction of the fatality rate in accidents and on local traffic measures such as the introduction of traffic lights. Unfortunately this area of urban policy has been extremely poorly documented but as already noted the traffic authorities appeared to
have performed well. Traffic signal investment was always in backlog but this was inevitable because of definitional arrange-
ments of "needs". SATS noted that at the end of 1971 there were 569 intersections controlled by traffic signals and there were 263 additional locations at which lights were "warranted". However both in terms of technology and total effort the traffic signal programme had progressed well, although such a judgement must be tentative.

More fundamentally, the post-1945 period is best regarded as a long period of relative inertia between the initial awareness of traffic problems under the impact of the motor vehicle, and the new awareness after 1976 induced by resource scarcity and obvious need for reform. For most of the postwar period Governments left the private motorists to make free use of the road system, only intervening when congestion was excessive or to set general safety constraints. Even the most anachronistic road rules were not changed. There is no clear or simple explanation for that attitude. Both the N.R.M.A. and motorist groups and the traffic engineering profession sought reform. In 1963 the Department of Motor Transport introduced a complex system of television monitor-
ing and computer control to 110 traffic signals so as to ease congestion in the CBD. In June 1967 the same Department declared most of Parramatta Road as a "clearway" to eliminate kerbside parking in periods of heavy traffic and this concept was quickly applied to most other major roads. Co-ordinated signals were first tried on Parramatta Road, unsuccessfully at first, but the D.M.T. has developed its technology to a very high standard and successfully implemented it on several critical roads. (In 1971 there were 13 such systems of three or more linked sites and that programme was accelerated in later years.) Most importantly, the 1976 URTAC Report recommended a revolution in road use through the extension of the priority road concept to all Main Roads and most of the important unclassified roads. This would replace the give-way-to-the-right rule almost totally. It might be remembered that the 1928 Report of the Traffic Advisory Committee suggested a move in the same direction (see Chapter Four).

Traffic management has become a very active policy field with a common philosophy of making the most of existing roads while also at least partially placing the use of the private automobile (and trucks) in a wider social context. The Traffic Authority, which replaced an ineffectual Traffic Advisory Committee which had

47. See URTAC Report, Section E and Appendix A for a fairly comprehensive (though non-historical) discussion of traffic management.
been set up in 1964 (see below), has demonstrated the ability to
deal positively with Sydney's problems although it is constrained
by membership and particularly by perceived political constraints
from more "radical" measures (for example traffic restraint on a
special spatial basis, such as in the CBD or Parramatta) and
supporting investment which have been used successfully overseas.
However the Traffic Authority has been the only agency to
approach a firm policy on the development of a hierarchy of roads
through its attitudes on road closures (48) and this is important
in historical terms.

In conclusion, main road planning and traffic management have
had uneven records in the post-1945 period. The D.M.R. had great
success in its own terms in the planning of an extensive system of
high-standard roads, and in having that plan accepted officially
by the C.C.C. and S.P.A. It was similarly successful in repelling
attacks on its plans in the late 1950s. However the
Department was not able to obtain substantial commitments for its
expressways and then freeways for a long time, especially consid­
ering that compared with public transport administration the money
costs involved were not then unreasonable. It was also not able
to positively affect the pattern of development of the metropolis
for while the automobile had a tremendous impact, its use was
unplanned and undirected. Nonetheless the Department's planning
successes were significant indicators of the relative magnitude
of its institutional (that is, statutory, financial, political and
societal) resources. Traffic management can be regarded to a
large extent as the reverse of main roads planning — largely
ignored while road planners were optimistic and dominant but
favoured otherwise. This and the weaknesses of the D.M.R.
planning from a system viewpoint and long periods of inertia and
lack of practical achievement, were not characteristic of
effective urban transport administration. The 1976 URTAC Report
was a sign of the beginning of fundamental improvement and (as
will be seen later) URTAC could have sufficient momentum to sustain
the change.

48. See Traffic Authority, Guidelines for Road Closures (Sydney:
Traffic Authority, December 1977).
... the interdependencies in (British Rail) operations are such that any precipitate change forced by an outsider could very easily, in the hands of an uncooperative management, cause more real harm than apparent good. Railways are one industry, which must be given guidelines and constraints within which to solve their own problems.

Controversy over various aspects of organisational performance has been a recurrent feature of the administration of public transport services in New South Wales. The Public Transport Commission was established in October 1972 with the tasks of re-organising and co-ordinating train and bus (and then ferry) services and especially with the introduction of a modern managerial system into the massive bureaucracies controlling those services. The P.T.C. is the third experiment in a series of major structural reforms, the previous ones occurring in the early 1930s and early 1950s. The respective Governments acted on an assumption that the basic causes of problems of deficits, failure to adapt to changing conditions, high cost levels and the like were essentially administrative in origin. Each of these experiments failed, partly because of incorrect prescription and the inherent difficulty of the task but more importantly because the separate organisations were too separate and even different to want to or try to divert their momentum.

This chapter will examine the administrative and planning record of public transport since 1945 with particular emphasis on co-ordination and control and the explanation of the failure to maintain the effectiveness of train and bus services in a changing society. (Relatively little attention will be given to ferries because of their limited actual coverage.) A critical analysis will also be made of the Transport and Highways Commission and the Public Transport Commission.\(^1\)

As has been seen already the Transport (Division of Functions) Act of 1932 established three statutory transport authorities, the "Departments" of Railways, Road Transport and Tramways, and Main Roads, each of which was under a Commissioner. Before 1945 only one other major change took place, apart from special wartime measures. In 1943 the N.S.W. Transport Administration Act reversed Bruxner’s earlier decision and made the Commissioners for Main Roads and Road Transport and Tramways subject to the direction and control of the Minister for Transport. This provision was not extended to Railways until seven years later.

Both the metropolitan rail and tram systems had substantial problems, particularly the trams whose patronage started to fall

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1. There are no general secondary sources which cover the topics discussed in this chapter. Detailed financial statistics were compiled from Annual Reports and the N.S.W. Year Book for various years and in most cases specific sources will not be cited, to simplify footnotes and also because such sources are very obvious.
before and immediately after the War. Both had operational and financial problems and both were subject to criticisms of inadequate investment and suspicions of ineffective management. The importance of such factors in contemporary and historical terms will be discussed in the following. First however it is essential to note a most significant development in 1947, the commitment of the Labor Government to the expansion of the role of the urban rail system.

As was said earlier, the rail lobby of Sydney had great success in 1913, 1915 and the 1920s in obtaining funds for the construction of the Harbour Bridge, city underground and suburban electrification, and in fact succeeded to the point that railway construction was the crux of the conventional wisdom of urban planning even after the adverse technological developments of the late 1910s and 1920s. The city underground was not completed in the 1930s and this remained a work of high priority, one that was in the forefront of deliberations in the Reconstruction preparations of the early 1940s. However more importantly perhaps there was still sufficient support for railways for the Government to commit itself to the commencement of a number of significant rail works, in addition to the Circular Quay Station and associated overhead road, when the City and Suburban Electric Railways (Amendment) Act of 1947 was passed. This provided for an Eastern Suburbs line to Bondi Junction and Bondi broadly along the alignment of the 1915 route and later inner loop, being about 15 miles of single line at a cost of $19 million excluding resumptions; and a Southern Eastern Suburbs Railways to the Cricket Ground and Kingsford via Oxford Street consisting of 12 miles of single track railway at a cost of $13 million. (A line from this railway to the Airport was apparently added.) Further a Southern Suburbs line was included to run from Redfern through the near-southern industrial suburbs to just north of the Airport, with linkages to the established systems at Redfern and Sydenham. Construction was commenced in 1947 on the extensive tunnelling works for the Eastern Suburbs and Southern Suburbs lines but ceased in 1952 partly because of the obviously excessive number and geographical concentration of routes and partly because of unfavourable economic conditions. The 1947 Act was a partial recognition of the structural limitations of the metropolitan rail system but it did not provide for the northern, western or southern areas which had inadequate services, if any.


The combination of the usual problems of tram operations in the increasingly crowded metropolis and of poor financial results led the Government to import three public transport experts from London in 1948 to advise on the road passenger transport systems. The three were G.F. Sinclair, C.B.E., A.F. Andrews and E.R. Ellen and they reported in April 1949 to the Premier, James McGirr (who had been the first Minister for Transport, from March to May 1932). They made extremely important recommendations in a number of areas of which three will be examined. (Engineering and operational improvements were recommended but these need not be dealt with here.)

First, the Sinclair Report recommended the phasing out of tram services and their replacement by motor buses. They saw substantial operating and economic advantages as well as the greater ability of buses in the reduction of congestion and adjustment to changing patterns of development. The need for systematic replacement was overdue as the basic policy had been determined long before. They provided a programme of replacement which ended in 1960 approximately; in fact the last tram ran in early 1961.

Secondly, the Report endorsed the 1947 rail extensions rather circumspectly by saying that those works would improve the standard of service and would allow road services to be run as feeders, not in competition. It was noted that "Should the railway extensions not be proceeded with, the highly desirable benefits of saving the city from traffic congestion and the benefits of high speed travel will be lost, but even so the bus system which we are proposing will be an advantage to the community as a whole...." (The tram conversion has since been lamented by some but the conditions of the time were clearly in favour of the recommendations.)

Finally and most importantly, the three experts were charged with advising on "what long-term policy should be adopted to ensure that the system (sic) is best adapted to meet public transport requirements efficiently and economically". In doing
so they went beyond road transport and recommended that considerations of co-ordination, efficient administration and planning required the establishment of stronger central co-ordinative agencies. They said that the Commissioner for Railways should be subject to the direction of the Minister, and more importantly sought the creation of a "New South Wales Transport Commission" and the appointment of a "Director of Transport and Highways" as its full-time chairman. As the Report said, "At this critical stage in the development of transport in N.S.W. all services should be controlled by a single authority, so that the pattern for the future can be woven to the most efficient and economical standard". These recommendations had undoubtedly been fully discussed at least with McGirr and O'Sullivan.

The rationale for the proposal was sound but the prescription did not meet the Report's own standards. It was said that the development of the various services "should be freed from the competing claims of various Department (sic)"; and that road and rail investment "should only be sanctioned when an overall traffic plan is approved which will ensure that... each system is operating in its own sphere". More specific benefits were expected, for example the elimination of the situation whereby rail fares were reduced on weekends whereas bus and tram fares were increased.

The Transport Commission as envisaged was to "be responsible for the control" of the Departments of Railways, Main Roads, and Road Transport and Tramways, and of the Maritime Services Board, and for the co-ordination (or regulation) of intra-State airways, private buses, ferries and the road freight industry. There would be a small secretariat for the Commission which would centralise the limited research resources which then existed, while the Commission would be the central transport voice, to be consulted by councils and other authorities rather than the individual Departments (which would otherwise remain in their present form). The functions of the Commission were stated as:

(a) to review and co-ordinate the development of transport services;

(b) to consider and make recommendations on all projects for capital and (similar) expenditure proposed by the three Departments and M.S.B.;

(c) to "consider and co-ordinate" the annual budgets of the authorities;

8. Ibid., p. 10, see pp. 9-11 and 45.
9. Ibid., p. 10, for this quote and next paragraph.
(d) to control employment conditions in the four authorities; and
(e) to licence and control buses and other motor vehicles.

It can be seen that the Commission was to have no real power.

The Sinclair group obviously had the support of Premier McGirr and O'Sullivan for a Transport and Highways Bill was presented by the latter early in 1950 and despite Opposition claims of socialism was passed without delay. The Transport and Highways Commission was established in May 1950, consisting of eight members, one of whom was Director and Chairman. The Director and departmental heads were subject to the control of the Minister. The Chairman was Reg Winsor who had risen through the Railway ranks to become Assistant Commissioner in 1948 and Commissioner for Road Transport and Tramways in the following year.\(^{(10)}\) The other seven members were: Commissioners for Railways, Main Roads, and Road Transport and Tramways; President of the M.S.B.; and representatives of employees, rural industry, and trade and commerce.\(^{(11)}\) The powers of the Commission were basically as set out previously in the Sinclair Report except that the Commission could "control and direct" the heads of the transport departments. The cost of administration was to be shared by the Departments and M.S.B. but in practice the Secretary of the Ministry of Transport became Secretary and it was decided to use the Ministry as secretariat (without any of the related changes expected by the Sinclair group).

Two critical weaknesses negated the potential of the Commission. The first was foreseeable, that leaving the operational authorities separate and without adequate external controls (apart from the fact that the Commission's power was co-operative and shared and very uncertain) enabled them to internalise policy-making. The Minutes of the 22 meetings of the Commission have been read and they fully support this conclusion.\(^{(12)}\) Secondly, in the words of a later Minister for Transport, "There were also clashes of personality that doomed it to failure before it got off the ground".\(^{(13)}\) The Hon. W.F. Sheahan became Minister for Transport in July 1950 and he used the opportunity of the Commissioner for Railways' death in 1952 to abolish the Commission and virtually transfer Mr Winsor back there.

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10. See *The Railways of N.S.W.*, op. cit., p. 218.
11. See for example *N.S.W. Year Book*, 1950-51, p. 93.
as Commissioner. Quite probably the personality question was the key — the Commission could have continued to function as a "tea club" otherwise.

The only lasting effects of the Commission experiment were that the Government Railways Act was amended in 1952 to continue Ministerial control, and secondly that a Department of Motor Transport was created in 1952 under a Superintendent (and in 1954 a Commissioner) to regulate the licensing of private vehicles and drivers, private buses, intra-State air services, and road traffic. As well the Department of Road Transport and Tramways was commensurately reduced in scope and renamed (misleadingly) the Department of Government Transport.

From 1952 the transport administration was co-ordinated through the Minister and even that degree of co-ordination (which was by interview accounts totally ineffective) was broken down in 1956 by the removal of the D.M.R. to the administration of the Minister for Local Government. Treasury had a nominal role but only in loan administration, not in functional or policy co-ordination. The Commissioner for Railways from 1956 to 1972, Mr Neal McCusker, said in interview of the period before CUMTAC was set up in 1965,

... there was no arrangement for formal meetings between the Commissioners and very little contact was had. The co-ordination which I felt was so vital was just non-existent, as simple as that.  

This statement has been confirmed in other discussions.

The individual authorities were faced with changing conditions and partly for that reason regarded their problems as internal. It has already been seen that the Department of Main Roads was in the process of developing, defending and further developing the Main Roads Development Plan. The Departments of Railways and Government Transport literally reversed this process by abandoning their planning. The reasons for this will now be examined.

In the case of trams and buses, patronage fell from 518 million trips in 1947/48 to 324 million in 1956/57 and the accumulated deficit rose from $2,681,000 in June 1949 to $18,903,000 in June 1957. In July 1956 an across-the-board increase in fares of 50 per cent reduced the annual net deficit from $8,276,000 in 1955/56 to $2,337,000 in the following year but this was regarded as a palliative only. In the ten years before 1956 the population served by the Department of Government Transport

remained static because development in the metropolis was increasingly concentrated in the "outer" suburbs.

The Railways' situation was similar. From 1944/45 to 1956/57 revenue had covered expenses in each year, but in 9 of the 13 years losses had been made because of heavy capital charges, and losses had become the rule. (The total net deficit for that period was $62,198,000 whereas the total surplus of revenue over operating and administrative expenses was $139,838,000.) Even in these terms there were significant contemporary doubts that adequate provision had been made for depreciation. In the ten years before 1956/57 the freight tonnage hauled increased by 4 per cent, passenger trips by 0.4 per cent, and debt charges by 60 per cent. More critically, working expenses had increased by 143 per cent compared with a 113 per cent increase in earnings. At about this time the advantages which the Railways had obtained from their earlier investment, including the opening of Circular Quay Station and the completion of the city underground loop in 1956, were negated by technological and land use changes. Urban rail patronage peaked in 1954/55 and then started to fall, with a brief recovery in 1963-65. (15)

The Government responded to this situation with the appointment of American consultants Ebasco Services Incorporated in July 1956 to conduct "A Study of Department of Railways and Department of Government Transport". (16) The Ebasco group consisted of six consultants, two for railway matters (both former presidents of American railroad systems), two for Government Transport (former Vice Presidents of large American urban transport systems), one for financial problems (an experienced accountant), and a Supervisor (former President of an American urban transport system). The Ebasco team consulted extensively with the two Departments and made numerous recommendations through memoranda before submitting their Report on 1st October 1957. Again the numerous operational recommendations (including dieselisation, electrification from Hornsby to Gosford, equipment and goods yards improvements, centralised rail traffic control facilities, and continued conversion of tram routes to bus operations together with one-man crews) will not be analysed in detail. Instead attention will be concentrated on urban passenger planning.

The basic theme of the Ebasco Report was that economic rationality should be the main criterion of capital spending, that

15. See Base Year (1971) Data Report (Vol. 1, SATS), Figs 4.15 and 4.16 for more important per caput figures. Rail patronage has been fairly stable in aggregate.
is, that "money should be spent where greatest savings will result therefrom in operating costs". (17) Suggestions were made for more economical urban electric operations without significant changes to levels of service. The main effect was however the diversion of funds to profit sectors (freight) rather than quadruplication or urban extensions. The consultants noted that the rail construction programme which had "been worked on intermittently for some time" would be expensive in terms of loan capital and that construction costs, population distribution and "riding habits" had changed substantially. Three formal recommendations were made, (18) that:

(i) the programme for the extension of suburban services should be carefully reappraised;

(ii) "If possible, any funds which may be required for its continuation not be appropriated to the detriment of the funds which are necessary for the modernization and improvement of the balance of the railway system"; and

(iii) a joint Railways/Government Transport study should be set up "to determine which Department is in position to furnish adequate service with the least capital outlay and operating costs".

Obviously, bus services were preferred by Ebasco. However the Report made no recommendations regarding bus routes other than (iii) immediately above and a suggestion that better research and costing resources should be developed within the D.G.T.

The Report mentioned that the control arrangement between Commissioners and Minister had been examined, "particularly with respect to its effectiveness in securing the most efficient operation of the Department(s) and maintaining adequate controls over the spending of capital funds". (19) No change in arrangements was considered necessary. The team said that they had given serious consideration to the creation of an Authority or Board but had decided against these.

The Ebasco Report was largely adopted by the two Departments and served as part of the basis for their subsequent policies. The two Commissioners, Mr Neal McCusker and Mr A.A. Shoebridge, issued comments on the Report in late December 1957 and late January 1958 respectively and had reservations but no real objections. (20) McCusker had assumed office on 1st August 1956 and had, he said, commenced a thorough review of Railway operations

19. Ibid., p. 21, also p. 31.
20. Their comments were issued in roneo form by the Minister for Transport, Mr A.G. Enticknap, on 31st January 1958.
with basically the same conclusions as Ebasco. He also said that Ebasco's comments on metropolitan policy were "in conformity with the views of the Department". He saw a need for co-ordination especially as there was evidence of service overlapping in Sydney and Newcastle, and had already ordered an examination of Newcastle services on the lines of the Ebasco recommendation (iii) above. Apart from agreeing that the need for future suburban extensions should be very carefully appraised, McCusker said that a joint Departmental study of Sydney and Newcastle regions should have as objectives —

(a) "avoiding capital expenditure to the utmost extent possible consistent with an improved and adequate service sufficient to meet public requirements"; and

(b) advising on areas where public transport is necessary.

Mr McCusker was Commissioner for Railways from 1956 until his compulsory retirement in 1972. The nature of his administration has been researched at length by this writer and it is generally true that the nature of the capital costs, labour cost structure, operational problems and political climate of his times forced his administration to "avoid capital expenditure" as stated above to an almost extreme degree. Some aspects of this were seen in Chapter Six, such as tight external financial scrutiny and a reliance on expensive finance sources. The Department of Railways faced almost inescapable contingencies in dieselisation, some electrification, maintenance and mainline upgrading, and the like. Much of the suburban fleet had passed its economic life, most of it dating from 1926/27, although McCusker's predecessor had invested in 120 electric carriages(21) and McCusker brought in the first double-deck cars in 1964.(22) While it has not been possible to break Railways' capital expenditure down into sufficient detail to make a definitive assessment, it is clear, as Mr McCusker said in interview, that the primary priority had to be revenue, and that meant freight.

It would not be true to say that Railways' urban role was completely negated after the cessation of the 1947 works: the obvious exception was the Eastern Suburbs Railway but the Southern Suburbs line was also favoured for some time in connection with the Airport as well as the inner southern industrial suburbs.

The Eastern Suburbs Railway was made into an electoral issue in the early 1960s by the Labor Government, and principally by the then Leader of the Opposition, R.W. Askin in his 1965 campaign speech, as a means of influencing the vote in the local State seats. In

22. See also McCusker interview (Appendix 2), p. 2.
September 1961 the Minister for Transport, Mr J.M.A. McMahon, authorised a study of the transport needs of the eastern and southeastern suburbs by consultant De Leuw, Cather & Company of Chicago. The Report was released in May 1963 and recommended a combination of the 1947 lines.(23) This was an extremely biased consultant report, as has been confirmed by certain of its authors in discussion. The most viable alternative, the rapid bus system, was severely disadvantaged by the selection of future roadworks but the right political output was obtained. On coming to power the Askin Government (which had not received the electoral return which it had expected) moved quickly to carry out its promise and the necessary legislation authorising the Bondi Junction/Kingsford line and cancelling the 1947 lines was passed (after much ad hoc political alteration to design) in 1967. The Opposition agreed with the measure. In this case the initial planning was artificially supported by unrealistic political expectations. In planning terms the output was disastrous as was confirmed by the next Labor Government and its Board of Review.(24)

The second major instance of post-Ebasco rail planning was the consideration of land access needs for Sydney Airport by CUMTAC and the Sydney Area Transportation Study. A detailed case study of this extremely complicated planning episode(25) (referred to also in the following chapter) showed that for a time McCusker pushed strongly for the resurrection of the 1947 Southern Suburbs line but to the Airport and had the support of the Chairman of the State Planning Authority and nominal support of other members. Several factors, such as the possibility of Commonwealth funding if the Eastern Suburbs Railway was extended and encroachment by the N.S.W. Board of Fire Commissioners on the route of the Southern Suburbs line, defeated the proposal by 1972. It was however supported, in its 1947 form very strangely, in the report of the Sydney Area Transportation Study. There was no doubt that Commissioner McCusker saw the proposal as a valid extension of the role of the metropolitan railways.

A minor development which had short-term political but no other significance was the proposal by the then Minister for Transport, Mr M.A. Morris, in late 1974, to reintroduce trams into

25. R.P. Gibbons, "Case Study: Mascot Airport and Regional Transport Planning", in Painter, Gibbons and Brezzo, op. cit., chapter 8.
the CBD of Sydney. This proposal was supported by a partial cost benefit analysis which did not however compare alternatives,\(^{(26)}\) the main purpose of such analyses. It attracted brief attention but was quickly rejected. But for the fact that it was so obviously partial and transient the tram study would rank as the most biased postwar planning evaluation (against very strong opposition).

The post-Ebasco experience of the Department of Government Transport must also rate as basically non-planning. The replacement of trams was completed in 1961 but no regard was paid to the cost or route-planning advantages of buses, in that more double-deck (two-man) buses were bought\(^{(27)}\) and the buses were run on the same routes as the trams. Those routes had for the most part been determined before 1914 and the failure to adapt Government services to changing societal conditions was no less than a disaster. However as early as 1960/61 at least the Commissioner for Government Transport was saying in his Annual Report that bus-priority if not bus-exclusive lanes would be needed to overcome congestion and chronic irregularity.\(^{(28)}\) It would not appear that the Commissioner or his successors persisted with their argument; they were certainly not successful until other parties espoused their cause and introduced Priority Lanes. That was the planning of Government Transport — no great financial limitations (one could argue that there were inducements), only entrenched operational conservatism.

In short, after the Ebasco Report the Departments of Railways and Government Transport proceeded along fairly independent and conservative paths. However in both cases economic and operational trends caused increasing concern as did the obvious failure to mutually adjust services along the lines of co-ordination and greater social relevance. Two significant developments occurred in the early 1970s, namely CUMTAC's initiative in setting up the Sydney Area Transportation Study, and the political decision of 1972 to again experiment with an integrated administrative structure for public transport.

\(^{26}\) Melbourne and Metropolitan Tramways Board, Central Sydney Tramway — feasibility study (Melbourne: M. & M.T.B., September 1974).

\(^{27}\) Although the buses were designed for one-man use and the Department was hindered by union action, there was no need to use double-deckers (there is a world-wide trend against them).

\(^{28}\) Commissioner for Government Transport, Annual Report 1960-61, p. 3.
The Sydney Area Transportation Study analysed a wide range of deficiencies in the existing train and bus systems, most of which related to inadequate investment in equipment and the like and anachronistic route structures. While the main reason for SATS was probably the justification of the D.M.R.'s road planning and associated land use policies, Mr McCusker in particular strongly supported the Study. SATS' main achievements were in fact in the area of public transport and although its railway recommendations were poorly considered and have been subsequently disregarded, the bus recommendations provided a strong case for investment and reappraisal of routes.

A number of short- and long-term factors influenced the Askin Government's decision in 1972 to set up the Public Transport Commission. Among the most important of the latter was the financial position of the Department of Railways. In the ten years 1962/63 to 1971/72 earnings increased by 46 per cent, expenses by 65 per cent, and interest charges by 52 per cent. In the period the Railways made a net loss of $81,269,000 ($69,879,000 in the latter four years). It might be noted however that profitability (percentage of operating surplus to capital invested) was also extremely high by postwar standards except in the last two years. Labour cost was the main item of concern although it might also be noted that the McCusker philosophies had an excellent chance of containing such costs and of distributing scarce capital to best meet operational needs. In retrospect it is quite safe to say that if the annual financial result was the main criterion of organisational performance then the conservatism (and occasional warranted "risk" venture) of the McCusker tradition, the mainstream and traditional operational approach, was a fairly safe base for the future.

The second important long-term factor was the simple fact that much of the equipment and rollingstock of the Railways was due for replacement, and that such replacement offered scope for a new image of administration which could have political benefits. The then Minister for Transport, Mr Morris, had made two overseas trips and was aware of the need to reconcile strident local

29. See McCusker interview (Appendix 2), pp. 6-7.

30. See M.A. Morris, "Overseas Report by the Minister for Transport" (Sydney: Minister for Transport through N.S.W. Government Printer, 1974, 76 pp). For example: "After my inspection of these modern transport systems, I clearly recognised that our system in Sydney requires much upgrading. The signalling techniques on the railways need to be improved, our stations... also demand attention, and efficient interchange facilities must be provided if public transport patronage is to expand. I am sure that the next few years will see a major transformation in the public transport of New South Wales. An amount of $50.2 million
calls for reform with the superficial features of overseas systems (such as the often misapplied term "rapid transit"). The Government had a "Government Parties Committee on Suburban Train Services" which presented a report in March 1972(31) to Mr Morris. The Committee had had extensive discussions with Mr McCusker and other officers, leading unionists and others, and largely confined their attention to operational improvements. They referred to "the crippling interest burden (on) the State railways", regarded present urban subsidisation levels as comparable with overseas cities (rural subsidies were much greater), recommended that separate metropolitan passenger accounts should be kept, and noted that the Department was "aware of the desirability of many suggestions and recommendations in this report and would no doubt have adopted them if it had the money to do so". The Eastern Suburbs Railway and two extra lines between Erskineville and Tempe were regarded as essential.

Superficially the Committee's Report was a triumph for McCusker. However Mr McCusker was apparently too closely associated with Railway traditionalism, and was himself too powerful,(32) for the Government to renew his term after he turned 65 years of age on 20th October 1972. The Commissioner for Government Transport was due to retire several years after as well and the Under Secretary of the Ministry of Transport suggested to the Minister that October 1972 would be a good time to consider implementing ideas which had been around for some time.(33) Mr Morris recognised the basic weaknesses of the former Transport and Highways Commission and instead initially favoured the creation of an urban and country dichotomy in administration by combining urban rail with Government Transport to form a Greater Sydney Transport Authority. The Treasury opposed this and so the issue was referred to a Cabinet sub-committee.(34) (The Treasury opposition was based on the fact that the separation of financial results would not reduce capital requirements for urban passenger

will be spent this year on modernisation and re-equipment representing an increase of 45 per cent on spending last year" (p.8).


32. Mr McCusker was undoubtedly an extremely able and influential man, who necessarily perhaps made enemies. See the comments of his Minister for about 7½ years, Mr Milton Morris (Appendix 2, pp. 5-6).


34. Ibid.; also Morris interview (Appendix 2), p. 6.
services but would cause pressure for more expenditure in the country. As was said in Chapter Six, Treasury was a major influence in Railway policy.) The final recommendation was for a "Public Transport Corporation" — Mr Askin changed the title to Commission — to consist of three full-time and two part-time members.\(^{(35)}\)

The Commission Bill attracted a great deal of criticism from the Labor Opposition when it was debated in the Legislative Assembly in late September 1972.\(^{(36)}\) The Opposition spokesman was Mr P.F. Cox who described the reform, which was based on the total amalgamation of the two public transport Departments in one statutory authority, as extreme and unnecessary. The appointment of Mr Philip Shirley as Chief Commissioner was attacked by the Opposition because Mr Shirley had been Deputy Chairman of the British Railways Board from 1962 to 1967, in which time extensive service cutbacks and closures had been effected. (Shirley was already 60 and therefore unable to complete his seven-year term. From 1967 he had been Deputy Chairman of Cunard.\(^{(37)}\) Although it was not really known at the time, the administrative record of Shirley's Board was highly questionable as became evident when Stewart Joy's *The Train That Ran Away* was published in 1973.\(^{(38)}\) (That book would have given the Government the opportunity to properly evaluate the nature of the problem it was tackling. It has certainly given subsequent readers the sad knowledge that history repeats itself.)

The other full-time Commissioners were Dr Robert Nielsen, then Director of the Sydney Area Transportation Study and former executive of several American transport companies, and Mr Joshua Trimmer. Trimmer was then President of the State Superannuation Board and had formerly been Treasury representative in Railways under the 1956 arrangement discussed earlier and in fact special Assistant Secretary of the Department in charge of financial affairs. Like Shirley, Trimmer's qualification was that he was an

\(^{(35)}\) The evaluation of the P.T.C. which follows has been based on many formal and informal interviews and represents a fair and minimum level of criticism. Most such interviews cannot be specifically acknowledged.


\(^{(37)}\) The Government had not been able to recruit its first choice, a retired London administrator, and had trouble meeting its recruitment deadline. Mr Shirley however seemed to be an excellent choice.

\(^{(38)}\) S. Joy, *The Train That Ran Away* (London: Ian Allan, 1973). Dr Joy's prescriptions have been widely accepted in Australia and he has become an influential consultant and adviser. This author would argue however that Joy is a better economist than general organisational analyst.
accountant with limited experience in transport administration; Neilsen was the only transport specialist.

The part-time Commissioners were a representative of the Labour Council of N.S.W. and the chairman of Rothmans. This basic pattern of representation has been maintained. Dr Neilsen resigned in December 1973 and was successively replaced by two operations-oriented officers of the Commission. Mr Trimmer was appointed Deputy Chief Commissioner in late December 1974.

The Commission was established with the same basic powers and responsibilities as the preceding Departments, with the exception that Clause 15 of its Act required it to make a report on the problems of public transport and the proposed remedies within two years of its inception. The Commission was plainly told that its primary responsibility was to curb the financial drain of transport deficits on State finances. Two of the three full-time Commissioners were apparently selected for this task on the basis of their financial experience and acted accordingly. It might be expected that this objective would conflict with the Commission's planning tasks.

The formation of the Commission was quickly followed by the limited amalgamation of the Departments of Railways and Government Transport. The respective personnel structures and accounting systems (as well as the various operational units) were too different to be amalgamated totally and in fact after over five years little progress has been made in some areas. The amalgamation was however the most critical aspect of the early P.T.C. experience because of the disruption that was caused and the derived effects on organisational performance.

From the very first the approach of the Commission alienated a great number of top and middle executives and others and broke down the traditional lines of accountability and management without providing an effective alternative. Dr Nielsen took charge of bus operations and marketing and established a close rapport with his employees. Otherwise the security of various management levels was disrupted and a considerable amount of hostility and bitterness

39. Some changes have been reversed, particularly (in 1977) the distribution of executive responsibility. Also engineering activities were combined under a Director of Engineering, to be separate from operations, as in the Department of Railways. These have since been integrated to improve efficiency. Train and bus operations were combined only to be separated and now bus operations and engineering are together (but separate from trains and ferries). Some experimentation was no doubt essential.
generated. The number of senior posts below Commission level was increased on specialised branch and section lines and most of the new posts were filled from outside in a brusque and heavy-handed manner. Managers with little or no public transport experience were given complementary and sometimes overlapping roles, and at the same time Mr Shirley greatly increased delegations.

Mr McCusker and his Secretariat had co-ordinated affairs on a tight basis but the former arrangements were abandoned, often resulting in chaos. Several senior administrators resigned or retired early, especially because the "new order" was positively prejudiced against the traditional railwayman and also because its decision-making style was haphazard and at times violently anti-historical in several respects.

These disorders had significant effects on overall performance. At the policy level there was a lack of internal co-ordination and conflicting decisions often resulted. At the operations level, the complex manpower systems which were required to enable the train and bus systems to function efficiently were disrupted. The standard of service provided fell noticeably, not because of strikes or a long-term rundown of facilities, but as Freeman has said, the fundamental causes were incompetence, inefficiency and failures of communication. There were also conflicts of policy and Nielsen finally resigned.

It is important to note, as was said at the beginning of this chapter, that one of the intentions of the 1972 reform was that a more modern management structure would be introduced. As the P.T.C. said in its Report under Section 15, Looking Ahead (1974):

... within the railway each branch was virtually a self-perpetuating identity. Thus there was no cross-fertilisation of experience and in each there was a substantial tendency for a static approach to problems. The Departments tended to recruit at the lowest levels, and the staff had little exposure to outside management and techniques.

41. See for example Morris interview (Appendix 2), pp. 3, 4-5.
42. Cf Freeman, op. cit., for more detail.
43. Public Transport Commission, Looking Ahead (November 1974), p. 2. The Report noted that the basic legislation had enshrined promotion by seniority and commented that "Governments in the past may have relaxed some of the constraints on the then Commissioners if they had understood the opportunities for improving the efficiency of the undertakings through better middle level management".
McCusker had in fact said in his comments on the Ebasco Report that a branch structure was essential. However, while Shirley set out his ideas in several publications as to the need for a "highly geared, quick thinking, cost conscious and positive management"(44) and justified reforms in some areas such as marketing and perhaps planning, he could not demonstrate that his style of management was more suitable than McCusker's in public transport operations.

In urban operations, the P.T.C. put emphasis on reducing labour costs and workforce, cutting back on some forms of maintenance and renewals expenditure, and raising fares. Falls in patronage were thereby accelerated apart from falls in levels of service. An attempt was made to replace archaic suburban train timetables in May 1975 but this failed disastrously because of internal failures of decision-making, not because reform was impossible. (The P.T.C. did not analyse its urban role in Looking Ahead because the Sydney Area Transportation Study was still in progress.) The performance of the P.T.C. in the metropolitan bus and rail services was a major embarrassment to the Liberal Government.

In the rural areas, the Commission closed 361 stations in four years(45) and "heavy-handedly" tried to close uneconomic branch lines. Shirley was particularly enthusiastic about introducing a modern inter-capital container service and was the prime mover in the formation of Railways of Australia Container Express (RACE), using the (in many respects) unsuccessful British experience as a model.(46) The P.T.C. has been widely criticised for its container policies and has lost ground in the market place, mainly because it was and is severely disadvantaged in labour conditions and infrastructure costs vis-a-vis road hauliers.

One very important factor should have been taken into account when the P.T.C. was conceived. Even if the two former Departments had been efficient, their amalgamation would still have been all but beyond the ability of one management structure that was either oriented to the new or the old (strict hierarchical) ways. It has been found that the P.T.C. is simply too big for even its top executives to master the policy-making processes especially as they

44. See P.H. Shirley, "Management in Public Transport" (Chartered Institute of Transport, W.A. Section, roneo, March 1973), and "Management in Transport" (Institute of Directors of Australia, roneo, April 1973), both in P.T.C. Library.

45. Freeman, op. cit., p. 48.

are so fragmented. This has also affected political control. Co-ordination of services would not have required a complete administrative amalgamation but it would seem that co-ordination definitely became a minor consideration\(^{(47)}\) in an accountants' world.

All in all the Commission experiment was a short-term failure. Instead of reducing losses, it resulted in an operational loss in 1972/73 (the first since 1855): compared with 1971/72 revenue from rents and passengers rose by 1.5 per cent (although patronage fell), earnings from goods and livestock fell by 7.8 per cent (tonnage fell), total earnings fell by 4.6 per cent, working expenses rose by 13.2 per cent, earnings per train mile fell by 3.7 per cent, and the profitability ratio (defined above) fell from 0.35 per cent to -5.33 per cent. Capital charges rose by only 3 per cent. The overall loss in 1972/73 was $80 million; the following year $126 million; and in 1974/75 $167 million. For 1977/78 it is estimated to be about $400 million. There is no prospect of the loss falling off, although the level of urban subsidisation is not yet excessive by overseas standards. The operating loss in 1972/73 would have resulted even if the P.T.C. had not been set up but almost certainly the rate of increase would have been contained by McCusker's combination of accounting and operational skills.

There is no doubt that the Railway and Government Transport administrations had ossified by the time that the P.T.C. had taken over but it is also fairly obvious that there was no need for revolutionary managerial or philosophical changes. By Philip Shirley's resignation in December 1974 the base which constructive change could have started from had been destroyed and the P.T.C. had become an organisation that would need to be rebuilt before its external challenges could be met. This was essentially the diagnosis of Shirley's successor, Mr A. Reiher, who has by all accounts been able to restore a certain degree of stability even if the P.T.C. does remain clumsy, closed and uncontrollable. Further structural reform would have to be extremely carefully considered if it was not to worsen the P.T.C.'s problems.

The Granville disaster of January 1977 committed the newly elected Wran Labor Government to a substantial programme of maintenance and improvement which with carriage and bus replacement, container investment, new lines in the Eastern Suburbs and freight systems, and signalling investment, will give the P.T.C. a better operational base than Railways and Government Transport ever had.

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\(^{(47)}\) Freeman, op. cit., p. 49.
Despite all the earlier promises, nothing had been done to appraise and rationalise rail, bus and ferry^8^ services until SATS and no action has been taken since then. In effect the public transport authorities (including the P.T.C.) abrogated their planning responsibilities and these have been taken up by the central land use and transport authorities such as URTAC. The P.T.C. has yet to prove that it can meet the expectations of its makers.48

Several points stand out in the last thirty years of public transport administration in Sydney. Most importantly, while "co-ordination" was a frequent concern of Governments and others, almost no operational and even less policy co-ordination was achieved. The planning potential of buses was lost and in general rail planning was impracticable, partly because of its expense but perhaps also because there was no attempt before SATS to draw up the type of strategic plan which the Sinclair group sought. While various politicians in the 1960s and early 1970s lauded the structural spread of the existing rail system, the praise was basically pharisaical because no real consideration was given to the positive use of rail versus buses and road investment or to the relatively minor works needed to complete the rail system. The only major structural suburban investment was the Eastern Suburbs Railway, the planning of which typified the lack of co-ordination and bias in postwar planning.

The willingness of several Governments to identify organisational specialisation with lack of co-ordination, and their reliance on superficial administrative co-ordination to achieve operational and planning co-ordination, indicated the lack of understanding of the nature of public transport and public administration alike. More will be said of this in the Conclusion. Decision-making and non-decision-making reflected the internalisation of organisational values to an extreme degree, as in the pre-1939 period. Even the consciousness of this did not produce effective solutions. Thus in this area co-ordinative influence has been negative and substantial.

48. Ferries were brought into the Commission's domain in late 1974 because of the withdrawal of the Port Jackson and Manly Steamship Co. Pty Ltd from the previous arrangement with the Sydney Harbour Transport Board. While ferries are an invaluable part of Sydney's transport system, they are of minor significance compared with buses and trains and have not been treated here. In any case ferry policy has been very operational, the major policy decisions being very few and ad hoc and investment minimal in historical terms. See Sydney Area Transportation Study, Vol. 1 Chapter IV, and Volume 3 Chapter V.

49. Several other public transport proposals, including an inner-city underground tram and high-speed rail link to Campbelltown, were discussed in CUMTAC/URTAC and will be mentioned in Chapter Nine.
Co-ordinative Agencies

I was brought in as an honest broker at one stage, at the suggestion of the Minister by the way, to make both the D.M.R. and the P.T.C. aware of what each was doing to the other by their ad hoc decisions.

Interview with Mr K.J. Trott (Appendix Five).

Would you agree, Mr Minister, that policy co-ordination is necessary in transport above all else? In my thinking it is incredible that it hasn't been done before. There has been no policy co-ordination, of making sure that all Departments speak with one voice. I think there is only one person who can do that and in my experience in the Ministry, the Minister has had to be more closely involved in pulling the undertakings together at the highest policy level.

Mr K.J. Trott, in interview with Mr Trott and the Hon. P.F. Cox, M.L.A. (Appendix Five).
The broad co-ordinative needs of urban transport administration were established on both theoretical and empirical grounds in the Introduction. It was seen that co-ordination is not a simple concept because it involves considerations of formal political accountability versus practical administrative responsibility, formal and informal influence and "power", obscure patterns of behaviour and so on. It was argued in the Introduction that in interdependent policy fields the nature of specialised organisational behaviour would tend to break down co-ordinative ties, resulting in deficient policy outputs. Here co-ordination will be defined (as previously) in a manner which reflects the essentially unitary stream of accountability of Governments in a Westminster system. The records of the main co-ordinative institutions will be examined with special attention to their actual ability to enforce the two considerations of political accountability and functional interdependencies over the wishes of established specialised agencies.

Modes of Co-ordination

Co-ordination in such a political system as New South Wales* essentially is the rationalisation of corporate behaviour in line with centrally determined guidelines. Such co-ordination is effected by three main modes, from above (superior political authorities such as Cabinet and the courts), laterally (inter-organisational adjustment), and from below by community pressure. (1) "Central" can mean that an organisation conforms with an individual Minister's wishes on a bilateral basis because the Minister and Cabinet, and also the judicial system (acting on legislation), and the Treasury and Public Service Board (with delegated authority), are central agencies.

For practical purposes the highest authority is Cabinet which is the primary co-ordinating institution. All major Government initiatives are referred to Cabinet and it is supposed to be organised so that all Ministers and administrations affected by a decision can, among other things, raise appropriate issues for adjudication by their peers. A review function is performed by Parliament and where applicable by Caucus from the point of view of political acceptability. (In countries where parliamentary standing committees are more prevalent, they perform a more intensive scrutiny by such criteria as equity and efficiency.)

1. Co-ordination by combined organisation, namely the Transport and Highways Commission and the Public Transport Commission, was dealt with in the preceding chapter.
Many decisions are taken by Ministers, especially decisions not or how to refer an issue to Cabinet. Similarly a larger range of issues in most if not all administrations is "decided" by the organisations in the filtering and influencing processes described by all analysts of bureaucracies. The respective roles of Ministers and bureaucrats are determined by a number of factors, including the quality of advisory services available to the Minister and the statutory and traditional rights of the organisations.

The central public service authorities (Treasury, Public Service Board and Auditor General) fall between the Premier and Cabinet, and the Ministers, on an important set of issues. Nominally such bodies are subject to superior political whim but in historical reality they are independent and individually powerful. It is particularly the case in their areas of speciality that such organisations affect the services provided to Ministers and the governmental system, and thus achieve a dominance, whereas there is a void outside the specialisations which imbalances the whole government network. Thus for example investment decisions are overly influenced by the narrow range of criteria which Treasury is concerned with, at the expense of other (often more important) values. Co-ordination is attempted by such authorities in a very limited sense.

Only a partial picture has been presented here; more detail is given in Chapter Six and the references cited there. The three main modes of co-ordination have various mechanisms, ranging from the highly formalised documentation of the courts and Cabinet through to the relative informality of the reticulist networks which operate in inter-corporate communication. The three modes have not been equally developed in New South Wales in the past, although the transport administration is somewhat unique. It has always received special attention on some issues from the legislature, and has received intense although uneven scrutiny from Treasury as seen already. It has been dominated by large statutory corporations and has generally not had the same

2. Reticulist essentially means manipulation of interpersonal networks and a professionalism and highly concentrated motivation are implied. See J.M. Power, "The Reticulist Function in Government: Manipulating Networks of Communication and Influence", in Public Administration (Sydney), 32(1), March 1973; and the same author's "Organisational Technology and Public Planning", in Public Administration (Sydney), 30(1), March 1971.

3. J.M. Power has tended to overconcentrate on reticulists at the expense of other forms of informal co-ordination. In an established Public Service like that of N.S.W. reticulists are unquestionably important but not dominant. See below.
Ministerial resources applied to it as smaller, less complicated portfolios. Moreover while specialisation was the predominant rule of organisation, the potent functional interdependencies stimulated occasional attention in operational co-ordination. It has been seen that several experiments were attempted in transport administration and from the mid-1960s the outstanding interdepartmental committee in the State operated, later in its life being a model for other administrations. There have always been specialised lobby groups as well.

The main vehicles of co-ordination were in short: (i) the Minister(s) and his immediate support agency, the Ministry of Transport; (ii) lateral agencies such as the Transport and Highways Commission and the Public Transport Commission, the Traffic Authority and perhaps most importantly the main IDC, CUMTAC then renamed URTAC; (iii) ancillary authorities such as Treasury and the land use agencies (discussed in Chapter Six); and (iv) popular political pressure. Item (iv) has been discussed in the preceding chapters and most attention here will be given to items (i) and (ii). The following discussion is highly empirical and because it covers almost untouched ground a fair degree of detail is required in some areas.

Ministerial Roles

The Traffic Advisory Committee foreshadowed substantial improvements in State transport administration when it recommended the creation of a Ministerial portfolio of Transport in 1928.(4) While the change was not as radical as the T.A.C. had originally hoped for, the appointment of the Minister for Transport in 1932 helped to consolidate the organisational reforms of Lang and Bruxner as least as far as unified political accountability for land transport was concerned. Generally this made little difference to organisational independence, the co-ordination of services and the actual accountability (rather than delegation to statutory authorities) for policy and administration. It is not possible to trace the history of the portfolio in detail because of a lack of primary and secondary sources but some outline can be given, based largely on oral sources.

The pre-1945 period was dominated by Lt.-Col. (later Sir) Michael Bruxner who replaced the Labor Minister, McGirr, in May 1932 and who resigned in May 1941. Previously Railways had come under the Minister for Public Works and the Main Roads Board under Local Government, except that the Board was part of Labour and Industry for a year from late 1926 and had been directly

4. See Chapter Four above.
responsible to Premier Lang from September 1931 to March 1932. Transport was thereafter allocated to senior Ministers (Premier Cahill for a week in 1953) although it was not a popular portfolio because of the representational workload, union pressures and financial problems. As Bruxner's biographer, Professor Aitkin, has written, "Fifty years ago there was little competition for the post of Minister for Transport, and the attractiveness of the post for the aspiring politician has declined each year". (5) That is not to say that dedicated Ministers have not been found but it is noteworthy that no Minister for Transport has gone to Premier or Leader of the Opposition in marked contrast for example to Ministers for Local Government. While there have been long-serving Ministers for Transport (Michael Bruxner, Maurice O'Sullivan for over nine years from 1941, and Milton Morris for almost ten years from 1965), the average term has otherwise been very short. (Excluding Bruxner, O'Sullivan and Morris it is slightly more than 1½ years, and including those three almost 3½ years. Both averages exclude the present Minister, the Hon. P.F. Cox, M.L.A.)

When the portfolio was created in 1932 a Ministerial Office was also established (without statutory status under the Ministry of Transport and similar Acts) to assist the Minister. The Office was known as the Ministry of Transport until 1975 when it became the Ministry of Transport and Highways (MOTH). Its permanent head until August 1949 was Mr Leo Grose, replaced then as Secretary by Mr Eric Holt. On 1st January, 1960, the position was upgraded to Under Secretary status. Mr Ken Trott replaced Mr Holt in June 1970. Obviously there has been a higher degree of continuity in the Ministers' closest advisers than in Ministers. (6)

From an early stage to recently a policy of noninterference with corporate policy was adopted by both Ministers and the Ministry. It is clear that Ministers were involved with only a limited range of transport issues, as political auditor rather than active participant and even then on a predominantly ad hoc basis. The main areas of interest were: labour relations, operational results, fares and freight rates, safety standards, and new rail lines and the like. Ministers were not concerned with consistent long-term or even short-term planning, with coordination, or with the appraisal of transport services with a view to adequacy, expense, equity or relevance (and so on).

6. A general outline will be found in the interview of 29th November, 1976, with Mr Trott (Appendix 5), pp. 1-3.
Information was limited. The Ministry of Transport was a "letter box" only, handling correspondence, deputations and other secretarial services without providing independent policy resources or developing and using informational facilities.\(^{7}\)

From a modern viewpoint this is perhaps a devastating judgement, and it would no doubt have also seemed thus to the Traffic Advisory Committee, but it must be realised that that was the contemporary tradition of both the Public Service and the majority of politicians. Transport had been a highly politicised subject so long as it dominated the State's developmental effort but it waned once the statutory authorities had progressed to a point where they had the principal responsibility for operations and administration, subject to key legislative controls over loan expenditure and financial policy. (The exception was the main roads authority because the M.R.B. (then D.M.R.) was set up in a peculiar climate of country and local government dominance, as seen in earlier chapters. The consequence was minimal rather than close control.) The Ministers certainly worked under great constraints but they had chosen their own role. The same traditions applied in other policy areas where statutory authorities dominated administration except that generally there was no attempt to develop Ministerial resources even to the "non-departmental" Ministry\(^{8}\) which operated in transport. The picture that has been presented here corresponds with Aitkin's portrayal of Bruxner's conception of the Ministry as a small subsidiary body only. It seems that while Bruxner might have been able to achieve his own standards to a limited extent, in that he saw the Minister as policy-maker and the statutory Commissioners as administrators only,\(^{9}\) later Ministers did not.

A most significant episode in the history of the portfolio and Ministry began in 1975 with the restoration of the Department of Main Roads to the Transport family. This had a number of aspects. As already seen in Chapter Seven there had been no substantial reason for the original split while the effects on policy output were substantial indeed. The first of the Liberal Ministers for Transport, Mr Milton Morris, sought the restitution strenuously, at least at a later stage when the SATS/freeway

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7. See interviews with Mr Trott of 29th November and 21st December, 1976 (Appendices 5 and 6) for a comprehensive overview of the Ministry's roles.

8. See the important survey article by Roger Wettenhall, "Modes of Ministerialisation Part 1: Towards a Typology — the Australian Experience", Public Administration (Britain), Spring 1975. A similar criticism is one of the main themes of the Review of New South Wales Government Administration's Interim Report, cited previously.

controversy was raging, both in public and within his party. It was not approved because Premier Askin did not want the change. Askin's successor, Tom Lewis, was more committed to efficient government and as a part of his Machinery of Government Review, in January 1975 he replaced Mr Morris with Mr Wal Fife and gave the latter both the D.M.R. and road construction in the Western Region of the State. Thus for the first time the Minister for Transport (and now Highways) had comprehensive "control" of transport in N.S.W. (but still excluding maritime matters).

That control was still very much constrained as Mr Fife discovered. The Ministry had never performed an analytical or review role in assistance to the Minister but as a result of Mr Fife's interest and Mr Trott's conception of his own role, and of Mr Trott's presentations to the Machinery of Government Review, in 1975 a Development Co-ordination Division was organised within the Ministry. The permanent head of the Ministry had always been a junior associate of the Commissioners in the administration and the only time that the Ministry had been built up at all (by the Hon. C.E. Martin in 1953), and that to a minor extent within the traditional organisational role, Premier Cahill had himself taken the portfolio to "bring it back into line". He was argued out of that. As well when Mr Holt retired in 1970 there was apparently a move to downgrade the Under Secretary to Secretary status but this was countered by Mr Morris and others.

The new Development Co-ordination Division was the first step in a break from the conceptual constraints. It was essentially an internal regrouping but with an imported and highly-qualified engineer at its head. More recently (and well before Professor Wilenski's recommendations to the same effect), a small Policy Analysis Section was also set-up. This Section is apparently seen as an aid in raising the quality of "normal" advice while adding a critical new element of long-term appraisal. The present Minister, the Hon. P.F. Cox, M.L.A., has taken the same direction as his Liberal predecessors in seeing the Ministry

10. Mr Morris received a great deal of coverage for his campaign, while Sir Charles Cutler was overseas, in S.M.H., April 30, 1973; Daily Mirror, May 2, 1973; S.M.H., May 1, 1973, etcetera. The editorial in the last-named issue said in referring to the D.M.R.'s independent stance on freeways that "A takeover by Mr Morris could be one way to break down the bureaucratic isolation of the department that is causing this competition". See also interview with Mr Morris (Appendix 2), throughout.


12. Again see interviews with Mr K.J. Trott (Appendices 5 and 6). I am grateful to Mr Trott and Mr G.F. Messiter for other assistance in this area.

13. See interview with Mr Cox and Mr Trott of 19th November 1976 (Appendix A) n. 1 and elsewhere.
as an important central agency at his disposal, with a functional importance at the centre of the whole, very complex, transport system. It is understood that current developments (including Wilenski's recommendations) are moving the Ministry in the direction of positive appraisal and co-ordination of all types. As the Deputy Chief Commissioner of the P.T.C. has said, "the co-ordination of transport in the broader sense is a function very specifically for the Ministry of Transport..."(14). This is especially true when superior direction is required as in the case of the allocation of costs of major projects.(15)

A minor point which should be mentioned is that from 1965 to 1969 the Government leader in the Legislative Council, the Hon. A.D. Bridges, was Advisory Minister for Transport, apparently because of his financial experience rather than because he was expected to share the Minister's workload. This unique arrangement lapsed with Mr Bridge's death.(16)

Co-operative Co-ordination: the IDC

The Ministry of Transport and Highways has resources and a role which place it in an intermediate high-level co-ordinative position. It is an agent of and adviser to the Minister but is also a separate organisation with its own specialisation in a system of three large statutory authorities and one major statutory committee (the Traffic Authority). These authorities intermingle at the second major level of co-ordination, the lateral or co-operative mode. In very approximate terms this type of co-ordination could be called "partisan mutual adjustment". (17)

Superior co-ordination occurs when one actor is in a position to issue enforceable instructions to other actors; in this case it is not the role of the inferior actors to audit each other. In co-operative co-ordination a group of actors observe each other's actions and consider them in relation to their own intentions, because the actions are interdependent or because a measure of delegated responsibility is part of their tradition. A prerequisite is that the actors must be willing and able to reach a common judgement and adjust their respective actions

accordingly. For the present purposes it will suffice to say that there are seven other requisites for effective co-ordination (or a total of eight major areas of possible problems):

(i) a forum for adequate communication;
(ii) close relationship between planning discussions and operational responsibility and knowledge;
(iii) some control over resources and knowledge thereof;
(iv) authority to adjudicate;
(v) adequate coverage of relevant interdependencies;
(vi) minimal role ambiguity; and
(vii) adequate control of implementation and role definition, and support, from superior levels.

In New South Wales transport while the superior co-ordinative role has always been underdeveloped, the co-operative mode had (until the mid-1960s) been almost totally neglected in practice. The individual Commissioners had distinct (and in some respects poorly-designed) responsibilities which they internalised, without outside consultation let alone consideration. In 1964 the Labour Government created a Traffic Advisory Committee to deal basically with the interfaces between councils and specialised authorities in traffic. Responsibility in this narrow area had been very dispersed and the formation of that advisory committee apparently had little effect. More importantly in 1965 a passenger transport advisory committee was set up which after a long period of gestation proved to be a solid basis for co-operative co-ordination in transport. The Traffic Authority will be briefly discussed after CUMTAC and URTAC.

The County of Cumberland Passenger Transport Advisory Committee was set up on 11th March 1965, partially on the advice of the Commissioner for Railways, Mr Neal McCusker. In a joint press release of that date Premier Renshaw and Deputy Premier Hills (not the Minister for Transport, Mr. J. McMahon) referred rather incidentally to the creation of a permanent consultative and advisory body to deal with "such matters as future development, land use, staggering of hours and co-ordination of existing and future services". Four of the five pages of the

18. See quote from interview with Mr McCusker (Appendix 3, p. 1) and related discussion in Chapter Eight (n. 14).
19. The membership and modus operandi of the Traffic Advisory Committee (the name was probably coincidental with that of the 1928 Committee) and CUMTAC were very similar. The later T.A.C. will not be analysed because of these factors and its lesser role and reputation.
20. Interview with Mr McCusker (Appendix 2), p. 1. Note the haste with which the decision was made.
21. Press release of 11th March, 1965. This paragraph and the next one are drawn from that source.
announcement were taken up with details of a six-year "multi-
million-pound programme" of transport improvement which had been
drawn up by a special Cabinet sub-committee consisting of Mr Hills,
Mr McMahon, the Minister Without Portfolio, the Commissioners for
Railways and Main Roads, the Chairman of the S.P.A., and
representatives of Treasury and other departments. The plan,
which was said to be based on suitable origin-destination studies,
"proposed the co-ordination of land development in the Metropolitan
and other areas with all forms of transport whether private or
public". This was not in fact achieved in the nominated programme
which was dominated by railways (no costs given for the main items),
as follows:

(i) electrification to Campbelltown;
(ii) construction of the Eastern Suburbs Railway (already
promised by the Liberal Opposition);
(iii) an East Hills to Liverpool rail link (virtually East
Hills - Glenfield as presently proposed);
(iv) improved carriages and rollingstock and ancilliary
improvements (e.g. the replacement of the Como railway bridge
within about three years); and
(v) "Augmented and new feeder bus services to cover the
areas which could eventually be serviced by a Warringah Railway".
(Provision could be made for this where necessary in the
Warringah Expressway.) Bus transfer stations would be provided
at select stations on the North Shore line.

These works were coupled with expressways costing $64 million
over six years, namely the North Western to Rozelle and the
Warringah to Cammeray; underpasses at Taylor Square; sections of
the Western Expressway to by-pass Parramatta and Penrith and a new
bridge over the Nepean; and an extension of the Southern
Expressway from the Taren Point Bridge. (See Chapter Seven for
further details of such works.) The appearance of inter-modal
co-ordination was purely superficial.

1965 was an election year and the announcement of the
programme was essentially an election ploy. Apart from the
Eastern Suburbs Railway, which the incoming Askin Government
would unquestionably have proceeded with anyway because of the
extent of its commitment, the only lasting consequence was CUMTAC.
This initially consisted of the Commissioner of Railways as
Chairman (chosen because he was the most senior public servant),
the Commissioners for Government Transport, Motor Transport and
Main Roads, the Chairman of the S.P.A., and the Under Secretary
of the Treasury. The first meeting was held on the 29th April,
with subsequent meetings at monthly intervals. Representation
was later extended at permanent head level to Police, the
Ministry of Transport (September 1971), Maritime Services Board
(early 1973), and P.T.C. and P.E.C. when set up. In early 1973 also the Minister for Transport asked the Premier to approve a new name for the Committee, the Urban Transport Advisory Committee, in keeping with the wider role it had logically had to take with regard to SATS.\(^{(22)}\) New terms of reference were also codified:

1. To assist in the co-ordination of urban transport planning with land use planning in N.S.W. and provision of other services and utilities;

2. To identify and advise on ways and means of ensuring optimum and efficient use of existing and future transport modes, systems and corridors; and

3. To undertake any tasks allotted to it by the Government from time to time.

CUMTAC was established purely as an advisory group with no fixed terms of reference, no statutory powers or definite task. The danger with such a committee is that the individual members regard it more as a forum for incidental discussion and for announcing decisions and policies, rather than as a place for mutual influence and active co-ordination. In fact available evidence suggests that the former was definitely the case. Under Mr McCusker's leadership the discussion was heavily biased to specific issues of routine or operations, with a narrow time and policy orientation, while no attempt was made to raise issues that would challenge the conventions of the individual members.

Mr McCusker had a policy of not raising questions that would not automatically obtain a consensus\(^{(23)}\) and thus the Main Roads Development Plan as one example was never debated in Mr McCusker's time, even in the course of setting up and conducting SATS. (It is highly unlikely that an advisory committee structure would be capable of resolving such potent issues with long-term wisdom anyway. They relate to superior co-ordinating modes, with advice.\(^{(24)}\))

That is not to say that CUMTAC had no achievements for it was at least able to establish a channel of communication which was of use especially later but also to the Chairman of the S.P.A. who frequently sought to have special matters investigated, such as a high-speed rail service to Campbelltown and one of his officer's penchant for trams (later the inner-city tram system proposed by Mr Morris).\(^{(25)}\) The present author was able to investigate in


23. See interview with Mr McCusker (Appendix 3), pp. 4, 9.

24. See ibid., p. 4; interview with the Hon. M. Morris (Appendix 2), p. 2.

depth one of the main issues which CUMTAC attempted to resolve, with the aid of a set of CUMTAC Minutes made available by the P.T.C. This was the question of improved land access to Kingsford Smith Airport which was an exceptionally difficult topic because of uncertainty about the Airport's future role, the responsibility of the Commonwealth, and a very heavy regional traffic load (not related to the Airport) in conjunction with an inadequate regional road system which the best information then said was beyond significant structural solutions. Basically CUMTAC first wanted the construction of the old Southern Suburbs Railway (see Chapter Eight), then the extension of the Eastern Suburbs Railway. SATS for some reason finally recommended the former, indicating CUMTAC/URTAC's lack of control over the SATS Report.

A number of significant points emerged from the case study (which finished at 1972), along the following lines:

(i) CUMTAC was not effective in producing a regional transport plan that had sufficient support from its members to be practicable, considering the unanimous agreement concerning the issue's general urgency;

(ii) the evidence examined supports the view that the CUMTAC representatives respected each other's sphere of responsibility. However CUMTAC was able to agree on various rail plans, as circumstances required, and the two road transport organisations' representatives nominally agreed, at least until the later stages, on the need for a rail loop in the region. There was in fact surprisingly little critical discussion of the railway versus alternatives;

(iii) the difficulties in reserving a transport corridor for the region were significant from the planning viewpoint, especially as SATS regarded such reservation as essential (SATS Vol. VII. 7-8);

(iv) CUMTAC's rail plans changed frequently, in this case indicating strong outside political influence that militated against efficiency;

(v) CUMTAC's attempts to design both a railway and road network for the Airport were held up by the Commonwealth D.C.A., but to some extent this was excusable. However the Australian Department should have been able to give CUMTAC greater support which would have made a significant difference to the eventual outcome; and

(vi) the interaction of the Sydney transport authorities on CUMTAC produced an internal awareness of the importance of transport support systems in the planning of a second airport, and this aspect was recognised by the Australian airport authority and committees largely because of CUMTAC's representations.

The Botany Port/Airport issue has been extremely complex and the above conclusions relate solely to CUMTAC. In the end a road solution has been adopted by URTAC and the Governments\(^{27}\) and it


27. See URTAC, Land Transport: Transport Administration
is somewhat unlikely that a rail link will be considered suitable for aviation passengers either at existing or new airport sites. The Simblist enquiry on the Port development showed the weaknesses of an inexpert approach but also identified major weaknesses in planning, the first of which was the lack of public knowledge and participation. Significant inter-corporate deficiencies were noted which it was thought could only be remedied by specialised Ministerial responsibility. The Commonwealth Department of Transport showed its ignorance of the N.S.W. transport administration in a statement to the Simblist enquiry which was hotly contested by URTAC.

On McCusker's retirement in 1972 the Chief Commissioner of the P.T.C., Mr Phillip Shirley, became Chairman but he relinquished this post in March 1975 to Mr K.J. Trott, the Under Secretary of the Ministry of Transport and Highways. This was mainly in recognition of the suitability of MOTH's position in the administration for the role and partly because of Mr Trott's personal contributions of the past. In any case from that point Mr Trott consciously followed a philosophy of confining URTAC's deliberations to strategic policy affairs rather than detailed co-ordination "on the ground", in a complementary role to his other duties in MOTH. The distinction between superior and co-operative co-ordination was thus clearly distinguished. Moreover a complete turnover of membership at about that time and the overall mood in State administration induced URTAC to define its own role more clearly than had been done in the past and in August 1975 revised terms of reference were adopted by URTAC and confirmed by the Minister for Transport and Highways. These were to:

(a) Identify and advise the Minister on ways and means, within the urban areas of Sydney, Newcastle and Wollongong, of ensuring optimum and efficient use of existing and future transport modes, systems and corridors, taking into account public and private transport, and social and environmental considerations.

(b) Review regularly the broad objectives of the Government's transport policy including advice on the order of importance of the various measures planned to implement that policy.

Presentation to Botany Bay Sub-Region Community Advisory Committee (Sydney: URTAC, June 1977).


30. Interview with Mr K.J. Trott of 29th November, 1976 (Appendix 5), p. 5. "On the ground" co-ordination has rightly been identified by Professor Wilenski as an important weakness, see Conclusion.
(c) Advise the Minister, when requested, on possible action which might be taken in the short term to alleviate specific problems in transportation.

(d) Assist in the co-ordination of urban transportation and regional land-use planning.

(e) Advise the Minister on priorities for major expenditure on transportation.

(f) Undertake any task allotted to it by the Government from time to time.

URTAG thus moved very marginally into the critical area of resource allocation and planned co-ordination. Item (b) is a fairly usual advisory role but on a grander scale.

Since 1975 URTAC has proved able to fulfil the essentials of the co-operative mode to a reasonable degree. Some of the co-ordinative issues that have arisen, such as the dispute over the distribution of the cost of the Bondi Junction by-pass road, are beyond its scope and had to be resolved at a higher level. However the production of the 1976 URTAC Report was a major step in the subjugation of corporate goals in strategic urban planning through the realistic recognition of system and long-term requirements. While that Report was a co-operative venture the dilemma of preserving mutual confidence and goodwill and also properly fulfilling the co-ordinating role has not been, nor probably ever will be, eliminated and would seem to remain as a major constraint on URTAC's effectiveness. However the 1976 Report stated that planning for the long-term must really be well-directed short-term planning in series, and if this approach is maintained through regular reappraisals of goals and programmes then URTAC has a good chance of retaining Government confidence and the new-found realism. Comments on URTAC's possible future role are presented in the Conclusion. It might be noted that the progress made by URTAC in a period of fairly critical need was helped by the long period of gestation under McCusker but a decade of rather fruitless discussion is hopefully not a prerequisite for effective IDCs.

A degree of disability regarding URTAC results from its lack of statutory standing. URTAC would for instance be a quite different (and no doubt more critical) forum if it had some statutory role in the allocation of transport improvement funds, a full-time chairman and a convention of majority rather than minority voting.

31. Ibid., p. 4.

32. It is understood that URTAC is preparing a Second Report for release in mid-1978 and that this will confirm the approach taken in 1976. Certainly frequent, pragmatic reports would help URTAC to focus on real issues rather than long-term meaningless optimism.
consensus rule. It is at the other extreme at present, having no statutory existence, no powers of compulsory submission of policy proposals, no resource control and a reliance on consensus (and on favourable personal and external circumstances). It remains the most important IDC in transport but it is not perfect. Here one extremely important example of a statutory interdepartmental committee will be briefly analysed, namely the Traffic Authority of N.S.W.

It was shown earlier that an awareness of the complexity and co-ordinative requirements of traffic administration led a committee of the Machinery of Government Review (chaired by Mr Trott) to recommend the establishment of a Traffic Authority which would reduce the dangers of co-ordinative breakdown. The Authority was set up in mid-1976 as an IDC with part-time chairman (the Commissioner for Motor Transport) and membership, with the assistance of the Traffic Facilities Fund (see Chapter Six). The Minister for Transport and Highways has exemplary statutory controls over revenue and expenditure but without impairing the accountability of the Authority for the submission and performance of programmes. The members of the Authority are the Commissioners for Motor Transport, Main Roads, Planning and Environment, and Police, with representatives of the Local Government and Shires Associations and the Sydney City Council. The P.T.C. and the Transport Workers Union are represented on an unofficial basis but their membership is to be regularised.\(^{(33)}\) There is a full-time Director and secretariat (all provided by the D.M.T.) and four assisting committees (a Technical Sub-Committee and Principal Technical, Development Technical and Finance Committees). All construction and most planning resources are located in the Department of Main Roads which is one of the disadvantages of the Authority.

The conception of the T.A. is not revolutionary but the financial arrangements virtually are, at least in N.S.W. Its statutory powers over road closures and traffic systems and the like give the Authority ample reinforcement without compromising its ability to delegate suitable responsibilities to councils. No doubt the committee core has disadvantages compared with say a corporation aggregate with some full-time membership but nonetheless the Authority is a very interesting mixture of superior and lateral co-ordinative modes, which might have relevance to other areas of administration.

The advantage of the T.A. over URTAC is not that it is able to take advantage of different committee structures. The stakes of statutory decision-making are much higher than are those of the advisory type. Because the committee takes responsibility from the statutory authorities and departments, it opens up the decision area and makes the different interests face each other on a peer basis. For example the major loser when the T.A. was set up, the Police Traffic Branch, would have been encouraged by the split between policy-making, implementation (D.M.R.) and enforcement (Police) to take a more open attitude than if it had retained the exclusive role in its area of domination. (That same split introduced dangers of loss of co-ordination which in this case were not countered by the T.A.'s makers through countervailing statutory power or influence or a consolidation in Ministerial power. This is not inevitable however and would presumably not matter if the consequence of errant action is important to the Government.) Other parties would have also changed their roles. The effects of the changes cannot be evaluated yet but most indications are for more open, mutually-validated policy-making. Representation on the Authority is heavily biased towards operational bureaucracies and this might not be appropriate in a time of rapid societal change.

Other lateral co-ordinating mechanisms are in force in the transport administration, particularly special purpose ad hoc committees such as those operating on Botany Bay Port, the Major Airport Needs of Sydney (MANS) Study and coal transport. These are undoubtedly important, especially as a sign of changed administrative processes in the 1970s. However they will not be examined here because of their limited application and historical significance, and lack of information.

The final major co-operative mode is inter-personal communication. The Under Secretary of the Ministry of Transport and Highways fits into Power's class of reticulists very well: he has a network of contacts built up from previous work posts, committee activities, inter-governmental relations and so on, and in fact is able to use select committees (notably URTAC) as a forum for close personal negotiation. These contacts can be critical in assessing the need or direction for change, for developing information resources, and for persuasion. Officers at similar levels in other organisations tend to follow a similar pattern although it should be noted that reticulist resources are usually highly concentrated in most organisations. The Ministry

34. See interview with Mr K.J. Trott of 29th November, 1976 (Appendix 5), p. 3.
is in an exceptionally strategic location compared with operating authorities and reticulist activities are commensurately more important. Even then there are only two reticulists in the Ministry in the strict sense of the term (excluding the Minister's personal staff).

Co-ordination from Below

Client and pressure group activities can be very important in influencing decision-making. Reference was made in earlier chapters to the road and rail lobbies, local councils, resident action groups and other interests which are affected by administrative action and which act as policy reviewers and co-ordinators. The most obvious co-ordinative influences arise when lobbies are in conflict and argue the respective merits of policy outputs or when the lobby is based on a particular area and seeks to maximise the effectiveness of operations within that area. Many councils fall into the latter category with regard to bus/train operations, expenditure on roads versus public transport, and traffic management measures which affect the use of roads and local shops and the like. By far the most committed group is the National Roads and Motorists' Association which sees itself in large part as the D.M.R.'s publicity agent, although it has been less influential than essentially divisive forces such as land developers and motor manufacturers. (Special purpose advisory bodies of very limited relevance have been established such as the Taxi Advisory Council.)

Conclusion

The most important co-ordinating force in the transport administration is the Minister for Transport and Highways and his auxiliary, the Ministry. Historically the roles of both the individual and the organisation have been very limited, mainly because of a prevailing convention of delegated administration by expert statutory authorities. The Minister had always been important in a limited contingency sense in that he had the final option of legislative action and direct control (but not on all issues as has been seen). However the Minister did not have sufficient analytical resources to cover the full range of policy and programmes, and to some extent this is apparently still the

35. A good deal of attention is given to this subject in most of the papers in M.R. Palmer (ed), Policy in Transport in New Zealand (Wellington: N.Z. Institute of Public Administration, 1973).
case although substantial remedial steps have been taken. Moreover divided Ministerial responsibility for the twenty or so years before 1975 prevented the achievement of a co-ordinated transport policy even in a limited sense, until the superficially adverse conditions of the first half of the 1970s forced the integration of the administration and a consciousness of urban reality.

If a sympathetic Minister is necessary for the effective functioning of the Ministry, the reverse is also true. The lack of adequate advisory services has been a major cause of the inability of Ministers to effect adequate policies, and worse, of their not realising the extent of problems. There are strong Ministers and weak Ministers as Mr McCusker has said but in both cases the Ministry has been a base from which good or bad policy has been produced. It had been constrained by anachronistic traditions and conservative management again until the 1970s, but since 1975 MOTH has started to emerge as an effective advisory and support unit. It is realised internally that it has to move further in a modern direction before it will be able to meet all its tasks and as will be seen in the next chapter it is essential that it does so develop.

The co-operative or lateral mechanisms of co-ordination developed earlier than the presently defined roles of Minister and Ministry but CUMTAC was totally ineffective in resolving the fundamental issues of urban transport policy and in providing the Government with proper advice. Once more change has been substantial since the mid-1970s when the chairmanship of URTAC passed into the hands of an organisation which was professionally concerned with co-ordination rather than railways. The nature of URTAC and the Traffic Authority limits the reliance that can be placed on their ability to coax out and resolve (or advise on) the real problems of the metropolis. However they have a valid role, especially the Traffic Authority which has a statutory constitution which could be the model for similar committees. The main element missing there is the power of referral of an internal dispute to superior levels where the dispute detracts from the Authority's overall functioning.

Finally, it can be seriously doubted if the co-ordinative advances of the 1970s would have been achieved in full measure, if at all, if community pressure had not been as strong or


38. Interview with Mr N. McCusker (Appendix 3), p. 6.
(in retrospect) as positive. Apparently bodies such as the Interim Commuter Council have been disappointing to their early proponents because of their inability to consider issues on a comprehensive basis, among other things. Yet there is a very strong case for developing appropriate client consultation mechanisms because of the special input that can be added, the greater ease of identifying the full effects of policy alternatives, and the enhanced chances of success of an eventual decision. Of course mechanisms capable of achieving these benefits have been absent for most of this century.
Conclusion

Directions for Reform

A key problem is that of devising systems that will harness the motivations of the various actors in the decision-making processes towards achieving solutions that will best satisfy the multiple interests... and will discourage those motivations that militate against this objective.

This thesis started with a statement of the complexity of decision-making in transport and the need for careful, explicit attention to co-ordination. The outstanding theme of the subsequent analyses is that while that need was occasionally recognised, very little effort was made to achieve effective co-ordination because specialisation was entrenched in the organisation of the governmental system. There was insufficient concern for overall system efficiency to enable a meaningful challenge to the vested interests of statutory authorities and even public service authorities. The need for a reconciliation of central and specialist (or managerial) requirements was and still is indisputable. An attempt will now be made to extract the principal lessons from twentieth century experience and make reasonable suggestions for the improvement of the N.S.W. transport administration.

The primary danger in passing special legislation giving a specific function to a statutory authority is that the authority interprets that function in isolation from wider considerations and over time adapts the whole organisation to a narrow set of values. Thus a bureaucracy becomes committed to a status quo and loses functional efficiency and flexibility over time as external circumstances change; while subsequent Governments find that they do not get adequate advice on alternatives to the internal conventional wisdom and that complex inter-corporate problems cannot be solved without extraordinary trouble (if at all). Thus the accountability of the Government and the Minister is compromised, the performance of the organisation becomes inadequate, and the administration as a whole and also the urban society suffer. Even when the symptoms become unacceptable to the Government it is constrained by statutory financial and corporate provisions and their wider ties, and the problem is so fundamental and in a sense abstract that effective prescription is not easy to achieve. As a further result either no action is taken or a mistake is made.

The Transport (Division of Functions) Act of 1932 established the transport administration as a system of specialised statutory authorities without even formal Ministerial control. Previously, at least for public transport, planning had been quite open and subject to political, public and inter-organisational scrutiny. The Improvement of Sydney Commission of 1908-09 could be judged a little generously because it was a pioneering effort, but in any case it was an outstanding planning enquiry and made a significant contribution to a metropolis where wider social changes were encouraging a new consciousness of the effects of government
inaction and non-planning. The subsequent Bradfield and related plans must be seen in the light of a more developmental mood in Sydney because as the effects of the depression of the 1890s faded and as optimism predominated, the emphasis switched from comprehensive planning to technological planning.

While the intention of the 1928 Report of the Traffic Advisory Committee and of Bruxner, Stevens, Lang and Maddocks was to improve co-ordination by setting up a portfolio of Transport, the opposite effect was built into the transport administration. The financial (and therefore allocative) system lacked integration, statutory independence was ensured by the extent of discretionary powers in the Acts, and no substantial co-ordinating mechanisms were provided. Bruxner saw himself as the central policy-maker but the lack of progress in systematic adjustment of the administration in his time belied his co-ordinating interests, while later Ministers were even more constrained by tradition, philosophy and statute. Bruxner had himself established the independence of his Commissioners. The Ministers lacked advisory support and in any case co-ordination was largely a "concept" which was not of great concern to politicians. As Professor Bland said in 1935,

> Real co-ordination demands that the interest of the community should be the first consideration. Our legislation and administration makes the Government's interest a primary consideration, which may be determined, by very different criteria from that which the public would use.(1)

This is a significant point which will be considered later.

The failure to achieve either operational co-ordination or a balanced co-ordination at strategic levels is adequate proof of the fact that for most of Sydney's twentieth century experience, specialisation drawfed co-ordination. This has been seen in every one of the preceding chapters, in episodes ranging from the alternate dominance of the rail lobby and the road lobby, the lack of realism of most metropolitan land use planning, the separateness of public transport modes, and the inability of the State system as a whole to appraise transport needs in relation to other urban goals and make realistic commitments to transport. The achievements of transport between the 1920s and the 1970s were minuscule compared with progress made in other areas and the growing demands on the metropolitan system generally.

Since the early 1970s there has been a trend towards closer integration in transport largely because of the increased

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Quoted as written.
effectiveness of the Ministry of Transport and Highways and several key Ministers of Transport and Highways (notably Mr Fife and the Labor Government and its Mr Cox). Some of the results were the improved role of URTAG, the formation of the Traffic Authority and the new planning approach which emerged in 1976 and which has been slowly progressing since. Ministerial control has been strengthened on a day-to-day basis. The formation of the Public Transport Commission cannot yet be regarded as an advance in these terms because of its early failures but more will be said of this later.

The first major weakness identified in the foregoing analyses relates to the performance of the superior co-ordinating agencies and the actual limits on their spheres of responsibility. Ministerial accountability was obviously defined in practice on a restricted basis as were the roles of Cabinet and the Governments as a whole and the Treasury and Public Service Board. Obviously their co-ordinative roles were not as comprehensive as convention might imply, but the functional grounds were and still are important. What should be done to fill the gap between present roles and functional requirements, remove constraints and if necessary change convention but within predominating political limitations? Similarly, it has been seen that lateral co-ordinative agencies have inherent limitations but even then their potential has not been realised. What could be done to improve their roles, and also integrate community considerations more effectively in all appropriate levels of decision-making? Given that administrative performance has been deficient in particular areas, how can co-ordination be improved by organisational reform and vice versa?

These are important questions and will be examined briefly in turn, but first the most important subject of all will be tackled. Co-ordinative agencies and specialist organisations are components in a system — is that overall system acceptable, and what should be done to get the basic relationships right before the components are improved? Should co-ordination between functions and administration be related by a consolidation of functions, or is the traditional concept of organisational specialisation a workable proposition at this stage of Sydney's history, considering present conditions and the probability of substantial societal change in the future?

There are two fundamental principles to be considered. The first is that central political control must be maintained, because of convention and the N.S.W. Constitution as well as for co-ordinative reasons. This does not necessarily mean that the
Minister must personally take the major co-ordinative role or even exercise the options of power — the system design should provide for delegation, auditing and built-in safeguards, all based on that initial control.

Second, it is important that task specialisation should be arranged so as to facilitate managerial effectiveness and efficiency but without splintering control to a degree which excessively hinders the achievement of co-ordination. Task specialisation in this context can apply to sub-organisational arrangements, for example within giant departments. While definite guidelines cannot be stated a priori for different policy areas, it is argued that a relatively high degree of specialisation is needed in urban transport. This is because of the impact of the main activities on the community, political processes and decision-making and because of the complexities associated with the investment programmes, employment and financial performance (etcetera) of each activity. Specialisation can promote management performance through competition and aid accountability and community access. Very importantly it can promote the full analysis of policies, the identification of issues, the evaluation of alternatives, and the scrutiny of administrative effectiveness at a level where management can be related to performance. It can also assist a central arbiter to gain a thorough understanding of complex issues. As Benham and Peres submitted to the Royal Commission on Australian Government Administration:

The bureaucracy itself plays, and must play, a crucial part in the processes by which its own objectives are set.... Nor do the value criteria of efficiency and merit (and their surrogates) carry objectively self-evident meanings.... Both the objectives themselves and the criteria are operationalised against the influence of the values present within the particular policy context. Thus departments and other mission agencies of government should come to compete with one another on the basis of quite legitimately derived, but differently derived, policy conceptions each of which places the highest value on the traditional virtues. We share the view that in general the stimulation of such policy competition facilitates political control. Where co-ordinating techniques squeeze out the possibility of competing conceptions, however, the problem of political control is aggravated though obscured by a veil of harmony.(2)

Specialisation is usually implemented (as seen in N.S.W.) along functional lines corresponding to public transport, main roads, local roads, traffic management, policing, regulation and urban planning aspects. Even in cases where it has been decided to have cross-modal authorities, especially in metropolitan areas, such as in most American States, internal structure is normally

specialised on modal lines. The complementary need for co-
ordination mainly stems from functional interdependencies, for
the pricing, investment, management, marketing and suchlike
policies of each mode affect the other modes as well as the over-
all efficiency of the transport sector and in turn society. In
general the dilemma of specialisation and co-ordination in
transport is exceptional: few other policy fields are as complex
in organisational terms.

The dilemma can be expressed in the words of the Royal
Commission on Australian Government Administration: "The
fundamental task is to integrate the authority which comes from
popular election with that which derives from professional
knowledge and experience, while upholding the principle of
ultimate political control."(3)

This leads to accountable management which is the central
concept in modern public administration and which has enjoyed
great popularity with the major recent public service enquiries.
It is based on three connected propositions: that the adminis-
tration of different responsibilities should reside at the most
suitable level of the governmental system; that organisations
should be given sufficient resources and freedom to perform their
functions efficiently; and that each organisation should be
accountable to its Minister and public service authorities on
the basis of suitable criteria. In many respects accountable
management differs little from specialisation except for its
associated reforms in personnel and financial management.
(Statutory authorities generally have the delegated powers already
although accountability has typically been lacking.)

In the context of transport administration accountable
management rests on the distinction between operational and
strategic decisions, or administrative and policy(4) decisions in
the traditional terminology. Main roads construction and the
operation of public transport and traffic systems are relatively
self-contained in administrative terms, are suitable to evaluation
on the basis of pre-determined "objective" criteria, and are
dominated by repetitive decision processes. However strategic
decisions concerning the placement of main roads, expenditure
priorities, pricing, level of service and the like are
controversial and cannot be separated from the mainstream of
political accountability. Such areas are the direct concern of

4. This distinction has lost its traditional respectability under
recent critical examination. These are however the words adopted
by Self in Administrative Theories and Politics (op. cit.) and the
concepts are the same.
the Minister and Government acting on advice against the background of societal constraints.

The principles which have been outlined can apply to a system of statutory authorities, traditional Departments, one or many Ministers, and so on. The combinations are numerous and it would be meaningless to propose a "perfect" combination. In fact the question of system efficiency as stated above results in three main alternatives, namely: (1) leaving the single Minister at the centre of a group of statutory authorities but with strengthened co-ordinating mechanisms; (2) converting the statutory authorities into Departments, with various Ministerial arrangements; and (3) centralising all functions under one or two "giant" organisations.

There has been a good deal of controversy in the past about the relative virtues of statutory authorities and the traditional public service Department. The former usually have the advantages of freedom from the restrictive centralised financial and budgeting practices of Treasury and the personnel policy of the Public Service Board, and of statutory functions and representation on the board of management. In such cases it is relatively easy to provide a management with sufficient powers and abilities to perform their functions and to delegate repetitive decision-making without necessarily impairing the legislature's (or Minister's) powers in key areas. It cannot be claimed that political control and policy auditing are easy to achieve but this comment applies to any large organisation. The main disadvantages relate to the difficulty of achieving financial, personnel and policy co-ordination under traditional arrangements. The organisations are separate in financial and personnel matters and this reduces flexibility in both areas, while a conscious effort must be made by a Minister to observe policy decisions which relate to the approval of the organisation's executive rather than the Minister. Also values are often highly internalised and managerial efficiency suffers over time. Most of these disadvantages are consequences of bad application rather than inherent design defects. The Glassco Commission for example was not opposed outright to statutory authorities, like virtually all of the recent major public service enquiries in the U.K., Australia and Canada, and saw them (with improvements) "not as alternatives

5. The most useful source is Report of the Committee of Inquiry into the Public Service of South Australia (Chairman D.O. Corbett; Adelaide, Government Printer, 1975), pp. 112 ff. Other sources used were: (Glassco) Royal Commission on Government Organisation, Report (Canada: Government Printer, 1962), volume 5; and (J.S. Fulton) The Civil Service (London: H.M.S.O., 1968). The Reports of R.C.A.G.A. and Bland on the Victorian Public Service (1974-75) were far less useful although both placed a heavy emphasis on dangers of loss of co-ordination.
to the departmental form but more properly as species of the same genus, or associated departments". (6)

The main difference between the department and the authority is that in the former the Minister is placed directly at the head of the organisation and is more closely concerned with internal submissions, officers and management than would otherwise be possible. This supposedly makes the organisation more open and responsive. However there are very substantial disadvantages in that the department is part of a public service system in which personnel and financial responsibilities are separate from administration, and in which the respective Ministers have basic responsibility for all matters, from the most controversial and political to the most technical and routine. These are the main reasons why the public service inquiries mentioned above have sought to combine the signal advantage of the department with the advantages of incorporation. They have shown that the dangers of loss of co-ordination are just as great with a Departmental system.

Is direct Ministerial control essential? It is not required in a large range of activities, including technical design, operations, construction procedures, personnel administration and so on. In the Swedish model such functions can be "hived off" and subject to loose controls only. Transport administration abounds in such matters. The specialist advisory services which are associated with main roads and public transport planning are irarguably best placed close to operational and administrative functions, for reasons of experience, information and skills. This suggests a more complete hiving-off so long as information and control links are maintained. There are also political and functional advantages in leaving some "distance" between the Minister and his administration, because of the controversial nature of some decisions (i.e. some controversy can be hived off), because of the inherent desirability of having specialist advisory services in a Ministry, (7) and because of the complexity inherent in the functional and technological characteristics of transport.

Perhaps more importantly, the really potent control mechanisms, the financial and budgetary powers, could be more easily used with statutory authorities than with public service Departments. Other mechanisms, such as the obligation to seek

6. Ibid., vol. 5, p. 56.

7. Principally alternative sources of advice and different emphases regarding political and long-term implications. Of R.A. Chapman, "The Role of Central or Departmental Policy and Planning Units: Recent Developments in Britain", Public Administration (Australia), June 1975, especially pp. 151 f.
Ministerial approval to minutes to the Executive Council, can be effective but only on the small range of matters which the respective permanent head has to report on. In general the bulk of an organisation's activities are unseen by the political master and he has enormous problems with information, for example of not knowing the criteria of evaluation inherent in a submission (especially with regard to the selection of alternatives). Many of the powers of statutory authorities are discretionary and therefore outside the formal influence of the Minister, for purely technical not substantive reasons. Even where he has effective power to direct, he often cannot ensure that action is taken promptly and properly, even if only because he only has recourse to the final power of dismissal of an official, a power which in most cases is heavily checked and which is usually inappropriate.\(^8\) The only real power, quite apart from the question of relating goals to action in the form of a programme, is through the purse. Financial control can be absolute or can be used with tact and discretion; it can be easily recorded and applied; and most importantly it is effective.

It would undoubtedly be practicable to abolish statutory status of the transport bodies and place them under the direct control of the Minister. The Commissioners might even retain their titles and a substantial part of their present powers; it would even be possible to have multi-member management boards as in the Planning and Environment Commission. However under present institutional arrangements their personnel policies would be subject to the Public Service Board, their financial sources would be absorbed into Consolidated Revenue, their accounting and budgeting procedures would be replaced or revised, and they would be placed within the line-budget framework of the Treasury. These are all associated with problems of management efficiency, planning and political control, and even if the general arrangements were improved the Departmental status would not vary substantially from that of statutory authorities. Improvement would not be a simple matter and would require considerable institutional and constitutional effort, which could hardly be justified except in the case of existing Departments.

Several additional points need to be briefly covered following on from the earlier questions. Specialisation can be achieved within an integrated organisation, say through the

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\(^8\) To this writer's knowledge only one head of a statutory authority has been dismissed and that in fact was S.A. Maddocks because of a criminal conviction in 1936. See Atkin, *The Colonel* (op. cit.), pp. 209-210.
conversion of all or most of the present statutory agencies into one authority or Department. There are no grounds for thinking that such integration would improve administrative efficiency, in fact given present intra-organisational structures quite the opposite would occur,\(^9\) while issues would tend to be complicated and possibly suppressed because of the difficulty and nature of internal processes. Adequate external discussion would be hindered. Further, "large departments are difficult to manage. There is also a risk that Ministers in charge of them may become so preoccupied with the work of their own departments that they are unable to share effectively in... wider policy-making."\(^{10}\)

Placing the responsibilities of four Departments on one Minister would severely detract from the effectiveness of that Minister unless the central Ministry was built up to a point which detracted from accountable management. The appointment of several Ministers to handle different sections of the administration would multiply problems of co-ordination, although the administration is complicated and important enough to warrant the appointment of an Assistant Minister.

Three conclusions emerge from the preceding discussion. Firstly, specialisation is highly desirable in transport administration but it must be married with co-ordinative and control arrangements. Secondly, there are no substantial grounds for advocating the conversion of the existing statutory authorities into public service Departments for the benefits that are sometimes claimed for such a policy are illusory. Finally, present institutional constraints must loom very large in the organisational architect's calculations.

The last conclusion and the preceding analysis should not be taken to be arguments for just patching up the status quo by making improvements to existing co-ordinative mechanisms. Substantial administrative changes are needed, in fact in the case of the Public Transport Commission no significant progress will be made in any direction until a number of internal problems are resolved. Nonetheless it is accepted here that the basic system of central and operational agencies which has developed in the New South Wales transport administration will not need revolutionary structural change. Organisational specialisation is on sensible lines and

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provides the basis for definitive reform while the lines of communication and control are clear and there are no complete lacunae. A specific prescription for each of the main components of the system will now be developed.

The Minister for Transport and Highways has adequate powers deriving from formal and other arrangements, with three exceptions. Firstly, he does not have the force of convention and statute to ensure that his wishes are carried out. Perhaps it would be all but unthinkable for a direction or request to be actually disobeyed but every Minister needs to be able to order management audits, find out what decisions are made internally, and specify or approve (in a meaningful way) policies, priorities and programmes.\(^\text{11}\) Secondly and following on, the Minister must have adequate support services to assist with policy review and initiatives and programmes. As seen already the Ministry of Transport and Highways has been developing in this direction and must continue to do so. Finally, the Minister does not have the real power of the purse in the transport administration and reform in resource allocation is needed badly.

The inconsistency of the budgeting and financial system was examined in Chapter Six. At present the Minister and Treasury do not have uniform or adequate powers of review over the various authorities; in fact the disadvantages of the State system as a whole are seen in microcosm in transport. Reform is needed in many directions but especially in ways that will improve external understanding of corporate activities and plans and allow effective specification and enforcement of Government policy. Resource allocation has three main dimensions or tasks which need development, as Professor Wilenski has said. The tasks are:

\begin{enumerate}
\item "to devise policy machinery to undertake the analysis of wide planning issues so that decision-makers are aware of the choices and consequences involved";
\item "to develop information and budgeting systems so that policy choices can be translated into priorities in resource allocation (indeed it is only through resource allocation decisions that policy in the end will be made)"; and
\item "to co-ordinate the implementation and timing of these plans and priorities on the ground."\(^\text{12}\)
\end{enumerate}

\(^{11}\) See Glassco, loc. cit., for guidelines. Glassco included a condition of control over the appointment and removal of top management. Considering the past experience in N.S.W. (Chapter Five) this has been deleted here but would have considerable merit on a special (say contract or rotation) basis.

Wilenski has proposed a combination of a Priorities Review Unit, Capital Works Unit, comprehensive and integrated State annual Budget, and improved corporate and Ministerial research facilities, to do this on a State-wide basis. However transport should be regarded as a sub-system for such purposes because of its functional and political interdependencies, magnitude of expenditure (a total of almost $1,000,000,000 in 1977/78), operational diversity and inherent complexity. This would not invalidate the Wilenski proposals at all but would reinforce them.

It is not possible to say how much integration would be required in the financial arrangements of the transport system because extensive consultation with affected interests would be required before a definite framework for accountable management could be worked out. However at the very least provision must exist for transfers of funds (and probably other resources) between operational areas and for special funds (such as the Victorian Ministry of Transport's Transport Improvement Fund) for specifically inter-corporate projects and Ministerial initiatives. These are the areas of greatest constraint at present. As well MOTH should be equipped to actively participate in the preparation of the various corporate programmes (in the sense of annual and advance lists of works) so as to assist in the interpretation and development of Government policy and the auditing of organisational activities. This would provide excellent sources of information as well as the most powerful (yet "accountable") control mechanism for the Minister. The question of fully integrated transport budgeting is involved and will be briefly examined shortly.

Professor Bland's opinion was previously cited to indicate that there are limitations on the co-ordinative interests of many Ministers because as politicians they are not necessarily interested in a range of non-political (and sometimes apolitical) subjects. For example while some Ministers are interested in the efficiency of transport systems as a personal matter, many would not be and this was the reason for Bland's idea of separating such subjects from the politicians' domain. This conclusion was a product of

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15. Bland thought that a statutory appeals tribunal would be suitable protection of the popular interest in co-ordination. Against this it must be said that many issues will not be of interest to politicians because they are not of popular interest. This was not the whole of Bland's point and his basic argument has
Bland's era and personal experience with politics in administration(16) and it has no modern application. However when designing a system it is essential to provide adequate mechanisms (which are independent of temporary personality constraints as far as possible) to cover all important issues. Thus the Minister's personal stake in co-ordination should be complemented by an effective professional and possibly popular interest.

There are different types of co-ordination of course and different interests will be affected by say land use, timetable, and road management issues, and it is important to provide suitable inputs to allocative processes. Lateral co-ordinative agencies must continually consider major options and evaluate them from their professional viewpoint. Similarly popular participation could provide a special input, in balance rather than in opposition to the co-operative agencies, although it is far more difficult to achieve effective participation in Australian conditions than in countries where ethos and education are more favourable. Again it is not possible to foresee in detail what form the participation of URTAC for example would have but in his Interim Report Wilenski rightly separated budget preparation and project analysis so as to prevent the budget process from becoming too complicated. This would suggest that URTAC would continue to make recommendations on a regular basis rather than as a specific part of the budget cycle.

In general the role of the Minister for Transport and Highways and by implication the superior governmental system as a whole have developed in a positive and useful direction recently, and they will be reinforced in the same direction by the recommendations of Professor Wilenski. In a way however there is an important question remaining about the respective roles of MOTH and URTAC. The former has a potentially vital role at the centre of the transport administration, not only as the servant of the Minister but as a (non-statutory) superior co-ordinative agency. URTAC also has a non-statutory but co-operative role, although it could become much more if a Government decided to follow (but hopefully improve on) the precedent of the Transport and Highways Commission of 1950-52. Wilenski has not explicitly considered that question although he has recognised the basic issue: "the Ministry and URTAC now form the basis for the establishment of a reasonable much merit which the N.S.W. Government is examining consequent to the Report of the Law Reform Commission on Appeals in Administration (1975).

co-ordination mechanism in this field if more fundamental problems of resource allocation can be overcome". (17)

The first of these "fundamental problems" is that the State urban authorities are highly constrained by the terms of Commonwealth grants made under Section 96 of the Australian Constitution. The distribution of Commonwealth funds between urban local and urban arterial roads for example is determined outside the sphere of influence of the Department of Main Roads and the Minister for Transport and Highways. The broad allocative question of country and urban expenditure is similarly compromised, as well as by the arrangements for National Highways. The Commonwealth funds construction and maintenance expenditure on National Highways (which terminate at the urban boundaries) and the State has therefore lost discretion over urban/rural expenditure in this area as well as to a considerable extent over relative road and rail priorities. Commonwealth funding requirements in research and planning, and urban public transport improvement, mean that while the State has some discretion it must meet Commonwealth specifications which on occasions differ from State priorities and which therefore constrain State allocative decisions. The same can be said about port and airport works and National Commerce roads.

Secondly, there are significant institutional constraints on resource flexibility per se within the State system. Urban government is highly specialised generally between authorities which have different sources of revenue, different personnel structures, and special statutory restrictions. The various Acts specify functions on which funds may be expended and planning is basically confined to such functions. In some cases the major allocative decisions are set down by statute, for example revenue from road maintenance and various motorist charges is divided between the Department of Main Roads' Country and County of Cumberland Main Roads Funds, the Traffic Facilities Fund, Police expenses, and so on. Such provisions limit the Government's flexibility and tend to pre-empt the Government's options in the current rapidly changing climate of community needs and attitudes. In some respects a less than optimum distribution of finance and capital starving of important sectors of transport have resulted.

The third major source of problems underlies the second problem as just stated and the question of resource allocation generally. Each of the separate organisations has its own budgetary procedures and accounting mechanisms which make comparisons and central analysis very difficult. There are great

difficulties in planning allocations from the centre in accordance with Government objectives. The budget process is one where the Government can specify particular limited wishes but cannot actually institute planned expenditure on an integrated basis. This is a crucial limitation at times in urban policy where say Government policy may call for the advancing in priority of significant road projects to complement other transport works. An example of this was the Bondi Junction by-pass roadworks associated with the Eastern Suburbs Railway project (see above). In such circumstances an integrated set of financial arrangements for all modes is needed. This should incorporate suitable analytical measures (such as cost-benefit and social balance sheet approaches) to assist in determining priority and staging.

The Review of N.S.W. Government Administration has not intended at all that its strengthened central arrangements will supplant the role of MOTH and perhaps URTAG. "It is only by strengthening the capacity of central agencies to analyze and review policy and concurrently encouraging ministries and agencies to more critically evaluate and review their own programmes, that more coherent and 'co-ordinated' results will be achieved." (18) In the context of the "fundamental problems" it is definitely intended, and rightly so, that the major State allocative decisions will be made at the core of accountable government, namely Cabinet and the Premier, acting on proper information and advice. At the transport system level it is similarly intended that allocative decision-making should be centred on the Minister and the Ministry's Development Co-ordination Division. In fact the bulk of the necessary policy analysis could not be moved from the administration to central agencies (such as a Capital Works Unit) because of the expertise and experience needed, the complexity, and the necessary nexus between the day-to-day processing of policy and representational matters and the review of detailed works programmes. (This does not apply to major projects.) Moreover as the allocative problems are tackled the Ministerial role will become considerably more important.

It is not necessary that a single transport budget covering all modes should be prepared, although this would be desirable if the effectiveness of supporting processes could be built up to a comparable level. However at the very least the requirements of the individual areas of operations should be understood and related to each other; and that decisions concerning relative merits can be made and implemented (including transfers of funds and other resources). These tasks unquestionably require specialist staff resources and a professional co-ordinative

18. Interim Report, op. cit., 4.61 (pp. 72 f).
orientation as well as proximity to the Minister and his authority. The Ministry of Transport and Highways is the logical place for these tasks and it has argued strongly for a more comprehensive and positive role for itself in submissions to the Wilenski Review, the Australian Transport Advisory Council and the former Commonwealth Bureau of Roads. The concepts and role are fully consistent with the thrust of the Interim Report of the Review of New South Wales Government Administration. Supporting legislative change would be highly desirable and has been foreshadowed by the permanent head of MOTH.

URTAC has a secondary role in this scheme of resource allocation. If it is accepted that MOTH should be the focus of the transport administration, and again it is interesting to note that this was the explicit intention of the 1928 Report of the Traffic Advisory Committee referred to previously, then URTAC would retain its co-operative status and the associated limitations. URTAC would still involve the participation of MOTH and its present terms of reference are adequate for any reasonable expansion of role into say operational co-ordination and explicit consideration of and recommendations on allocative patterns. (The 1976 URTAC Report covered both areas to some extent and it is understood that the Committee will maintain its involvement to a full extent.) There would be no need for URTAC to take a major part in resource allocation but it would be a valuable counter-part to the Ministry's analyses. While URTAC would not have direct control of resources the small extension of its role on allocative questions would improve the Committee's functioning and reduce the rule of consensus. It should not be allowed to take the leading role over the Ministry because this would detract from accountability and generate undue competition, apart from the fact that the process of conflict resolution in URTAC is necessarily more complex and generally less satisfactory.

URTAC's role


21. The Interim Report of Professor Wilenski's Review said: "...there is at least one area where some improvement in co-ordination 'on the ground' seems most desirable. This is in the transport sector where some projects, e.g. Bondi Junction By-Pass and car-bus-rail interchanges at major commercial centres sometimes fall in the 'gap' between agency responsibilities. One solution to this problem could be to extend the powers of ... (URTAC) to one of project management (e.g. through ad hoc subcommittees with a project manager reporting to it) for these special cases" (4.62, p. 73, also 4.84e, p. 77). This is a major problem area which needs special task force-type attention. However so far URTAC has rejected the idea and this writer agrees because of URTAC's limited abilities. Such task forces would probably be better as a Ministerial responsibility, but regardless the need for some regularised action is urgent.

22. M. Painter and B. Carey, "Bureaucratic Partisan Behaviour on
would be as at present, to complement the co-ordinative interests in the administration.

Finally, there is no obvious solution to the problem of obtaining an effective community input to transport planning. URTAC has Illawarra and Hunter Advisory Committees which have value in stressing local concerns even though their representa­tions, like those of the Interim Commuter Council and the Botany Bay Sub-Region Community Advisory Committee, are regarded as nuisances by many sections of the administration. Even though they may be regarded as selfish and incompetent by technocratic standards, their input is a politically and socially valid consideration. (Naturally there is a distinction between a politician being elected and making "responsible" decisions on behalf, and bowing to or rejecting community pressure.) A general decision would have to be made by the Government on some of the following points before the role of community groups could be properly defined:

(i) should they have compulsory access to budgetary, information and related processes?

(ii) should their roles be tightly defined and be of a "semi-superior" type (vis-a-vis corporate planning) on appropriate subjects? and

(iii) should they have access to Ministers and unhindered avenues of advice on disputes? (23)

There is probably little middle ground between giving community committees a firm status and leaving them as pressure groups, because of the relative resources of the bureaucracies. It can be argued on theoretical grounds that their input should be made more effective but this subject is one for Governments to take a preference on. There are not inconsiderable avenues of access in transport and related areas at present but those avenues should be further developed.

Finally, it has been seen that the structure and definition of functions of an organisation have important effects on the way it performs its own task and interacts with other organisations. There has been some controversy over each of the specific special­ised areas of transport, particularly with regard to the abilities

23. The Review of N.S.W. Government Administration is understood to be developing model guidelines on these topics and others, in favour of a more powerful role for community groups.
of organisations to perform their own tasks efficiently and economically, to inform and obey their superiors, and to adjust their operations and policies to meet changing requirements. These abilities cannot be taken for granted and will be appraised now regarding the Public Transport Commission and the Department of Main Roads. Comments have been made elsewhere on the Traffic Authority (Chapter Seven) and the Ministry of Transport and Highways (Chapter Nine and immediately above).

The Public Transport Commission was set up in 1972 in an attempt to rationalise the administration of government transport services in New South Wales and revitalise and co-ordinate two large statutory authorities. However it is now clear that the Commission is unable to meet the long-term needs of the administration, and that the problems which the P.T.C. faces are too complex for a single management structure which has to operate in a still fairly traditional and cumbersome organisation. There are weaknesses in adaptability, decision-making processes, efficiency, responsiveness to Ministerial requirements, "openness" to scrutiny, information services, and so on. The Commission's task was extremely difficult and it has made some progress in meeting it, but it was (as is now evident) handicapped from the first and will not be able to perform satisfactorily until its basic organisational problems are ameliorated. It will be suggested that this can be done by making relatively straightforward adjustments, using the concept of the Public Transport Commission as the basis for the further reform.

It is a valid generalisation that public transport administration is often seen by governments as being necessarily oriented to two main principles which derive from market conditions and operational characteristics. The first is that the organisation of transport administration should reflect the greatly different capital and marketing requirements of urban passenger services, and freight and country passenger services. The differences are so substantial that urban passenger services are often separated from other activities, not just within a single organisation but in a special organisation. The second principle is that the different modes are highly interdependent, at marketing as well as operational levels, within the main sectors. The requirements of these interdependencies are often seen as being more important than operating urban bus services separately from train and ferry services. Combining the two principles has led many governments

24. The following analysis is based on personal investigation and numerous informal and formal interviews. However while the advice of others is gratefully acknowledged, all responsibility for interpretation and presentation is the author's.
to establish special metropolitan agencies (called say Metropolitan Transit Authorities) which are responsible for the integrated administration of public transport in cities, with parallel arrangements for freight and other services.

In the specific instance of New South Wales each of these respective sectors has acute problems which result in the substantial annual deficit. The problems were present prior to 1972 but had been more or less masked by comparatively favourable economic conditions. Not only did the Public Transport Commission inherit unquestionably inadequate facilities but it also had to deal with administrative mechanisms which were organised for no more than day-to-day efficiency in operations. The administrative systems of the former Departments were not designed to collect or process the type of information which the new Commission required, nor to devise or implement policies which were alien to past management. The first Chief Commissioner instituted the new priorities of planning and flexible management in place of the operational orientation and in effect acted as a revolutionary modernising force: he changed the internal structure, brought in highly capable and progressive executives, and forcefully rejected old customs. There was an awareness that the Public Transport Commission's problems would require a type of management that was not then available, and that they would not even be satisfactorily defined and analysed let alone solved unless adequate organisation processes and resources were introduced.

However the reforms caused considerable fragmentation and inefficiency. The situation at present can be summarised under three heads: first, responsibility for the various aspects of the main problem sections is dispersed; second, there are conflicting chains of command and sources of influence around the sectors which detract from efficiency in decision-making; and third, the two foregoing organisational weaknesses have hindered the development of positive management attitudes, information resources, analytical services and so on. Many of the outside recruits are of high quality, as are many former Departmental officers, but are not being fully utilised. In some cases analyses of major issues are delayed at various stages by the spread of authority and influence across the organisation, between different branches and even different Commissioners. There is also a great lack of "openness" in the organisation in that information sources are confused, the roles of senior officials are ambiguous, and it is very difficult for the Commissioners and the Minister to find out exactly what is happening and get adequate advice. In some cases reports are prepared which obscure and white-wash rather than explain and clarify; in many cases they are simply of very poor
The internal achievements of the P.T.C. should not be underestimated, but its single most important characteristic is the inability of one management structure to handle a variety of such enormous problems as now afflict urban passenger, freight, and long-distance passenger services. These areas are not receiving concentrated attention; the officers who are responsible for them have to contend with internal competition and conflict; the Commissioners are able to excuse the Commission's weaknesses and hide its failures because of the lack of openness; and the extent and magnitude of the problems detract from the morale and effectiveness of staff.

Any move to improve the P.T.C. will necessarily have to be consistent with three main constraints. First, it must make the organisation more open to Government direction and investigation: many of the immediate past problems affecting the Minister for Transport and Highways have been caused by his inability, and even that of the Chief Commissioner, to obtain information and reports in good time, and to even find out what subjects need to be reported. (This is a problem which affects all administrations but the P.T.C. is an exceptionally difficult organisation in this regard.) Secondly, the reform must not repeat or accentuate the losses of morale and internal efficiency which followed the original reorganisation. It should make the most of existing departments and branches, after all the trouble and care that has gone into their present or projected status, and the most of personnel resources. Thirdly, the reform must do everything possible to achieve quick results but in such a manner that administrative and operational efficiency is not compromised, now or in the future.

A general direction for reform has been developed which is simple and certainly not novel (it generally follows overseas and interstate precedent as well as previous local suggestions). In short the operational core of the P.T.C. (the sections which deal with the management of physical facilities) would be left intact, except for workshops which would be hived off, but they would be given an appropriate management structure. A board (called say the Transport Operations and Management Authority or TOMA) would be constituted of representatives of various interests, both government and unions. The Chairman would be a full-time member who would be assisted by a Director while there would be representatives of the Treasury, MOTH and the Department of Public Works seconded on a half-time basis (so that involvement would be substantial). This Authority would be charged with efficient management and with the investigation of operational improvement; there would be no commitment to change for change's sake. Although
this Authority would not differ from the bulk of the present P.T.C., there would be much greater openness and incentives because of the auxiliary changes mentioned below.

Secondly, policy-oriented functions would be removed from the constricting influence of operations by setting up separate representative authorities for Metropolitan Passenger policy, and Freight and Country Passenger policy. These would consist of existing planning, marketing and budgeting and relating sections and would be responsible for:

(i) market strategies;

(ii) appraising the appropriateness of existing services;

(iii) evaluating new policies, proposed new services and improvements to existing services;

(iv) reports on various aspects of rail, bus and ferry services (as appropriate) to the Public Transport Commission and the Minister; and

(v) the overall viability and utility of their services.

The twoAuthorities would have to "buy" their facilities on contract to the operating authority and they would have to develop their own information and analytical services.

The Public Transport Commission would be left virtually unaltered as a co-ordinating body, consisting of a full-time Chairman, the three Chairmen of the new Authorities, and appropriate outside representatives. (An increase of one Commissioner only would be required on current numbers.) The P.T.C. would lose its administrative functions and would instead be responsible to the Minister for the resolution of differences between the Authorities and for their general performance vis-à-vis capital works, labour relations, contracts, and so on. It is intended that the P.T.C. would still be responsible for all major decisions, with the Authorities being responsible more for efficient management. The Joint Council of the P.T.C. would continue to work, providing effective involvement of unions at both Authority and Commission levels. The P.T.C. and the Minister would have statutory power to call on the Authorities for reports within specified time limits and the reports would by statute also be provided to the Minister at the same time.

The composition of the Authorities and the Commission is designed to maximise mutual understanding and communication as well as open them to constructive representation of interested parties, including Government Departments. Representation would broaden the perspective of both management and the interested parties, help generate new approaches and better policies, increase scrutiny and mutual understanding, and provide "automatic"
mechanisms of co-ordination. The boards would be responsible for ensuring improvements in performance of their respective Authorities and would be encouraged to concentrate on their problems, which would be reduced to a manageable scale (at least in the case of the policy Authorities) by the reorganisation. TOMA represents the biggest challenge but the general arrangement would give the Government and P.T.C. every assistance. The element of competition between the Authorities is deliberate and necessary, for competition -

(i) assists the setting of standards for planning timetables, economic efficiency, overall financial results, etc.;

(ii) stimulates higher levels of performance; and

(iii) facilitates the evaluation of alternative policies and helps in the identification and resolution of issues.

It would be essential to choose the correct criteria of performance for each Authority, especially in terms of improvement of both standards of service to the community and financial results, rather than say simple Return on Investment (ROI) approaches which have considerable disadvantages.

A significant benefit of this arrangement would be the clear allocation of the costs of public transport to the main operating sectors via annual reports and the representation. In the metropolitan area for example commuter groups and the public will know what their services cost the Government as will rural producers and interstate shippers in the case of freight services. The overall deficit will be less stunning and most importantly will be attributable to each management, so that they will be encouraged to make a real effort to overcome their problems. Considering the present state of the Commission it is unlikely that action to decrease the annual burden on the State significantly could be taken for some time, but this proposal would reduce the delay and assist in the derivation of appropriate policies and programmes.

The principal problem with the D.M.R. is similar in a way in that its structure has produced excessive policy inertia which prevents the organisation from satisfactorily adjusting to changed conditions.

When the office of Commissioner was created in 1932, main roads was regarded as a purely technical and administratively self-contained area of government, and it was thought that one manager would be best able to control it. Since then, however, the Department of Main Roads has seen its domain become politicised and more interdependent with other State agencies; while commissions such as the Royal Commission on Australian Government
Administration, have very emphatically decided that a major justification for continuing the form of statutory authority rather than adopting the normal departmental form is the opportunity for mixing different specialisations and backgrounds on the board of management of the former. An important question which should therefore be considered is whether the corporation sole is still the most suitable form of management for the Department of Main Roads.

The Commissioner for Main Roads has invariably been appointed from within the Department and the Commissioner's job has become the ultimate step in the line of succession within the internal promotional structure. This has reinforced the internalisation of values and policy-making which resulted from statutory independence, narrow overall task orientation, and independent personnel management status. In bodies such as the Water Board, State Electricity Commission, Rural Bank and State Planning Authority/Planning and Environment Commission, there has been a high level of outside appointment at executive level, as happens in the mainstream of the Public Service. Thus while these statutory authorities have been faced with the same dangers of technical narrowness of vision that the Department of Main Roads has in the past succumbed to, the wider experience and background of the senior executive has helped to maintain a measure of balance in organisational values. These bodies have had the further assistance of a composite board of management, whereas the Department of Main Roads is faced with the internalisation of values at every level.

Lately the Department has been most reluctant to assist the various Governments to change the direction of main roads planning. Responsiveness to Government policy is not a concept which is easily achieved within large organisations. Even if the chief executive was willing to assist his Minister as fully as possible, he might have difficulty in obtaining information and results from the lower levels of management. Management is of course basically a filtering process: the filtering can take place at the second, third or tenth-last link in the chain of command, so that if a specific set of values is inculcated in an organisation over time and an incoming Government challenges those values, it does not necessarily matter if the top link is adaptable if the lower ones are not. The chief manager may be faced with the same problems as the Minister, of not knowing what decisions have been made without his knowledge, of not being aware of the values inherent in the evaluation criteria in analysis of alternatives (not to mention the very selection of some alternatives and not others), of not himself having the knowledge to answer criticisms of a proposal that has been passed to him and approved with the best
intentions on his part. The processes of filtering and the problems of management in large organisations are very well recognised and the logical and general empirical grounds for the preceding comments can hardly be questioned.

It would seem that a board of management would be better able to help an organisation adapt to changing conditions than a corporation sole, because the chief executive (the present corporation sole) can retain the bulk of his managerial role but with help (and checks and balances) which are desirable by external criteria. Especially if a fresh start is made, a Government can put the most appropriate talents on a board as well as utilise the existing resources of the organisation, to achieve a good balance of expertise, experience and managerial ability. Two of the main benefits that would result if the reorganisation was properly handled would be:

(a) the sharing of responsibility and thus the relief from the corporation sole of the burden of personal decision on difficult matters;

(b) broader judgments due to the varying experiences of each of the members and less likelihood of incorrect decisions due to the inbuilt checks and balances.

As well, each full-time executive can be given areas of policy with which he can become thoroughly familiar, and can overview the processes of information-gathering and evaluation down the management line. This does not apply so much to part-time members except that they would be appointed on the basis of special knowledge and could specialise to some extent on that basis. It is important to note that a common argument in favour of the corporation sole, that a Government will get quicker and more effective action if it appoints one suitable manager, has no long-term value. It is quite incorrect to base organisational design on temporary individual qualities as the policy record of the D.M.R. has demonstrated.

It is envisaged that the new board of the D.M.R. would consist of three full-time members representing the road construction, road management, and societal impact areas. Additional part-time members could be appointed on the basis of expertise in financial or related management and workforce representation.

There is one further dimension to this problem. The D.M.R. is very competent within its traditional discipline but it has not developed adequate manpower resources in economic, social or environmental areas. The Review of N.S.W. Government Administration has identified this. The obvious solution is to expand analytical services but the senior management reform is essential on this count as well.
Finally, a number of miscellaneous problems have been identified which relate to rigidities in the D.M.R.'s internal budgeting system and ability to adjust programmes to meet inter-corporate and Government priorities. The solution is simple and obvious, namely the creation of a single main roads fund with separate flexible sub-accounts for specific purposes.

In conclusion, a number of suggestions have been made in this chapter which have had an indicative rather than definitive intention. While the historical record of the New South Wales transport administration is replete with signs of co-ordinative weakness, its structure is fundamentally sound enough to provide the basis for final improvement to its components. As a system all that is needed is the strengthening of the major linkages together with corporate reforms which would restore accountable management and improve the external orientation of the various authorities. These would redress the balance of distribution of system resources in favour of co-ordination and improve the overall functioning of the administration, particularly with regard to modern (and changing) societal demands.
Present: Lieut.-Colonel the Hon. M.F. BRUXNER, M.L.A.;
The Hon. J.C. WATSON, President of the N.R.M.A.
Messrs. A.M. GRAHAM
H.I. JOHNSON
A. MITCHELL
H.L. PRIMROSE, M.L.A.
Alderman James McMAHON
Mr H.H. NEWELL, Commissioner for Main Roads

Mr WATSON stated that the Council, during the last few months, had been considering the question of arterial roads from the standpoint of having a uniform plan investigated and adopted. The Council felt that it was essential that something should be done to evolve some coherent plan, and if it were not possible to carry out such a plan in the course of the next year or so, it might, nevertheless, be achieved by extending the work over a number of years.

He did not propose to suggest any particular method of handling the matter, except to say that his Association would like to see a body created to go into the various aspects of the question — the standpoint of the municipal authorities, of the road users, of the Government and the Departments working under Government control — and to evolve a plan in which all could co-ordinate.

Mr. Watson mentioned that ten years ago he had been Chairman of a Committee appointed by the Government of the day to go into the question of arterial communications with the City. A whole series of propositions had been set before the Committee for tunnels, by-pass roads, etc., but in the short time at the disposal of the Committee it could not go into the suggestions in detail. However, the Committee had recommended the Government to arrange for the "expert" study of the proposals. That report had been made ten years ago, and nothing had been done....

The MINISTER: "Nothing?"

Mr WATSON said that as far as the Main Roads Department was concerned he had nothing but praise. But the Main Roads Department could not be expected to deal with problems in the consideration of which a whole host of other authorities in the metropolitan area were also entitled to be heard, and who would be expected to find at least some proportion of the cost of bringing about the improved position.

The Association would like to see some authority set up to go into the various schemes suggested. There were, for instance, the schemes suggested by the City Council, and anything the City Council might do should be in consonance with a general scheme.

The need for something to be done was, he thought, apparent to all. Motorists generally paid a very large sum by way of taxation for roads, and they had been repaid in many directions. He did not think that the motorists would object to a proportion of the £2½ million received from them by the State Government being diverted to pay for propositions which would facilitate improvement in the means of access to and from the City.

Presented by permission of the Hon. P.F. Cox, M.L.A., Minister of Transport and Main Roads.
His association, therefore, asked that the Minister would persuade his colleagues to set up some body of men who would agree upon a general plan of arterial or by-pass roads to improve the movement of traffic within the Metropolitan Area.

Mr McMAHON drew the Minister's attention to the narrowness of the Botany and Newtown Roads. The City Council had done what it could to widen the Newtown Road as far as Camperdown. He considered that the Pyrmont Bridge Road exit was one that required dealing with immediately, in order better to serve the people of the Northern Suburbs.

Mr GRAHAM said the Association was hopeful that the Government would adopt the suggestion for the appointment of a body, — and get on with the work as speedily as possible.

The MINISTER said that he had been surprised to receive the Association's statement. He did not think it either correct or fair to say that Sydney lagged behind other cities in its attempt to improve its arterial communications.

It was true that the City Council had inaugurated a ten-year plan for the betterment of roads within the metropolitan area; and this was largely due to the fact that he had suggested to the Premier that the City Council should be relieved of the tax it was paying towards main roads, so that it could utilise that money on major works in and around the City itself. Every time the Department had conferred with the City Council, emphasis had been placed on the Council's lack of funds.

It was wrong to say that there had been no plan for facilitating means of access to and from the City. No Government Department published its doings, or plans, or expenditure, or anything connected with it more than did the Main Roads Department. In 1926 it published its first Report, and in that Report it very definitely showed how aware it was of the need for planning City routes. Since 1929 the Department had published a Journal in which the road development of the State was fully discussed, so much so that not only in Australia but in every country of the world it was a recognised text book. A great deal of information as to the Department's activities could be gleaned from a study of the Reports and Journals.

The Association was asking that someone should plan ahead for the future. In the first Annual Report the Department had published a map of the then existing roads in the County of Cumberland, and the missing links: and in that same publication the Department had laid down what it considered should be the policy for the construction of radial and circumferential roads in the County of Cumberland. Not one of the then existing roads was surfaced to carry modern traffic. (Showed a map of the existing roads in 1925, and a map illustrating how the Department had fulfilled its plan of linking the road system throughout the City by circumferential roads.)

One of the first things the Department had had to do was to bring all the roads in the County of Cumberland, as well as all over the State, to a state of efficiency capable of carrying present-day traffic. Since that date a sum of approximately £6,000,000 had been spent in the County of Cumberland. The Department did not merely conceive the idea of circumferential roads, but roads were reconstructed and widened, and that had meant the resumption and purchase of land. For example the Princes Highway in the vicinity of Cook's River had been widened from 28 ft. to 50 ft., — with a double set of tram tracks. (The Minister showed a map illustrating the work that had been done in this direction.) (The Minister also mentioned that he had discussed the question with the Minister for Transport in England, who had been astonished to know that New South Wales had "ring" roads and by-pass roads.)
There had, therefore, been some degree of planning, and no "ordinary spasmodic" alterations. If the Department had worked spasmodically, it had been due to lack of funds: for instance there was a time when it had been denied the use of funds, but this had not been the case in the last six years.

The Minister showed a map indicating the long range plans that had already been investigated and determined upon by the Government, or else were under examination. The most complete was the re-routing of the northern side to give an express route; that route involved a tremendous amount of work and could only be done gradually. Both it and the express road to the West had been examined by engineers of the Department of Main Roads, in close touch with the City Council and with every Council in the area indicated.

The Association had said that expert engineers should be consulted, but he did not know where better engineers, so far as road works were concerned, could be found than in the Department of Main Roads. From his observations abroad he was of the opinion that our road engineering compared favourably with any in the world. And that was the opinion expressed by Sir Rees Jeffreys, who said he had come to Australia to teach, but went away having been taught a lot. Mr Newell and some of the junior men had been abroad, and every endeavour was made to keep the men up to date.

It might be asked why the Department had not published its plans. But had that been done there was the possibility of land speculating, and the cost of resumptions might be more than the cost of making the road. That aspect of the matter had been discussed in the Journals.

If the Department had had the money, it could have gone ahead more quickly. It had spent £6,000,000 already, and had borrowed £3,000,000 early in its life, which had necessitated repayment. But a stage had been reached where almost all that debt was paid off. He thought, however, that the deputation would agree that, instead of spending the money on bottlenecks that hold up the traffic at peak hours, it would be preferable to use that money on widening the roads outside of the bottlenecks, for traffic could be more readily controlled in the narrower places. He considered that work "outside" was necessary in a country as large as ours, otherwise the motorists would not have scope, whether for pleasure or business.

Just as the Department had planned for the City, so had it for the country. Most of the work had been done in conjunction with Councils. An enormous development had taken place in the construction of bridges: 825 had been built during the lifetime of the Department, making, in a running line, something like 14 miles. Besides co-operating with Councils, it was necessary for the Department to consult the Maritime Services Board, and the Railways and Tramways, in order to ensure that plans and works were co-ordinated.

The Minister thought that if a body were set up today to replan and co-ordinate the various activities and then to "come down and see that the work is carried out", this would mean calling a halt to any work in progress. He had seen one or two such committees set up outside his Departments, and work had been held up awaiting the new plan. The Main Roads Department had a plan, and if funds were forthcoming it could get on faster with its plan. For instance the Department had in hand the plans and alignments for the widening of Oxford Street. The Department had started off planning and had continued investigating and planning.

Mr Newell, on being questioned by the Minister as to the value of the plans in the Main Roads Department, said that the actual value would be nothing under £200,000.

The Minister, continuing, said that not a road was built in the State that did not form part of a definite plan. In 1928 the roads outside the County of Cumberland were planned, and the Act
amended so as to put these roads into a definite classification. The mileage of the highway had been increased by about 1,500 miles. The Association had said that any development outside the City should coincide with the activities of the City Council. That had been done, and to such an extent that the Great Western Road, which starts in the City of Sydney, goes right out to Broken Hill, and "meets our friends in South Australia". Queensland, Victoria and South Australia co-operate with New South Wales, so that the New South Wales roads meet, at the border, the important roads of the other States. Actually speaking, this State could claim to have started an Australian-wide system of highways. The achievement in the last twelve years had been extraordinary: the roads were equal in surface to any he had seen while abroad: they were perhaps, not so wide, nor, for that matter, were they as wide as they ultimately were meant to be. However, the State had been saved thousands of pounds by the Department realising while land was cheap, for instance along the Parramatta Road, simply through the foresight of those in charge of the work.

The geographical position of Sydney made the task of access difficult. But nobody could say that the "traffic flows just like a stream" in either New York or London.

However, the Minister stated that he was prepared to submit the Association's proposal to his colleagues. If it meant hastening the work or adding to its efficiency he would not get in anybody's way so long as three or four years were not taken over the job. He felt that the Department had all the necessary machinery, and if the cash were available, it could do more. "The bones were there: they only needed the flesh putting on them." He assured the deputation that the City Council would get all the assistance the Department could give them, and that the Department's engineers would consult with those of the Council.

Mr WATSON, in thanking the Minister for having received the deputation, said he was sorry if an impression had been created that his Association was criticising, even involuntarily, the work of the Main Roads Department. He could appreciate the arguments put forward by the Minister. But perhaps he had not made it clear that the Association only wished to see an authority set up to advise in favour of some coherent plan to deal with the immediate approaches to the City. In making the suggestion he had felt, as a Member of the Council of the N.R.M.A., that he was not competent to suggest a way of dealing with the difficulties. He had been inundated with schemes and plans of every description, many of which had seemed to him to be quite good, but he could not pretend to examine these as closely as might professional men. Therefore the Association had felt that if some authority — which would not take the place of the Main Roads Board, but would supplement its work and the work of the City Council — could be set up, it would allow of a concerted programme being arranged.

He thanked the Minister for the good work that had been carried out by the Main Roads Department, and he himself thought that the work could be entrusted to the Department. But he felt that the situation demanded that speed should be exercised for remediying some of the bottlenecks, and if he could help in that direction he would be very much pleased.
The following interview with the Hon. Milton Morris, M.L.A., former Minister of Transport, was held on Wednesday, 1st September 1976. Not to be cited or quoted without permission.

R. Gibbons.

GIBBONS: I have managed to research a fair amount of the policy areas such as freeways, public transport, financial problems, things like that, but it's the actual operations of the inter-departmental committees that have been difficult to research. I have not been able to get any information from say the D.M.R. and the Public Transport Commission but the people in the Ministry themselves, such as Mr Trott...

MORRIS: He's very helpful, isn't he.

GIBBONS: He asked me to give you his regards.

MORRIS: Yes, I'm glad you saw him because he's very helpful and a dedicated officer. Sometimes in the statutory bodies they get very nervous or suspicious and probably with some justification. I take people on their face value and I've never been let down in my life.

GIBBONS: Well I've certainly had a great deal of trouble with the statutory authorities even though I'm not trying to smear their names or anything. The first thing is CUMTAC. What was the general intention of CUMTAC: it didn't have any statutory powers...

MORRIS: Originally it was called CUMTAC, County of Cumberland Transport Advisory Committee, you know the composition of the Commissioners and so on. It was set up before I became Minister, it was set up by the former Labor Government in the early '60s. It was to plan, to coordinate transport and traffic flow within the County of Cumberland. I thought it was fairly successful. It was presided over in those days by the then Commissioner for Railways. It had no teeth, it was purely coordinating and advisory to the Minister. We subsequently changed the name to URTAC and URTAC did much the same role. I, at one stage, thought it ought to have some outside representatives on it, let's say the retail traders in Sydney or the Sydney Chamber of Commerce for example. I was advised most strongly against this. There wasn't a big clamour from outsiders to participate so I just let it lie there.

GIBBONS: No one really knew that it was going, did they?

MORRIS: Not many, it received greater mention in the last couple of years as a result of the Report that it commissioned and which was tabled here late last year — the URTAC Report. Then I think people started to ask about URTAC. And of course now we have the statutory Traffic Authority which has the teeth under the chairmanship of the Commissioner for Motor Transport, and whilst it hasn't superseded entirely URTAC, it will take most of its role, I believe.

GIBBONS: It was intended to work through the power of the Minister: to the extent that an issue came up which involved several Departments, it was not intended to resolve the conflict within itself, was it?

MORRIS: Often it did but the Minister was the final arbitrator, he used to get the Minutes and recommendations from the Committee and in those days the Department of Main Roads was with another Minister and this sometimes made it difficult. Since January '75 the D.M.R. has been part of Transport and so it should be and it ought never have been separated from Transport.

GIBBONS: That's something I was going to ask you, what problems it gave you as the Minister, because Mr Trott indicated that it was perhaps the major problem.

MORRIS: Yes, and in my nine years and eight months as Minister
for Transport, one of the continual festering sores was that the D.M.R. was a law unto itself. It could be at times cooperative, when it didn't want to be it had the let-out of saying, well we're under another Minister, you'll have to see him. Then because the D.M.R. was an attachment to an important Ministry of Local Government, and in earlier days under Mr Morton it was Local Government, Planning, Valuer-General, the State Electricity Commission, State Coal Mines, and D.M.R., it meant that the D.M.R. virtually made all of the decisions and that the Minister was the cipher. Every now and then the Minister was invited to take a ride in the helicopter or to go and open a bridge or go and open a four-lane highway, the band would be out, the Minister would be suitably duchessed and then he went back to his desk to do the other more onerous tasks and the D.M.R. went happily on its way.

GIBBONS: Was there any intent to try to bring the D.M.R. more into the fold by setting-up the interdepartmental committee?

MORRIS: Yes, and I think we did to some extent, but what I found was, as the road-builder, the D.M.R. built the roads, their engineers in their opinion, they were good engineers but they had no peer, they knew all about road building. Immediately a road went down there would be a fatal accident and everybody would be clamouring to the Minister for Transport, what are you going to do about it? So whilst we had no say in how the roads were built, why they were built, what the surface was, I got the kicks. My job was to make the traffic flow and to cut back the road toll, and I remember the shining example was Pennant Hills Road where there was accident after accident, where we needed some corners shaved, an old building removed and the D.M.R. would say, well we haven't got the money, we'll consider it in a programme in the future. Had I been Minister for Main Roads I would have directed them to do that work because there were serious political and other problems in this area. The road safety aspect of my portfolio, which I sought to make fairly supreme, it was dealing with human lives, was the one that was often inhibited as we had no say in the road works.

GIBBONS: Would it have helped if CUMTAC had had some statutory authority, or maybe not?

MORRIS: Yes, I think it would have, provided the CUMTAC members by statute were all responsible to the Minister. But the Minister for Transport in those days had no authority to give a direction to the D.M.R. Despite CUMTAC, despite URTAC, in the final analysis their Minister was someone else, and they could always convince the other Minister, for good reasons, that he oughtn't to act other than as they recommended.

GIBBONS: I'll ask you I think a hypothetical question, I assume you did try to get it in but the Country Party stopped you.

MORRIS: No, not the Country Party because for seven years it was under a Liberal Minister, Mr Morton. I spoke to Sir Robert Askin time after time and he always felt, well he was not a boat-rocker, he always felt well everything is going along nicely. Mr Morton did not want to give it up, Sir Charles Cutler did not want to give it up, it was a glamour department in those days. In the last year or two it lost some of its glamour because the Government would not put up the registration fees and there was a shortage of money, so some of the glamour was tarnished. And then Ministers were more happy to get rid of it. It should never have been away from Transport, Labour took it away, Mr Cahill took it away, was it in the late '50s?

GIBBONS: I think it was about 1955 or '56.

MORRIS: Yes in the '50s, because he had a Minister, Mr Enticknap, who didn't want to be Minister for Transport, and George Enticknap said well I am not going to kill myself; they wanted a rural
Minister in Transport because the unions were killing the city Ministers. Enticknap said I want to get rid of part of the portfolio and Pat Hills said, well I'll take the D.M.R., and that's how it was parted, just for that reason. It didn't come back until '75, some twenty years later.

GIBBONS: And the Machinery of Government review.

MORRIS: Yes.

GIBBONS: The URTAC Report was a different sort of exercise, it was a really coordinating sort of study, it had to look at the resources that were available and distribute them among the separate authorities.

MORRIS: Yes, well the URTAC Report was a good one, they all got together and worked on it as a coordinated body under one Minister and that's the sort of function I think that URTAC ought to be performing, rather than piecemeal looking at whether there ought to be a pedestrian crossing in George Street West or a new set of traffic lights at the corner of King and Pitt Streets or something.

GIBBONS: Was there a problem in getting Commissioners to debate issues that were in other people's domains?

MORRIS: What we had to do was time-wasting. Every time a problem came up that was in another domain, I had to arrange a meeting with their Minister, with them present, with our people present, we inevitably set up an interdepartmental committee to report back to the two Ministers, or sometimes three. The amount of time that was wasted to go through the motions in getting the decision that I could have made six months earlier appalled me at times, and very often we were dealing with human lives in the road safety field.

GIBBONS: I think at this time we could come to the Cabinet committees and governmental committees. From reading the Parliamentary Debates, I know that a Cabinet committee, or the transport committee of your Parties, reviewed the concept of the Public Transport Commission and what could be done there.

MORRIS: We did.

GIBBONS: What sort of role did those committees have?

MORRIS: The Cabinet committees? The Cabinet committees were very good. We had a number of them. I often thought it was a good idea to have Ministers looking deeply into a problem before it went to Cabinet, where it was an important issue, and for some years we had a Road Safety Committee in Cabinet of three Ministers and we used to meet once a month. We had the Commissioner of Police, if you get Ministers together you get all the Heads coming along, and this was good too, and we made a lot of progress. With the setting-up of the P.T.C., I think five Ministers looked at that, from memory I think it was five, and the purpose of setting up the P.T.C. was of course for one of coordination. I think perhaps some of the personnel who were first appointed, whilst they did a wonderful job, they lacked a little bit in dealing with the press and in public relations. The longer a Government is in, the more vulnerable it is to scanning by the press and of course this year the press had a field day on public transport because we didn't seem to be getting our message over at all.

GIBEONS: That was a problem with the Commission itself?

MORRIS: I felt that the Commission itself was not good on public relations. It did a good job, the goods trains, the freight trains are now quite magnificent. If you go back three or four years to the hotchpotch of composition of trains, the little four-wheeled bogies, two of them would be in a train and it would mean the speed of the train was 20 miles an hour all the way to Brisbane because
three or four trucks couldn't exceed that speed. They were scrapped, we went into a big investment programme, with terminals, container trucks and so on, and Mr Shirley made magnificent progress there.

GIBBONS: With containerisation?

MORRIS: On the goods side generally. Whilst he sometimes said that passengers are our business not an interruption to our work, that was his phrase, sometimes people wondered. Of course we did place orders for passenger carriages, sometimes there were delays at Treasury in getting them through, playing with the timing to spill it over to the next financial year, but from early this year six double-decker carriages a month are coming onto the system, or nine new trains a year, and this will just transform passenger carrying in this State.

GIBBONS: Looking back historically Governments in New South Wales have seemed to regard transport as an area where they have had great administrative problems. In 1950 the Transport and Highways Commission was set up, which didn't work...

MORRIS: It should have.

GIBBONS: It didn't.

MORRIS: No, personalities were the problem there.

GIBBONS: But there was also another problem there, that the Departments weren't amalgamated. There was an overlording body set up with a funny sort of power, it was not the same power that the P.T.C. had. Everything was brought under one hierarchy.

MORRIS: That's true.

GIBBONS: Was this a lesson that was learned in the '50s?

MORRIS: Yes, I didn't want to set up another Transport and Highways Commission because as you say there was a little body superimposed over the others and it didn't work. You get jealousies and the taller the poppies the greater the jealousies sometimes.

GIBBONS: Did you have any problems in amalgamating the Departments?

MORRIS: I didn't because two Commissioners had retired and we'd have had to appoint two new Commissioners and I rather felt that buses, trains and ferries ought to be integrated. But I think if the present Government persists with the Commission concept in a little time it will coordinate. I think the new Chief Commissioner, Mr Reiher, is doing a wonderful job and will continue to do so.

GIBBONS: That's the general impression people get. It's now a matter of personalities, isn't it, because they got themselves in a tangle.

MORRIS: Yes. People down the line do get worried when you amalgamate an accounts branch — we had two accounts branches, two legal branches, two advertising branches, two real estate branches — when you amalgamate them all, well someone has to take second place, someone takes first place and you get all sorts of jealousies. This was where the original Public Transport Commission did not always give these amalgamations the time that was needed and not always the compassion extended to individuals. Sometimes you've got to give a chap half an hour to sit down and talk to him and tell him why you're doing something and to give him an assurance that his future is alright. How if you just put a notice on the board that as from Monday this is going to happen, people are terrified.
GIBBONS: Were there problems in that direction? I am thinking of Peter Freeman's article in the National Times.

MORRIS: Yes, there were some problems because it was not always sold to officers in the Service — not the top officers but down the line a bit. A number of people were brought in from outside, I wasn't opposed to some coming in from outside but not too many. Whether too many were brought in I am still not sure.

GIBBONS: Mr Shirley had ideas on management that were, you could say, completely foreign to the old Departments.

MORRIS: Yes.

GIBBONS: Were they brought in too quickly — they were basically good?

MORRIS: The ideas were excellent, some were brought in too quickly and had an effect on morale for a while. I think that is probably over now. Mr Shirley was wise enough, you know, to say to me after I'd passed from Transport, I've had three years, I've done a lot of things that had to be done, many of them unpopular, a lot of people think that I'm a so-and-so, do you think now I ought to get out? and I said I think that would be a good idea. And that is why he got out two years before he should have. To that extent I gave him full marks. It let a new man come in who couldn't be blamed for anything that had happened but who could build on the fact that many things had been done that had to be done. Someone had to do them and become a stink-pot because of it.

GIBBONS: Could you tell me something about the role of the Minister and the Departments under him. I admit that I'm mainly thinking about the Department of Main Roads which has had a continuity of policy. When a Department has that sort of continuity is it hard to challenge it, hard to review it critically even without challenging it?

MORRIS: Yes it is hard because the D.M.R., when they came under the Transport umbrella, didn't want any Ministerial control or direction, but my friend Mr Fife in his quiet way, quickly showed them who was running Transport. They succumbed to that. Their estimates were never seen by a Minister or by Parliament or approved. He changed that. Their road policies often, by luck, coincided with the Government's road policies, they never had to explain or justify them. That is why I think some of their policies on ripping the guts out of an inner-city area to build super-duper roads were quite contrary to my thinking but they'd been able to sell them to other Ministers in the few minutes a week that they spent with them.

GIBBONS: Isn't it an advantage in that circumstance to have a Country Party Minister in charge of main roads, in this case concerning highways?

MORRIS: I don't think so. I think that what you need is perhaps the best Minister you can get in charge, I don't think it matters if he's Country Party or Liberal. As I say my own views were more on the conservation side, I would never rip up Paddington or Woolloomooloo, or some of these places, to put cars through there. I was much more on the Sydney City Council's side, close more roads and make them available to people.

GIEBONS: Mr McCusker's personal role — would you say that he was an ideal man to get people together and talk?

MORRIS: No, no, because he was a one-man band and he had around him people who were completely subject to him. Now, he was a very able man, I say that and he would have told you too if you had asked him. He'd built up really a little dictatorship in Railways...
and early in the piece he didn't like any interference from the Minister or the Ministry.

GIBBONS: The formation of the Public Transport Commission — what was the Treasury's opinion of this, did you have trouble with Treasury?

MORRIS: No, no trouble with Treasury. At one stage I wanted to set up a Greater Sydney Transport Authority, like the Greater London, to run the electric trains, buses and ferries and then have a New South Wales Rail if you like. Now they opposed that strongly because the N.S.W. Rail might have showed a profit from goods if we'd cut back a few of the highly unprofitable country trains. They didn't want to, they wanted to lump everything in together otherwise they felt there would be a clamour for reduced freight charges, or there might have been a clamour for reduced fares in the Sydney area if the losses there weren't showing up as — the big losers were the country passenger trains (sic). They opposed that strenuously, I never went on with it because we wouldn't have got Cabinet approval for that.

GIBBONS: And did the Railways want to maintain their autonomy, would they have if they could?

MORRIS: Mr McCusker would have liked to but he was a realist and he was prepared to trim the sails. He would have liked to have stayed on a bit longer but we couldn't renew his term after 65.

GIBBONS: The role of the actual Ministry itself — I am not too sure about this particular area at all. It is my impression that the Ministry was a very quiet body which served the Minister rather than the organisations as a coordinative body itself.

MORRIS: Yes, most of the statutory bodies would have abolished the Ministry; the Ministry was terribly important as a buffer between them and the Minister. I would have liked to have expanded the Ministry to be more like the British Ministry of Transport. I would have liked to have had perhaps one or two engineers attached to the Ministry who could go out and give me perhaps another opinion on some of the Railway matters, or have been able to consult with a naval engineer and say, look give me your views on these ferries that we're thinking of ordering. The Public Transport Commission has recommended them and so what do you think? I think the Ministry ought to have a few more feathers to fly with. I built it up and it's much stronger now than it was when I took over. It was just regarded as a little secretariat in those days. But we built it up and it will get stronger in the future and serve a much more useful role. The Under-Secretary is now Chairman of URTAC.

GIBBONS: And is now playing a very important role himself.

MORRIS: That's true.
The following interview with Mr. N. McCusker, C.B.E., was held on Monday, 13th September, 1976. Mr McCusker was Commissioner for N.S.W. Railways from 1956 to 1972. Not to be cited or quoted without permission.

R. Gibbons.

GIBBONS: Regarding CUMTAC (the County of Cumberland Passenger Transport Advisory Committee), could I start by asking you what arrangements were in force between the heads of the various Departments before CUMTAC was set up.

McCUSKER: There was an ad hoc arrangement which in my view left a lot to be desired. As a result of a discussion I had with the then Premier, Mr Renshaw, and the then Minister for Local Government, Mr Hills, and following the suggestion I made to them, CUMTAC was set up within two days. I felt that there was need for a transportation view to be expressed prior to planning arrangements being finalised. I held the view, and I still hold it, that transportation is the key to good planning, there is need to move people and goods, and if transportation considerations are looked at in the first instance it is possible to induce the kind of planning that is best overall.

GIBBONS: Was that opinion tempered by your experience with the Cumberland County Council?

McCUSKER: To some extent yes, I was for a short time a member of the Cumberland County Council. It was also conditioned, I suppose, by the experience I had as a railway man and subsequently as Commissioner for Railways; it seemed to me that the planners were going ahead willynilly and not paying any attention, or very little attention, to the transportation requirements. It's virtually impossible to provide proper and adequate transportation after development, it's costly and never completely satisfactory. As a result of that discussion CUMTAC was set up with myself as Chairman and comprising the Chairman of the State Planning Authority, the Commissioner for Main Roads, a representative of the Police Department (in fact it should have been the Commissioner of Police), and the Commissioner for Motor Transport and the Commissioner for Government Transport. Mr King was the Secretary at my behest. Subsequently we added to the Committee the Under Secretary of the Treasury, the President of the Maritime Services Board, and towards the latter end, more or less as an observer, we invited along the Under Secretary of the Ministry of Transport.

GIBBONS: Before CUMTAC was set up, I take it that the Commissioners met privately more than in an official capacity.

McCUSKER: Yes, there was no arrangement for formal meetings between the Commissioners and very little contact was had. The coordination which I felt was so vital was just non-existent, as simple as that.

GIBBONS: Regarding coordination, were there particular things that worried you, that couldn't be done?

McCUSKER: This was, you will recall, a time of an upsurge in development in the metropolitan area. The Cumberland County Council had indicated after a survey that they were planning for a population of five million people in Sydney by the year 2000. It seemed to me that unless something was done, transport was going to be hard put to it to cope. I think I was influenced, partly anyhow, by the problem that confronted us at that stage with the peak-hour traffic movements. We were carrying between four and five hundred thousand commuters daily by rail, in the morning and evening peaks, and the cost of providing those services was very high. The capital equipment that we had to provide those services was in use for less than twenty hours a week and the expenses were running away with the situation. To have accentuated that situation by pouring more and more people into the Central Business District in my opinion would have created an impossible situation. The desire on my part was to spread the load so that we could be using our existing equipment to serve a much greater number of people going in different directions.
GIBBONS: You said "existing equipment"—I take it you also had some investment in mind. (Mr King has indicated that the Railways were in many respects greatly hampered by the relationship with the Treasury.)

McGUSKER: Yes. We had at that stage some 1,300-odd electric suburban passenger cars, we were running 128 or so eight-car sets in the morning peak and 132 in the afternoon peak, and in between times the service was being provided, or over-provided, by about 52 four-car sets. There was quite an imbalance so far as revenue production was concerned. We did have the need to revamp the fleet because some of the cars were extremely old and the maintenance costs were very high and at best they were giving a poor service. We had the added problem of not wanting to run more trains during peak hours because the capacity of the tracks and the signalling was such that it was virtually impossible to get any more in during the peaks. That led me to conceive the idea of double-decked trains. It took quite some little time to move from the conceptual stage to an acceptable design. We had quite a lot of problems, some thought they were insurmountable but in fact they weren't, we got over them. They were double-decked trailer cars at that stage. In the event we found that by replacing single-decks with double-decks we had an 82 per cent increased carrying capacity, which based on all the information that was available would have enabled the Railways Department to carry all the passengers up to the year 2000, with an increased population of up to 5 million. This seemed to me to be the proper way to do it. Money was tight. Additional to that of course was the economic viewpoint; we were buying the double-decked carriages for 24 per cent more than we were paying for the single-decks and we were getting that substantially increased capacity. Apart from that there was no need to spend countless millions on altered signalling or duplication of tracks, or the colossal proposition to lengthen the trains from eight cars to ten cars. That would have meant altering all of the signalling and lengthening all the stations in the metropolitan area, so the costs were inordinately high.

GIBBONS: In other words you were reasonably happy with the funds you were getting for investment?

McGUSKER: There were two points of view one had to look at. We had a very high interest debit from the Treasury and every additional dollar we were granted by the Treasury had to be financed out of revenue. At the same time we were expected to run the railways as a business proposition and to minimise the deficits. It wasn't certainly not my desire to get huge capital investment which couldn't be substantiated by an economic appraisal. You have to remember that up to that time no depreciation had ever been provided for railway equipment from 1855, when the railways were started, and the capital account became cumulative. There was a small writing-off each year of redemption of debt but that was infinitesimal. This was a millstone round our necks, one that I didn't want to increase if I could avoid it. At the same time there was need for the upgrading of the service in many ways. We were not only dealing with the passenger side of it, which took about 68 per cent of our effort in train-miles and returned about 30 per cent of our revenue; the converse was the case in respect to freight movement. That was where the profits were and not unnaturally that was where I was anxious to make the investment to make sure that we kept on a reasonably even financial keel. At that stage we were also at the cross-roads with our locomotive fleet, diesel traction had just become accepted in this country and I was anxious to spend as much money as I could, having regard to all requirements, on the introduction of diesel locomotives. This reduced manpower requirements and enabled us to provide a much more efficient service to the clients we had.

When one looked at the capital requirements of the Department, one looked at a wide area of operations. By and large I laid it down, having in mind that at this time we were getting
our capital money from loan funds at about 4.3 or 4.4 per cent, that I didn't want to have any propositions put to me from the senior officers of the Department unless they could show an eight per cent saving overall. This was trying to retrieve the situation that had gone on for a hundred years or more.

But regarding the Treasury, to answer your question specifically, we always asked for more money than we got, we always could have spent more money than we got, ours was not to question the wisdom of the Government in the allocation of loan funds. All we could do was point out to the Minister the urgency of these things and hope that our representations were fairly dealt with.

GIBBONS: Do you feel that perhaps the Railways were disadvantaged to the extent that they had a substantially different relationship with the Treasury vis-à-vis the D.M.R., which had a secure source of income and which didn't rely on the same mechanisms for obtaining funds? (Mr King gave me the example of coal trucks in the early 1970s.)

McCUSKER: Yes, I felt we were disadvantaged because we were providing a community service, a social service if you like, without any subsidy of any sort. The D.M.R. were in receipt of substantial grant money that didn't have to be serviced by interest payments and they were able to go ahead. Others were in the same situation. The Government Departments, as distinct from the commissions (the Electricity Commission, the Water Board and the Railways), had no need to pay interest on the loans they received. We were regarded as a trading organisation and were distinct from the other two in that neither of them were expected to provide these loss-leader services that the Railways did. Unfortunately this was a consequence of railway development from its inception. I felt that we were at a great disadvantage because we were doing two things, we were carrying an inordinate amount of depreciated equipment for which no provision had been made over a hundred years to replace, and to that extent we could say that the charges for railway services were understated; and then we were providing these community services. We had a twin handicap if one can put it that way. There were times when we felt we could have got more money, there were also times (I must be fair about this), when Mr Oliver became Under Secretary of the Treasury, when we got a better deal. I'd had him over on my staff on loan for three or four years and he had an appreciation of the internal operations and requirements of Railways. I brought him over to set up a budget bureau, to report to me as distinct from anything else, on the economic appraisal of the various propositions that were put forward.

GIBBONS: I'm very interested in that, I've heard a little bit about it from Mr King. That was in 1957, was it?

McCUSKER: No, in 1956 I set it up, I became Commissioner on the 1st of August 1956, and one of the first things I did, in the first three weeks, was to set up the budget bureau. Mr. Oliver wasn't there initially but I set it up from within and then realised that I needed somebody who had a wider financial appreciation than was available to me, and he at that time was Budget Inspector for Railways. I arranged with Sir John Goodsell (he wasn't Sir John then), the Chairman of the Public Service Board, to second John Oliver to me for three or four years. I would have still had him only I felt when the Treasury became denuded of people that the need of the State was probably better served by him going back to become Under Secretary of the Treasury than staying in Railways. Judging by subsequent events I'm not sure if I did the right thing or not.

GIBBONS: This was a regular pattern of exchange? or did it become that?

McCusker: No, it didn't become that, I set it up to give me the information that I needed, I set out my requirements to the budget
bureau and the three or four people in there produced the relevant statistical information for me monthly; additionally they reviewed any proposition for capital expenditure and they were responsible for the drawing up of the estimates each year. They gave me a second view, I had one from the Departmental side and I had one from these specialists. After Mr Oliver went back I didn't have anybody in Railways who was quite able to take over from him and I got Mr Trimmer for a while. He stayed with us for two or three years and then we had our own people trained who were competent to carry on. I found that very small section didn't cost me much but it was of immense benefit to me. I asked them all kinds of questions and they were free from the daily routine to look at these things.

GIBBONS: I might come back to the Treasury later. You were Chairman of CUMTAC for most of its history. CUMTAC was set up with a purely advisory role. To me this implies disadvantages and advantages in a situation where you have a number of Departments responsible to different Ministers. Did the operations of the Committee bear out the original concept of it being purely advisory, or would it have been an advantage for it to have had statutory power?

McCUSKER: I think the weakness of it was the absence of statutory power. As it was, CUMTAC reported to the Minister of Transport and a copy of the reports and Minutes went to the Minister for Local Government who was also Minister for Highways. I think it would be fair to say (and I say this with great humility) that the achievements of CUMTAC were not inconsiderable but they were only made possible by the persuasive power of the Chairman.

GIBBONS: There is a tremendous range of potential problems that I can see, for instance where you had a submission which was concerned with a particular planning issue and you had two or three different Departments involved, were their decisions made separately and then they came and announced their decisions?

McCUSKER: No, after we got going I encouraged them to bring along their problems before they reached the decision-making stage, we canvassed them and thrashed them out, sought more information, got people to work to get this and that, then finally there was invariably a consensus. Their recommendations then in the main— there were exceptions of course — were the kind of recommendations that a statutory body might have made anyhow. It was difficult at times to bring one or two of them into line because men in that position, with their autonomy, didn't want to be told by me or anybody else what to do. We were able to persuade them by various means to comply with what we believed to be the right thing, and I believe that without this, things wouldn't be as satisfactory as they are now — if one can say they're satisfactory, I'm not sure about that.

I'll give you an example, the Woolloomooloo development was a case in point. The proposition there was to put some 30,000 people in that little basin, and it was quite obvious when we discussed it that you couldn't get them in or out, there was no physical means of doing it. The roads had limited capability and the Eastern Suburbs Railway had some capability but not that kind of capability. It was estimated I think that some 18,000 would come from the Northern, Western or Southern suburbs and the balance would come locally or from the Eastern suburbs. This would have meant a transfer of some 18,000 people, mainly at Town Hall Station, in the peaks and that was virtually impossible. Outside CUMTAC, but as Chairman of CUMTAC, I saw the Lord Mayor and members of the City Council and I think they had almost made up their minds that it was going ahead when I pointed this out to them. The fact that for good or ill they had a major development of their own, I found some fertile ground in which to spread my views and as a consequence it didn't happen. That was one case I believe where had CUMTAC not been operative and I as Chairman had not been privy to a lot of things I would not have been privy to as Commissioner for Railways, quite conceivably the Woolloomooloo development would have taken place and after it had been finished there would have been hue and cry because we couldn't get the people in or out.

GIBBONS: On Woolloomooloo, in the Minutes of CUMTAC there seemed to
be a substantial amount of conflict between CUMTAC members on one hand, S.P.A., City Council and especially developers on the other hand. The developers saw the land there as suitable for development, it was your responsibility to provide transport works, therefore they do their part and the rest of it was your worry. Did you find that attitude?

MCCUSKER: That was definitely the attitude of the developers there and the City Council had I believe supported them to some degree until I saw the Lord Mayor and the aldermen. There was a change of face then. The planning authority was quite conscious of the problem when it was explained to them that transport was virtually impossible. This was one example of where CUMTAC did prevent what could have been in my view a disaster.

GIBBONS: Mr Morris told me, in referring partly to CUMTAC and partly to his Ministerial experience as Minister for Transport and therefore Minister for Railways, if I may quote him, "in my nine years and eight months as Minister for Transport, one of the continual festering sores was that the D.M.R. was a law unto itself". He continued that there hadn't been a mechanism which could draw the D.M.R. into planning, that there was total reliance on Ministerial mechanisms which in his view weren't working because the Minister for Local Government was overburdened with other responsibilities. He indicated that he thought his job as Minister for Transport, with his responsibility for Railways and Government Transport generally, was quite severely disadvantaged. Would you agree?

MCCUSKER: Oh yes, I would. The road transport planning of Sydney was based on a scheme that had been drawn up by the Department of Main Roads sometime in the late '40s or early '50s. Somewhat later the scheme for the development of the Eastern Suburbs Railway was drawn up. They both became schemes on paper, I believe without any complete analysis of the costs or requirements or the service they provided the people. Subsequently we were able to trim down very severely the Eastern Suburbs Railway proposals but no such trimming-down took place in the D.M.R. proposals. In that area in my view there was a great weakness on the Government's side. We did our best in CUMTAC to persuade the Main Roads to do this and to do that, but engineers being what they are and trained to it I suppose, their main measure of success in life is what they build and how much money they spend in building it and it's very difficult to change them. I had the same kind of attitude in the engineers from my own Department so I knew something about it. Some of the planning for the main road development of Sydney was in my view quite out of this world and quite unnecessary. I took the view and I still hold it that the city is for people and you must consider the requirements of people first. The more roads you build, and I'm not against some road construction, I realise that the motor car is here to stay and is part of our life and society; but it can't be allowed to dominate and if there are no restraints placed on it you finish up with a city of roads and nothing else. For that reason whether we like it or we don't, public transport must play a dominant role in the movement of people; public transport, particularly railways which operate over their own right-of-way, which take the people into the city and then take the rolling stock out of the city and reverse the process in the afternoon, that's the proper way to do it. The more facilities you provide for roads the more cars you get on them. This was borne out very much when we converted the two tram tracks over the Sydney Harbour Bridge to roads. I was responsible for that and I make no apologies for it because with the concept of the double-decker trains, there was plenty of capacity on the two existing tracks to cater for rail services and there didn't seem to be any point in holding the other two tracks with a dog-in-the-manger attitude, it was better for them to be converted to road. Then the Cahill Expressway came into being. I think I'm right in saying that within twelve months of those conversions, the motor car traffic over the Bridge in the morning peak increased to some from memory 10,500 an hour and it was claimed that was the optimum, you couldn't get any more cars on. That proved the point that I believed to be right, that the more roads you provide the more cars you get on them and you're no better off in the
finish — in fact you're only aggravating the situation. I think there's only one way to control the cars and that's by monetary means of imposing parking fees that are sufficient to deter the people from wanting to bring their cars. I don't think there's any point in trying any other way, I don't think it would work.

GIBBONS: The way CUNTAC was set up, it really couldn't do much about the D.M.R., could it?

McCUSKER: No, it couldn't, we could only try to persuade them and this was one of the unfortunate things. We could make recommendations which we did, to the Minister, but it seemed to break down at that stage. There was not any machinery to allow the matter to be pursued beyond the Minister. We couldn't do more than that. I think probably, and this is my own view, you had one Minister with a strong personality, dominant, and the other one not so strong, and the dominant personality carried the day without looking at the pros and cons of the problem that was there. I'm sure this was the situation.

GIBBONS: Yes, that's one of the problems of that sort of system. I take it that this was one of the problems with the Sydney Area Transportation Study as well. It's remarkable how you can do so much investigation and come up with the D.M.R.'s plan as the end result — I take it that it was a "given" from the very first?

McCUSKER: No, the Sydney Area Transportation Study stemmed from a lot of discussion within CUNTAC. We needed a survey, if one can put it that way, of the transportation needs (road, rail, bus and whatever) and of future planning, and we decided that the proper thing to do was to set up S.A.T.S. The first requirement was to get an individual who was competent to set up the Study, who knew the methods and who could build up the computer models and the rest for the project we wanted. I was given the task of finding the man and made enquiries throughout the world and was reliably informed by two or three sources that about 20 people in the world had this capability. One of them was Bob Nielsen who was in Perth at the time. He was a New South Welshman originally and we engaged him. It was a wise decision. The arrangement was that he would work under CUNTAC and he would gather the basic information and set up models and make his projections; then it was for CUNTAC to interpret that with him and draw conclusions. This was where the Sydney Area Transportation Study broke down. At the time of my retirement, in October 1972, the Study had been under way for the best part of two years and the data gathering had been completed, the assessment was reaching the stage where it needed the practical members of CUNTAC to get alongside Nielsen and draw conclusions from it. I gather after my retirement this fell into discard and it was left to Nielsen to draw his own conclusions. Therein in my view lay the disaster of the Sydney Area Transportation Study. I've seen a number of transportation studies done, one by Sir Henry Bland in Victoria, and the information gathered in both studies (sic) in my view was extremely good and extremely useful. But the conclusions drawn bore no relationship to the information that was gathered. This is an unfortunate situation. So I think it fair to say that after I left, the influence of Main Roads became a dominant factor, it wasn't while I was there.

GIBBONS: Seeing that a substantial amount of road planning had been done, it would have been difficult to disregard a lot of that, as is now being done. Would it have been almost impossible to start afresh?

McCUSKER: True, they had a lot of planning done but I don't think it was beyond redemption at that stage, if the proper approach had been made. They had for example a huge road development, the Southern Distributor I think they called it, and they were going to knock down I don't know how many buildings out in the redfern area. It seemed to me quite unnecessary and I'm sure we wouldn't have proceeded with that. There was some need for the Western Distributor to relieve the traffic passing from the North and the West parts out of the city proper to relieve Parramatta Road. We did contemplate
having what we called transport "corridors", in developing areas and in some developed areas where we could achieve it, where we'd have provision for rail, road, P.K.G., water, gas and electricity, in the one self-contained corridor. It seems to me that's the way to operate. We wanted to develop a series of (for want of a better name) "ring roads" to keep traffic out of the city and I think this would have been possible. We were contemplating a railway by-pass from the Northern Line to the Southern Line and ultimately to the Illawarra; railways provide facilities for both passengers and freight and on the information we had at that time the movement of freight between Port Kembla and Newcastle and vice versa was likely to increase very substantially. We didn't want to bring it in and out of the city but to by-pass it. Passengers I believe will ultimately grow substantially between those two cities because they are major industrial cities, heavy industry anyway. We also looked at the possibility of this line also serving for the movement of commuters in the Western area which was developing rapidly. I might add, and you may be aware of this, the pattern of development in Sydney since its inception has followed the pattern of public transport, and this was no better exemplified than when we electrified the Western Line to Penrith in the first instance, on to Lithgow; the way housing development took place out there was just nobody's business. It was exemplified when we electrified to Gosford not for the purpose of opening up commuter movement but rather to enable us to operate the existing line much more economically, which we did; we avoided the quadruplication between Strathfield and Hornsby. It enabled us to do away with an expensive bank engine working on the Cowan Bank. I think it cost from memory $3 1/2 million and it saved $3/4 million in operating costs straight away. It brought in its train this unexpected I think mass movement of people up in the Woy Woy-Gosford area who wanted to work in Sydney. I can well recall at the official opening up there that I made a very strong plea to the people not to allow the Gosford-Woy Woy area to become a dormitory suburb of Sydney, but to develop industry in those areas. But this I think exemplifies the important influence that rail transport has on development.

GIBBONS: There is a related matter which ties in with this coordination that I'm concerned with, firstly the Public Transport Commission and secondly the Sydney Area Transportation Study's recommendations for machinery changes in Sydney. I assume that the recommendations for the revised governmental structure in Sydney were Nielsen's, were they?*

McCUSKER: I don't know, I don't think so, in fact I don't know where they came from. They originated as far as I know from Government sources. Whether he had made any submissions, I don't know. I didn't and still do not advocate a Commission as such. I don't believe, and I think experience has shown it hasn't been successful. Experience throughout the world has shown that commissions per se are not entirely satisfactory, for two reasons. First of all, you tend to create a series of factions within Departments when you've got more than one boss, and this isn't good. If there's one man making the decision, everybody knows he's going to make it and they comply or else. From the governmental point of view, if he's not successful they have their remedies. A Commission to coordinate, as they're trying to do now, the railways, the buses and the ferries, is quite impracticable, quite unreal, quite unnecessary I think. If you just look at the buses and the rail, the railways radiate from the centre in three or four directions, the trains are operating on their own right-of-way, it's an intensive system operating at two minute intervals. The timetable is conditioned largely by the junctions. There's an optimum timetable that can be drawn and must be adhered to; if the Railway Department is operating efficiently it must run its trains to time. Given that circumstance, it's virtually impossible to coordinate a bus with a train because

* Due to the wording of the question, Mr McCusker replied regarding the recommendations (which originated from the Ministry of Transport) re the P.T.C., not the S.A.T.S. report itself.
most coordinating buses operate transversely whereas the railways operate vertically, and their timetable is hopefully to meet at various stations across country three or four different sets of railway operations. Anybody who's had any experience in transport will know that coordination under those conditions, particularly when the road vehicle is not master of its own destiny but is conditioned on everybody else who wants to use the road over which it operates, can't be maintained. I don't believe there was any serious lack of coordination between the buses and rail, there may have been a few instances where buses ran parallel to the rail but not many. There was and is some case for trying to coordinate buses and ferries but it seems to me that it should have started and stopped there. You've got a situation now in the Commission where the railways are the major component and must always tend to be. The commuter section of the railways is no more than 20 per cent perhaps of the whole of railway operations, but when you bring in these coordination factors you find that of necessity the emphasis of the Commission's activities is devoted to the 20 per cent, and the rest of it is just swinging free, as it were.

GIBBONS: Would there be some advantage in splitting them? As an aside, Mr Morris said he was in favour, for a while anyway, of splitting urban and the country activities. Would that lead to a more efficient concentration of effort?

McCUSKER: I wouldn't think so, because the railways, whether suburban (or urban), interurban or country, operate over one set of facilities, you just can't split them. I'd thought about this quite a deal. There may be justification for a metropolitan transport authority whose role it is to provide efficient transport for the metropolitan area, but leaving the Railways to contract to this authority for the services they require — to operate them, and for the authority not to interfere with the operations of the Railways. They would say to the Railway Commissioner, these are our requirements. Sometimes you can meet them all, sometimes you can't. For example, you couldn't allow a slight improvement in commuter operations to deny the free movement of interstate passengers, they operate over the same tracks. People who come from Melbourne or Brisbane or Perth or the country, we used to timetable the trains deliberately to avoid the peak hours but at certain times you can't avoid conflict of movement. You can't just stop everything to let metropolitan commuters have their way. On the freight side, it's equally important because looking at the overall picture it's my view that the long-distance freight should be on rail, that's its proper place, and if you don't provide the efficient services it will go on to the roads and you'll have more and more congestion, not only in the country but also in the metropolitan area. One of the problems as I see it at the moment, which I tried to avoid, is these long-distance lorries coming into the metropolitan area because they're doing more to congest the movement of vehicular traffic than anybody realises. I was very strongly opposed to the lifting of the Co-ordination Tax, for two reasons. One, because railways were providing social community services without which I believe the country generally would have been severely disadvantaged, and they needed some protection because there wasn't enough volume for both rail and road, and after I retired they lifted the Co-ordination Tax with the result that railway services to the country areas have been cut to the bone and the roads are being chewed up by these heavy vehicles. So we're losing both ways and this doesn't take into account the intense congestion that the city roads are carrying with this heavy transport. I go out to the Airport a couple of times a month and it's amazing the number of big lorries that are out there taking up road space.

GIBBONS: Now you've mentioned the Airport, can we discuss the Southern Suburbs Railway and CUMTAC's efforts to get a more efficient transport system for Mascot? Reading the (CUMTAC) Minutes, two issues came up, one was the ability of the Railways to undertake its feasibility study and reliance on Treasury for the funds, and the second was the apparent reliance on a new railway system by CUMTAC and the fact that the railway didn't go through — the difficulties CUMTAC had in carrying its planning into effect.
McCUSKER: This is true and we had the plans but plans were of no avail without Government backing, and this was where the hiatus took place. CUMTAC came up with some very sound planning but it stopped at that and the Government didn't pursue it. Taking the Airport as a case in point, I don't think there's any doubt but that there will be an increasing demand to take people to and from Mascot Airport, and there's not any doubt in the world that the current road system won't carry them. In addition the Airport problem will be compounded by the development of Botany Bay as a port; that will generate road traffic whether people like it or not. It seemed to me, and CUMTAC agreed with me, that we must plan for a railway to the Airport so that people will have an opportunity to get to it free of all congestion, missing planes and the like. We looked at two propositions, the first was the extension of the Eastern Suburbs Railway to the Airport — I still think that's a reasonable, sound idea and a good investment; and the second, in the shorter term, was a link from the Illawarra Line just south of Tempe into the Airport proper. That was feasible, relatively cheap and it provided, I think from memory, a 12 or 15 minute trip from the Airport into the heart of the city by train, on existing facilities, all we'd do is put in this link. Subsequently we hoped we'd provide a link with the Eastern Suburbs Railway so that we'd have a circle. I still think it's got to come. We're extremely fortunate in Sydney in my view in having the Airport right in the heart of the city and we want to take every advantage of it. It takes 40, 45 minutes to get from Melbourne's Tullamarine to the heart of the city, in normal times, in peak hour goodness knows how long you'd take.

GIBBONS: You didn't actually have much support from the federal authorities in trying to get that railway, did you?

McCUSKER: No, the federal people didn't want to be in it at all. There was no machinery really in the federal area to do this kind of thing. I was able to get them along with Malcolm Sommers to set up the Bureau of Transport Economics, that was initiated by me as a means of trying to get more Commonwealth money available for railways in Australia. We were successful in that but it was necessarily a long-term problem, they were interested more in inter-State than intra-State traffic.

GIBBONS: Do you feel that the members of CUMTAC were fully committed themselves to the railway, did they try to push for it?

McCUSKER: Yes, yes, it went forward as a recommendation and we didn't put anything forward unless it was unanimous. What went on behind the scenes I'm not aware of. I had a job to do to run the Railways as well as chair CUMTAC.

GIBBONS: When the Southern Suburbs Railway was being considered, I suppose in connection with the link from Tempe, you wanted to employ consultants to investigate the water table, etc., in the area to see if the railway line was feasible. You made a point in the Minutes that the Railways didn't have the ability to fund that research, that you would have to do it by Treasury grant. Was that a general arrangement, what was its significance?

McCUSKER: No, as the Commissioner for Railways, this scheme, whatever it was, was going to be a losing proposition from my operational and financial standpoint, but it could have been of benefit to the community generally. From my financial resources, I didn't have the money to engage people to investigate that kind of thing, I felt it was properly a Government responsibility, it was somewhat analogous to S.A.T.S. I saw no reason why they shouldn't fund this one. I personally didn't believe that the Southern Suburbs Railway would be built, I still believe that the proper thing is to go from the Illawarra Line across to that area, it was only a mile-and-a-half or something like that. The planning people were concerned about the Southern Suburbs Railway and one must be fair and say it had some relevance I think to the Botany Bay port development, although my view of that development, and I put this forward very strongly, I
advocated the development on the northern shores of Botany Bay because we had a goods line which could service it there, we had estimates taken out, we could duplicate it from Marrickville to wherever it was to go, it would have relieved the whole of the road movement in that area. The freight would move over the goods line as it does on all the other goods lines. I was always strongly opposed to requests that we put passenger trains on the existing goods lines because you can't mix them and run either successfully. I remind you that freight is equally important from an economic standpoint as the movement of people.

GIBBONS: You put up a proposal to the Treasury that they fund that investigation, I hope this wasn't typical of Treasury's involvement but you got a letter back from Sir Charles Cutler, then Acting Premier, saying no. You had the Treasury sitting there for years and you write to the Treasury asking for a relatively small amount of money and they write back saying no.

McCUSKER: Well this is so. It depended to a large extent on the Treasurer and the Under Secretary of the Treasury.

GIBBONS: But he was on the Committee, wasn't he?

McCUSKER: He was on the Committee, yes. I think it wouldn't be telling tales out of school to indicate that while he was in agreement with it as a member of the Committee, he indicated that there was no money in the coffers anyhow. We were bound to put it up. I found the Treasury fellows personally cooperative, we got on very well personally. They were of course influenced and advised or dictated to, whatever you like to term it, by the Minister or Government of the day, they had to conform to Government policy. My hunch is that the stronger the personality of the Minister, the more money he got for his Department.

GIBBONS: You said that you would have liked CUMTAC to have had some statutory authority, could I suggest that that would have been a substitute for the Public Transport Commission? Would it have been a more satisfactory substitute, do you think?

McCUSKER: I think it would have been. If it were a statutory authority then its views would have had more weight and it would have been responsible to one Minister who would then have been obligated to act. As it was an ad hoc and advisory authority, reporting to two or three Ministers, it got nowhere really — that's not quite true, it didn't clinch the things. Had it been a statutory authority then the whole community would have taken more notice of what it said. For example, the City Council set up a study under Clarke Gazzard and the rest; I think it fair to say that CUMTAC, through one or two of us, exercised a pretty substantial influence on that report. Clarke did come to discuss it with us, he had certain preconceived ideas which we were able to disabuse his mind about. I think by and large he came up with not a bad sort of report. I think it's fair to say that had it not been for CUMTAC, it could quite easily have been a very different report.

GIBBONS: Regarding your personal role, you've already indicated that if CUMTAC was to get something done it was through your persuading people that it was in their best interest. Would that have changed with statutory power, would it have say been a meeting of ten men sitting around and voting on an issue?

McCUSKER: No, whilst ever I was chairman I didn't see it that way. I think if you can get a consensus, getting people to do things because you convince them that that's the right thing to do, you're getting somewhere. If you take a vote and you get a majority, it's not satisfactory, because people's hearts are not in it.

GIBBONS: Isn't the resolution of conflict implied by the governmental process? If you strike at home issues which are important to the metropolis, if you have a conflicting viewpoint, then maybe it's a
MCCUSKER: I agree, I think CUNCTAC could have done that. There would have been occasions no doubt when of necessity a decision would have had to be forced. My experience has been that it depends a lot on the chairman, whether you get the goodwill of people, or you get the confidence of them, more to the point. Provided the chairman's fair I've found that in these areas he has to take the leading role if he wants to get the organisation going anywhere. If they come to have confidence in the fairmindedness of the chairman they'll tend to fall into line pretty well. They'll express a point of view and they'll be prepared to compromise. I'm not suggesting for example that a chairman knows everything, he doesn't, but his role I think is to draw out the views of everybody and try and assess them, sum up the good and the bad and put them in such a way that the others will see a total picture. Each one comes there with his own point of view but when you put them together it's quite a different picture.

GIBBONS: Mr Trott is now Chairman. He's in a different position to the one you were in. The Ministry is now playing a more important role, especially in bringing the D.M.R. more into the fold. Do you think he has perhaps an advantage over you by virtue of the fact that he has only a coordinative function and not a vested interest?

MCCUSKER: I don't know, I haven't had very much contact with him. I think the value of long practical experience in this field would possibly outweigh any advantages that an independent chairman might have. My experience has been that a chairman can lead the discussion, he can exercise (if that's the term) a degree of compromise. Human beings, being what they are, are more prone to accept suggestions from somebody with a track record behind them than they are to accept suggestions from somebody on the outside.

GIBBONS: I might misrepresent you by saying that you had a vested interest because the Railways had an established system, unlike the D.M.R. which was trying to push a new programme. The Railways already had their construction done, there were adjustments to be made but you weren't exactly in that position of vested interest, were you?

MCCUSKER: I had a vested interest in one way although I feel that this was countered somewhat by the financial constraints and problems that I had as Railways Commissioner. I was looking for ways and means of easing my financial problems, and it would be fair to say that this would have had some influence on my thinking but I endeavoured to look at it on quite an impartial basis. I don't suppose anybody knew New South Wales more intimately than I did. I travelled N.S.W. regularly, I visited every railway station every two years in the time I was Commissioner, I met people and so on. I knew the problems of the country and the metropolitan area perhaps as well as most people.

Australia is a developing country, it has only a limited amount of resources. It's in the best interest of Australia and Australians if we deploy those resources where we're going to get the greatest value. It didn't matter to me if the value was in roads or rail or air or what. I was also on the committee on materials handling, and the National Labour Advisory Council, all these things, I think very largely because it was felt I had a national outlook rather than a purely railway outlook. It comes back largely I think to individuals and my experience in life has been that the greatest success comes through somebody who has an appreciation of human relations. It's as simple as that. You can have all the academic qualifications, you can have all the other things but if you can't bring men together and get them to compromise, well what does it mean?

GIBBONS: That's the art of being a chairman.

MCCUSKER: I've always had that philosophy and I practised it in
Railways. I started off as Commissioner for Railways with 56,000 and finished up with about 43,000 people, it was what they did. I could bring their individual efforts into collective operation, I could lay down the policy and inspire them or lead them, but they were doing the work, not me.

GIBBONS: I don't want to go into great detail but that's where the P.T.C. failed, isn't it?

McCUSKER: Oh my word, railwaymen are a peculiar race of people for the reason that they operate in a service industry unlike any other you can find. It's necessary for them to have confidence in the man who leads them, whoever he may be, and they will only have that confidence, irrespective of what kind of individual they may be, if they feel that he knows what their business is all about. When I was there we had about one thousand locations and these fellows, living all over N.S.W., had a necessity to have confidence in the administration because their lives and those of their families were tied-up inextricably, they had no other job to go to. I've always felt a tremendous responsibility rested on me to make sure they were not let down. I think it's as simple as that. They'd do anything for you, those fellows, if they respect you.

GIBBONS: It was disappointing as a student to have contact with people who saw the Railways being virtually destroyed and quite deliberately. Mr Shirley had his ideas, and perhaps they were good ones, but it seemed to be a waste.

McCUSKER: It was. The proof of the pudding is in the eating. The Railways are only as good as the men in them and as you can appreciate 99.8 per cent I think of railwaymen come from no higher educational standing than the Intermediate Certificate, the other .2 per cent or whatever are better than that. When you sift through this and you've got to bring men through into responsible positions, the opportunities for the administration to select good men are especially restricted. They only bob up here and there and part of my task was to make sure that the likely ones were given the opportunity. I had some particularly good men, they weren't academically qualified but they were very good, they had a flair for it. Most of the efficient operation rested heavily on these fellows. They're all getting out at sixty now, they're disillusioned; this is tragic, I feel sorry for the new man, he's denuded. I believe from what I know you would be hard put to get half a dozen fellows who could manage the operating side of railways and it is the key side. The engineering side, the accounts side, the legal side, the signals side, they all service the operating section. I inculcated this into them. Now to pick somebody who could get their overall concept and performance isn't looking very easy.

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The following interview with the Hon. Peter Cox, M.I.A., Minister for Transport and Highways, and Mr. R. J. Trott, Under Secretary, Ministry of Transport and Highways, was held on the 19th November 1976. Not to be cited or quoted without permission.

Robert Gibbons

GIBBONS: Mr Cox, can I ask you first about your idea of transport policy generation and evaluation — what is the role of URTAC in formulating transport policy?

COX: Its role is in investigating: at the present moment I've got them dealing with the urban corridors. I look on them as a vital adjunct to this Ministry in as much as they're there to make an evaluation of the existing programmes and future works.

GIBBONS: Do you find it helps you to co-ordinate the various Departments and put them in a perspective that is fair to all and yet is effective?

COX: In the brief period I have been Minister I've found them to be extremely useful on the basis that if I've got any concern or proposal I can refer it to them and I have the opportunity of making the final assessment as to what should take place.

GIBBONS: Mr Morris told me that when Mr Fife became Minister he had a problem with the Department of Main Roads, and I've heard the same from many sources. Do you think that URTAC has been useful in bringing the D.M.R. more into line with Government planning?

COX: This was before I came in but URTAC did a review of expressways and took the initiative at that stage and even though they didn't go as far as our policy, they certainly made some pretty drastic changes in planning that the D.M.R. has approved; fairly big changes took place there.

GIBBONS: Would you agree with Mr Morris's assessment that at no stage was the D.M.R. required by the then Government to justify its programmes, to cost them?

COX: I don't know what took place when Mr Morris was Minister, he didn't have control over the D.M.R. at that stage. I insisted on a works programme being submitted this financial year, which we got; I don't know if it was the first time it ever occurred.

TROTT: If I may add to what the Minister has said, Mr Cox has followed the line that Mr Fife followed when the D.M.R. came into the Transport portfolio. If he had been Wal Fife he would have done the same. I'd agree wholeheartedly with what Mr Morris said: what he was saying, at least by inference, was that when the D.M.R. was brought into the Transport family it was increasingly exposed (if that's the right word) to Government evaluation and appraisal of their programmes. For instance until the Department joined the Transport fold, it was the Commissioner for Main Roads who approved of programmes, it was the Commissioner who approved of grants to councils, but that's no longer so. There has been a provision in the D.M.R. Act for many years that it is subject to the direction and control of the Minister but it was only when they were brought into the Transport fold that that power was exercised and they are now obliged (and they accept it) to make submissions to the Minister for approval.

COX: They mightn't like it but they accepted it.

GIBBONS: This required fairly strong intervention from the Minister?
COX: Yes.

TROTT: Once having had that intervention they've accepted that Mr Cox is fairly strong-minded.

COX: I supported that change, that the D.M.R. come under the Transport portfolio, I'd been saying for years that they should if we were to have a balanced transport programme. You can't have one Department operating on its own wavelength, completely independent of the major public transport systems.

GIBBONS: This would have changed URTAC's role, it's now got a far more effective role. Is it now guiding the Government in a strong way — when you get opinions from URTAC the Minister has already got a balanced view?

COX: I think it's an instrument that we use. We have a Cabinet sub-committee looking at expressways and we've come a substantial way to making a recommendation which will go soon to Cabinet. At the same time I've asked URTAC to do this complete corridor review. I think its role is one of objectivity — standing away from the Departments it makes its assessment. I think this is the proper system.

TROTT: As the Minister says, URTAC is just one instrument at the disposal of the Government for evaluating long-term transportation policy. URTAC is not supposed to deal with the detailed operations of the various undertakings. The Commissioners of those undertakings are members of URTAC; its is essentially a co-ordinating, policy advising role in urban transport. It does get ad hoc tasks from the Government of the day but it is essentially an overview role. It doesn't get involved in detailed matters. The Minister has other instruments at his disposal for implementing Government policy, such as the undertakings themselves.

GIBBONS: As for the Cabinet committees, are they very important? Mr Morris said that he liked using Cabinet committees because they cut down on the waste of time when one Department has to write to a Minister, he has to write to another Minister and he writes then to other Ministers — he thought there was often a dreadful waste of time.

COX: The Cabinet sub-committees that I've sat on, the two major ones, the Newcastle Dockyard (which was a big job and a useful operation), and the Cabinet sub-committee on expressways, have brought all the Departments together, have had discussions and got their views, and then went away as a Cabinet sub-committee and made the decisions. It does short cut the involved operations.

GIBBONS: Do you intend to leave the governmental framework basically as it is or do you think it might be desirable to say integrate the Departments more closely? I was thinking of the Royal Commission on Australian Government Administration's concept of "accountable management", where each Department is accountable for a particular function laid down centrally, versus a structural change, like the Public Transport Commission only all-embracing.

COX: What Department are you talking about?

GIBBONS: The D.M.R., Traffic Authority, Motor Transport, and P.T.C. as it is now.

TROTT: You mean a much larger operating agency, something like the P.T.C. augmented, with day-to-day control of main roads as well as running the trains?

GIBBONS: Yes, do you think it would be a good idea?
COX: No, I don't think it would be, the P.T.C. is big enough as it is now. I think it's a bit unwieldy, we're looking at getting some reorganisation in that structure. It's an immense operation and we've got to get better lines of communication. Mr Hehir is working towards that, we've had discussions on it.

TROTT: As I've explained to Robert, the P.T.C. has the function of running the Government-owned buses, trains and ferries and we reckon they've got enough to do there without getting into other areas. If we had a larger organisation it would be completely unwieldy.

COX: I shudder to think of it.

GIBBONS: I was looking back historically and the Labor Government did try something like that before but it didn't work then.

TROTT: You're talking about 60,000 people — the P.T.C. now has about 45,000 ...

COX: It's got more, 44,000 in rail and the buses on top of that.

TROTT: I thought they'd come below 50,000.

GIBBONS: Regarding new planning (this is policy as distinct from administration), are you happy with the way the bus systems are presently running, especially in the suburbs?

COX: I'm not very happy with the bus operations, one of the big problems there is that it's such an old fleet: we can't maintain services as advertised and that being the case we've got very little prospect of getting the people back to buses, if we're forced to cut services each day — this is happening now.

At this point Mr Cox was called away from the discussion.

GIBBONS: I didn't put that very well. I was thinking of the S.A.T.'S. recommendations, especially in terms of the bus system currently following the old tram routes which were laid down before the turn of the century for the most part. I was wondering if that's a handicap.

Mr Cox returned.

TROTT: Robert was saying that perhaps he could have put the question a little more clearly, with more emphasis on the rationalisation of bus operations, for instance we now have bus services paralleling train services in some areas.

COX: Do you mean mainly the new suburbs?

GIBBONS: Providing a service not just on the main routes but providing a wider range of services.

COX: It's all a matter of capital. The way we are approaching it at the moment is — let's improve what we've got. That's basically our theme. I can't see us in the next few years undertaking major new development although I can see problems in relation to private bus operations, we've had a little flak in that area. If you can believe what they say, some of them aren't going too well financially. We have a Cabinet committee having a look at that. We are doing other things, we're introducing a smaller type of bus as a pilot scheme to attract some off-peak business back, we're putting two-way radio into the newer buses, and we're introducing a better cleaning service, I hope early next year. We are just not in a position to, say, put another depot further out and
get into new areas. At the moment our losses on buses are worse than on the rail services.

GIBBONS: One of the things that the Sydney Area Transportation Study pointed out was that bus services follow the old tram routes of the last century.

COX: We'll have an opportunity when the Eastern Suburbs Railway starts of making some changes there, but I haven't had time enough to make an assessment of whether we should change particular bus routes which are operating at the moment. I know that whenever we suggest a change we always have petitions sent in from local residents who object. You fix up one group and disadvantage another group. There are all these factors to look at.

The discussion finished at this point due to shortage of time.
The following interview with Mr K. J. Trott, Under Secretary of the Ministry of Transport and Highways, was held on Monday 29th November, 1976. In the second part of the interview the Hon. Peter Cox, M.L.A., Minister for Transport and Highways, joined the discussion in continuance of the interview of 19th November, 1976 (separate transcript). Not to be cited or quoted without permission.

Robert Gibbons.

GIBBONS: Could we start with the history of the Ministry — it was set up in 1932, is that correct?

TROTT: The legislation, called the Ministry of Transport Act, was passed in 1932 as one of a number of Acts, but that didn't set up what came to be known as the Ministerial Office. The Ministerial Office hasn't been set up by statute but there has been a Ministry of Transport formed by legislation. This Office did start as a small Ministerial Office and for some years probably was a little more than a co-ordinating post office. It was established under Colonel Bruxner and the first head of the Ministry was a second Railway officer, Mr Leo Grose, he held the job for some years and was succeeded by Mr Eric Holt. With the coming of Mr Holt the Ministry started to grow in importance, partly because of the competence of Eric Holt, partly through force of circumstances. Eric was a graduate in Arts from Sydney University and had had some experience in other Departments before he joined the Ministry. He was head of the Ministry through a very critical period, he was the permanent head who elevated the status of the permanent head's job in the Ministry.

GIBBONS: He came in sometime in the 1950s?

TROTT: No, he came in I think in the late '40s, he had served under Leo Grose for some period as his deputy, but when Leo retired Eric Holt took over as Secretary of the Ministry, as he was then called. He was Secretary and then Under Secretary for many years, I think from about 1949 through to 1970. It was in his time that the job was elevated...

GIBBONS: Very slowly, I take it.

TROTT: Yes, rather slowly. I came in as deputy to Eric Holt in 1965. My coming coincided with the change in government, there had been a Labor Government in office for many years, and my coming was of some assistance to the Ministry at the time. I came from the Public Service, I knew my way around staffing, as well I had personal contacts at the Public Service Board which enabled us very quickly to build up the staff of the Ministry. I think at one time, relatively soon after 1965, well over 80% of the Ministry were new. We had an infusion of experience from many Departments coming into the Ministry. Soon after I took over I joined URTAC and then gradually the Ministry started to assume a much more positive role in relation to the administration of URTAC which has now been done here for some time. Eventually I became Chairman of URTAC. The Ministry has also been strengthened to some extent by the addition of the Highways portfolio to Transport: soon after the transfer, after discussion with the then Minister, Mr Wal Pife, I persuaded the Public Service Board to agree to a reorganisation of the Ministry. The main matter of interest to you, I would think, arising out of the discussions, and assisted to some extent fortuitously by the Machinery of Government Review that was current at the time, we set up a Division of Development Co-ordination under Gordon Messiter. We recruited Gordon, who is called the Chief Planning Administrator, from the Federal Department of Transport, and with his coming and the approval of the Development Co-ordination Division, we now have a very good policy core. We have some top-flight men who are getting better all the time, providing policy advice to the Minister. There are still things happening that had started before the establishment of this Division, for instance we
I think we've got quite a good Ministry here. It's been assisted in evolving to its present state by the growth in intensity of activity in Commonwealth/State relations in transport. The Development Co-ordination Division is very much caught up with Commonwealth/State relations—the Ministry is the principal State agency concerned with relations with the Federal transport people. We're in daily contact with them and the officers of the Ministry are well known to officers in the Federal sphere. Of course Federal/State relations have increased in importance between the Commonwealth Government and other State Governments and again in turn between State Governments and State Governments. At one time, when I first came here, we barely knew the people in the other governments, Eric Holt might have known some of them, but now there's almost daily contact with other States. I think this is good for transport and good for Australia.

In brief then the Ministry is still a small co-ordinating agency. We try to ensure that we don't duplicate the work of the undertakings, we're concerned principally with providing the Minister with policy advice over the whole transport spectrum; we're particularly concerned that the transport undertakings speak with the one voice and with ensuring that one arm of the administration knows what the other arm is doing. That's harder than you might think because in some respects certain branches of the Transport Ministry—I am talking of the Ministry overall—have conflicting functions, road/rail for instance. We're also concerned with providing a legislative service to the Minister: draft legislation is prepared in the Ministry with the assistance of the undertakings. We put up proposals to Cabinet from here, either by initiating Cabinet proposals or by assisting the departments with proposals they have initiated. We try to ensure that we all work as a team. That's one of the things I've noticed improving over the years, relations with the departments. The departments still tend to regard us as an unnecessary step in their communication with the Minister but they don't feel so strongly about us now as they used to.

GIBBON: Mr Morris hinted in his recent exchange with Mr Cox (in the Legislative Assembly) that at one time there was a danger that this Ministry was to be downgraded. Was that due to that hostile attitude?

TROTT: Yes. Many people felt when Eric Holt was elevated in status that he shouldn't have been, and I must confess that I was one of them at the time, I was on the Public Service Board. I now leave it to others to judge whether that was right or not, I think it was very necessary to upgrade the Ministry. I think it's an understandable feeling on the part of the undertakings to want to provide direct policy advice to the Minister, but in fact we're trying to work as a team, we're not in conflict. I'll come back to this matter of conflict later; I'll finish off the functions of the Ministry. We provide the legislative service to the Minister, we provide a Cabinet service to him, we're the principal State agency for transport relations inter-State, we provide the Minister with a.
representational service. This I suppose you could call the bread-and-butter area of the Ministry. We get more flak through representational problems than any other area. Hundreds of letters come into the Ministry weekly and we deal with a wide variety of transport topics. The processing of these letters requires considerable skill. We have a number of fellows here who I hope have political nous and are aware of the political problems that can be caused to a government by the mishandling of representations to the minister. The ministers of the day find it hard not to regard that work as the most important, for fairly obvious reasons. The long-term plans and the transport "ethos" (if there is one) are important but the minister has a task apart from this ethos, there's not so much urgency in watching its development. He's got to keep his government in power and in the transport area that's terribly important because everyone's concerned with transport. So we have quite a number of officers here, junior and senior, who assist in the processing of this representational work. Everybody in the Ministry gets involved in it to some extent, depending on importance — importance is not measured necessarily by the bigness of the matter under review, such as the capital works programme of the P.T.C., but also by whether the matter is blown up to something big even though it might be temporary. A strike for instance can assume quite significant proportions; a strike in one of the workshops can "blow-up", there might be an urgency motion in the House which can assume some importance. I think you know what I'm getting at.

There's one other thing the Ministry brings to the transport administration: we regard ourselves as having an obligation to relate transport to overall government policy and we're expected to know overall government policy, in fact we have contact with other policy-makers which the undertakings might not have. For instance we have very close contacts with the Premier's Department, with the Treasury, in fact with most of the Departments of any size. We feel we can bring this wide perspective or we can set a larger scene in which transport can operate. Relations with the undertakings are improving considerably, certainly relations between the permanent heads of the undertakings are quite good. We meet frequently, we're on the phone to each other all the time, we meet at UMTAC, we meet as a group at meetings of the Australian Transport Advisory Council; I'm frequently in the undertakings discussing one matter or another. We're gradually becoming accepted as a necessary part of the transport scene. I think the fact that we survived the Machinery of Government Review is quite significant. We've had the Public Service Board acknowledging the need for the Ministry and, in fact soon after the Machinery of Government Review, agreeing to its strengthening.

GIBBONS: I asked Mr McCusker if he thought that co-ordination between the undertakings was good before CUMTAC, and he said no. I asked him to identify the problems that arose from the lack of co-ordination and he thought that the inability to get transport considerations injected into land use planning was the major factor. He said that when a new area was planned, say Campbelltown, inadequate consideration was given to transport. Would you agree and were there other problems?

TROT: I do agree and there were other problems, he was referring particularly I think to the urban area although it affected transport planning generally. There is one other matter I can think of that may refer to the relationship between transport and land use. The P.T.C. had plans, and still has plans, to rationalise its services in the country areas. It has been suggested, not necessarily by the P.T.C., that we should chop out branch lines in the country and have freight services provided by rail now to those areas. The P.T.C. pursued its planning but didn't take into consideration the effect on the Council roads in the areas. I was brought in as an honest broker at one stage, at the suggestion of the Minister by the way, to make both the D.M.R. and the P.T.C. aware of what was doing to the other by their ad hoc decisions. As I said before, that doesn't happen now and I think it's the existence of this place that will ensure that it won't happen. I think we've managed to
build up an awareness and a rapport between the various arms of the administration, quite apart from our own knowledge of what's going on, all this will stop that sort of thing happening again.

There's another area of understandable tendency towards lack of co-ordination, the force of finance. Just recently, after some years, we've managed to reach an apportionment of cost of the works associated with the Eastern Suburbs Railway. For instance the decision to have a sophisticated bus/rail interchange at Bondi Junction meant that there was a need to provide a road bypassing the station. Everyone recognised the need for this. The road authority quite understandably said I shouldn't have to pay for that road because if it hadn't have been for the station it wouldn't have been necessary. Part of the proposal for the interchange was to close off part of Oxford Street in Bondi Junction to all but buses and pedestrians and perhaps taxis. On the other hand, very obviously too, the P.T.C. said it's a road, you the D.M.R. should pay for roads. In a similar category was a proposed pedestrian underpass linking Ocean Street Woollahra with the Edgecliff interchange. Everybody agreed that there should be a pedestrian underpass, including the Traffic Authority, but no one wanted to pay for it. We had a real stand-off situation. Here were two projects which were government commitments but understandably the undertakings which were concerned with the projects were standing-off and didn't want to pay for them. That was resolved and it was resolved largely through persistence by the Ministry; this persistence included taking the matter up with about four Ministers of Transport to get in touch with the Treasurer of the day. In desperation we finally got the matter to Cabinet, not as a separate issue but it got there with Cabinet's consideration of the Review of the Eastern Suburbs Railway by the Board of Review set up expressly for that purpose. We dragged this issue in, it wasn't covered by the Board of Review, but the Ministry dragged it in and largely through that we were able to solve the problem. It had to be solved in a rather draconian way, Cabinet had to say — P.T.C. pay this, and so on. But it was done in consultation, we had all the heads together, specifically we had the Chairman of the Traffic Authority, the Commissioner for Main Roads, and the Chief Commissioner of the P.T.C. The Minister informed them that it would have to be a draconian-type decision, they realised then that something had to happen because he was directed by Cabinet to make a decision: in one afternoon something was solved that had taken four years to solve. So that's another sort of lack of co-ordination.

GIBBONE: This leads to another issue we were looking at the other day, the role of the Minister. You can only have an effective Ministry if you have a co-operative Minister or one who has the needs of co-ordination in mind.

TROTT: Yes, you've raised a very important point. An Under Secretary is only as good as his persuasive powers and his ability to provide sound and acceptable advice to his Minister. He is nothing without his minister, he has no powers in his own right. The only powers I might have in my own right as Under Secretary are in relation to UMTAC. This is not an unusual situation, it applies also to the Premier's Department, he might have quite minor powers in his own right. This is different say to the Under Secretary for Child Welfare who has specific powers: the Under Secretary of Mines has specific powers in his own right. The Under Secretary of this Ministry hasn't got that. We may get that, in fact we've put a proposal to Mr Cox and he's agreed with it; I can't disclose the terms to you but we'll be bringing the proposals before Cabinet as the opportunity presents itself.

GIBBONS: I do have some idea, I think you were saying that you'd like to bring UTS in as well?

TROTT: UTS I would say is with us now although some people would disagree with that. I would like to bring UTS closer to us and have them doing not only urban work but State-wide work. They're competent to do that and provide technical assistance. All the time we've got to ensure that we don't attempt to duplicate the work.
of the undertakings — I don't think we do, I'm sure we don't.

GIBBONS: Well, there's nothing in them that brings them together.

TROT: That's right. We have a counterpart, the Victorian Ministry is structured on the same lines with similar interests to our own. This emerged to some extent through our coming together on the Australian Transport Advisory Council. I've had one of my fellows down there to see what they're doing and I'm in frequent contact with my counterpart who's known as the Director of Transport.

GIBBONS: As a last question before you have to go, I'd like to deal with the growing importance of URTAC. We can't cover URTAC fully but you have been able to change it and make it a more effective body. Could you please say something on that?

TROT: I've always felt since I've been in the Ministry that CUMTAC and its successor URTAC are bodies that are natural mediums for getting things done in transport. Obviously if you've got the heads of all the undertakings directly involved with transport, and indirectly involved such as the Maritime Service Board, all brought together, you ought to be able to do something with a group of people like that. Even if you do nothing with them directly, the mere fact that they've come together has considerable spin-off benefits. This has been demonstrated time and again. Even during the early days of CUMTAC the benefits of such a spin-off were quite evident. They still regarded themselves — the D.M.R., the then Railways, the Department of Government Transport, the Department of Motor Transport — as separate entities; they still regarded themselves as such but there's much more a spirit of "oneness" than there used to be. This has been brought about partly through force of circumstance over the years, partly through sheer association, partly through the efforts of Neal McCusker and others to guide them into this position. I think Neal McCusker had quite a job getting this organisation going. I feel that one of his greatest difficulties was that he himself was head of a large operating organisation. He had the staff of CUMTAC and the administrative work done from his own organisation; the fellows providing him with this service had a natural Railway bias and the matters that were brought up for consideration, if you look back through the old Minutes, tended to have either a Railway bias or an operating bias. We got to the stage where we were looking in detail at what traffic improvements were necessary at particular intersections. Though they may have been major intersections, we were still getting into an operating area that was patently the responsibility of the operating authority, now the Traffic Authority. I've always felt that URTAC should look at major policy issues and in fact we've done my best to ensure that this happens. If you look at the agenda now you'll find transport review such as where the URTAC Report emerged. Whether in fact one agrees with the findings of the URTAC Report, it's important and it's become accepted by a large body of people concerned with urban transport. An unanimous report of that kind would not have been possible in 1965. The fact that the present Government has accepted URTAC and has URTAC engaged in the current corridor review is indicative of the success of URTAC. I think that when the Under Secretary of the Ministry became Chairman of URTAC it became much easier for URTAC to get involved in such broader issues than it was before. For instance if the Chairmanship had passed from Philip Shirley to say the Commissioner for Main Roads, he would have had some difficulty with a broader treatment. I find as Chairman of URTAC that I am in a marvellous position, this has been brought about for the preparation of the Report. It would be very difficult for one of the other members to assume this role and I think that they've accepted the fact that there should be an URTAC and that it is right that the Under Secretary of the Ministry should chair it. In fact after the change of government we had a round table discussion and I asked each one if they wanted URTAC and each one of them said yes. They have a worry that URTAC might get into too much detail and I understand that worry. There have been suggestions from various ministers that we should review various bus services and that sort of thing but they're not very happy about that. Fair enough, I've got that message and I agree with it entirely.
GIBBONS: Last time I was going to ask you questions about the Public Transport Commission, the Department of Main Roads and so on. We were discussing buses and we'd more or less finished. You said that you hadn't had time to look at the rationalisation of services, that this might come with the Eastern Suburbs Railway, and that so far you were thinking more of maintaining present services efficiently.

CCX: Since then, Robert, I've had the unions in with Mr Reiner and Eric Lindon, who's manager of buses, on the basis of getting a working party comprising the unions and the administration, including an officer from this Ministry, to have a look at the question of one-man bus operation and also to look at proposals that the bus people want to put up to us for the extension of services and the like. We're at the stage of writing to the unions setting out our proposals and asking them to agree to a working party being established which I think, if they agree, would be a very significant move in that area. You can't do anything there unless you have the co-operation of the unions. I do see the need for some rationalisation of buses and it won't come unless we get round the table and have these discussions. There's got to be a bit of give and take.

GIBBONS: About the Public Transport Commission, when it was being set up was it intended to do a somewhat wider job than it is presently doing? I'm not sure of what the exact original concept was but I understand it was not going to just manage the existing services, it was intended to draw the different authorities into a more unitary structure.

TROTT: That's not true. The original concept was what emerged, what happened in fact. We wanted a body which would be responsible to the Government for the management of the publicly-owned bus, rail and ferry services. There had been moves in the past to revert back to a transport hierarchy but the feeling of the former Government was that the Commission would have enough to do without getting into road administration. In the event, in the case of buses for instance, we have that body regulating its competitors, which seemed to be somewhat wrong in principle. The Minister can speak for the present Government.

GIBBONS: When I asked you last time you said the P.T.C. was too big as it is. Over the last fifty years there has been a good deal of discussion between Lang and Bruxner, and later other politicians: administration was seen as one of the big problems of transport, yet they never seemed to work out a truly effective solution.

CCX: I think in the few months I've been Minister administration has been too unwieldy. We're moving now to get better lines established as to who conducts what and still have co-ordination as to ultimate decisions. There's no doubt that there needs to be changes in the present administration. Alan Reiner, the Chief Commissioner, has had discussions with me on proposals he has in mind to establish better lines of administration, and they in turn will go to the council of unions — in fact I think he has given them already very broad details of what he proposes.

TROTT: I think Robert was casting his net a bit wider than that, referring to an integrated administration in which Main Roads and the P.T.C. were combined.

CCX: If I might say, looking at what we've got at the moment, I think it would be suicidal to grab other Departments and put them in together because you'd have so many problems that all you'd be doing is solving the administrative problems you'd have created. I think we've reached a time in history that we just can't afford that, we've got to get hold of what's there and streamline it out.
TRC TT: Would you agree, Mr Minister, that policy co-ordination is necessary in transport above all else? In my thinking it is incredible that it hasn't been done before. There has been no policy co-ordination, of making sure that all Departments speak with one voice. I think there is only one person who can do that and in my experience in the Ministry, the Minister has had to be more closely involved in pulling the undertakings together at the highest policy level. If you succeed in doing that, I would think that other problems would be largely taken care of.

COX: I don't disagree with that. I would be the first to admit that there are some shortcomings that are quite apparent. We are starting to move in that direction.

GIBBONS: I would think that perhaps the Ministry, Mr Trott's organisation, and URTAC, the interdepartmental committee, would be of great help in enabling you to do your job without having to worry about administrative problems. If you give those agencies your support, and say "this is the Minister's voice speaking..." in your opinion, what has happened?

COX: We do do that.

TRC TT: It has to be that we are the Minister's voice...

COX: Yes, but when the crunch comes, it's me who has got to deliver it. It has to be done that way. I'm backed up by supporting recommendations and I've got to ensure that those recommendations, if accepted, are in fact carried out.

GIBBONS: There were days when the Cumberland Passenger Transport Advisory Committee, the predecessor of URTAC, lacked adequate ministerial support and it was perhaps little more than a discussion group.

COX: That's not so now, URTAC's very viable. We've just established an URTAC group in the Wollongong area, where we've got community involvement, so that will flow through the main URTAC group and so in turn through to me.

TRC TT: It is terribly important for URTAC to know what the Minister is thinking and to have ready access to him.

COX: We are in front of the thinking in other Departments, for instance in relation to corridors we've already started -- they're all talking about the need to review all existing corridors but that's already under way. It was started about four months ago but we've got other planning groups saying they want a review of corridors.

GIBBONS: If we can change the tack a little, you've had problems in your own electorate with local roads and had hassles with the D.M.R. over the years. Blacktown has had similar troubles, as have other fringe areas where transport and land use weren't co-ordinated, where a great deal of new urban population was put into rural areas without the upgrading of the rural roads. Can you see that change now, through the D.M.R.?

COX: It's really a matter for planning, it's Paul Lande's area. My own electorate has a population of about 45,000 and it provides 45,000 jobs, which from my point of view is an overconcentration of industry. To overcome that would need a major decision at Paul Lande's level. Where do you settle new industry. You've got to look at this on the basis of existing pollution problems and the air problems we have in the Sydney basin as to where does the pollution go? There are a number of areas it goes when it leaves Auburn: do you start putting industries here when you're going to have problems in relation to pollution? All of that comes under Paul Lande's administration.
GIBBON'S: It ties in with URTAC's domain, doesn't it. Blacktown Council wrote to the D.M.R. quite a few times and said that they wanted a few local roads which in their opinion were pretty roads upgraded. The D.M.R. had a booklet advising councils now to apply for assistance and at the end with regard to reclassification it said that unfortunately due to lack of finance in the past few years, we haven't been able to consider any applications. Blacktown was in a terrible condition and there was considerable unrest in the area. I don't know if this particular issue has come up but will the D.M.R.'s role change and assist local councils more?

COX: Well, if I can say on assisting local councils, we assist councils more than any other State. On the question of finance, they were relieved of the main roads levy a few years back and the figures that I have available indicate that as far as N.S.W. is concerned we give more assistance to local government than any other State. There are pressures now that the Act should be amended, that we should be forced to get into that area, but you would just be taking it out of one pocket and putting it in another pocket. There would be roads in the semi-rural country areas that would not get finance but I would hope that local government would now, with the grants they're getting from the Federal Government, be adequately assisted because it would appear that there is now a continuing programme; they get $53 million throughout Australia this year. We also have a programme of giving State grants to local government and I would hope that we can lift that level of assistance. The URTAC Report said that we should be spending $40 million a year on roads in the metropolitan area...

TROT'T: But we can't get $40 million.

COX: We haven't got $40 million but we are reviewing expressway proposals as you know; we've gone a long way there and the recommendations of the Cabinet Sub-committee will be going to Cabinet very soon. We'll be making significant decisions here which will be announced before Christmas. I couldn't give you a straight answer that we will be able to help local councils like Blacktown, bearing in mind the lack of funds that we've got.

GIBBON'S: When I spoke to Mr Morris, he said that the only reason the expressways had been put on the planning map was because the government had never asked the D.M.R. to justify its programme. The D.M.R. has always seen itself as providing new roads: will there be a greater emphasis on improving existing roads rather than providing new roads?

COX: There will be a greater emphasis on improving existing roads, on bottlenecks in some of the suburbs. One that I've had a recent look at was Punchbowl railway bridge, I've had a look at one in my own electorate, where there are definite bottlenecks in the morning and afternoon which add up to significant delays. The very purpose of the Cabinet Sub-committee inquiring into expressways and the policy which would flow from that would be to improve existing roads.

TROT'T: We'll have to wind-up...

COX: We could have another talk with you, Robert.

GIBBON'S: As I've told Mr Trott, I'm mainly concerned not so much with planning except to the extent that in the weaknesses in planning you can see the weaknesses in government. It's the things you can't do in planning and so on that illustrate the weaknesses in government and administration. I've seen a greater effectiveness, and everyone I've spoken to agrees, since URTAC really got going in a meaningful way, planning processes have become more effective, considerations of planning land use and transport are now being consistently realised.

COX: Well, I'm all for planning but there are pressures exerted at times, which you know, which can stop planners. The thing that worries me, if you ask me as an individual, is that everything...
into areas where we have more pollution. This worries me and I've spoken to the planners about it. As I see it there's got to be a shift.

GIBBONS: One of the problems with the Sydney Area Transportation Study was that the dispersal effects of air pollution were not considered, in contrast to a report by a major environmental group in 1973 so that pollutants would concentrate around Parramatta and your own area and other areas.

COX: We have a problem in my own electorate. We have photochemical pollution that's higher than Japan: if you take the readings on the equipment that the Japanese use (we do a more refined reading at Lidcombe), when you make an adjustment of our readings, we're up as high as Tokyo.

GIBBONS: Yes, that's something that was dropped from the Sydney Area Transportation Study.

COX: I've had a look at a report which I got which indicates that quite clearly.

TROT: Mr Reiher has arrived and we'll have to finish. If I may say, the present Government is very conscious of the environment and I would not be surprised if the Government kept the Cabinet Sub-committee looking at freeways going.

COX: Well, it is the Resources Committee.

TROT: Yes, that's right, it is a standing committee.

COX: Yes, it's headed by the Deputy Premier, there's myself, there is Harry Jensen, Jack Renshaw, Pat Hills and Paul Landa or it, all pretty senior Cabinet ministers.

TROT: Yes, it's got all those interests represented and will be able to deal adequately with the issue.
The following interview with Mr K.J. Trott, Under Secretary of the Ministry of Transport and Highways, was held on the 21st December, 1976. Not to be cited or quoted without permission.

Robert Gibbons.

GIBBONS: Last time we covered the history of the Ministry and briefly URTAC and you finished with a point that the members of URTAC felt that their job lay on the policy side of government rather than administration. They don't think that it's their role to look over each other's shoulder to make sure that they are carrying out the government's policy. You said that the prevailing feeling is that they should have a policy role rather than an auditing role. Where do you draw the line between policy and administration, and more importantly, what's the role of the Ministry itself in the other side, the checking of Departments, the Minister's job?

TROTT: I'll attempt to answer your first question. Sometimes it's very hard to draw a line, sometimes the line is drawn on an ad hoc basis — a problem will come up and a decision is made that this is something that would be better left to the department. A typical instance of that sort of thing was when Max Ruddock, the then Minister, after discussion with me, asked URTAG to undertake a review of private buses in the metropolitan area. URTAC members discussed this among themselves and we all felt (I agreed) that this sort of operational investigation wasn't a matter for URTAC. We made that decision in URTAG and we informed the Minister and he agreed. In the event there was a change of government before anything got under way and for a number of reasons nothing has yet happened — but that's another story. Another instance of on the one hand members of URTAG being pleased to receive recognition of that role, and on the other not being too anxious to get into detail was their reaction to the decision of the former Government to accept the URTAG Report. After that decision was made URTAG was asked to overview the implementation of the Report. The members of URTAC were quite pleased but the Public Transport Commission representative argued quite strongly that URTAG shouldn't be receiving progress reports on the number of train carriages they'd received under their capital works programme, or the progress of their resignalling programme. He felt that was a matter for the Commission and the Minister and/or the Ministry. We agreed with that. The sort of task that we're being given now — apart from the overall policy advice that we give to the Minister and in a way we choose our own ground there, that is we don't get many ad hoc tasks, some that we get we've engineered ourselves — our latest task is the review of transport corridors. We regard this as a proper exercise for URTAG. With the assistance of the Study Group we're looking at every corridor, major and minor, that's been reserved, either statutorily reserved or reserved more loosely in some other way. We're looking at all of those and we're making recommendations to the Government. These are not only road corridors, they are rail corridors as well. It's a major task and in some respects it's a bit like another SATS exercise, although we're trying to assure that we don't turn it into a SATS-type exercise. I can't answer you in more detail; if you have a look at our functions, they are what we're supposed to be doing. Those functions are cast in very broad terms. We're supposed to give policy advice but as with all organisations of this kind we find that we do get into the ad hoc situation, that's how we work, I don't see how we can work in any other way.

GIBBONS: When a marginal subject comes up you decide as a body...

TROTT: We decide among ourselves whether it should be left to individual departments or a group of departments operating outside URTAC. By and large URTAC works very well. I can't recall major differences of opinion amongst the members, we seem to reach a consensus quite readily on most things.
There's another ad hoc task that we've got. As you know the Government has recently received a Report from the Commissioner enquiring into Botany Bay. URTAC has a major role in responding to that and we're meeting next Thursday in fact to make a co-ordinated response. There will be individual responses as well to the findings of the enquiry.

GIBBONS: Once a matter has been decided, say it's a matter of administration, staffing or financial policy or something like that, which is a matter between the P.T.C. or the D.M.R. and the Minister, what role does the Ministry have?

TROTT: We have a major role in what follows. The day-to-day arrangement we in the Ministry have with the Minister works something like this, in say a major policy area: there may be a policy initiative from the particular undertaking or there may be a policy initiative from here, but very often once a policy issue has been raised we all get to know about it. Mr Reiher and I for instance frequently talk about the issue before it emerges as a proposal over here. When the proposal arrives here, say from the undertaking, it could go direct to the Minister or it could come to me — it could even come addressed to the Minister but in an envelope to me after discussion with the appropriate Commissioner. In any event if it goes to the Minister direct it will come out to us, either just referred to us for processing in the normal way or if it's a very important matter, something that is particularly interesting to the Minister, he'll mark it for me to discuss with him. Whatever happens we get hold of it and a Minister in most cases will not make a decision without a formal submission from the Ministry. In fact we will agree with nine major policy submissions out of ten, not because we're rubber-stamping them but because we're involved in working out the policy even though the final carriage of it might be with the undertaking. There are occasions when we can't work that way, for instance if proposals have emerged that require legislative action, very often we have to change what is proposed in not major respects — we mightn't change the thrust, but we might have to change the details, perhaps because we know something that the undertakings don't know about a particular detail. We really come into our own when matters proceed to legislation or proceed to Cabinet. We have the carriage of final proposals to Cabinet. Sometimes we ask the undertakings to give us a draft Cabinet minute, sometimes we don't, but invariably we find that the Cabinet minute that they prepare doesn't go far enough. If there's any speciality here, it's ours, we know how to present things to Cabinet. Presentation is terribly important, you've got to relate the problem to overall Government policy or to overall transport policy. Sometimes Cabinet proposals finish up with Cabinet Sub-committees and we get a piece of that action: one of my fellows or myself will serve the Sub-committee. Currently Cabinet is considering inner-urban freeway policy and we're very much involved in that. We have an instance, and I'm sure the D.M.R. won't mind my mentioning this, where we have what might be called departmental policy being in conflict with the policy of the Government of the day. This is where we have to step in. It's our job to service the Government of the day. We don't blindly follow policy, if we think policy of the day has some flaws in it, it's our job to point that out to the Minister. In fact we did point that out with respect to inner-urban freeway policy, we wanted to make sure that the Government was aware of the dangers in abandoning these freeways. By and large we agree with the policy on the inner-urban freeways, fellows like Gordon Messiter have felt this for years, but we have to suggest to the Government that they'd better make clear that they're not against freeways per se — in fact I've read somewhere they weren't — I said you'd better make that terribly clear because people seem to think you are. So we have to help them refine their policy.

In doing all this I like to think that we're working closely with the departments. The departments understandably are sometimes
not very keen on us because they feel there's no real need to have an organisation of this type. I'm sure Mr Reiher would much prefer to deal directly with Mr Cox; in fact he does sometimes but most of the time on major issues — this does not just apply to Peter Cox but to all Ministers — the Under Secretary is invited in. We bring to bear a much wider body of knowledge, we're supposed to have a knowledge of overall Government policy, we're supposed to have and we do have a knowledge of transport policy generally. In the past it has happened that one arm of the transport administration didn't know what the other arms were doing, and this applies particularly to road and rail matters. That doesn't happen anymore.

On the question of detailed checking of what the departments are doing, there's a bit of that but not a great deal, we try not to be petty about this. We get into the vetting or investigatory area in a number of ways. One main way is through representations that are made to the Minister on a variety of matters. We process these representations in a variety of ways. If it's a routine sort of thing it's treated in a routine sort of way. If it's a major matter I might undertake an investigatory role myself, I might go over to see the Chief Commissioner and say, well what about this, this and this, can we have a report on this, or what is the position, or I don't think the Minister is going to buy that, we'll need to go into it a lot more deeply. Or, I think you're quite wrong in what you're doing, he won't buy that at all, you'll have to change your policy — that sort of thing arises. We do have a vetting role in other respects, we keep an eye on the loans programmes, capital works programmes or expenditure programmes. For instance Mr Cox is at present quite worried about the possibility of the P.T.C. underspending its capital works programme, after he's put up quite a battle in Cabinet to get them a substantial increase in their allocation. We're dealing with that on his behalf. He's particularly anxious to see how his fare reduction decision comes out, what the final result of it is, and he and I and Alan Reiher haven't been satisfied with the analyses that have taken place so far. This is partly because sufficient time hadn't elapsed to do a proper analysis. I don't know if that answers your question but that's the sort of thing that we deal with here.

GIBBONS: On the budgetary side, you fit in somewhere between the Treasury and the undertakings.

TROTT: Yes. The detailed preparation of the estimates is left to the undertakings and the Treasury. When they're getting towards completion we tend to buy in to find out what's going on and the final submissions to the Treasury come through here. I think it would be wrong of us to get too far in but because of the size of the P.T.C.'s operating deficit and the effect of its capital works programme on total State finances we have set up recently under the new Government a Ministerial Sub-committee comprising the Treasurer and the Minister for Transport and Highways, to overview finances and means of keeping finances within bounds. That meeting is attended by the Chief Commissioner, the Deputy Chief Commissioner, the Treasury heads, certain of the Premier's special advisers and myself. Arising out of the first meeting of that committee a number of sub-committees were established to look at particular problems. We're on about three of those in the person of Jim McDonnell from here. As I said to you earlier we've survived the Machinery of Government Review where other Ministries didn't, because I think of the recognition of the fact that there needs to be some sort of co-ordination of transport policy. I'm not suggesting that we should buy in on the P.T.C.'s responsibility of co-ordinating operational matters, such as when ferries meet buses and that sort of thing. That's not our role and we're not competent to do it anyway, it would be foolish if we attempted to do that sort of thing. It's even been suggested by some that we should undertake a professional inspecting role, for instance in assisting in the policing of contracts, going out to the Commonwealth Engineering
Company to look at the double-deck carriages under construction, inspecting major construction jobs. I don't think that's an area we ought to get into, not in a major way but we could perhaps have one or two fellows to go out on ad hoc tasks; it's surprising what you sometimes find.

Another area we've had to come in on and in which we've had some success is the question of who pays for what. It's amazing that this should arise; I think I've mentioned this to you before. You can get into quite sticky situations and someone has to come in and advise the Minister that this or that is what he should do. The machinery for doing that varies, one way is appointing the Under Secretary as the convenor of a working group, the Minister saying you've got to come up with something, I want an answer to this tomorrow.

I think by and large we conform to the normal administrative pattern, I think you'll find most comparable organisations work this way. There is a common theme running through all the mechanisms we use, we must communicate, each party must know what the others are doing, it's a sight harder than you'd think.

GIBBONS: Do you think that your intervening in the budgetary process has helped the undertakings? Keith King for instance has told me that the Railways always had a headache with Treasury.

TROTT: No, we don't intervene enough to be of assistance to them in that way, we are more involved in protecting the Minister's interests in the budget. For instance we would want to see, if there are major policy commitments, if sufficient provision has been made for them. If we find that the estimate of expenditure for the year is revealing a greater deficit than we expected, more than we'd been led to believe, then we'd get very much interested, we'd be working with the Minister on this. We'd then seek to have fairly detailed discussions with the undertakings. We stay out of the day-to-day budgetary discussion that is necessary for the working up of the estimate, I don't think we've got a role there at all. Having said that, we've got a pretty good idea of what's going on and we have direct liaison with the Treasury ourselves, I'm in constant touch with the permanent head of the Treasury one way or the other. He's a member of URTAG. We seek his advice and he seeks ours. For instance I came back from a meeting of the Australian Transport Advisory Council on the 3rd of December and one of the first things I did when I got back was to ring the Treasury head to tell him that it looks as if the Australian Government has agreed to Section 96 grants for transport, and that is of considerable significance to him under the new federalism policy. Because they've made that decision in transport that might lead them to make similar decisions in other areas.

GIBBONS: Is there anything else you want to say about the Ministry generally?

TROTT: No, except that I'd like to see it not so much expand in numbers but I'd like to see it get more away from representational work and get further into policy. That is my personal view and many people would not agree. It is a fact that Ministers of the day are more immediately concerned with representational work because that's where the votes are. If people are unhappy about the administration of transport and make representations about it, if they don't get results they tend not to like the government of the day and that might be reflected in their voting. Ministers are very aware of that and you can't expect any Minister to accept long-term policy at the expense of this image-maintaining work. I personally would like to see the departments becoming much more alive to the importance of representational work to enable us to get more into the co-ordinative/policy-type role. I think in the long term this would have major benefits for transport. I'm trying very hard to
get the departments to operate that way but while they draft letters for us in response to representations — or we decide what we want, if someone writes in about something or makes a major representation we decide how that's to be processed, either by calling for a report or asking for a draft letter — we find in the draft letters coming back some of the departments talking about departmental policy, the Commissioner feels this or the Commissioner feels that, but it's the Minister who matters. What the Commissioner feels might not be what the Minister wants, we frequently find this. The fellows here are in close touch with the Minister, they attend him in deputation and so on and know how he feels. The senior fellows are in a position to advise him on representational matters. For instance one of my senior men has become an expert on traffic arrangements in the Rockdale area because of the representations that arose and he knows exactly how the Minister feels, and in fact the Minister has been influenced by some of the things this fellow has put to him. We do have case work of this type arising in the Ministry and this is a good thing.

GIBBONS: Dealing with URTAC now, the first question is why was CUMTAC replaced with URTAC?

TROTT: There were a number of reasons, some superficial, some deep-seated, I had a lot to do with this change. First, it struck me as being incongruous, or at least untidy, for an organisation called CUMTAC, the County of Cumberland Passenger Transport Advisory Committee, to be sponsoring a study covering the Sydney Area, which was the area of the Sydney Region Outline Plan, which was partly beyond the area of influence of CUMTAC. I also felt that an urban advisory committee of that kind should get into other urban areas, Newcastle and Wollongong and the growth centres. It was a result of this feeling, after Neal McCusker retired, that I set about trying to influence my fellow members to change. I was then not the Chairman. I went around to see them. There were two things I attempted to get done, to get the change in name and function, and also to get the President of the Maritime Services Board on. That in fact happened. I got agreement, I didn't have any trouble at all. The actual name URTAC emerged from a discussion I had with Russell Thomas, the then Commissioner of Main Roads. I suggested something that he didn't like and then he came up with URTAC and we grabbed hold of this and that's how we changed the title. In summary the title didn't cover something we were doing and we wanted to get into other areas.

GIBBONS: How would you assess the working of URTAC in contrast to the working of CUMTAC?

TROTT: I think URTAC's better but it's probably better because CUMTAC existed. I think this group of senior people coming together has grown in that their relationship has matured. They've come to work better as a group. It hasn't been easy. You'd think on the one hand that here's a group of the most senior people in transport meeting, they must be able to come up with something. On the other hand it's very difficult to do that because you've got each department with its own area of responsibility, and each one is a major undertaking in itself, obviously they would regard their own organisations as more important than URTAC. They're not out to be putting things on the agenda of URTAC which is something they feel is their own concern. This is why there were some problems in the early days. I think also that the early CUMTAC was under the Chairmanship of the Commissioner for Railways, a respected and competent man, but having been given the job as chairman he naturally looked to his own people to service the organisation, Keith King was appointed as the Executive Secretary. The matters that emerged for discussion were often operational re traffic and the railways and the agenda was controlled by people you wouldn't expect to have a broader knowledge of what's going on in transport. When the chairmanship of URTAC came here, or even before then because the executive functions came here before I became Chairman,
the type of matter considered changed perceptibly and I think changed for the better. The matters that are now considered are of much more significance than they used to be so I think it is a much better organisation. It's accepted by its members and it's helped us enormously in my view in our day-to-day relationship on other matters. The contact is excellent. The practice these days is to have lunch after URTAG meetings and all sorts of problems are resolved as a result of that contact and the camaraderie that builds up as a result.

GIBBONS: There is something connected with URTAC, the Transport Development Committee. What happened to that?

TROTT: It's moribund because it was only set up to meet the terms of the agreement with the Commonwealth for the Urban Public Transport Improvement Programme (UPTIP). The Commonwealth was seeking to get onto URTAC and have a large slice of the action on urban transport policy. In fact they only kicked the tin for quite a small amount. It was a device that they agreed to to enable the agreement to proceed. They would have liked to have got onto URTAC. You've raised a very important point, I would think that for the next assistance period they'll be screwing us to get onto URTAC or at least have a better organisation than the Transport Development Committee. That was set up under the Chairmanship of the Chief Commissioner, he's the chairman ex officio, and they've only met about three or four times and they're not very happy about that. It was a device and we're using it as little as we can.

GIBBONS: As a matter connected with the way URTAC members meet and discuss things, do you think that individual organisations, with their own goals and specific tasks, tend to develop individual orientations which they like to protect, and protect their independence?

TROTT: Yes, that's natural.

GIBBONS: Firstly, has this ever been a major problem, and secondly are the obvious conflicts that arise indicative of less obvious differences of orientation that might affect administration continuously?

TROTT: It's a bit hard to answer because this conflict is not overt. I think probably each member goes back from a meeting of URTAC and he might very well say on occasions I've got to watch this mob, I'll have to watch this Trott, he's trying to get into our affairs too far. That's a very natural reaction but having said that, on matters where URTAC can be of assistance to the organisation or if there's a clear request from the Government for URTAC to do something, we seem to rise to the occasion. The best illustration I can recall of this "rising to the occasion" deals with the D.M.R. The road policy that emerged from the URTAC investigation which led to the URTAC Report was very much influenced by the D.M.R. attitude. The D.M.R. realised when URTAC was asked to undertake this task that it would have to cut the suit to the cloth, they realised that roads were not all. Other URTAC members would ask the Commissioner, what chance have you got of undertaking your current road programme with the money you're likely to get? The D.M.R. responded magnificently to this concept. The $40 million road programme which was put into the Report was substantially the D.M.R. programme. They responded to this feeling of URTAC. They would have had to have done something like this anyway, I would think.

GIBBONS: They were protecting themselves.

TROTT: Yes. There were amendments to their proposals but substan­tially the road programme was worked up by the D.M.R. after discussion with URTAC. The point is that it was in the Department's interest as well as URTAC's to undertake that exercise.
GIBBONS: What was the role of the Ministry and secondly the Treasury in developing the URTAG Report?

TROTT: The Report was prepared this way: we discussed the problem in general terms, we called for submissions from the organisations, we evolved a philosophy, we refined some of the ideas that were put up by the departments, then the actual drafting, the presentation, was done here in the Ministry. Gordon Messiter had a lot to do with it, I had a great deal to do with it personally and so did Bill Henry, the Treasury head. We had our differences, again presentation was terribly important — you'd know that yourself from your university assignments, unless you present the job properly you can fail in your work. We had something that had to be sold properly, this was very much a Ministry affair, Gordon Messiter and me. Bill Henry made a major contribution to the introductory sections but working mainly on the presentation of ideas that had emerged.

GIBBONS: What was the stimulus for URTAG? I know the general background but what specifically came up? What did the government tell URTAG?

TROTT: It's a long story and perhaps I'd better tell it to you. Wal Fife was the Minister at the time, when the government felt the need to develop an urban transport policy. He called me in one day and said we haven't got an urban transport policy. I said, well if you put it like that, you haven't really I suppose, these are the things you're doing...He said that's not good enough, we have to draw it all together. He asked how could we do this and I said URTAG's the body to do it for you and he said that that's alright. He then organised a meeting with Sir John Fuller, the Minister for Planning and Environment, and Wal Fife and I and Bill Henry (who incidentally happened to come in on the meeting) met with people from Planning and Environment. It was agreed that URTAG should be the body to undertake the review but it was suggested that URTAG might not be the right body to draw up the terms of reference or specification for the study. This was done — it was like a building specification — by the Planning and Environment Commission. This was totally unacceptable to Bill Henry on the score that URTAG was trying to get into far too much. So one weekend, realising that I had no hope of getting this thing off the deck unless we brought the charter within manageable bounds, it occurred to me that we should look into urban road construction, traffic management and railway civil engineering works. Bill Henry agreed to that and we drew up a charter, put it up to Cabinet and we started on our reports. When we got under way we took a little licence with our charter, we went beyond the charter. All the way through we had some difficulties, I got a little resistance from Treasury on this, I think they feared quite understandably that we would come up with something that would cost them more money — they just didn't have that sort of money. Very well, transport might need more money but so do lots of other areas. I had this sort of problem but I must say that at the eleventh hour I had tremendous assistance from the Treasury blokes, both from the permanent head and his deputy.

GIBBONS: You say the P.E.G. actually wanted you to do more?

TROTT: Yes, get into a lot more.

GIBBONS: I've had no information on this but I would expect the P.E.G. to have a funny relationship with URTAG because URTAG doesn't have any statutory power over land use and they do have. To what extent are they willing to delegate policy decision-making to URTAG?

TROTT: They've been very good and co-operative so far. There was a move at one time by the State Planning Authority, when the Government of the day was looking at planning organisation, to absorb URTAG into the S.P.A. I was engaged in talks with the two Ministers, Mr Morton and Mr Morris, and that didn't happen.
There's a move now to try to get more and more into transport but I would resist that and so would the Transport Minister of the day.

GIBBONS: Do you have much contact with the P.E.C.'s own system of committees?

TROTT: Not a great deal. I was ex officio a member of the S.P.A. for some time but all that has changed now. We have quite a close relationship with the P.E.C., mainly through URTAC, one of the Commissioners is on a sub-committee of URTAC, they're very much concerned with the corridor review and we work closely with them on that. The P.E.C. is the prime mover in the airport study that is going on at the moment, we're working very closely with them on that, there are about seven working committees and we're on quite a number of those. Other members of URTAC are also on these. So there is quite a close relationship, particularly in the transport areas, we don't get involved in statutory planning or anything like that unless it's of particular concern to us.

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GIBBONS: There was a logic behind them. You'd better draw your own conclusions from that.

GIBBONS: Looking in from the outside it would seem to me that changes in the role of URTAG, the formation of the P.T.C. and later the Traffic Authority, the absorption of ferries into the governmental system (which was ad hoc), and the inclusion of Highways in the Transport ministry have all moved the transport administrative system in the same direction, that is towards closer co-ordination. Were these steps purely ad hoc and fortuitous or was there a logic behind them, a plan to improve co-ordination?

TROTT: There was a logic behind them. You'd better draw your own conclusions from that.

GIBBONS: What role did you have in those changes?

TROTT: Quite a significant role.

GIBBONS: I can understand that you can't really talk about it. Apart from the present Government's use of the Resources Committee, have you had much contact in the past with Cabinet committees?

TROTT: Yes, quite a bit, in the transport area. The former Government used the sub-committee mechanism quite a bit and I usually attended those that were formed in transport, I served the Minister in the same way as any executive officer. Sometimes if the Cabinet sub-committee dragged on one of the officers of the Ministry might have become executive officer. Since I've become Under Secretary, and even before my time with Eric Holt, we served the sub-committees in the same way. He in his own way had considerable influence on transport policy, particularly in his later days. I think he started the impetus of the Ministry and then I moved in and built on that.

GIBBONS: Looking back over the years, have many important decisions been made in Cabinet sub-committees as opposed to in Cabinet or by the Minister?

TROTT: My experience with the Liberal-Country Party Government was that they took a lot of notice of the Minister who had the prime responsibility. I can't recall a conflict with the minister of the day, they seemed to help him. This was not necessarily so all the time, sometimes I'm sure there were differences of opinion in Cabinet. The Labor Government is working its Cabinet sub-committee machinery a bit differently. They have officers attending sometimes, sometimes they just meet on their own, on more occasions than not officers have been asked to leave before the meeting finished. This didn't happen before with the Liberals but I think it was only a matter of personal style. There was more frank and open exchange with officers with the Liberals.

GIBBONS: What specific circumstances led the Askin Government to think that a major administrative reform, in the shape of the
P.T.C., was necessary?

TROTT: The notion to do something had been around for some time, everyone concerned with transport felt that something had to be done. There was general talk about getting back to a transport and highways organisation. The Liberal Government wasn't too happy with that, they felt it would be too unwieldy. The impetus — I keep talking about myself but after all it is my job — I had a talk to Milton Morris one day and I reminded him that Neal McUsker was turning 65 in October 1972; that Stan Berry, a man I had a lot of respect for, was 62; Dave Colman, the Commissioner of Motor Transport, was about to retire. I said you might be able to do something with that, if you don't have to await people reaching retirement age it's a lot easier for you to get something done. Mr Morris grabbed this concept and we worried around the problem. He asked me to work something out and I came up with a proposal for a British-type system where you have an urban authority covering all forms of transport and a country authority looking after the country rail. The Treasury fellows weren't happy about that; the Treasury fellows weren't happy about having a P.T.C., they weren't unhappy with the existing organisations. Anyway a Cabinet sub-committee was set up after we sent a minute from the Ministry explaining these facts. The sub-committee was given a number of tasks and the P.T.C. emerged from its deliberations. I think I told you once before that we actually recommended to Cabinet the establishment of a Public Transport Corporation but Mr Askin himself changed the title to Commission. It was a great idea but had disastrous results in the first few years, but with the new Chief Commissioner it has a really good chance of working now. I still personally favour — I've said this many times and everyone knows it — a separate urban authority to run all publicly-owned urban transport and have a separate organisation to run the rest of the railways.

GIBBONS: That's what I was getting at when I asked you those questions with Mr Cox, apart from other things.

TROTT: It's no secret, that's my strong view. Alan Reiher feels that there's some merit in it and he's working towards something like that within the P.T.C. structure, where he'd have separate operating arrangements for the urban area. That doesn't obtain now, surprisingly enough.

GIBBONS: Milton Morris said that that might lead to political problems if you find the country passenger services losing more than the urban passenger services.

TROTT: That could be so, the Treasury men don't like that sort of thing for the same reason as Milton Morris, they might have to put more money into the total system.

GIBBONS: Would you like to say something about the difficulties the Government had in finding the Public Transport Commissioners?

TROTT: You mean when it was first set up? Obviously these are very big jobs and you've got to pick the right people. The Liberals decided to employ consultants, W.D. Scott & Co., I had a lot of liaison with the consultants as you'd expect. The consultants were saying things like the salaries are too low, can you jack them up, in advertisements — did we want to advertise in Australia only or did we want to go abroad? (The decision was taken to advertise in Australia first and later on it was decided to try abroad.) Eventually after interviewing a number of people and responding to advertisement and invitation, the consultants came up with a list of names. This list was processed through to a Cabinet sub-committee which made a decision — I can't tell you what it was — while Milton Morris was away and he wasn't happy with it. Then the transport administration was given the task of finding a Chief Commissioner. Old Sir Walter Scott was asked by Milton Morris to find someone overseas if necessary and Philip Shirley emerged from that. I think I might have told you how he came out here to be
seen, how we kept him under wraps while I was dealing with him very personally over a long period of time. He came out to see and be seen; I was asked by Milton Morris to set up a luncheon with the sub-committee and Sir Charles Cutler — I don't know how he came into it but I suppose they wanted to influence him to get moving and get a decision taken. We had lunch on one day, I think it was a Wednesday, and that afternoon Sir Charles Cutler persuaded the Premier to call a special Cabinet meeting and they selected the three full-time Commissioners and subsequently those Commissioners were consulted as to the part-time membership. As a matter of fact Phil Shirley and I again in great secrecy had lunch with Barry Unsworth in some obscure restaurant in the Eastern Suburbs to do a deal with Barry to join the Commission. Reg Watson, the other part-time Commissioner, was suggested to us by Scott's, Philip Shirley and I met him and had dinner with him one night and he agreed to serve.

When Philip Shirley retired the same process with a different firm was adopted for getting a new Chief Commissioner. I had quite a bit to do with the consultants but on this occasion at a particular point I was chopped off from further involvement. I don't quite know why that was, it was a decision of the Minister, Tim Bruxner. It could have been for a number of reasons: I'm pretty close to Josh Trimmer as a friend, I don't always agree with him but I'm pretty friendly with him and probably to save him and me further embarrassment I was eased out. Alan Reiher I think emerged not through the consultants but from another source. You'll find on both occasions we had the consultants and other people working.

GIBBONS: Mr McCusker made some comments about the Sydney Area Transportation Study. If you remember he said that after he retired URTAC didn't supervise SATS closely enough. Would you agree with that?

TROTT: No, I wouldn't agree.

GIBBONS: Regarding the influence of the D.M.R. on the final Report, which is seen in the recommendations, was this a reflection of the constraints on the Study rather than the direct influence of the Department?

TROTT: The constraints of the Study. I think Bob was asked to feed in the existing road planning. The only thing he went against was the Eastern Distributor, but it was part of his charter — here's the road system, put it in.

GIBBONS: Did the other URTAC members beside the D.M.R. have any worries about that?

TROTT: No, not at the time. Roads didn't seem to be an issue, it wasn't until the change of government at the Federal level that people started to focus on so-called urban freeways. It just wasn't an issue — sure, people could see that there wasn't much money about and people were thinking that perhaps more money should go into public transport, but there wasn't pressure to divert money from roads to public transport. People still then tended to regard the financing of roads and public transport as separate exercises. The roads people are still unhappy of course about any attempt to get an allocation of money for transport and then have someone say: out of this, that much for roads, that much for railways. But that's the way we seem to be going, federally anyway.

GIBBONS: What effect has SATS had since it was submitted to the government?

TROTT: SATS was never formally adopted by the government. It's used by URTAC as a basic first reference for on-going studies. The SATS study was perhaps the last of its kind, the grand transport study, I don't think we'll see those again, not so much because
there's anything wrong with the people who did it, the task was a bit unreal. But having said that I'd like to qualify it, I think it's always advisable and handy to have an overall plan to which you can work, on which you can fall back on and reject bits of. It's better than having nothing. Transport planning is now much narrower in horizon than it was; SATS was for the turn of the century, transport planners the world over don't look so far ahead. So it was quite useful in some aspects but it was a bit unreal.

Another disadvantage Bob Nielsen was working under, although he didn't realise it at the time, was that the figures that he was using were wrong. It wasn't his fault, the population figures in particular were out; it wasn't until the so-called Borrie Report emerged that we realised how far out they were. Consequently much of the SATS Report was useless on that score.

GIBBONS: Was that part of the point for Jerry Arndt of De Leuw, Cather's report on Parramatta?

TROTT: No, they were brought in under a Commonwealth initiative; Whitlam made overtures to us as you know to build a railway radiating out of Parramatta — we give you the money and you operate it.

GIBBONS: However much of Arndt's work was demographic, all those technical bulletins and so on.

TROTT: Yes, that was a major part of their work.

GIBBONS: Do you feel that UTS has been able to realise the full potential of having an on-going transport study building on SATS?

TROTT: No. UTS has been pulled off jobs to do ad hoc studies too often to realise its full potential, but the Group has nonetheless been of great benefit to the government.

GIBBONS: What benefits have CUMTAC and URTAC gained from having the Treasury on them?

TROTT: Considerable benefits. The Treasury head and all Treasury people have a pulling-you-down-to-earth role. At the same time it is greatly important for the transport administration, and every other administration, to have the Treasury aware of what its problems and proposals are. Apart from that Treasury heads tend to be very bright people and they can make a personal contribution; this in fact has happened with every Treasury head who has been on the committees. The Treasury fellows are exposed to the whole spectrum of government administration, finance impinges on every aspect and they acquire a very useful background of knowledge beyond finance. I can see URTAC functioning without Treasury representation but it would be a much less effective organisation.
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